



## ADDENDUM TO DRAFT RED HERRING PROSPECTUS DATED DECEMBER 27, 2025



**PAPADMALJI AGRO FOODS LIMITED**  
(Formerly known as Papadmalji Agro Foods Private Limited)  
CORPORATE IDENTITY NUMBER: U15119RJ2017PLC059795

Our Company was incorporated under the name and style of 'Papadmalji Agro Foods Private Limited', a private limited company under the Companies Act, 2013, pursuant to a certificate of incorporation dated December 19, 2017 issued by the, Registrar of Companies, Central Registration Centre. Subsequently, pursuant to a resolution passed by our Board of Directors in their meeting held on October 15, 2024 and by our Shareholders in an Extraordinary General Meeting held on November 18, 2024, our Company was converted into a public limited company, consequently our name was changed to 'Papadmalji Agro Foods Limited' and a fresh certificate of incorporation dated January 28, 2025 was issued by the Assistant Registrar of Companies/ Deputy Registrar of Companies/Registrar of Companies, Central Processing Centre. The corporate identification number of our Company is U15119RJ2017PLC059795.

**Registered Office:** Opp. Manav Bharti School, Garsisar, Bikaner, Rajasthan, India - 334001; **Tel:** +91 7300071153; **Website:** [www.papadmalji.com](http://www.papadmalji.com);

**Contact Person:** Ms. Khushboo Tak Singhal, Company Secretary and Compliance Officer; **E-mail:** [cs@papadmalji.com](mailto:cs@papadmalji.com);

**Corporate Identity Number:** U15119RJ2017PLC059795

**PROMOTERS OF OUR COMPANY: MR. JAI AGARWAL, MRS. PREMLATA AGARWAL AND MS AANYA AGARWAL**

### DETAILS OF THE OFFER

INITIAL PUBLIC OFFER OF UPTO 28,48,800 EQUITY SHARES OF FACE VALUE OF ₹ 10/- EACH ("EQUITY SHARES") OF PAPADMALJI AGRO FOODS LIMITED ("OUR COMPANY") FOR CASH AT A PRICE OF ₹ [●] PER EQUITY SHARE (INCLUDING SHARE PREMIUM OF ₹ [●] PER EQUITY SHARE) ("OFFER PRICE"), AGGREGATING UP TO ₹ [●] LAKHS COMPRISING A FRESH ISSUE OF UPTO 25,74,000 EQUITY SHARES AGGREGATING UP TO ₹ [●] LAKHS BY OUR COMPANY (THE "FRESH OFFER") AND AN OFFER FOR SALE OF UPTO 2,74,800 EQUITY SHARES AGGREGATING UP TO ₹ [●] LAKHS BY INDIA CUSTOMER INSIGHT FUND (THE "SELLING SHAREHOLDER" OR THE "INVESTOR SELLING SHAREHOLDER") (THE "OFFERED SHARES") (THE "OFFER FOR SALE" AND TOGETHER WITH THE FRESH ISSUE, THE "OFFER") OF WHICH UPTO [●] EQUITY SHARES AGGREGATING TO ₹ [●] LAKHS WILL BE RESERVED FOR SUBSCRIPTION BY THE MARKET MAKER TO THE OFFER (THE "MARKET MAKER RESERVATION PORTION"). THE OFFER LESS MARKET MAKER RESERVATION PORTION I.E. NET OFFER OF UPTO [●] EQUITY SHARES AT AN OFFER PRICE OF ₹ [●] PER EQUITY SHARE AGGREGATING UP TO ₹ [●] LAKHS IS HEREINAFTER REFERRED TO AS THE "NET OFFER". THE OFFER AND NET OFFER WILL CONSTITUTE [●] % AND [●] %, RESPECTIVELY OF THE POST- OFFER PAID-UP EQUITY SHARE CAPITAL OF OUR COMPANY.

THE FACE VALUE OF EQUITY SHARES IS ₹ 10/- EACH. THE OFFER PRICE IS [●] TIMES THE FACE VALUE OF THE EQUITY SHARES. THE PRICE BAND AND THE MINIMUM BID LOT WILL BE DECIDED BY OUR COMPANY IN CONSULTATION WITH THE BOOK RUNNING LEAD MANAGER AND WILL BE ADVERTISED IN EDITIONS OF [●] (A WIDELY CIRCULATED ENGLISH NATIONAL DAILY NEWSPAPER) AND [●] EDITIONS OF [●] (A WIDELY CIRCULATED HINDI NATIONAL DAILY NEWSPAPER, HINDI ALSO BEING THE REGIONAL LANGUAGE OF RAJASTHAN WHERE OUR REGISTERED OFFICE IS LOCATED), AT LEAST TWO WORKING DAYS PRIOR TO THE BID/OFFER OPENING DATE AND SHALL BE MADE AVAILABLE TO THE EMERGE PLATFORM OF THE NATIONAL STOCK EXCHANGE OF INDIA LIMITED ("NSE EMERGE") FOR THE PURPOSES OF UPLOADING ON ITS WEBSITE IN ACCORDANCE WITH SECURITIES AND EXCHANGE BOARD OF INDIA (ISSUE OF CAPITAL AND DISCLOSURE REQUIREMENTS) REGULATIONS, 2018, AS AMENDED (THE "SEBI ICDR REGULATIONS").

### Potential investor may note the following:

1. Cover Page and Inside cover page has been updated on Page 4 of this addendum with Promoter name and footnote updated with correct name of the Company.
2. The Chapter titled "Definitions and Abbreviations" have been updated on Page 5 of this addendum with definition of our Promoters, Promoter Group, Individual Bidder(s) or Individual Investor(s), Non-Institutional Investors / Applicant / Bidder, ROCE, PAFL, Kw, EC Act.
3. The Chapter titled "Offer Document Summary" have been updated on Page 6 of this addendum with Promoter name, their pre-offer shareholding, summary of outstanding litigations, Summary of Related Party transactions, financial arrangements, Weighted Average Price of the Equity Shares acquired by our Promoters, Average Cost of Acquisition of Equity Shares for Promoters.

4. The Chapter titled “Risk Factors” have been updated on Page 12 of this addendum with modifications of few risks, additions of new risks and shifting of few risks.
5. The Chapter titled “General Information” have been updated on Page 42 of this addendum with details of Chief Financial Officer, Company Secretary and Compliance Officer, Changes in Auditors during the last three years
6. The Chapter titled “Capital Structure” have been updated on Page 44 of this addendum with History of Equity Share Capital held by our Promoters, Build-up of our Promoter’s Equity shareholding in our Company, Details of Minimum Promoters’ Contribution and Lock-in, Other lock-in requirements, details of the holding of securities (including shares, warrants, convertible securities) of persons belonging to the category “Promoters”, “Promoters’ Group” and “Public” before and after the Offer, average cost of acquisition of or subscription to Equity Shares by our Promoters and Investor Selling Shareholder, bonus ratio, confirmation w.r.t. Regulation 230 (1) (d) of the SEBI (ICDR) Regulations and other confirmations.
7. The Chapter titled “Objects of the Offer” have been updated on Page 51 of this addendum with Land details, New Building Infrastructure - construction of a dedicated manufacturing facility at its Bachhasar location, Purchase of Rice Papad (Khichiya) making Machinery and Packaging Machinery, Setting up and installation of 250 kW Rooftop Solar Power System, Government and Statutory Approvals, Raw Material Sourcing– R i c e P a p a d ( Khichiya), Advantages of the New Bachhasar Manufacturing Unit, Installation of 125kW Rooftop Solar Power System at existing Garsisar Unit, Bikaner, Funding the capital expenditure towards construction of building, mechanical and electrical works and procurement of plant and machinery and installation of Rooftop Solar for setting up a new manufacturing facility at Bachhasar, Bikaner, Funding incremental working capital requirements of our Company, Prepayment or repayment of all or a portion of Certain Debt Facilities availed by our Company, the Processing fees for applications made by UPI Bidders using the UPI Mechanism and other confirmations.
8. The Chapter titled “Basis of Offer Price” have been updated on Page 73 of this addendum with KPIs of the Company and qualitative factors.
9. The Chapter titled “Industry Overview” have been updated on Page 80 of this addendum to delete in their entirety the sections (i) Global Growth Projections; (ii) Outlook for South Asia; (iii) Indian Economy Overview; and (iv) Indian Economy Outlook. Further, the chapter has also been updated to delete the pointer titled “Overview of recent growth in the food processing sector” appearing under the paragraph “Current growth trends in India’s food processing industry,” forming part of the section “THE FUTURE OF FOOD PROCESSING IN INDIA: GROWTH, OPPORTUNITIES AND CHALLENGES”
10. The Chapter titled “Our business” have been updated on Page 93 of this addendum with modification in the Sections (1) Overview; (2) Key Performance Indicators; (3) Our Values; (4) Our Vision and Mission; (5) Product Overview; (6) Revenue Bifurcation – Brand wise Revenue Bifurcation; (7) Our Competitive Strengths; (8) Our Business Strategies – “Establishment of new Manufacturing Unit at Bachhasar, Rajasthan and Rationalization of Manufacturing Operations” and “Maintaining cordial relationships with our suppliers and customers”; (9) Our Manufacturing Process – diagram depicting the flow of manufacturing operations of Handmade Papads (including the second paragraph of Bata-Batari Model), Machine Made Papads, Rice Papads (Khichiya) and Vrat Special Papads together with Step 1 of the respective manufacturing processes and the Flow of manufacturing operations of Moongodi; (10) Our Locational Presence (3<sup>rd</sup> paragraph); (11) Installed Capacity, Actual Production and Capacity Utilisation – Karni Unit; (12) SWOT Analysis; (13) Procurement of Raw Materials and Packaging Materials – Insertion of table disclosing “*state-wise value of procurement of raw materials during the three months ended June 30, 2025 and for the financial years ended March 31, 2025, March 31, 2024 and March 31, 2023*”; (14) Second paragraph of Environment, Health and Safety; (15) Sales & Marketing (First and Second paragraph) ; (16) Our Properties; and (17) Intellectual Property and other confirmations. Further, the chapter has also been updated to include Section “Onboarding Process of Distributors and Vendors” and deletion of Sections “Our Journey” and “Awards, Recognitions and Accreditations”.
11. The Chapter titled “Key Industrial Regulations And Policies” have been updated on Page 133 of this addendum with The Essential Commodities Act, 1955.
12. The Chapter titled “History and Certain Corporate matters” have been updated on Page 134 of this addendum with details of Promoters, updations pursuant to shareholders’ agreement and waiver agreement, Agreements with key managerial personnel or a Directors or Promoters or Senior Management any other employee of the Company, Details of Agreements required to be disclosed under Clause 5A of paragraph A of part A of Schedule III of SEBI Listing Regulations and other confirmations.
13. The Chapter titled “Our Management” have been updated on Page 136 of this addendum with Reason for change in directors, narrative description of the Board composition, Management Organization Structure and other confirmations.
14. The Chapter titled “Our Promoters and Promoter Group” have been updated on Page 138 of this addendum with details of new promoter – Aanya Agarwal, Interests of Promoters, Common Pursuits of our Promoters, Interest in property, land, construction of building and supply of machinery, Payment or benefits to Promoter or Promoter Group, Experience of our Promoters in the business of our Company, Companies or firms with which our Promoters have disassociated in the last three years, Material guarantees, Promoter Group, entities forming part of Promoter Group and other confirmations.
15. The Chapter titled “Our Group Companies” have been updated on Page 146 of this addendum with clarification that our Company does not have any Subsidiaries Companies but does have Group Company.
16. The Chapter titled “Restated Financial Information” have been updated on Page 147 of this addendum with Statement of Mandatory Accounting Ratios, Related Party Transactions To Include Business Purpose And Annual Interest For Borrowing, Nature Of Expenses Reimbursed To Mr. Jai Agarwal and Mrs. Premalata Agarwal.
17. The Chapter titled “Financial Indebtedness” have been updated on Page 148 of this addendum with balances as at December 31, 2025.
18. The Chapter titled “Management’s Discussion And Analysis Of Financial Position And Results Of Operations” have been updated on Page 152 of this addendum with KPIs of our Company, Review Of Restated Financials, Performance of White Labelling Business Segment, PAT margin justification for Fiscal 2023, 2024, 2025 and stub period June 2025 and Solvency risk.
19. The Chapter titled “Outstanding Litigation And Material Developments” have been updated on Page 180 of this addendum with litigation involving our promoters, tax proceedings, Past Inquiries and inspections, disclosure relating to Wilful Defaulter and fraudulent Borrowers.

20. The Chapter titled “Government Approvals” have been updated on Page 182 of this addendum with details of factory license, FSSAI License and Legal Metrology certificate.
21. The Chapter titled “Other Regulatory And Statutory Disclosures” have been updated on Page 183 of this addendum with date of Incorporation, confirmation w.r.t. Regulation 230 (1) (d) of the SEBI (ICDR) Regulations, Prohibition by SEBI, RBI or other Governmental Authorities, Confirmation under Companies (Significant Beneficial Owners) Rules, 2018, Non- appearance in the list of companies struck off by the Ministry of Corporate Affairs, Eligibility for the Offer, Other Listing Conditions, disclosures, other listing requirement and consent.
22. The Chapter titled “Offer Procedure” have been updated on Page 186 of this addendum with details of Minimum application size.
23. The Chapter titled “Material Contracts and Documents” have been updated on Page 187 of this addendum with inclusions of Waiver-cum-amendment agreement have been executed dated February 16, 2026, Certificates obtained from statutory auditor.

**General:**

Correct name of Director & Promoter, Independent Chartered Engineer, Entities have been updated on Page 188 of this addendum at all the relevant places. 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 Exchange. All capitalised terms used in this Addendum shall, unless the context otherwise requires, have the meaning ascribed to them in the Draft Red Herring Prospectus.



**Dated: 28.03.2026**

**Place: Bikaner**

On behalf of **Papadmalji Agro Foods Limited**

Sd/-

**Mrs. Khushboo Tak Singhal,**  
**Papadmalji Agro Foods Limited**  
**Company Secretary and Compliance Officer**

BOOK RUNNING LEAD MANAGER	REGISTRAR TO THE OFFER
 <p><b>Kreo Capital Private Limited</b>  Registered Office: 2<sup>nd</sup> Floor, VCA Complex, Near Gate No. 08, Civil Lines, Sadar Bazar, Nagpur – 440001, Maharashtra, India  <b>Telephone:</b> +91 0712-2997550/ 0712-2997551  <b>E-mail:</b> publicissue@kreocapital.com  <b>Website:</b> <a href="http://www.kreocapital.com">www.kreocapital.com</a>  <b>Investor Grievance Email ID:</b> <a href="mailto:office@kreocapital.com">office@kreocapital.com</a>  <b>SEBI Registration Number:</b> INM000012689  <b>Contact Person:</b> Mr. Ayush Parakh</p>	 <p><b>MAS Services Limited</b>  T-34, 2<sup>nd</sup> Floor, Okhla Industrial Area, Phase – II, New Delhi – 110 020, India.  <b>Tel:</b> 011 2638 7281-83, 011 4132 0335  <b>Email:</b> ipo@masserv.com  <b>Website:</b> <a href="http://www.masserv.com">www.masserv.com</a>  <b>Investor Grievance Email ID:</b> investor@masserv.com  <b>SEBI registration number:</b> INR000000049  <b>Contact Person:</b> Mr. N. C. Pal</p>

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**COVER PAGE AND INSIDE COVER PAGE**

**PROMOTERS OF OUR COMPANY: MR. JAI AGARWAL, MRS. PREMLATA AGARWAL AND MS. AANYA AGARWAL**

**Revised footnote on Page 3:**

\*Company passed Special resolution for the Conversion of Company from Private Limited to Public Limited and consequent change in name From **Papadmalji Agro Foods Private Limited** to Papadmalji Agro Foods Limited in its EGM held on 18.11.2024 (replacing existing article of association.)

**SECTION I – GENERAL**  
**DEFINITIONS AND ABBREVIATIONS**

**GENERAL AND COMPANY RELATED TERMS**

<b>Term</b>	<b>Description</b>
Our Promoters	Jai Agarwal, Prem Lata Agarwal and Aanya Agarwal are the promoters of our Company. For further details, please see the section entitled “ <i>Our Promoters and Promoter Group</i> ” of this Draft Red Herring Prospectus.
Promoter Group	Companies, individuals and entities (other than companies) as defined under Regulation 2(1)(pp) of the SEBI (ICDR) Regulations, 2018 which is provided in the chapter titled “ <i>Our Promoters and Promoter Group</i> ” of this Draft Red Herring Prospectus.

**OFFER RELATED TERMS**

<b>Term</b>	<b>Description</b>
<b>Individual Bidder(s) or Individual Investor(s) or II(s) or IB(s)</b>	Investors applying for Minimum application size which shall be two lots per application, such that the minimum application size shall be above ₹ 2 lakhs (including HUFs applying through their Karta) and Eligible NRIs.
<b>Non-Institutional Investors / Applicant / Bidder</b>	All Bidders including FPIs that are not QIBs or IBs and who have Bid for Equity Shares, for more than two lots (but not including NRIs other than Eligible NRIs).

**CONVENTIONAL AND GENERAL TERMS / ABBREVIATIONS**

<b>Term</b>	<b>Description</b>
ROCE	Return on Capital Employed
PAFL	Papadmalji Agro Foods Limited
kW	Kilowatt
EC Act	The Essential Commodities Act, 1955

The definition of “Companies Act” mentioned in page 6 shall be removed.

## **SECTION II - OFFER DOCUMENT SUMMARY**

### **3. Promoters**

The Promoters of our Company are Jai Agarwal, Prem Lata Agarwal and Aanya Agarwal. For further details, please refer to the chapter titled “*Our Promoters and Promoter Group*” beginning of this Draft Red Herring Prospectus.

### **6. Aggregate Pre-Offer Shareholding of Promoters, Promoter Group and Investor Selling Shareholder as a percentage of our paid-up Equity Share capital**

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

<b>Sr. No.</b>	<b>Category of Shareholders</b>	<b>No. of Equity Shares</b>	<b>% of total Pre-Offer paid up Equity Share capital</b>
<b>Promoters (A)</b>			
1.	Jai Agarwal	36,00,000	52.79
2.	Prem Lata Agarwal	5,58,099	8.18
3.	Aanya Agarwal	900	0.01
	<b>Sub – Total (A)</b>	<b>41,58,999</b>	<b>60.98</b>
<b>Promoter Group (B)</b>			
4.	Rama Devi Agarwal	9	0.00
5.	Rajendra Kumar Agarwal	9	0.00
	<b>Sub – Total (B)</b>	<b>18</b>	<b>0.00</b>
<b>Investor Selling Shareholder (C)</b>			
6.	India Customer Insight Fund (A Trust registered under Indian Trust Act 1882 & and AIF under SEBI)	23,19,588	34.02
	<b>Sub – Total (C)</b>	<b>23,19,588</b>	<b>34.02</b>
	<b>Total Promoters, Promoters’ Group and Investor Selling Shareholder (A+B+C)</b>	<b>64,78,605</b>	<b>95.00</b>

### **7. Aggregate Pre-Offer Shareholding of Promoters, Promoter Group , additional top 10 shareholders:**

The aggregate pre-Offer shareholding of our Promoters, our Promoter Group and the additional top 10 Shareholders as a percentage

of the pre-Offer paid - up Equity Share capital of our Company is set out below:

Sr. No.	Name of Shareholder	Pre-Offer shareholding as at the date of Advertisement		Post-Offer Shareholding at Allotment (3)			
		No. of Equity Shares (2)	% of Pre-Offer Capital (2)	At the lower end of the price band ((₹ ● ))		At the upper end of the price band (₹ ● )	
				No. of Equity Shares(2)	% of Post-Offer Capital*(2)	Number of Equity Shares (2)	Shareholding (in %) (2)
(A) Promoters							
1.	Jai Agarwal	36,00,000	52.79	●	●	●	●
2.	Prem Lata Agarwal	5,58,099	8.18	●	●	●	●
3.	Aanya Agarwal	900	0.01	●	●	●	●
	Sub – Total (A)	41,58,999	60.98	●	●	●	●
(B) Promoters’ Group							
1.	Rama Devi Agarwal(1)	9	0.00	●	●	●	●
2.	Rajendra Kumar Agarwal(1)	9	0.00	●	●	●	●
	Sub – Total (B)	18	0.00	●	●	●	●
(C) Top 10 Shareholder (other than (A) and (B) above)							
1.	India Customer Insight Fund (A Trust registered under Indian Trust Act 1882 & and AIF under SEBI)	23,19,588	34.02	●	●	●	●
2.	Puneet Bothra	3,40,974	5.00	●	●	●	●
3.	Saraswati Agarwal	9	0.00	●	●	●	●
	Sub – Total (C)	26,60,571	39.02	●	●	●	●
	Grand Total (A+B+C)	68,19,588	100.00	●	●	●	●

(1) The Promoter Group shareholder is, Rama Devi Agarwal and Rajendra Kumar Agarwal

(2) The Company has not issued any convertible instruments like warrants, debentures, etc. since its incorporation and there are no convertible instruments as on the date of the Draft Red Herring Prospectus. This includes all exercised options, and any equity share transfers by existing shareholders post the pre-Offer and price band advertisement until the date of Draft Red Herring Prospectus

(3) Based on Offer Price of ₹ [●] and subject to finalization of basis of allotment

## 10. Summary of Outstanding Litigation

A summary of outstanding litigation and proceedings involving our Company, our Promoters, our Directors (other than Promoters), our Key Managerial Personnel & Senior Management Personnel, Subsidiaries and Group Companies as on the date of this Draft Red Herring Prospectus, is provided below:

Name of the Entity	Criminal Proceedings	Tax Proceedings (in ₹ in lakhs )	Statutory or Regulatory Proceeding	Disciplinary actions by the SEBI or Stock Exchanges against our Promoter	Material Civil Litigations*	Aggregate Amount Involved (in ₹ in lakhs )**
<b>Company</b>						
By our Company	-		-	-	-	-
Against our Company	-		-	-	-	276.84
<b>Directors (other than promoters)</b>						
By our Directors (other than promoters)	-		-	-	-	-
Against the Directors (other than promoters)	-		-	-	-	-
<b>Promoters</b>						
By our Promoters	-		-	-	-	-
Against our Promoters	-		-	-	-	-
<b>Key Managerial Personnel &amp; Senior Management Personnel</b>						
By our Key Managerial Personnel & Senior Management Personnel	-		-	-	-	-



Against our Key Managerial Personnel & Senior Management Personnel	-		-	-	-	
<b>Subsidiaries ***</b>						
By our Subsidiaries	-		-	-	-	-
Against our Subsidiaries	-		-	-	-	-
<b>Group Companies</b>						
By our Group Companies	-		-	-	-	-
Against our Group Companies	-		-	-	-	-

\* In accordance with the Materiality Policy.

\*\* To the extent quantifiable.

\*\*\* As on the date of the Draft Red Herring Prospectus, our Company does not have any Subsidiary

### 13. Summary of Related Party Transactions

(Amount in INR Lakhs)

Nature of Transactions	As at 30 June, 2025	% of Revenue	As at 31 March, 2025	% of Revenue	As at 31 March, 2024	% of Revenue	As at 31 March, 2023	% of Revenue
Remuneration Paid	19.00	2.35	60.00	1.89	60.00	2.28	60.00	2.40
Loan Taken	2.00	0.25	458.40	14.44	327.20	12.45	138.50	5.54
Loan repaid	36.44	4.50	672.43	21.18	311.50	11.86	142.23	5.69
Interest paid	0.21	0.03	17.54	0.55	29.43	1.12	26.81	1.07
Purchase of Goods	0.00	0.00	0.00	0.00	0.79	0.03	25.15	1.01
Sale of Goods	14.06	1.74	55.71	1.75	3.62	0.14	142.14	5.69
Rent Paid	0.00	0.00	0.00	0.00	0.00	0.00	0.90	0.04
Reimbursement of Expenses	0.38	0.05	0.00	0.00	2.75	0.10	5.63	0.23
Profit on sale of vehicle	0.00	0.00	0.00	0.00	1.02	0.04	0.00	0.00
Total of Related Party Transactions for the period-	72.09	8.90	1264.08	39.81	736.31	28.03	541.36	21.66

### 14. Financials Arrangements

There are no financing arrangements whereby the Promoters, members of the Promoter Group, the Directors of our Company and their relatives, have financed the purchase by any other person of securities of our Company other than in the normal course of the business of the financing entity during the period of six months immediately preceding the date of this Draft Red Herring Prospectus.

### 15. Weighted Average Price of the Equity Shares acquired by our Promoters and Investor Selling Shareholder in the last one year preceding the date of this Draft Red Herring Prospectus

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

Name of Promoter/ Investor Selling Shareholder	No. of shares acquired in last one year from the date of this Red Herring Prospectus	Weighted Average Price (in ₹)*
<b>Promoter</b>		
Jai Agarwal	32,00,000	NIL
Prem Lata Agarwal	4,96,088	NIL
Aanya Agarwal	800	NIL
<b>Investor Selling Shareholder</b>		
India Customer Insight Fund	20,61,856	NIL

*\*As certified by the Peer Reviewed Statutory Auditor M/s GGPS and Associates, Chartered Accountants, Bikaner vide certificate dated January 30, 2026*

### 16. Average Cost of Acquisition of Equity Shares for Promoters and Investor Selling Shareholder

The average cost of acquisition of or subscription to Equity Shares by our Promoters and Investor Selling Shareholder is set forth in the table below:

Name of Promoter	Category	No. of shares held	Average Cost of Acquisition (in ₹)*
Jai Agarwal	Promoter	36,00,000	1.11
Prem Lata Agarwal	Promoter	5,58,099	1.10
Aanya Agarwal	Promoter	900	9.00
India Customer Insight Fund	Investor Selling Shareholder	23,19,588	43.11

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

*\*As certified by the Peer Reviewed Statutory Auditor M/s GGPS and Associates, Chartered Accountants, Bikaner vide certificate dated January 30, 2026*

## SECTION III – RISK FACTORS

### RISK FACTORS

#### MODIFIED RISK

*RF 1 shall be modified as under:*

**1. Our business is dependent on a limited number of customers, and the loss of one or more significant customers may adversely affect our business, results of operations, and financial condition.**

Our company is engaged in the manufacturing of a wide range of Handmade Papads, Machine-Made Papads, Rice Papads, Vrat Special Papads and Moongodi as well as in the trading of Cereal Pellets. In addition to in-house manufacturing, the Company also undertake white label manufacturing of Handmade Papads for clients, wherein products are produced by the Company and marketed by clients under their respective brand names and packaging, tailored to their target market. The traded products are sourced and marketed under the Company's own brand, complementing its manufacturing operations and providing a diversified revenue stream. There is no guarantee that we will retain the business from our existing key customers or maintain the current level of business with each of these customers. The reliance on a limited number of customers may involve several risks. These risks may include, but are not limited to, reduction, delay or cancellation of orders from our key customers or failure to negotiate favourable terms. Loss of any of these customers will have a material adverse effect on our business, financial condition, results of operations and future prospects, in order to retain some of our existing customers we may also be required to offer better terms to such customers which may place restraints on our resources. Maintaining strong relationships with our key customers is essential to our business and for the growth of our business. Additionally, the loss of any key customer, may significantly affect our revenues, and we may have difficulty securing comparable levels of business from other customers to offset any loss of revenue. If one or more of our customers become insolvent or otherwise unable to pay for the services rendered by us, this could have an impact on our business as we may not be able to recover our costs.

A significant portion of our revenue is derived from a limited number of customers. For the period ended June 30, 2025, and the financial years ended March 31, 2025, 2024, and 2023, revenue from our top 10 customers contributed 73.09%, 69.25%, 69.65%, and 64.32 %, respectively, of our total revenue from operations. Revenue from our top 5 customers accounted for 57.13%, 53.43%, 54.06%, and 48.84%, respectively, and revenue from our top 3 customers accounted for 40.64%, 39.41%, 36.35%, and 32.80 %, respectively and revenue from our largest customer accounted for 18.43 %, 19.84 %, 15.59 %, and 15.82 %, respectively during the same periods. The following is the revenue break up of the top one, top three, top five and top ten customers of our company for the period ended June 30, 2025 and for the financial years ending March 31, 2025, March 31, 2024 and March 31, 2023:

Revenues	For the period ended		Fiscal					
	June 30, 2025		2025		2024		2023	
	Amount (₹ in lacs)	Percentage of Revenue from Operations (%)	Amount (₹ in lacs)	Percentage of Revenue from Operations (%)	Amount (₹ in lacs)	Percentage of Revenue from Operations (%)	Amount (₹ in lacs)	Percentage of Revenue from Operations (%)
Top 1 Customer	149.24	18.43%	629.97	19.84%	409.88	15.59%	395.52	15.82%
Top 3 Customers	329.11	40.64%	1251.51	39.41%	954.90	36.35%	819.66	32.80%
Top 5 Customers	462.65	57.13%	1696.76	53.43%	1420.24	54.06%	1220.49	48.84%
Top 10 Customers	591.89	73.09%	2198.74	69.25%	1829.83	69.65%	1607.58	64.32%

Further, our customers operate in competitive markets and their performance is influenced by consumer demand, pricing pressures, and market conditions. Any adverse developments affecting their business or financial stability may also impact their ability to make timely payments or maintain current levels of procurement. Delays or defaults in payments from such customers could affect our cash flows and working capital cycle. We cannot assure that we will be able to maintain or expand our existing customer base or that our major customers will continue to place orders at historical levels. Any such loss, delay, or reduction in business from key customers could materially and adversely affect our revenue, financial condition, and results of operations. **While we have not experienced any material delays or**

defaults in payments from our customers in the past, there can be no assurance that such instances will not occur in the future, which could adversely affect our cash flows, working capital cycle, and results of operations.

*RF 3 and RF 4 shall be merged as under:*

*Our business requires us to obtain and renew certain registrations, licenses and permits from government and regulatory authorities and the failure to obtain and renew or non-receipt of them in a timely manner may adversely affect our business operations.*

We require several statutory and regulatory permits, licenses, registrations and approvals to operate our business. Some of our permits, licenses and approvals are subject to several conditions and we cannot provide any assurance that we will be able to continuously meet such conditions or be able to prove compliance with such conditions to the statutory authorities, which may lead to the cancellation, revocation or suspension of relevant permits, licenses or approvals in the event of non-compliance or alleged non-compliance with any terms or conditions thereof, or pursuant to any regulatory action may adversely affect our operations and financial strength. While there have been no such instances of any show-cause notices in relation to non-compliance with any permits, licenses, registrations and approvals, we cannot assure you that that we will not receive any such notices in future.

Further, some of these approvals are granted for fixed period and need renewal from time to time. While we typically apply for the renewal of any existing regulatory approvals prior to their expiry dates, any failure to renew the approvals that have expired or apply for and obtain the required approvals, licenses or permits, or any cancellation, suspension or revocation of any of the approvals, licenses, or permits that have been or may be issued to us, may result in the interruption of our operations and may have a material adverse effect on the business and financial condition.

Additionally, we may need to apply for more approvals, licenses, registrations and permits in the future and also at appropriate stages of our business to continue our operations. There can be no assurance that the relevant authorities will issue any of such permits, licenses, registrations and approvals, or renewals thereof in the time-frame anticipated by us or at all. If we fail to comply with the applicable regulations or if the regulations governing our business are amended, or if there is any adverse interpretation of applicable regulations by any judicial, regulatory or administrative authority, we may incur increased costs, be subject to penalties, have our approvals and permits revoked or suffer a disruption in our operations, any of which could adversely affect our business and results of operations. For further details of key regulations applicable to our business and our operations, please see Chapter titled “Key Industry Regulations and Policies” on page 263 of the Draft Red Herring Prospectus

Further, we have applied for the licenses and approvals, details of which have been provided below:

S. No.	Date of Application	Regulatory	Particulars of the application/registration
1.	October 15, 2025	Government of Rajasthan (Legal Metrology) Department	Legal Metrology certificate for our office situated at Opp. Manav Bharti School, Rani Bazar Industrial Area, Bikaner, Rajasthan.
2.	January 19,2026	Government of Rajasthan (Legal Metrology) Department	Legal Metrology certificate for our commercial rented property at H-262, Phase-II, Karni Industrial Area, Bikaner, Rajasthan-334001:

Further, as per the applicable Government Order, Consent to Establish and Consent to Operate are not required for papad units, subject to submission of an intimation by the company. Our Company has made the necessary intimation to the Rajasthan State Pollution Control Board as per the applicable government order.

Our Company is required to obtain certain government approvals. While the Company presently possesses all material approvals as on the date of this DRHP, some approvals that were applicable earlier had not been procured at

that time and are generally obtained as and when the Company becomes aware of such requirements. The Company has not received any notice from any government authority in this regard. However, any delay in obtaining such approvals in the future may adversely affect our business operations.

Our Company is required to obtain certain approvals pertaining to our “Objects of the Offer” for installation of 250 kw rooftop solar power system for setting up a new manufacturing facility at Bachhasar, Bikaner, the details of which are as under:

Sr. No.	Particulars	Concerned Issuing Authority	Tentative obtaining timeline
1	Intimation to Pollution Control Board (Consent to Establish)	Rajasthan State Pollution Control Board	After construction is completed
2	Fire NOC	Local Self Government Department, Government of Rajasthan	After construction is completed
3	Factory License	Factories and Boilers, Jaipur (HQ), Government of Rajasthan	Before operations
4	Food Safety and Standards Authority of India (FSSAI)	Food Safety and Standards Authority of India, Medical, Heath and Family Welfare Department, Government of Rajasthan	Before operations
5	Intimation to Pollution Control Board (Consent to Operate)	Rajasthan State Pollution Control Board	After construction is completed

For further details, please refer to the Chapters titled “Objects of the Offer – Detailed Project Implementation Schedule” and “Government and Other Approvals – Approvals required for the Objects of the Offer” on page no.117, and 376 respectively of the Draft Red Herring Prospectus.

As of the date of this Draft Red Herring Prospectus, we have not yet applied for these approvals, which are mandatory prior to commencing the operation of the proposed facility. Any delay in the approval process, rejection, or imposition of additional conditions by the concerned authorities may lead to postponement of project timelines, increased costs, or restriction on operations.

There can be no assurance that we will receive such approvals, licenses or permits from the concerned regulatory authorities on time or at all. Any failure by us to apply in time and to maintain or obtain the required permits, licenses or approvals, may result in the interruption of our operations and may have a material adverse effect on the business.

***RF 5 shall be modified as under:***

***Certain of our historical corporate records and filings have certain discrepancies or have been filed with a delay, which may lead to penal action by the competent regulatory authority.***

In the past, there have been certain instances of delays in filing statutory forms as per the reporting requirements under the Companies Act, 2013 with the Registrar of Companies which have been subsequently rectified by filing such forms with additional fees, the details of such delays which occurred due to inadvertence are appearing hereinbelow:

Sr. No.	Description of Form	Date of event	Due Date	Date of filing	Delay (No. of Days)
1.	Form ADT-01 for appointment of M/s A. Bothra & Company, Chartered	10/04/2018	25/04/2018	10/08/2018	108

	Accountants, Mumbai (FRN: 118623W) as First Auditors of the Company.				
2.	Form ADT-01 for appointment of Abhishek V Jain & Co., Chartered Accountants, Bikaner (FRN: 014447C)	20/10/2021	03/11/2021	17/11/2021	17
3.	Form AOC-4 for FY 2018-19	30/09/2019	30/11/2019	06/12/2019	6
4.	Form AOC-4 for FY 2019-20	31/12/2020	29/01/2021	14/02/2021	16
5.	Form AOC-4 for FY 2020-21	30/11/2021	29/12/2021	12/03/2022	73
6.	Form AOC-4 for FY 2022-23	30/09/2023	29/10/2023	06/11/2023	8
7.	Form AOC-4 for FY 2023-24	30/09/2024	29/10/2024	05/12/2024	37
8.	Form CHG-1 for Modification of Charge from HDFC Bank	01/07/2020	31/07/2020	19/08/2020	19
9.	Form DPT-3 for FY	-	30/06/2021	06/07/2021	6
10.	Form DPT-3 for FY	-	30/06/2022	01/07/2022	1
11.	Form MGT-14 for approval for further Preferential Allotment of Shares	20/03/2019	18/04/2019	07/08/2019	111
12.	Form MGT-7 for FY 2017-18	31/12/2018	01/03/2019	07/03/2019	6
13.	Form MGT-7 for FY 2019-20	31/12/2020	01/03/2021	09/03/2021	8
14.	Form MGT-7 for FY 2020-21	30/11/2021	30/01/2022	23/03/2022	52
15.	Form MGT-7 for FY 2022-23	30/09/2023	29/11/2023	30/11/2023	1
16.	Form MGT-7A for FY 2023-24	30/09/2024	29/11/2024	05/12/2024	6
17.	Form PAS-3 for allotment of 103,092 Equity Shares approved by the Board of Directors vide resolution dated April 23, 2018 pursuant to private placement.	23/04/2018	08/05/2018	22/06/2018	45
18.	Form PAS-3 for allotment of 25,773 Equity Shares approved by the Board of Directors vide resolution dated October 05, 2018 pursuant to private placement.	05/10/2018	20/10/2018	04/12/2018	45
19.	Form PAS-3 for allotment of 25,774 Equity Shares approved by the Board of Directors vide resolution dated May 25, 2019 pursuant to private placement.	25/05/2019	09/06/2019	24/10/2019	137
20.	Form PAS-3 for allotment of 25,773 Equity Shares approved by the Board of Directors vide resolution dated February 15, 2020 pursuant to private placement.	15/02/2020	01/03/2020	06/07/2020	129

Our Company had issued 2,57,732 Equity Shares at a price of ₹388 per share to India Customer Insight Fund on a private placement basis. In connection with the said issuance, there was a delay in filing Form PAS-3 (return of allotment) within the statutory timeline prescribed under the Companies Act, 2013. However out of the total 257,732 Equity Shares issued, there was a procedural delay in relation to 180,412 Equity Shares (Refer Note 1). In respect of the remaining 77,320 Equity Shares, the date of allotment was December 10, 2018 and Form PAS-3 was duly filed within the prescribed timeline, i.e., on January 9, 2019

***Note 1: Details of procedural delay in relation to 180,412 Equity Shares***

<b>S r. N o.</b>	<b>Year</b>	<b>Date of Allotment</b>	<b>No of Shares Description of Form</b>	<b>Due Date</b>	<b>Filing date</b>
1.	<b>2018-19</b>	23.04.2018	Form PAS-3 for allotment of <b>103,092</b> Equity Shares approved by the Board of Directors vide resolution dated April 23, 2018 pursuant to private placement.	08.05.2018	22.06.2018
2	<b>2018-19</b>	05.10.2018	Form PAS-3 for allotment of <b>25,773</b> Equity Shares approved by the Board of Directors vide resolution dated October 05, 2018 pursuant to private placement.	20.10.2018	04.12.2018
3	<b>2019-20</b>	25.05.2019	Form PAS-3 for allotment of <b>25,774</b> Equity Shares approved by the Board of Directors vide resolution dated May 25, 2019 pursuant to private placement.	09.06.2019	24.10.2019
4	<b>2019-20</b>	15.02.2020	Form PAS-3 for allotment of <b>25,773</b> Equity Shares approved by the Board of Directors vide resolution dated February 15, 2020 pursuant to private placement.	01.03.2020	06.07.2020
<b>Total Shares</b>			<b>180412</b>		

The said delay was procedural in nature and has been regularised by filing the requisite form along with payment of applicable additional fees.

The Company has since strengthened its internal compliance and monitoring systems to ensure timely statutory filings, and no similar delays have occurred thereafter.

No show cause notice in respect to the above has been received by our Company till date and no penalty or fine has been imposed by ROC in respect to the same. It cannot be assured, that there will not be such instances in the future or our Company will not commit any further delays or discrepancies in relation to its reporting requirements, or any penalty or fine will not be imposed by ROC in respect to the same. The happening of such event may cause a material effect on our results of operations and financial position.

***RF 2 and RF 10 shall be merged as under:***

***Our business depends on a limited number of suppliers for raw materials, we do not have long-term supply agreements with them, and any disruption in supply availability or increase in raw material costs may adversely affect our business operations and financial performance.***

We source our key raw materials, including pulses (such as urad dal and moong dal), flours, sugar, edible oils, spices and other inputs, primarily from third-party suppliers in India without entering into long-term contracts. Procurement is typically done based on prevailing market prices and demand requirements at the time of purchase. As a result, we are exposed to raw material price fluctuations and supply availability risks arising from seasonal variations, crop patterns, climatic conditions, government policies, transportation disruptions, and changes in market demand. Any delay, shortage, or discontinuation in supply, or significant increase in prices, may adversely affect our production schedules, cost of materials consumed, and profitability.

Our supplier base is also concentrated among a limited number of suppliers. For the period ended June 30, 2025 and the financial years ended March 31, 2025, 2024 and 2023, our top 10 suppliers accounted for 67.16%, 54.29%, 67.44% and 50.87%, respectively, of our total purchases. During these periods, our top 5 suppliers constituted 48.13%, 38.51%, 46.19% and 33.58%, respectively, and our top 3 suppliers represented 35.92%, 28.30%, 33.95% and 22.45%, respectively, while the largest supplier accounted for 15.44%, 16.14%, 13.00% and 9.49%, respectively, of total purchases. This concentration exposes us to the risk of supply disruptions, limited bargaining flexibility, and increased dependency on a small set of suppliers.



The following is the purchase break-up of the top one, top three, top five and top ten suppliers of our company for the period ended June 30, 2025 and for the financial years ending March 31, 2025, March 31, 2024 and March 31, 2023:

Purcha ses	For the period ended		Fiscal					
	June 30, 2025		2025		2024		2023	
	Amou nt (₹ in lacs)	Percenta ge of Purchase s (%)	Amoun t (₹ in lacs)	Percenta ge of Purchase s (%)	Amou nt (₹ in lacs)	Percenta ge of Purchase s (%)	Amou nt (₹ in lacs)	Percenta ge of Purchase s (%)
Top 1 Supplie r	91.93	15.44%	346.52	16.14%	281.1 4	13.00%	173.1 2	9.49%
Top 3 Supplie rs	213.8 2	35.92%	607.65	28.30%	734.0 9	33.95%	409.3 9	22.45%
Top 5 Supplie rs	286.5 0	48.13%	826.79	38.51%	998.8 3	46.19%	612.2 8	33.58%
Top 10 Supplie rs	399.7 4	67.16%	1165.76	54.29%	1458. 28	67.44%	927.7 2	50.87%

Additionally, since we rely on supplier quotations before placing orders, there may be a time gap between quotation and actual purchase, during which prices may fluctuate due to market volatility. We cannot assure you that suitable alternative suppliers will be readily available or capable of meeting our quality and delivery requirements on comparable commercial terms. Further, any adverse developments affecting our suppliers, such as operational challenges, financial instability, regulatory non-compliance, or logistics issues, may affect their ability to supply materials on time and at agreed specifications.

Any disruption in our supply chain, increase in raw material prices, or inability to maintain supplier relationships could adversely affect our production volumes, cost structure, and profitability, and may materially and negatively impact our business operations, financial condition, and results of operations. While we have not experienced any such disruptions or adverse instances with our suppliers in the past, there can be no assurance that such events will not occur in the future, which could adversely affect our business operations, financial condition, and results of operation.

***RF 6 to be modified as under:***

***Our revenue is primarily derived from the sale of papad products, and any decline in demand for papads or shift in consumer preferences may adversely affect our business and financial performance.***

Our product portfolio is predominantly concentrated in papad products, including handmade papads, machine-made papads, rice papad and vrat special papads, which together contribute a substantial portion of our total revenue from operations. While we have also diversified into related products such as moongodi and cereal pellets, these products currently account for a limited share of our total sales. Consequently, our performance and profitability remain highly dependent on the continued consumer demand for papads.

The papad segment operates in a competitive and price-sensitive market that is influenced by changing consumer tastes, regional preferences, health trends, and availability of substitute snacks. Any adverse change in consumption

patterns, reduction in household demand, or increased preference for alternative ready-to-eat or packaged snack products may affect our sales volumes and margins. In addition, our handmade papad production involves decentralized operations through the Batara–Bataris model governed through Batara Agreement, involving contractors (Bataras) who supervise women workers (Bataris) engaged in home-based hand rolling of papads, while machine-made papads, Rice Papads (Khichiya) and Vrat Special Papads are produced at our manufacturing facilities. Any disruption in these processes, shortage of skilled workers, machinery downtime, or quality inconsistency could also affect our ability to meet customer demand.

The table below sets out the product-wise revenue bifurcation of the Company for the period ended June 30, 2025, and for the financial years ended March 31, 2025, March 31, 2024, and March 31, 2023.

Products	For the period ended June 30, 2025		Fiscal					
			2025		2024		2023	
	Amount (₹ in Lacs)	Percentage of Revenue from Operations (%)	Amount (₹ in Lacs)	Percentage of Revenue from Operations (%)	Amount (₹ in Lacs)	Percentage of Revenue from Operations (%)	Amount (₹ in Lacs)	Percentage of Revenue from Operations (%)
Papads								
Handmade Papads	309.81	38.26%	1147.43	36.14%	1255.8	47.80%	1233.85	49.37%
Machine Made Papads	178.35	22.02%	799.52	25.18%	503.63	19.17%	477.34	19.10%
Rice Papads (Khichiya)	224.43	27.71%	732.61	23.07%	723.79	27.55%	687.27	27.50%
Vrat Special Papads	2.97	0.37%	13.99	0.44%	8.67	0.33%	10.00	0.40%
Papad Choori	0.07	0.01%	4.26	0.13%	0.52	0.02%	0.00	0.00%
Moongodi	13.38	1.65%	42.88	1.35%	57.80	2.20%	55.23	2.21%
Cereal Pallets	14.12	1.74%	81.50	2.57%	76.98	2.93%	35.49	1.42%
Ground Nut #	0.00	0.00%	218.96	6.90%	0.00	0.00%	0.00	0.00%
Others <sup>§</sup>	66.68	8.23%	133.94	4.22%	0.00	0.00%	0.00	0.00%
<b>Total</b>	<b>809.81</b>	<b>100.00%</b>	<b>3175.09</b>	<b>100.00%</b>	<b>2627.19</b>	<b>100.00%</b>	<b>2499.18</b>	<b>100.00%</b>

As certified by M/s GGPS and Associates, Chartered Accountants, Bikaner, Peer Reviewed Statutory Auditor of our Company, pursuant to their certificate dated November 29, 2025.

<sup>#</sup> The trading of Ground Nut has been discontinued w.e.f. October 24, 2024

<sup>§</sup> The trading of RNR Paddy and Raw Rice has been discontinued w.e.f. May 2025

Though we have never faced any challenge relating to the demand for the product, given the concentration of revenue in a single product category, we remain exposed to risks associated with market saturation, pricing pressure, and fluctuations in input costs specific to papad manufacturing. Any sustained decline in demand for papads, inability to adapt to changing preferences, or increased competition from alternate snack products could materially and adversely affect our business operations, financial condition, and results of operations

#### RF 17 to be updated as under:

The details of number of wholesalers and retailers of the Company for the past three financial years are as under:

The following table sets forth the number of distributors of the Company together with the retail outlets through distributors covered as on the Financial Period ended June 30, 2025, and the Financial Years ended March 31, 2025, March 31, 2024, and March 31, 2023

States	Number of Distributors	Number of Retail Outlets covered through distributors
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	For the period ended June 30, 2025	Fiscal			For the period ended June 30, 2025	Fiscal		
		2025	2024	2023		2025	2024	2023
Rajasthan	50	48	40	35	3,500	3,400	3,000	2,800
Uttar Pradesh	5	5	4	4	500	400	350	300
Madhya Pradesh	2	2	2	2	200	190	150	100
Telangana	1	1	1	1	100	90	70	50
Assam	2	1	1	2	300	280	200	150
Haryana	2	2	2	1	100	90	80	60
Tamil Nadu	1	1	1	1	100	90	80	60
Karnataka	3	3	2	1	150	120	100	80
Maharashtra	1	1	1	0	50	40	30	20
Gujarat	1	1	1	1	50	40	30	20
<b>Total</b>	<b>68</b>	<b>65</b>	<b>55</b>	<b>48</b>	<b>5,050</b>	<b>4,740</b>	<b>4,090</b>	<b>3,640</b>

*\*As certified by the Peer Reviewed Statutory Auditor M/s GGPS and Associates, Chartered Accountants, Bikaner vide certificate dated November 29, 2025*

The following table sets forth the number of wholesalers of the Company together with the retail outlets through wholesalers covered as on the Financial Period ended June 30, 2025, and the Financial Years ended March 31, 2025, March 31, 2024, and March 31, 2023:

States	Number of Wholesalers				Number of Retail Outlets covered through wholesalers			
	For the period ended June 30, 2025	Fiscal			For the period ended June 30, 2025	Fiscal		
		2025	2024	2023		2025	2024	2023
Rajasthan	15	12	9	7	600	580	400	200
Gujarat	1	1	0	0	20	18	10	5
Delhi	1	1	1	0	20	18	10	5
Haryana	1	1	1	0	25	20	15	10

Punjab	1	1	1	0	15	15	10	5
Madhya Pradesh	1	1	1	0	50	45	30	20
Bihar	1	1	0	0	15	15	10	5
Maharashtra	1	1	1	0	20	18	15	10
Uttar Pradesh	3	2	1	0	150	140	100	60
<b>Total</b>	<b>25</b>	<b>21</b>	<b>15</b>	<b>7</b>	<b>915</b>	<b>869</b>	<b>600</b>	<b>320</b>

*\*As certified by the Peer Reviewed Statutory Auditor M/s GGPS and Associates, Chartered Accountants, Bikaner vide certificate dated November 29, 2025*

**RF 11 and RF 18 shall be merged as under:**

***Our business is exposed to changing consumer preferences, dietary trends, and stringent food safety and regulatory requirements. Any inability to adapt or comply may adversely affect our operations, reputation, and financial performance.***

The demand for our products is driven by consumer preferences, dietary habits, nutritional awareness, cultural factors, and confidence in our brands. As Indian consumers increasingly shift towards healthier, lower-fat, natural, or fortified alternatives, there can be no assurance that our current product portfolio — primarily consisting of papads and related products such as moongodi and cereal pellets — will continue to align with evolving consumption patterns. Any change in dietary preferences may result in reduced demand, pricing pressure, or the need for increased marketing expenditure to retain consumer interest.

Product innovation requires continuous investment in research, technology, and formulation development, and there is no assurance that such efforts will result in commercially successful outcomes. Failure to anticipate or respond to changing consumer trends in a timely manner may affect our ability to maintain or grow market share.

In addition, our operations are subject to food safety, labeling, packaging, and quality regulations under the Food Safety and Standards Act, 2006 and regulations issued by the Food Safety and Standards Authority of India (“FSSAI”), including the Food Products Standards and Food Additives Regulations, 2011 and the Food Safety and Standards (Labelling and Display) Regulations, 2020. We are required to maintain valid FSSAI licenses for our manufacturing facilities and ensure consistent compliance with prescribed standards. One of our units also holds ISO 22000:2018 certification for Food Safety Management Systems.

Any deviation, delay in renewal, or non-compliance with applicable statutory requirements could result in penalties, suspension of operations, product recalls, or reputational harm. Introduction of more stringent regulatory norms — such as revised ingredient disclosure requirements, mandatory nutrition ratings, or advertising restrictions — may further require changes to our formulations, labeling, or manufacturing processes, which could increase compliance costs and operational complexity.

Moreover, we rely on suppliers, contract workers, and distribution partners, and we cannot assure that all such stakeholders will at all times comply with applicable food safety, hygiene, or labeling standards. Any instance of contamination, mislabeling, regulatory non-compliance, or negative consumer perception — whether actual or alleged — could result in enforcement action, loss of consumer confidence, and adverse impact on our business, operations, and financial condition.

During the preceding three financial years, the Company has not faced any instances relating to non-compliance with food safety regulations, regulatory actions, or consumer preference-driven disruptions, and the same will be updated in the RHP.

**RF 12 to be modified as under:**

***12. Our dependence on the Batara–Batari model for handmade papad production exposes us to operational, quality, and compliance risks that may adversely affect our business and financial performance.***

A significant portion of our production, particularly handmade papads, is undertaken through Batara-Batari model involving contractors (Bataras) who supervise women workers (Bataris) engaged in home-based hand rolling of papads. Under this arrangement, the Company supplies materials such as loyas, tikdis in Stainless

Steel Containers and besan in Plastic Polypropylene (PP) Bags, which remain its property until inspected, tested, and formally accepted by the Company following quality verification. The Batara delivers the finished papads to the Company's Gharsisar Unit in a properly dried, flat, unbroken and moisture-free condition, strictly in accordance with the Standards prescribed by the Company. The Company inspects and conducts quality checks on the finished papads and may reject any products that do not comply with the prescribed specifications or quality requirements. Payments to the Batara shall be made twice a month on the basis of the quantities of finished papads accepted by the Company after inspection and quality verification. While the Company defines product specifications and quality parameters, the actual production process is performed outside our direct supervision.

Our ability to maintain consistent product quality and supply depends on the efficiency, reliability, and adherence to standards by these contractors and workers. Since they operate from decentralized locations, our control over their day-to-day operations, hygiene practices, and timelines is limited. Any deviation from prescribed quality standards, negligence in handling, contamination, or delay in supply may result in product rejections, loss of material, or delays in order fulfillment.

Further, factors such as labour availability, local weather conditions affecting sun-drying, and compliance with food safety norms may also impact production continuity. Any failure by the Bataras or Bataris to comply with our standards or regulatory requirements could expose the Company to reputational damage, regulatory scrutiny, or product recall risks.

Revenue from Handmade Papads of the Company for the period ended June 30, 2025 and Financial Years ended on March 31, 2025, March 31, 2024 and March 31, 2023 are set out hereinbelow:

Products	For the period ended		Fiscal					
	June 30, 2025		2025		2024		2023	
	Amount (₹ in Lacs)	Percentage of Revenue from Operations (%)	Amount (₹ in Lacs)	Percentage of Revenue from Operations (%)	Amount (₹ in Lacs)	Percentage of Revenue from Operations (%)	Amount (₹ in Lacs)	Percentage of Revenue from Operations (%)
Handmade Papads	309.81	38.26%	1,147.43	36.14%	1,255.80	47.80%	1,233.85	49.37%

Although we are also engaged in Machine made papads as well, handmade papads still constitute a significant portion of our total production and revenue, any disruption or inefficiency in this outsourced model could adversely affect our operations, product consistency, customer satisfaction, and overall financial performance. ***Though we have not encountered any instances, events or occurrences relating to the aforesaid risk factors during the stub period and the three financial years preceding the date of this Draft Red Herring Prospectus. Accordingly, there are no past instances to be reported in relation to the said risk factors for the relevant periods. However, there can be no assurance that such risks will not materialize in the future, and if any of the risks described herein were to occur, it could have an adverse effect on our business, financial condition, results of operations and cash flows.***

RF 20 to be modified as under:

20. *We have identified certain discrepancies and instances of non-compliance in our corporate records, specifically in the forms filed with the taxation authorities, and other public entities.*

Our Company has experienced delays in filing GST returns in the past, which were promptly addressed by making necessary payments and filing returns with applicable interest and penalties. For the period ended 30th June, 2025 and last for the Fiscal Years ended on March 31, 2025, 2024 and 2023, delays in GST payments have occurred primarily due to factors such as delays in receiving Input Tax Credit etc. which are as follows:

**GSTR 1/IFF**

Sr. No.	Financial Year	Month	Form No	Due Date of Filing	Date of Filing	No. of Days Delayed	Reason for delay
1	2022-23	Apr	GSTR 1	11-May-22	13-05-2022	2 Days	Procedural Delay

**GSTR 3B**

Sr. No.	Financial Year	Month	Form No	Due Date of Filing	Date of Filing	No. of Days Delayed	Reason for delay
1	2022-23	Apr	GSTR 3B	20-05-2022	25-05-2022	5 Days	Procedural Delay
2	2022-23	May	GSTR 3B	20-06-2022	21-06-2022	1 Days	Procedural Delay
3	2024-25	June	GSTR 3B	20-07-2024	23-07-2024	3 Days	Procedural Delay
4	2024-25	December	GSTR 3B	20-01-2025	21-01-2025	1 Day	Procedural Delay

**Employee Provident Fund:**

Our Company has experienced occasional delays in filing EPF Monthly Electronic Challan Cum Return in the past, which were promptly addressed by making necessary payments and filing returns with applicable interest or penalties and since April 2022, the details of such delays are given hereunder:

Sr. No.	TRRN No.	Financial Year	Months	Due Date	Date of Payment	Period of Delay	Remarks
1	4012205006686	2022-23	Apr-22	15-05-2022	16-05-2022	1 Day	Bank processing delay
2	4012405008277	2022-23	Sep-22	15-10-2022	22-05-2024	585 Days	Administrative delay in uploading challan
3	4012405008280	2022-23	Oct-22	15-11-2022	22-05-2024	554 Days	Administrative delay in uploading challan
4	4012405008282	2022-23	Nov-22	15-12-2022	22-05-2024	524 Days	Administrative delay in uploading challan
5	4012405008283	2022-23	Dec-22	15-01-2023	20-05-2024	491 Days	Administrative delay in uploading challan

Sr. No.	TRRN No.	Financial Year	Months	Due Date	Date of Payment	Period of Delay	Remarks
6	4012301007284	2022-23	Dec-22	15-01-2023	16-01-2023	1 Day	Bank processing delay
7	4012405008285	2022-23	Jan-23	15-02-2023	20-05-2024	460 Days	Administrative delay in uploading challan
8	4012405008287	2022-23	Feb-23	15-03-2023	20-05-2024	432 Days	Administrative delay in uploading challan
9	4012305008054	2023-24	Apr-23	15-05-2023	19-05-2023	4 Days	Delay due to technical error
10	4012306006068	2023-24	May-23	15-06-2023	21-06-2023	6 Days	Delay due to technical error
11	4012307007545	2023-24	Jun-23	15-07-2023	17-07-2023	2 Days	Delay due to technical error
12	4012312008922	2023-24	Nov-23	15-12-2023	22-12-2023	7 Days	Delay due to technical error
13	4012312008425	2023-24	Nov-23	15-12-2023	20-12-2023	5 Days	Delay due to technical error
14	4012403007304	2023-24	Feb-24	15-03-2024	20-03-2024	5 Days	Delay due to technical error
15	4012405007903	2024-25	Apr-24	15-05-2024	16-05-2024	1 Day	Bank processing delay
16	4012410009752	2024-25	Sep-24	15-10-2024	29-10-2024	14 Days	Procedural Delay
17	4012412006970	2024-25	Nov-24	15-12-2024	17-12-2024	2 Days	Procedural Delay
18	4012506005916	2025-26	Apr-25	15-05-2025	16-06-2025	32 Days	Procedural Delay

#### **Employee State Insurance**

Our Company has experienced occasional delays in filing ESI Monthly Contribution Cum Return in the past, which are promptly addressed by making necessary payments and filing returns with applicable interest or penalties and since April 2022, the details of such delays are given hereunder:

Sr. No.	Challan No.	Financial Year	Months	Due Date	Date of Payment	Period of Delay	Remarks
1	02722116834077	2022-23	Apr-22	15-05-2022	16-05-2022	1 Day	Late filing due to compliance system error
2	02723102557187	2022-23	Dec-22	15-01-2023	16-01-2023	1 Day	Late filing due to compliance system error

5	027231164 92236	2023-24	Apr- 23	15-05- 2023	19-05- 2023	4 Days	Late filing due to compliance system error
6	027231201 40613	2023-24	May -23	15-06- 2023	21-06- 2023	6 Days	Administrative delay in uploading challan
7	027231249 81193	2023-24	Jun- 23	15-07- 2023	24-07- 2023	9 Days	Late filing due to compliance system error
8	027231442 33308	2023-24	Nov -23	15-12- 2023	20-12- 2023	5 Days	Administrative delay in uploading challan
9	027241028 39888	2023-24	Dec- 23	15-01- 2024	18-01- 2024	3 Days	Late filing due to compliance system error
10	027241091 64347	2023-24	Feb- 24	15-03- 2024	21-03- 2024	6 Days	Delay due to technical error
11	027241135 53175	2023-24	Mar -24	15-04- 2024	19-04- 2024	4 Days	Administrative delay in uploading challan
12	027241191 92372	2024-25	Apr- 24	15-05- 2024	01-06- 2024	17 Days	Late filing due to compliance system error
13	027241391 01699	2024-25	Sep- 24	15-10- 2024	21-10- 2024	6 Days	Delay due to technical error
14	027241459 59372	2024-25	Nov -24	15-12- 2024	17-12- 2024	2 Days	Late filing due to compliance system error

### **TDS and TCS**

#### **26Q**

Sr No	Financial Year	Quarter Ending	Due Date	Date of Filing	Period of Delay	Remarks
1	23-24	June 2023	31-07- 2023	15-09-2023	46 Days	Procedural Delay
2	24-25	June 2024	31-07- 2023	01-08-2024	1 Day	Procedural Delay

#### **27EQ**



Sr No	Financial Year	Quarter Ending	Due Date	Date of Filing	Period of Delay	Remarks
1	2022-23	September 2022	15-10-2022	27-10-2022	12 Days	Procedural Delay
2	2023-24	June 2023	15-07-2023	13-09-2023	60 Days	Procedural Delay
3	2024-25	June 2024	15-07-2024	27-07-2024	12 Days	Procedural Delay

The delays in filing GST returns primarily arose due to procedural and administrative factors, including delays in availing, reconciling or matching Input Tax Credit (“ITC”), internal coordination issues and routine procedural lapses. Similarly, delays in EPF and ESI filings were attributable to administrative delays in uploading challans, technical or portal-related system errors, and occasional bank processing delays. Certain delays in filing TDS and TCS returns were also caused by procedural factors and technical issues.

All such delayed filings were regularised by the Company through subsequent filing of the respective returns along with payment of applicable interest and penalties, wherever required.

Further there were no regulatory actions have been initiated against the Company in relation to such delays during the preceding three financial years and stub period.

As of the date of this Draft Red Herring Prospectus, no regulatory actions have been initiated against our Company in connection with past non-compliances, incorrect filings, or delays in statutory submissions. However, we cannot assure you that such actions will not be initiated in the future. Any inadvertent discrepancies in our secretarial filings or corporate records may expose us to regulatory proceedings, including monetary penalties, which could adversely impact our business, financial condition, and reputation.

We have strengthened our leadership team with experienced directors to enhance oversight of compliance and due diligence. While these measures significantly improve our regulatory framework, we cannot guarantee complete immunity from future regulatory scrutiny. Nonetheless, we believe that our enhanced compliance infrastructure equips us to effectively respond to and mitigate potential regulatory challenges.

Furthermore, we acknowledge the possibility of facing legal or regulatory actions, including monetary penalties from statutory authorities, due to such delays in payments or filings. These potential repercussions could have adverse impacts on our business, financial standing, and reputation. By prioritizing compliances and transparency, we are enhancing our internal systems to ensure timely and accurate filing of returns. This includes better coordination with our finance team to track deadlines and manage input tax credits efficiently to mitigate GST delays, manage monthly EPF and ESI efficiently and timely filing of TDS and TCS return. Our commitment to timely filings is crucial in upholding our business operations and financial stability.

***RF 22 and RF 24 shall be merged as under:***

***Our business depends on an effective and diversified sales and distribution network across multiple channels, and any disruption, inefficiency, or underperformance in one or more channels may adversely affect our business operations and financial performance.***

We distribute our products through multiple sales channels, including general trade, modern trade channels, quick commerce, and direct-to-consumer platforms. We also supply products to merchant exporters for selected Middle Eastern markets: the UAE, Saudi Arabia, Qatar, Oman, Kuwait and Bahrain. Each of these channels operates under different commercial, logistical, and operational frameworks, and any disruption, inefficiency, or underperformance in one or more channels could affect our overall sales and profitability.

Our general trade business depends on distributors, wholesalers who are responsible for last-mile delivery and collections. Any delays in payments, reduction in order volumes, or termination of relationships with key distributors could adversely affect our cash flows. Sales through modern trade quick commerce and direct-to-consumer platforms are influenced by factors such as consumer demand, platform algorithms, listing visibility, promotional requirements, and payment cycles. Our supply of products to merchant exporter who subsequently export them to select Middle Eastern countries, is subject to fluctuations in demand from these markets, change in trade policies, and the operational performance of the merchant exporter.

The table set out below provides a detailed breakdown of our revenue contribution by channel for the period ended June 30, 2025 and Financial Years ended on March 31, 2025, March 31, 2024 and March 31, 2023

Channels	For the period ended		Fiscal					
	June 30, 2025		2025		2024		2023	
	Amount (₹ in Lacs)	Percentage of Revenue from Operations (%)	Amount (₹ in Lacs)	Percentage of Revenue from Operations (%)	Amount (₹ in Lacs)	Percentage of Revenue from Operations (%)	Amount (₹ in Lacs)	Percentage of Revenue from Operations (%)
Sale through General Trade	553.81	68.38%	2,111.12	66.49%	1,906.29	72.56%	1,961.35	78.47%
Sale through Modern Trade	241.29	29.80%	1,032.40	32.52%	685.44	26.09%	493.84	19.76%
Quick Commerce	12.48	1.54%	26.10	0.82%	31.26	1.19%	39.74	1.59%
Sale through direct to consumer platform	0.07	0.01%	0.30	0.01%	0.00	0.00%	0.00	0.00%
Sale through Merchant Exporter	2.16	0.27%	5.17	0.16%	4.20	0.16%	4.25	0.17%
<b>Total</b>	<b>809.81</b>	<b>100.00%</b>	<b>3175.09</b>	<b>100.00%</b>	<b>2627.19</b>	<b>100.00%</b>	<b>2499.18</b>	<b>100.00%</b>

Additionally, the effectiveness of our distribution network depends on our ability to manage logistics, supply continuity, inventory allocation, pricing discipline, credit terms, and channel incentives. Inefficiencies in collection cycles or changes in distributor margins may strain relationships, impact cash flows, and adversely affect our working capital cycle. Expansion into new geographies requires identifying, appointing, and onboarding suitable channel partners, and we cannot assure that we will be able to successfully maintain or expand our existing distribution network on commercially favorable terms.

We cannot assure you that all channels will continue to perform in line with expectations, or that we will be able to offset any disruption in one channel through others. Any sustained disruption, loss of key channel partners, underperformance, adverse change in channel economics, or inefficiency in managing or expanding our distribution

network may adversely affect our business operations, financial condition, cash flows, and results of operations. ***Though we have not encountered any instances, events or occurrences relating to the aforesaid risk factors during the stub period and the three financial years preceding the date of this Draft Red Herring Prospectus. Accordingly, there are no past instances to be reported in relation to the said risk factors for the relevant periods. However, there can be no assurance that such risks will not materialize in the future, and if any of the risks described herein were to occur, it could have an adverse effect on our business, financial condition, results of operations and cash flows.***

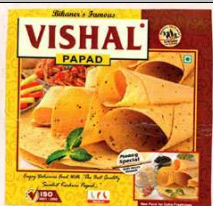

**RF 26 to include:**

Short-term outstanding borrowings of the Company as of December 31, 2025 is 901.33 Lakhs (tentatively).

**RF 28 and RF 29 shall be merged as under:**

***Our logos and trademarks used in the ordinary course of business are either pending registration or are yet to be registered under the Trade Marks Act, 1999, and failure to obtain or protect such intellectual property rights may adversely affect our brand recognition, goodwill, and business operations.***

Presently, our Company is using the brand name “Vishal” and has applied for registration of the following logos with the Trademarks Registry under the Trademarks Act, 1999 which are currently pending approval from the Registrar of Trademarks, the details of the same are as follows:

Sl. No.	Description of Trademark	Class	Nature of Mark	Application/Registration Number	Issuing Authority	Date of Application / Registration	Validity upto / Renewed upto	Current Status
1.		30	Device	3399405	Registrar of Trademarks, Trade Marks Registry, Mumbai	October 31, 2016	-	Opposed
2.		30	Device	3177650	Registrar of Trademarks, Trade Marks Registry, Mumbai	February 05, 2016	-	Opposed

The aforesaid trademark applications have been opposed by third parties, and our Company may be required to incur significant costs in connection with defending such oppositions which could be time consuming and costly and the outcome cannot be guaranteed. There can be no assurance that our trademark applications will be accepted or that registration will be granted by the relevant authorities in a timely manner or at all. Consequently, as of now, our Company does not enjoy the statutory protection accorded to registered trademarks in India. Pending registration, there is a possibility that other entities engaged in a similar line of business may use identical or deceptively similar logos or marks. In such circumstances, our ability to initiate legal proceedings or seek effective remedies to protect our intellectual property may be limited. We may need to litigate in order to determine the validity of such claims and the scope of the proprietary rights of others. In the event that we are unable to obtain registration of our trademarks due to such oppositions, or if any injunctive or other adverse order is passed against us in respect of our applied trademarks, we may be restricted from using such marks and may lose the ability to enforce or prevent unauthorised use of these trademarks by third parties. This could adversely affect our goodwill, brand recognition, and overall business operations.

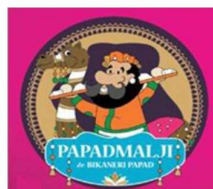
Also, our company is currently using these logos in connection with its business operations and sales promotion &



marketing activities which are integral to our brand identity and customer recognition. As on the date of this Draft Red Herring Prospectus, these logos are not registered as trademarks in the name of our Company with the concerned authority under the Trade Marks Act, 1999, and we have applied for their registration bearing Application Number(s) 7496891, 7496892 and 7496893 and 7506350 under Class 30, and the status of the said applications are currently reflected as “Formalities Check Pass”. Consequently, our Company does not enjoy statutory protection over these logos under the provisions of the Trade Marks Act, 1999. In the absence of such protection, there can be no assurance that third parties will not use or claim rights in identical or deceptively similar logos, which may dilute our brand identity, cause customer confusion or misrepresentation, and adversely impact our reputation. Any such events could result in litigation, additional costs, or restrictions on our ability to use these logos, which may materially and adversely affect our business operations, brand value, goodwill, results of operations and financial condition.

Our Company is in the process of preparing and filing applications for registration of the aforesaid logos under the Trade Marks Act, 1999, to obtain statutory protection and exclusive usage rights. Pending such registration, our Company relies on common law rights arising from prior and continuous use of these logos. However, we cannot assure you that such applications, once filed, will be granted by the relevant authorities in a timely manner or at all.

Further, our Company has already obtained registration of the word mark “PAPADMALJI’S ROZANA” bearing Registration No. 4626318 under Class 30, and the device 3517207 and 3517208 under Class 30 and Class 35, Marks Act, 1999. These existing registrations provide our protection for some of our key brands and form a significant portfolio. In the opinion of the management, these existing facilitate the process of obtaining registration for the demonstrating our established brand presence and prior use in the relevant classes. The management further believes that obtaining registration of the said logos, together with the existing registered marks, will enhance our ability to safeguard our intellectual property assets, strengthen brand recognition, and mitigate the risk of potential intellectual property disputes that may otherwise adversely affect our business, operations, or reputation.



mark bearing Registration Nos. respectively, under the Trade Company with statutory part of our intellectual property registrations will support and aforesaid unregistered logos by

For further details on the trademarks, registered or pending registration, please refer to the Chapters titled “*Our Business*” and “*Government and Other Approvals*” on page no 176 and 370 respectively of this Draft Red Herring Prospectus. “

**RF 32 to include:**

i. **Losses vis-à-vis insurance cover:**

We confirm that during the Stub Period and the preceding three financial years, the Company has not incurred any losses arising out of events for which insurance cover would otherwise apply. Accordingly, details comparing losses vis-à-vis insurance cover are not applicable.

ii. **Past instance of a claim exceeding liability insurance cover:**

We further confirm that during the Stub Period and the preceding three financial years, there have been no instances where an insurance claim was made that exceeded the applicable policy coverage, nor any instance of claim rejection or shortfall against insured risks.

**RF 33 shall be modified as under:**

**33. *Our factories are subject to operational risks, and any shutdown or disruption in production may adversely affect our business, cash flows, and financial performance.***

Our manufacturing operations are subject to various operational risks, including equipment breakdowns, mechanical failures, power shortages, water supply interruptions, labor disputes, fire, accidents, or other unforeseen events. Such incidents may result in partial or complete shutdowns of production facilities, disruption in manufacturing schedules, or delays in order fulfillment. Any prolonged disruption could affect our ability to meet customer demand and may lead to loss of revenue or contractual penalties.

Our manufacturing units are located in Bikaner, Rajasthan, where we operate both hand-made and machine-based papad production. The hand-rolling and sun-drying processes for handmade papads are carried out through the Batara-Batari model, wherein independent contractors (Bataras) engage skilled women artisans (Bataris) to produce papads in accordance with the Company's prescribed specifications and operational standards. The smooth functioning of these facilities depends on the availability of utilities such as electricity, fuel, and water, as well as the continued performance of machinery and labour availability. Unexpected equipment downtime, failure of critical machinery, or shortage of skilled labour may adversely impact production output and efficiency.

Further, our factories are exposed to risks from fire, natural calamities, contamination, or accidents that could damage inventory, raw materials, or equipment. While we maintain insurance coverage for certain risks, such coverage may not be adequate to cover all losses or business interruptions. Any significant disruption in our factory operations could have a material adverse effect on our business, cash flows, results of operations, and financial condition. *Though we have not encountered any instances, events or occurrences relating to the aforesaid risk factors during the stub period and the three financial years preceding the date of this Draft Red Herring Prospectus. Accordingly, there are no past instances to be reported in relation to the said risk factors for the relevant periods. However, there can be no assurance that such risks will not materialize in the future, and if any of the risks described herein were to occur, it could have an adverse effect on our business, financial condition, results of operations and cash flows.*

**RF 34 to include:**

We confirm that the related party transactions have been conducted by the Company as per the provisions of Companies Act, 2013.

**RF 36 shall be modified as under:**

***Our Promoter Group entities/Group Companies operate in the food processing industry, which may give rise to potential conflicts of interest.***

Certain Promoter Group entities/Group Companies, including Bhujialalji Private Limited and Kachoree Club Private Limited, operate in the same industry as our Company; however, they deal in distinct product segments and there is no actual conflict of interest as on date of filing of DRHP. Any future changes in business opportunities, product expansion or market focus may give rise to actual or perceived conflicts. Our Company has adopted an internal

policy framework to regulate and manage any potential conflict of interest. Our Promoters & Directors shall ensure that any conflict of interest in any entity, in which they hold majority control and majority ownership, are prevented and/or addressed in the most appropriate manner. i.e. they will ensure that any entity, in which they hold majority control and majority ownership shall not engage in same line of business as Papadmalji Agro Foods Limited post Company listing unless they receive shareholder approval for the same. However, there can be no assurance that these measures will fully mitigate the associated risks.

***RF 38 shall be modified as under:***

***Our operations are exposed to contamination and quality control risks, and any actual or perceived contamination may adversely affect our brand reputation, business operations, and financial performance.***

Our manufacturing and packaging processes involve handling food products that are sensitive to hygiene, storage, and quality standards. We are exposed to contamination risks arising from factors such as improper storage of raw materials and finished goods, inadequate handling, labeling errors, pest infestation, or deviation from prescribed food safety standards. Any actual or perceived contamination, whether during procurement, processing, or distribution, may result in product rejection, regulatory scrutiny, or recall.

We are required to comply with food safety and labeling regulations prescribed by the Food Safety and Standards Authority of India (FSSAI) and other applicable authorities. Non-compliance with these standards or lapses in quality control may result in penalties, cancellation of licenses, or temporary suspension of operations. Even isolated incidents of contamination or labeling errors can negatively affect consumer trust, damage brand reputation, and lead to loss of business from distributors and retailers.

Additionally, the perception of contamination—even if unsubstantiated—could lead to reduced consumer confidence, negative publicity, and decline in sales. Any such incident may also give rise to legal liability or financial claims. Consequently, any failure to ensure strict quality control or maintain food safety standards could materially and adversely impact our business operations, financial condition, and cash flows. *Though we have not encountered any instances, events or occurrences relating to the aforesaid risk factors during the stub period and the three financial years preceding the date of this Draft Red Herring Prospectus. Accordingly, there are no past instances to be reported in relation to the said risk factors for the relevant periods. However, there can be no assurance that such risks will not materialize in the future, and if any of the risks described herein were to occur, it could have an adverse effect on our business, financial condition, results of operations and cash flows.*

***RF 42 and RF 19 shall be merged as under:***

***Adverse climatic conditions in Bikaner and seasonal factors affecting agricultural raw materials may adversely impact our production, procurement efficiency, and financial performance.***

Our manufacturing facilities are located in Bikaner, Rajasthan, which experiences extreme climatic conditions, including high temperatures, dry weather, and low humidity for most of the year. Adverse climatic events such as heatwaves, dust storms, or water shortages may affect the efficiency of our production processes, the quality and storage of raw materials, and finished products. Prolonged periods of extreme heat may also increase energy consumption needed to maintain suitable production and storage conditions. Further, harsh climatic conditions may affect the availability and productivity of workers, including those engaged in home-based hand-rolling activities under the Batara-Batari system, which may impact output levels and timely fulfillment of orders.

Additionally, our business relies on agricultural inputs such as pulses, spices, and edible oils, the availability and pricing of which are influenced by seasonality in the agricultural cycle. Seasonal variations in monsoons, rainfall deficiencies, excessive rainfall, droughts, or other climatic conditions may adversely affect crop yields and raw material availability, leading to supply shortages, quality fluctuations, and increased procurement costs. While demand for our finished products remains relatively stable throughout the year, procurement of raw materials is concentrated in specific seasons, which may result in inventory build-up, pricing volatility, or working capital pressures.

These climatic and seasonal factors may also impact production planning, cost of materials consumed, and overall operational efficiencies. As a result, our quarterly financial performance and cash flows may fluctuate due to variations in raw material procurement costs and climatic impacts on production and workforce availability, making period-to-period comparisons less meaningful and limiting their usefulness in predicting future performance. Any

adverse impact arising from these factors may materially affect our business operations, financial condition, and results of operations.

**RF 43 and RF 9 shall be merged as under:**

***Our sales from General Trade are not supported by formal contracts or a structured order book, and customer orders may be delayed, modified, or cancelled, which may adversely affect our revenue visibility, operational planning, and financial performance.***

Our Company does not maintain a formal order book for General Trade and typically does not receive purchase orders in advance. Further, we do not have long-term agreements or binding contracts with our General Trade clients that ensure recurring business. Sales through this channel are largely generated through informal communication, mostly via telephone, and orders are typically received shortly before dispatch. This model limits our ability to forecast demand accurately and creates uncertainty in revenue visibility.

This lack of structured sales arrangements may lead to uncertainty in our revenue projections and business planning. The absence of committed orders/ recurring contracts could adversely impact our operational efficiency, inventory management, and overall financial performance. If clients discontinue or reduce their purchases without prior notice, it may materially affect our sales, growth prospects, and profitability in the long term. Although we have not encountered any of these risks that have adversely affected our business operations or financial condition over the last three fiscal years, we cannot guarantee that these risks will not emerge in the future.

Revenue from the General Trade of the Company for the period ended June 30, 2025 and Financial Years ended on March 31, 2025, March 31, 2024 and March 31, 2023 are set out hereinbelow:

Channels	For the period ended		Fiscal					
	June 30, 2025		2025		2024		2023	
	Amount (₹ in Lacs)	Percentage of Revenue from Operations (%)	Amount (₹ in Lacs)	Percentage of Revenue from Operations (%)	Amount (₹ in Lacs)	Percentage of Revenue from Operations (%)	Amount (₹ in Lacs)	Percentage of Revenue from Operations (%)
Sale through General Trade	508.11	62.74%	1,965.52	61.90%	1,533.49	58.37%	1,446.27	57.87%

Although we obtain details of the clients before on-boarding them, this enables us to make best efforts to ensure timely receipt of such orders by regularly following up with clients who have placed orders previously, in order to estimate demand and drive sales. However, since the food processing industry in which we operate is largely dependent on General Trade, this risk cannot be fully mitigated.

In addition, orders placed by customers may be delayed, modified, reduced, or cancelled at short notice due to changes in customer preferences, supply chain dynamics, seasonal demand, pricing considerations, or other external factors. Such variations may impact production scheduling and utilisation of manufacturing capacity, result in accumulation of inventory, or affect raw material procurement planning. In case of sourced or traded products, delays in order execution may also lead to prolonged storage, increasing the risk of spoilage, quality deterioration, or obsolescence.

The absence of structured sales arrangements and committed order flows may therefore affect our operational efficiency, working capital cycle, and profitability. If customers discontinue or reduce purchases without prior notice, it may adversely affect our sales growth and financial performance. Although the Company has not experienced any

such material adverse instances during the preceding three financial years, there can be no assurance that similar risks will not arise in the future.

**RF 37 to be modified as under:**

***Our business is significantly dependent on the continued services and strategic leadership of our Promoters, Mr. Jai Agarwal and Mrs. Prem Lata Agarwal, and any loss of their services may adversely affect our business, operations and financial performance.***

Our Company is promoted by Mr. Jai Agarwal, who has over a decade of experience in the papad industry, and Mrs. Prem Lata Agarwal, Whole-time Director, who also possesses over a decade of experience in the industry. Our Promoters are actively involved in the overall strategic direction, management and control of the affairs of our Company and oversee day-to-day operations, including procurement, production planning, distribution expansion, business development and key commercial decisions.

Given their long-standing industry experience, operational knowledge, relationships with suppliers and distributors, and understanding of the papad manufacturing segment, our business operations and growth strategy are substantially dependent on their continued involvement. Any inability of either of them to devote sufficient time and attention to the Company's affairs, or the loss of their services due to resignation, incapacity or other unforeseen circumstances, may disrupt our operations, weaken strategic execution, and adversely affect our business performance and financial condition.

While we have a broader management team and functional heads supporting various departments, including production, quality control, procurement and marketing, certain critical decision-making functions continue to rest with our Promoters.

In terms of succession planning, Ms. Aanya Agarwal, who is a Promoter and Director of the Company, has been progressively involved in the Company's operations and strategic functions. The Company is also in the process of strengthening its second-line management and institutionalising operational processes to reduce dependence on specific individuals over time. However, there can be no assurance that such measures will fully mitigate the risks associated with the loss of services of our Promoters or other key managerial personnel. Any disruption in leadership continuity or failure to effectively implement succession planning may adversely affect our business, results of operations, cash flows and financial condition.

**RF 54 shall be revised as under:**

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

We are exposed to counterparty credit risk in the usual course of our business dealings with our clients or other counterparties who may delay or fail to make payments or perform their other contractual obligations. The financial condition of our clients, suppliers and other counterparties may be affected by the performance of their business which may be impacted by several factors including general economic conditions. We cannot assure you of the continued viability of our counterparties or that we will accurately assess their creditworthiness. ***While we have not experienced any material instances of delay or default by our counterparties in the past, there can be no assurance that such instances will not occur in the future, which could adversely affect our cash flows, financial condition, and results of operations.***



**NEWLY ADDED:**

- 1. There are no listed peers operating in our business segment, and the absence of comparable listed companies may limit peer benchmarking and industry comparison.***

Our Company operates in a niche segment involving the manufacturing and sale of papad and related traditional food products. As of the date of this Draft Red Herring Prospectus, there are no listed companies in India of comparable size exclusively operating in our business segment or of comparable scale and business model. As a result, industry-based financial or operational peer comparison is not available for the Company.

The absence of comparable listed peers may limit investors' ability to benchmark our performance using conventional valuation metrics and sector comparisons typically applied in public markets. Further, the lack of comparable industry data may influence investors' perception of our business model, growth prospects, and valuation parameters during and after the listing process.

While this does not impact our business operations, financial performance, or growth strategy, it may affect the market's ability to assess our relative position within the food processing sector. Any adverse impact on investor perception or valuation outcomes due to the absence of comparable listed companies may, in turn, influence trading activity and market price performance of our Equity Shares.

- 2. Majority of directors do not have any prior experience of directorship of any listed entity.***

Our Directors do not have any prior experience of being a director in any listed entity in India and this may present certain potential challenges for our Company.

Our current Board comprises five directors which includes one Managing Director, one Whole-time Director, two Independent Directors and one Non-Executive Director. Our Directors do not hold directorship in any other listed company in India. While our Board members are qualified and have relevant experience in their respective fields, not having any significant contemporary experience of being a director in any other listed company in India may present certain potential challenges for our Company.

- 3. Compliance with listed company requirements may strain our managerial, financial, and operational resources.***

Upon listing, our Company will be subject to a comprehensive set of statutory, regulatory, and reporting requirements applicable to listed entities in India, including those prescribed by SEBI, the Stock Exchanges, the Companies Act, 2013, and other applicable laws. These requirements include periodic financial reporting, corporate governance obligations, disclosure of material events, compliance certifications, investor servicing standards, and enhanced internal control and audit mechanisms.

Ensuring ongoing compliance with such regulations may require significant allocation of time and resources from our management and may necessitate the strengthening of internal systems, processes, and personnel. We may be required to recruit additional qualified professionals or engage external advisors to meet governance, compliance, and reporting requirements, thereby increasing administrative and compliance costs.

Further, compliance lapses—whether actual, alleged, or inadvertent—may expose us to regulatory scrutiny, penalties, investor grievances, adverse media coverage, and reputational risk. We cannot assure you that the transition to a listed company framework will not impact our operations or financial performance. Any failure to effectively manage these increased compliance and governance obligations may strain our business resources and may adversely affect our results of operations, financial condition, and reputation.

- 4. Our manufacturing units are located in Bikaner, and concentration of operations in a single geographic region exposes us to location-specific risks.***

Our manufacturing units are situated in Bikaner, Rajasthan. Since our production infrastructure is concentrated in a single geographic region, any adverse developments affecting this area may materially disrupt our operations. Such developments may include extreme climatic conditions, water scarcity, labor availability issues, natural disasters, infrastructure failures, transportation disruptions, regulatory changes at the state or local level, or socio-political disturbances.

Any significant interruption in operations at our Bikaner facilities may lead to delays in production, inability to meet customer demand, increased operating costs, and impacts on our working capital cycle. We may also incur additional expenditure to relocate production, source temporary facilities, or secure alternative logistics arrangements. We cannot assure you that we will always be able to mitigate such location-specific risks. Any prolonged disruption could adversely affect our business, financial condition, results of operations, and cash flows.”

Further, we confirm to shift the above risk in top 10 risk factors.

**5. *Our business operations are dependent on power and fuel, and any disruption in their availability or increase in their cost, along with delays in implementing our proposed solar power project, may adversely affect our business and financial performance.***

Our manufacturing activities require continuous and reliable availability of power and fuel for operating machinery, processing raw materials, and maintaining storage conditions. Electricity is procured from the state grid, and fuel is used for certain production processes and logistics. Any interruption in power supply, fuel shortage, fluctuations in voltage, unexpected outages, or increases in power and fuel costs may lead to production delays, reduced output, wastage of raw materials, machinery downtime, or additional operating expenditure.

Further, our Company proposes to set up a solar rooftop power system as part of its capacity expansion and energy optimization plans. The implementation of this project is subject to obtaining necessary statutory approvals, availability of capital, timely procurement of equipment, and completion of installation within scheduled timelines. Any delay or failure in executing this proposed solar power project may result in continued dependence on conventional power sources and limit our ability to manage future power costs.

We cannot assure that power and fuel will remain available at required levels, without interruption, or at reasonable cost. Any sustained disruption or increase in energy costs, or delay in implementing our proposed solar power plant, may adversely affect our operational efficiency, production schedules, margins, and financial condition.

**6. *The Company may not successfully implement its stated business strategies, which may adversely affect its growth prospects, financial condition, and results of operations.***

The Company has outlined several strategic initiatives to drive future growth, including (i) establishment of a new manufacturing unit at Bachhasar, Rajasthan and rationalization of manufacturing operations, (ii) expanding sales through empanelment with Kendriya Police Kalyan Bhandar (KPKB), (iii) expanding the product portfolio, (iv) driving growth through influencer partnerships, (v) deepening engagement with renowned brand owners, (vi) leveraging the Company website as a strategic direct-to-consumer channel, (vii) improving brand awareness through scaled branding, promotional, and digital activities, (viii) expanding the geographical network, and (ix) maintaining cordial relationships with suppliers and customers. The successful implementation of these strategies depends on various internal and external factors, including timely availability of capital, obtaining required approvals, market acceptance of new initiatives, competitive responses, technology adoption, digital execution capabilities, distributor engagement, sourcing arrangements, and macroeconomic conditions.

There can be no assurance that these strategies will be implemented within the timelines or costs currently anticipated, or that they will generate the expected operational or financial benefits. For instance, delays in establishing the new manufacturing unit or rationalizing existing production may affect capacity planning and cost optimization; failure to empanel or generate meaningful volumes through KPKB or other institutional channels may limit incremental sales; limited acceptance of new products or challenges in brand marketing may restrict portfolio expansion; and digital initiatives such as influencer partnerships or direct-to-consumer channels may not yield the expected return on investment. In addition, our ability to expand into new geographies will depend on identifying and managing distributors, aligning logistics, and addressing market preferences, while maintaining relationships with suppliers and customers requires ongoing commercial flexibility and service reliability.

If the Company is unable to execute these strategies effectively or on commercially viable terms, or if any of the underlying assumptions do not materialize, the expected benefits may not be realized. This may adversely affect the Company’s business prospects, competitive position, financial condition, and results of operations. Though we have not encountered any instances, events or occurrences relating to the aforesaid risk factors during the stub period and the three financial years preceding the date of this Draft Red Herring Prospectus. Accordingly, there are no past instances to be reported in relation to the said risk factors for the relevant periods. However, there can be no assurance that such risks will not materialize in the future, and if any of the risks described herein were to occur, it could have an adverse effect on our business, financial condition, results of operations and cash flows.

**7. *The Company is geographically dependent on a limited number of states for procurement of its raw materials and any disruption in these regions may adversely affect its business, operations and financial performance.***

The Company procures a majority of its key raw materials—such as pulses, spices, edible oils, seasoning powders and other inputs—from a limited set of states within India. For the period ended June 30, 2025 and Fiscal Years 2025, 2024 and 2023, a significant portion of raw materials including Moong Pulse, Chana Pulse, Urad Pulse, Kini (Rice Broken), Groundnut Oil, Cotton Seed Oil, Turmeric, Red Chilly Powder, Funtra, Long, Sonf, Black Cumin (Kala Jeera), Ajwain, Potato Flakes, Vanaspati Ghee, Iodised Salt, Sendha Namak (Rock Salt), Kala Namak and Panamethi were procured almost exclusively from Rajasthan. Other raw materials were sourced primarily from Gujarat (such as Garlic Powder, Tamarind Powder, Lemon Powder, Ginger Powder, Custard Apple Powder, Green Chilly Powder and Pomegranate Fruit Powder), Madhya Pradesh (Sabudana), and to a limited extent from Uttar Pradesh and Delhi (e.g., Asafoetida). Poha and Papad Khar were sourced from combinations of Gujarat and Rajasthan during these periods.

This geographic concentration exposes the Company to procurement risks arising from state-level climatic variations, agricultural output fluctuations, mandi operations, logistics availability, labor conditions, local regulatory changes, taxation norms, transportation cost increases, or political or administrative disruptions in these regions. For example, adverse monsoon patterns, drought, excessive rainfall, crop diseases, or supply chain blockages within Rajasthan or Gujarat could affect the availability, pricing, or quality of raw materials critical to our manufacturing processes. In such events, alternate suppliers in other states may not be readily available or may be available only at higher prices or longer lead times, which could disrupt production schedules and adversely impact margins.

There can be no assurance that the Company will be able to diversify its sourcing geographies in a timely or cost-effective manner. Any significant disruption in the states from which the Company procures its raw materials may adversely affect its production, profitability, working capital cycle, financial condition, and results of operations.

**8. *Our reliance on contract manufacturing and trading activities exposes us to operational, quality, and supply chain risks, which may adversely affect our business, results of operations, and financial condition.***

The Company's business model includes both in-house manufacturing and the sale of certain products that are contract manufactured or traded. For products manufactured through third-party contract manufacturers, we are exposed to risks relating to their production capacity, operational reliability, regulatory compliance, and quality and hygiene standards. We may not always have direct control over their manufacturing processes, quality assurance systems, raw material sourcing, labor practices, or adherence to applicable statutory and food safety regulations. Any deviation from prescribed standards by such contract manufacturers may result in product quality issues, regulatory action, product returns or recalls, reputational harm, or disruption in supply, any of which could adversely affect our business and brand.

Similarly, our trading activities involve the purchase and resale of finished goods sourced from third parties. These products may be susceptible to price volatility, fluctuations in demand, storage-related risks (including spoilage of food items), and variations in specifications or packaging that are beyond our control. In addition, we are exposed to working capital risks on account of inventory holding, shelf-life limitations, and credit terms offered to customers.

If any contract manufacturer or supplier fails to fulfil its obligations in a timely manner or at all—whether due to capacity constraints, disputes, financial difficulties, regulatory non-compliance, logistics disruptions, or raw material shortages—we may not be able to meet customer demand, leading to order cancellations, delayed deliveries, or loss of business. There can be no assurance that suitable alternative sources will be available at comparable terms, or without significant delays. Further, any adverse event relating to contract manufactured or traded products, even if not directly attributable to us, may be associated with our brands and negatively impact our reputation, consumer trust, and operational performance.

As a result, our reliance on contract manufacturing and trading exposes us to operational, financial, quality, and reputational risks that may adversely affect our business, results of operations, and financial condition.

**9. *Our products are perishable and have limited shelf life, which may result in product losses and adversely affect our business.***

Our products have shelf lives ranging from approximately 90 days to 365 days, depending on the category. Any delays in sales, improper storage, or inefficiencies in inventory management may lead to spoilage, expiry, or deterioration of goods, resulting in write-offs, returns, discounts, or disposal costs. Such events may adversely impact our business, results of operations, financial condition, and cash flows.

For further details on the shelf life of the products, please refer to the ***“Our Product Portfolio”*** under the chapter titled ***“Our Business”*** on page no 207 of this Draft Red Herring Prospectus.

***10. Our production and sales volumes are influenced by seasonal demand patterns, particularly during festivals and wedding seasons, which may result in revenue fluctuations.***

Demand for our products exhibits seasonality, with production and sales typically peaking during certain Indian festivals and the wedding season. During these periods, customers, distributors, and retailers tend to place higher volume orders leading to increased production requirements, inventory build-up, and logistics coordination. Conversely, in non-festive or lean periods, demand may moderate, resulting in lower order volumes and comparatively subdued revenue generation.

Such seasonality may lead to quarter-on-quarter or period-to-period variations in our revenue, profitability, and working capital requirements. In peak seasons, we may also face challenges related to capacity utilization, workforce availability, raw material procurement, transportation constraints, and pricing pressures. Any inability to adequately anticipate or manage seasonal surges may result in unmet demand, lost sales opportunities, or increased operational inefficiencies.

While seasonality does not materially impact long-term consumer preferences, these fluctuations may make interim financial comparisons less meaningful and limit their ability to accurately predict annual performance. Any adverse variation in seasonal demand, including due to macroeconomic conditions, changes in consumer behaviour, supply chain disruptions, or lower festival/wedding-related consumption, may adversely affect our business, results of operations, financial condition, and cash flows.

***We face significant competition from alternative packaged snacks, which may adversely impact our sales, margins, and market share.***

The packaged food and snacks sector in India is highly competitive and dynamic, with a wide range of alternative products readily available to consumers, including chips, namkeens, extruded snacks, ready-to-eat savouries, and other convenience foods. Many of these products compete with our papad and related product categories in terms of pricing, convenience, taste preferences, marketing visibility, and shelf placement.

In addition, the ready-to-cook and ready-to-eat snack industry includes established brands, regional players, as well as private label products offered through modern trade, quick commerce, and online channels. These alternative snacks may be perceived as more convenient or appealing by certain consumer segments, particularly younger consumers or urban households. As a result, shifts in consumer preferences towards such alternative products may reduce the demand for our offerings.

Competitive pressures may also lead to increased promotional spending, pricing adjustments, increased trade margins, or continuous innovation to maintain consumer interest. Any inability to effectively compete with alternative snack products may adversely impact our sales volumes, market share, profitability, growth prospects, and brand positioning.

***11. Our Gharsisar Manufacturing Unit had not obtained Consent to Establish and Consent to Operate from the State Pollution Control Board. However, the unit falls under the White Category of industries, which is exempt from such consents under the applicable regulatory framework. Any change in regulatory interpretation may impact our operations***

Our manufacturing unit situated at Gharsisar, Bikaner, Rajasthan (the “Gharsisar Unit”) falls under the “White Category” of industries as classified by the Central Pollution Control Board and adopted by the State Pollution Control Board, Rajasthan. As per the applicable Government Order industries categorized under the White Category are exempted from obtaining Consent to Establish (“CTE”) and Consent to Operate (“CTO”) under the Water (Prevention and Control of Pollution) Act, 1974 and the Air (Prevention and Control of Pollution) Act, 1981, subject to prescribed conditions.

In the past, the Company had filed applications for CTE and CTO in respect of the Gharsisar Unit with the concerned State Pollution Control Board. However, formal CTO approval was not issued. The processing of such applications was, inter alia, impacted due to procedural aspects relating to identification and classification of the land by the relevant authorities.

Pursuant to the applicable Government Order clarifying that industries operating under the White Category are not required to obtain CTE and CTO, the Company understands that such consent was not mandatorily required for the Gharsisar Unit.

However, there can be no assurance that regulatory authorities will not take a different view in the future or raise queries with respect to past operations of the Gharsisar Unit during the period when formal CTO approval had not been granted. Any adverse interpretation, inspection finding, or regulatory action may result in penalties, fines, operational restrictions, or reputational impact on the Company.

Further, if at any time the classification of the Gharsisar Unit is revised, or environmental regulations are amended requiring fresh registrations, declarations, or approvals, the Company may be required to obtain additional consents or comply with enhanced regulatory requirements. Any failure or delay in obtaining such approvals may adversely affect our business, financial condition, results of operations and cash flows.

**12. The Company is eligible to receive capital subsidy under a Government scheme; however, the receipt, quantum and timing of such subsidy are subject to fulfilment of prescribed conditions and approvals, and any delay, reduction or non-receipt may adversely affect our financial position and cash flows.**

The Company is eligible to receive capital subsidy under the Rajasthan Investment Promotion Scheme, 2024 (RIPS 2024) notified by the Government of Rajasthan, in respect of eligible capital investment incurred for its manufacturing unit. Under the applicable provisions of the scheme, the Company is entitled to receive subsidy equivalent to 50% of eligible capital investment, subject to a prescribed maximum limit, disbursed over a specified period and subject to compliance with the conditions of the scheme and approval by the competent authority.

The eligibility, sanction, quantum and disbursement of subsidy are subject to submission of requisite documentation, verification by the concerned authorities, continued compliance with the scheme conditions and other regulatory requirements. There can be no assurance that the Company will receive the subsidy within the anticipated timelines, or at all, or that the full eligible amount will be sanctioned or disbursed.

Further, any delay in approval or disbursement, reduction in eligible subsidy, change in Government policy, withdrawal or modification of the scheme, or non-fulfilment of prescribed conditions may adversely impact our projected cash flows and liquidity expectations. If the subsidy is not received in a timely manner or is received in a lower amount than anticipated, it may affect our financial condition.

**13. Our Karni Unit and Gharsisar Unit factory premises and Maintenance Store are occupied under rent agreements in respect of which certain statutory compliance requirements under applicable rent laws are pending, and any non-compliance may have an adverse effect on our business, operations, cash flows and financial condition.**

We occupy our Karni Unit and Gharsisar Unit factory premises, as well as our Maintenance Store, under written rent agreements that are required to comply with certain statutory formalities under the applicable rent control laws of the State of Rajasthan, including prescribed intimations, filings and recordal requirements with the competent authority. Compliance with such procedural requirements in respect of the aforesaid agreements is presently pending due to an inadvertent oversight. We have initiated necessary corrective measures to regularise such compliance in accordance with applicable law.

Any pending compliance with statutory requirements governing these rent agreements may result in certain procedural limitations in enforcing our contractual rights, potential exposure to penalties or other regulatory consequences, or proceedings before the prescribed authority. In the absence of complete procedural compliance, there may be legal uncertainty regarding the enforceability of certain terms of such agreements or our rights and obligations thereunder.

The Karni Unit and Gharsisar Unit are integral to our core manufacturing operations, as they house our principal production lines, processing activities, equipment and deployment of workforce necessary for meeting our production targets and customer commitments. The Maintenance Store plays a key supporting role by facilitating plant upkeep, repair and preventive maintenance through the storage of essential spare parts, consumables, tools and equipment required for the uninterrupted functioning of our machinery and infrastructure. Accordingly, any issue affecting our continued use or access to these premises could disrupt manufacturing schedules, increase downtime, impact

production efficiency, or require us to make alternate arrangements, which may involve additional costs and operational adjustments.

Although we are in the process of regularising the procedural requirements in relation to the aforesaid rent agreements, there can be no assurance that no queries, costs or delays will arise in this regard. Any significant disruption relating to these premises could have a material adverse effect on our business, results of operations, cash flows and financial condition.

***14. We have experienced relatively high attrition rates, particularly among certain categories of our workforce, which may adversely affect our business, results of operations, cash flows and financial condition.***

Our business is manpower-intensive and relies significantly on the availability of adequate skilled and semi-skilled personnel across various operational functions. Historically, we have experienced relatively higher attrition rates among Labours, Housekeeping, Security personnel, Drivers and Helpers (collectively, “Labour and Operations Support Staff”) as compared to other employee categories.

For the period ended June 30, 2025 and for Fiscal 2025, 2024 and 2023, the attrition rates of Employees (other than Labour and Operations Support Staff) were 7.54%, 56.52%, 17.39% and 33.33%, respectively. During the same periods, the attrition rates of Labour and Operations Support Staff were 37.63%, 63.53%, 57.83% and 66.67%, respectively. These attrition levels reflect periodic workforce instability, particularly within operational support roles that are critical to day-to-day manufacturing and logistics activities.

Higher attrition levels and prolonged absenteeism among Labour and Operations Support Staff are primarily attributable to personal, social and seasonal factors, including travel to native places for family obligations, festivals and agricultural commitments. Such trends may result in temporary manpower shortages and fluctuations in workforce availability, thereby creating operational challenges, including disruptions in production schedules, reduced productivity, increased recruitment and training costs, and additional managerial and administrative efforts.

To address these challenges, we undertake periodic recruitment drives, maintain a pool of replacement personnel and implement workforce planning measures, including staggered shifts and flexibility in production scheduling. However, there can be no assurance that these measures will be sufficient to fully mitigate the risks associated with elevated attrition levels or prolonged absenteeism.

Any sustained or significant increase in attrition levels, or our inability to recruit, train and retain adequate manpower in a timely and cost-effective manner, may adversely affect our manufacturing operations, production capacity and overall operational efficiency, which could have a material adverse effect on our business, results of operations, cash flows and financial condition.

The above risk factor shall be shifted to Top 5 Risk Factors.

***15. We engage contract labour for various operational and production activities, and any default by such contractors in complying with applicable labour laws may expose us, as principal employer, to statutory and financial liabilities, which may adversely affect our operations, cash flows and financial condition.***

We engage contract labour through independent contractors for carrying out various operational and production activities at our manufacturing facilities. As on June 30 2025, 12 contract labourers are deployed at our facilities through such contractors.

Under applicable labour legislations, including the Contract Labour (Regulation and Abolition) Act, 1970 and other relevant social security and wage-related legislations, we may, as a principal employer, be held responsible for certain statutory compliances in the event of any default by the contractor. Such responsibilities may include payment of wages and other statutory dues, maintenance of prescribed registers and records, and ensuring compliance with applicable filings and procedural requirements. In the event of non-compliance by the contractor, we may be required to discharge such liabilities in accordance with applicable laws and contractual arrangements, and may also be exposed to penalties, claims, inspections, inquiries or other regulatory actions.

Although we seek to mitigate these risks by entering into contractual arrangements that require contractors to comply with applicable laws and by undertaking periodic reviews of documentation and statutory records, there can be no assurance that contractors will at all times fully comply with their statutory obligations. Any failure on their part may result in financial outflows, reputational impact, diversion of management time and increased compliance and monitoring costs for us.

As on the date of this Draft Red Herring Prospectus, we have not received any material notices, claims or regulatory actions in relation to non-compliance by our contractors with applicable labour laws. However, there can be no assurance that such instances will not arise in the future.

Further, any disruption in the engagement or availability of contract labour, non-renewal or termination of arrangements with contractors, labour unrest or disputes involving contract labour, or adverse observations or actions by regulatory authorities in relation to our engagement of contract labour may lead to operational interruptions, delays in production schedules, increased costs or reduced efficiency. In the event any of the foregoing risks materialise, it could adversely affect our manufacturing activities and may have a material adverse effect on our business, results of operations, cash flows and financial condition.

**16. Our profit after taxes (PAT) has significantly increased in recent financial year. If we are unable to sustain or improve or manage our growth rate i.e. profitability, our business operations and financial conditions may be adversely affected.**

We have experienced substantial growth in our total revenue over the past two financial years. For the year ended March 31, 2024, our total income increased by 5.13% to ₹2,628.79 Lakhs from ₹2,500.40 Lakhs in FY 2022-23, primarily due to a strategic shift of from general trade sales to a stronger focus on the modern trade market, including the supply of products with multiple new stores of already partnered modern trade retail chain stores across multiple states. In FY 2024-25, our total income further grew by 20.82% to ₹3,176 Lakhs, driven mainly by continued expansion in our e-commerce and modern trade segment, strengthening of our distribution network, deeper market penetration, improved supplier relationships, and enhanced liquidity supported by an improved net worth.

Our Restated Profit After Tax increased to ₹472.44 Lakhs in the financial year ended March 31, 2025 from ₹210.76 Lakhs in the previous year, representing a growth of 124.16%. This improvement was primarily driven by increased operating revenues, supported by higher sales volumes, effectively controlling costs and optimizing operating expenses, and better utilization of available liquidity. For the financial year ended March 31, 2024, our Restated Profit After Tax was ₹210.76 Lakhs, compared to ₹25.41 Lakhs in FY 2022-23, reflecting a significant growth primarily due to improved gross margins resulting from increased sales volumes.

While this growth in profitability reflects positively on our operational progress and positive impact of our strategic initiatives, such rapid and consistent growth may not be sustainable in future periods. There is no assurance that we will be able to maintain our current growth trajectory, or continue to grow at similar rates. Our ability to maintain or grow profitability depends on various internal and external factors including our ability to continue increasing revenues, managing costs and operating expenses efficiently, maintaining stable gross margins, consumer demand, competitive dynamics, macroeconomic conditions, supplier reliability, raw material availability, and regulatory changes.

Failure to effectively manage this growth, or any slowdown or decline in our revenue, could adversely impact our operational efficiency, strain our distribution capabilities, affect our working capital requirements, and negatively influence our profit margins. Furthermore, if we are unable to replicate the strategic and operational initiatives that have contributed to our past performance, or if those initiatives cease to be effective, our business, financial condition, and results of operations may be materially and adversely affected.

Please also refer to section titled “Management's discussion and analysis of Financial Position and results of Operations” beginning on page 338 of this Draft Red Herring Prospectus.

**17. Our new manufacturing unit at Bachhasar will be constructed on a leased land, owned by our Promoter and a significant portion of the IPO proceeds is intended for constructing the said manufacturing facility, and any change or discontinuation in these lease arrangements may adversely affect our business operations and financial condition.**

Our Company proposes to utilise Rs. 782.19 lakhs of the Net Proceeds towards funding of capital expenditure to construct a new manufacturing facility at Bachhasar on premises not owned by our Company and is leased from our Promoter, Jai Agarwal. Accordingly, our continued use of the leased premises is dependent upon the validity, renewal, and compliance with the terms and conditions of the lease arrangement with the Promoter.

The new manufacturing unit at Bachhasar will be used for manufacturing of Rice papad (Khichiya). Any non-renewal, termination, or dispute in relation to the lease arrangement may require us to relocate our rice-papad manufacturing unit, which could result in disruptions in product (rice papad) manufacturing, delays in supply of the product, additional costs, and operational inconvenience until suitable alternative premises are identified and made operational.

There can be no assurance that the lease arrangement will be renewed on the same or similar terms, or that we will be able to secure alternative premises on commercially acceptable terms or within a reasonable timeframe. Any inability to renew such lease arrangement or to relocate the rice-papad (khichiya) manufacturing unit without disruption, could adversely affect our manufacturing functions, supply/ distribution framework, and business continuity, which in turn may have a material adverse effect on our business, financial condition, and results of operations. This arrangement may give rise to potential conflicts of interest and could result in long-term operational dependency on the Promoter for a critical business asset.

**18. The Company is dependent on procurement of certain key raw materials from specific states, and any disruption in supply from such states may adversely affect its business, operations and financial condition.**

The Company sources a significant portion of its key raw materials from a limited number of states in India based on availability, quality and supplier relationships. As part of its procurement strategy, certain raw materials such as moong pulse, chana pulse, urad pulse, groundnut oil, cotton seed oil, kala jeera, ajwain, turmeric, red chilli powder, sonf, sahi jeera, asafoetida, potato flakes, vanaspati ghee, iodised/rock salt, kala namak and panamethi have been procured predominantly from Rajasthan in recent periods. Other raw materials such as poha, garlic powder, tamarind powder, lemon powder, ginger powder, custard apple powder, green chilli powder and pomegranate fruit powder were predominantly procured from Gujarat, while sabudana (tapioca pearls) was mainly sourced from Madhya Pradesh. In certain years, asafoetida and related spices were also sourced from Uttar Pradesh and Delhi. For several items such as poha and papad khar, procurement was shared between Gujarat and Rajasthan.

The concentration of procurement from specific states exposes the Company to geographical supply risks including variability in agricultural output, weather-related risks, seasonal fluctuations, logistical constraints, transportation disruption, local regulatory changes, crop failures, political or administrative restrictions, labour shortages at mandis, and state-specific taxation or movement controls. For example, a significant shortfall in crop yields in Rajasthan or disruptions to transport routes in Gujarat could materially affect the availability, pricing, quality and timely delivery of key raw materials.

While the Company endeavours to diversify its supplier base and maintain relationships with multiple suppliers across states, there can be no assurance that alternative sources will be available on comparable terms or at short notice if procurement conditions in the principal sourcing states deteriorate. Any significant disruption or adverse change in supply from these geographical locations may require the Company to procure raw materials from distant regions at higher cost or with extended lead times, which may increase sourcing costs, disrupt production schedules, and adversely affect the Company's operating costs, margins, revenue, results of operations and cash flows. Though we



have not encountered any instances, events or occurrences relating to the aforesaid risk factors during the stub period and the three financial years preceding the date of this Draft Red Herring Prospectus. Accordingly, there are no past instances to be reported in relation to the said risk factors for the relevant periods. However, there can be no assurance that such risks will not materialize in the future, and if any of the risks described herein were to occur, it could have an adverse effect on our business, financial condition, results of operations and cash flows.

**SHIFTED:**

**RF 13 and RF 35 shall be shifted to top five risk factors**

**RF 40 shall be shifted to Top 25 Risk factors**

**RF 41 shall be shifted to Top 20 Risk Factors**

## **GENERAL INFORMATION**

### **Details of Registered Office:**

#### **1. Chief Financial Officer**

Priya Mungia, is the Chief Financial Officer of our Company. Her contact details are set forth hereunder:

**Address:** Opp. Manav Bharti School, Garsisar, Bikaner – 334 001, Rajasthan, India

**Telephone:** +91 7300071153

**Facsimile:** N.A.

**E-mail:** [cfo@papadmalji.com](mailto:cfo@papadmalji.com)

#### **2. Company Secretary and Compliance Officer**

Khushboo Tak Singhal, is the Company Secretary and Compliance Officer of our Company. Her contact details are set forth hereunder:

**Address:** Opp. Manav Bharti School, Garsisar, Bikaner – 334 001, Rajasthan, India

**Telephone:** +91 7300071153

**Facsimile:** N.A.

**E-mail:** [cs@papadmalji.com](mailto:cs@papadmalji.com)

### **Changes in Auditors during the last three years**

Except disclosed below, there has not been any change in the statutory auditors of our Company in the last three years preceding the date of this Draft Red Herring Prospectus:

<b>Name of Auditor</b>	<b>Initial Date of Appointment / Date of Reappointment</b>	<b>Period of Appointment / Reappointment</b>	<b>Date of Change</b>	<b>Reasons for change</b>
<b>M/S Abhishek V Jain &amp; Co. (Statutory Auditor)</b> <b>Address:</b> 338, First Floor, Babuji Plaza, Opposite Sadul School, Bikaner, Rajasthan- 334001 <b>Tel:</b> 2520331(O) <b>Email:</b> caabhishek11@gmail.com <b>Firm Registration Number:</b> 014447C <b>Contact person:</b> Abhishek Jain <b>Membership No.:</b> 409299	20/10/2021	01/04/2020 to 31/03/2021	-	Appointed to fill the casual vacancy caused by resignation of M/s A. Bothra & Co Chartered Accountants, previous Statutory Auditor of the Company.
	30/11/2021	01/04/2021 to 31/03/2026	01/08/2025	Resigned from Statutory Auditor of the Company w.e.f from August 1, 2025 due to pre-occupation in other assignments.
<b>M/S Abhishek V Jain &amp; Co. (Internal Auditor)</b> <b>Address:</b> 338, First Floor, Babuji Plaza, Opposite Sadul School, Bikaner, Rajasthan- 334001 <b>Tel:</b> 2520331(O) <b>Email:</b> caabhishek11@gmail.com <b>Firm Registration Number:</b> 014447C <b>Contact person:</b> Abhishek Jain <b>Membership No.:</b> 409299	05/08/2025	01/04/2025 to 31/03/2026	-	Appointed as Internal Auditor of the Company w.e.f 05/08/2025
<b>M/s GGPS And Associates</b> <b>Address:</b> 115, 1 <sup>st</sup> Floor, Vijay Shopping Mall, Bikaner, Rajasthan- 334001 <b>Tel:</b> +91-9530099996 <b>Email:</b> mail@catarun.com <b>Firm Registration Number:</b> 032345N <b>Contact person:</b> CA Tarun Periwal <b>Membership No.:</b> 447670 <b>Peer Review Certificate No.:</b> 019027	18/08/2025	01/04/2024 to 31/03/2025		Appointed to fill the casual vacancy caused by resignation of M/s Abhishek V Jain & Co. Chartered Accountants, previous Statutory Auditor of the Company.
	30/09/2025	01/04/2025 to 31/03/2030	-	Appointed as the Statutory Auditor of our Company for a period of five years.

## CAPITAL STRUCTURE

### 9. History of Equity Share Capital held by our Promoters

As on the date of this Draft Red Herring Prospectus, our Promoters hold in aggregate 41,58,999 Equity Shares, constituting 60.98% of the pre-Offer, subscribed and paid-up Equity Share capital of our Company. The details regarding our Promoters' shareholding is set forth below. None of the Equity Shares held by our Promoters are pledged or otherwise encumbered and all the shares held by our Promoters are in dematerialized form as on the date of the Draft Red Herring Prospectus.

#### Build-up of our Promoter's Equity shareholding in our Company.

The build-up of the Equity shareholding of our Promoters since incorporation of our Company is set forth below:

Date of allotment/transfer	Nature of transaction	Number of Equity Shares allotted/transferred	Cumulative number of Equity Shares	Nature of consideration	Face value per Equity Share (₹)	Issue price/Transfer price per Equity Share (₹)*	Percentage of the pre-Offer capital (%)	Percentage of the post-Offer capital (%)
<b>Jai Agarwal</b>								
December 19, 2017	Subscription to MoA	4,00,000	4,00,000	Cash	10	10	5.86	[●]
September 23, 2025	Bonus Issue	32,00,000	36,00,000	Other than cash	10	NA	46.93	[●]
<b>Sub Total (A)</b>		<b>36,00,000</b>					<b>52.79</b>	<b>[●]</b>
<b>Prem Lata Agarwal</b>								
December 19, 2017	Subscription to MoA	1,00,000	1,00,000	Cash	10	10/-	1.47	[●]
February 14, 2018	Share Transfer to Puneet Bothra	(37886)	62114	Cash	10	10/-	(0.56)	[●]
October 15, 2024	Share Transfer to Aanya Agarwal	(100)	62014	Cash	10	81	Negligible	[●]
October 15, 2024	Share Transfer to Rajender Kumar Agarwal	(1)	62013	Cash	10	81	Negligible	[●]
October 15, 2024	Share Transfer to Rama Devi Agarwal	(1)	62012	Cash	10	81	Negligible	[●]
October 15, 2024	Share Transfer to Saraswati Agarwal	(1)	62011	Cash	10	81	Negligible	[●]
September 23, 2025	Bonus Issue	496088	558099	Other than cash	10	NA	7.27	[●]
<b>Sub Total (B)</b>		<b>558099</b>					<b>8.18</b>	<b>[●]</b>
<b>Aanya Agarwal</b>								
October 15, 2024	Share Transfer from Prem Lata Agarwal	100	100	Cash	10	81	Negligible	[●]
September 23, 2025	Bonus Issue	800	900	Other than cash	10	NA	0.01	[●]
<b>Sub Total (C)</b>		<b>900</b>					<b>0.01</b>	<b>[●]</b>

#### Details of Minimum Promoters' Contribution and Lock-in:

In accordance with Regulation 236 and Regulation 238 of the SEBI ICDR Regulations, an aggregate of 20% of the fully diluted post- Offer Equity Share capital of our Company held by our Promoters, shall be provided towards Minimum Promoters' Contribution ("Minimum Promoters' Contribution") and locked in for a period of three years from the date of Allotment in the Initial Public Offer. The lock-in of the Minimum Promoters' Contribution would be created as per the applicable law and procedure and details of the same shall also be provided to the Stock Exchange before listing of the Equity Shares.

The details of the Equity Shares held by our Promoters, which shall be locked-in for a period of three years from the date of Allotment are set forth below:

Date of Allotment / Acquisition / Transfer	Number of Equity Shares **	Face Value per share (in ₹)	Issue / Acquisition Transfer Price per Equity Share (in ₹)	Nature of consideration (cash / other than cash)	Nature of Transaction	Number of Equity Shares locked-in*	% of fully diluted post-Offer paid-up capital	Period of lock-in
<b>Jai Agarwal</b>								
<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
<b>Prem Lata Agarwal</b>								
<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
<b>Aanya Agarwal</b>								
<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
<b>TOTAL</b>	<input type="checkbox"/>					<input type="checkbox"/>	<input type="checkbox"/>	

**Note:** The above details shall be filled in the Prospectus to be filed with the RoC

\*Subject to finalisation of Basis of Allotment

\*\* All the Equity Shares were fully paid up on the respective dates of allotment/acquisition/transfer, as the case may be, of such Equity Shares

- i. Our Promoters have given written consent to include [●] Equity Shares held by them as disclosed above, constituting [●] % of the fully diluted post-Offer paid up Equity Share capital of our Company as the Minimum Promoters' Contribution. Our Promoters have agreed not to sell, transfer, pledge or otherwise dispose of in any manner the Minimum Promoters' Contribution from the date of allotment in the Offer, until the expiry of the lock-in period specified above, or for such other time as required under SEBI ICDR Regulations, except as may be permitted, in accordance with the SEBI ICDR Regulations.
- ii. The Minimum Promoters' Contribution has been brought in to the extent of not less than the specified minimum lot and has been contributed by persons defined as "Promoter" under the SEBI ICDR Regulations. Our Company undertakes that the Equity Shares that are being locked-in are not, and will not be, ineligible for computation- of Minimum Promoters' Contribution in terms of Regulation 237 of the SEBI ICDR Regulations and are being locked in for 3 (three) years as per Regulation 238(a) of the SEBI ICDR Regulations i.e., for a period of three years from the date of allotment of Equity Shares in this Offer.

In this connection, we confirm the following:

- a. The Equity Shares offered for Minimum Promoters' Contribution do not include Equity Shares acquired during the three years immediately preceding the date of this Draft Red Herring Prospectus if these are (a) acquired for consideration other than cash and revaluation of assets or capitalisation of intangible assets was involved in such transaction; or (b) resulting from bonus issue by utilisation of revaluation reserves or unrealised profits of our Company or resulted from bonus issue against Equity Shares which are otherwise ineligible for computation of Minimum Promoters' Contribution. For the purposes of such determination, the price per Equity Share shall be adjusted for any corporate actions, including share splits, bonus issues, etc., undertaken by our Company.
- b. The Minimum Promoters' Contribution do not include any Equity Shares acquired during the one year preceding the date of filing of this Draft Red Herring Prospectus at a price lower than the price at which the Equity Shares are being offered to the public in the Offer.
- c. Our Company has not been formed by the conversion of a partnership firm or a limited liability partnership firm into a Company during one year preceding the date of this Draft Red Herring Prospectus and hence, no Equity Shares have been issued to our Promoters in the one year immediately preceding the date of this Draft Red Herring Prospectus pursuant to conversion from a partnership firm or limited liability partnership.
- d. As on the date of this Draft Red Herring Prospectus, the Equity Shares held by the Promoters and offered for Minimum Promoters' Contribution are not subject to any pledge or any other form of encumbrance with any creditor.

- e. All the Equity Shares of our Company held by the Promoters are held in dematerialised form.
- f. Specific written consent has been obtained from the Promoters for inclusion of [●] Equity Shares for ensuring lock-in of three years to the extent of minimum [●] % of post Offer Paid-up Equity Share Capital from the date of allotment in the public Offer.

We further confirm that Minimum Promoters' Contribution of 20% of Post-Offer Equity Share Capital does not include any contribution from Alternative Investment Funds or Foreign Venture Capital Investors or Scheduled Commercial Banks or Public Financial Institutions or Insurance Companies registered with Insurance Regulatory and Development Authority of India or any non-individual public shareholder holding at least five per cent of the post-Offer capital or any entity (individual or non-individual) forming part of promoter group other than the promoter(s).

11. The details of the balance Equity Shares held by the Promoters and locked-in for a period of 2 (two) years and 1 (one) year is as under:

In addition to the Minimum Promoters' Contribution which shall be locked in for three years (as disclosed in clause 10 above), the balance Equity Shares held by Promoters shall be locked in pursuant to clause (b) of Regulation 238 of the SEBI (ICDR) Regulations, for a period as follows:

- [●] Equity Shares (i.e., 50% of the promoters' holding in excess of the Minimum Promoters' Contribution) shall be locked-in for a period of 2 (two) years from the date of allotment of Equity Shares in the Initial Public Offer; and
- the remaining [●] Equity Shares (i.e., 50% of promoters' holding in excess of the Minimum Promoters' Contribution) shall be locked-in for a period of for a period of 1 (one) year from the date of allotment of Equity Shares in the Initial Public Offer.

The details of the balance Equity Shares held by the Promoters and locked-in for a period of 2 (two) years and 1 (one) year is as under:

Name of Shareholder	Category	No. of Equity Shares held*	OF S	Lock -in for 3 years	Lock -in for 2 years	Lock-in for 1 year
Jai Agarwal	Promoter	36,00,000	-	[●]	[●]	[●]
Prem Lata Agarwal	Promoter	5,58,099	-	[●]	[●]	[●]
Aanya Agarwal	Promoter	900	-	[●]	[●]	[●]
<b>Total</b>		<b>41,58,999</b>	-	[●]	[●]	[●]

*Note: The above details shall be filled in the Prospectus to be filed with the RoC*

*\*All the Equity Shares were fully paid-up on the respective dates of allotment/acquisition/transfer as the case may be, of such Equity Shares*

### 13. Other lock-in requirements:

#### Equity Shares locked-in for one year other than Promoters' Contribution:

In terms of Regulation 239 of the SEBI (ICDR) Regulations, the entire pre-Offer [●] Equity Shares held by persons other than promoters shall be locked in for a period of one year from the date of allotment of Equity Shares in the Initial Public Offer.

The details of lock-in of Equity Shares for 1 (one) year held by persons other than promoters is as under:

Name of Shareholder	Category	No. of Equity Shares held <sup>*^</sup>	Lock-in for 1 year
India Customer Insight Fund (A Trust registered under Indian Trust Act 1882 & and AIF under SEBI)	Public	[●]	[●]
Puneet Bothra	Public	[●]	[●]
Rama Devi Agarwal	Promoter Group	[●]	[●]
Rajesndra Kumar Agarwal	Promoter Group	[●]	[●]
Saraswati Agarwal	Public	[●]	[●]
Total		[●]	[●]

**Note:** \*The above details shall be filled in the Prospectus to be filed with the RoC

<sup>^</sup>All the Equity Shares were fully paid-up on the respective dates of allotment/acquisition/transfer as the case may be, of such Equity Shares

#### Pledge of locked-in Equity Shares

In term of Regulation 242 of the SEBI (ICDR) Regulations, the Equity Shares held by our Promoters and locked-in, as specified above, may be pledged as a collateral security for loan granted by a scheduled commercial bank or public financial institution or a systemically important non-banking finance company or a housing finance company, subject to the following conditions:

- In case of Promoters' Contribution, the loan has been granted for the purpose of financing one or more of the objects of the Offer and pledge of Equity Shares is one of the terms of sanction of the loan;
- In case of Equity Shares held by promoters in excess of Promoters' Contribution, the pledge of Equity Shares is one of the terms of sanction of the loan.

However, lock-in shall continue pursuant to the invocation of the pledge and such transferee shall not be eligible to transfer the Equity Shares till the lock-in period stipulated has expired.

#### Transferability of locked-in Equity Shares

In terms of Regulation 243 of the SEBI (ICDR) Regulations and subject to the provisions of Takeover Regulations, as applicable:

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

transferred, subject to continuation of lock-in for the remaining period with the transferee and such transferee shall not be eligible to transfer them till the lock-in period as stipulated has expired.

14. Following are the details of the holding of securities (including shares, warrants, convertible securities) of persons belonging to the category “Promoters”, “Promoters’ Group” and “Public” before and after the Offer:

Sr. No.	Name of Shareholder	Pre-Offer		Post-Offer	
		No. of Equity Shares	% of Pre- Offer Capital *	No. of Equity Shares	% of Post-Offer Capital*
	Promoters (A)				
1.	Jai Agarwal	36,00,000	52.79	[●]	[●]
2.	Prem Lata Agarwal	5,58,099	8.18	[●]	[●]
3.	Aanya Agarwal	900	0.01	[●]	[●]
	Sub – Total (A)	41,58,999	60.98	[●]	[●]
	Promoters’ Group (B)				
1.	Rama Devi Agarwal	9	0.00	[●]	[●]
2.	Rajendra Kumar Agarwal	9	0.00	[●]	[●]
	Sub – Total (B)	18	0.00	[●]	[●]
	Public (C)				
1.	India Customer Insight Fund (A Trust registered under Indian Trust Act 1882 & and AIF under SEBI)	23,19,588	34.02	[●]	[●]
2.	Puneet Bothra	3,40,974	5.00	[●]	[●]
3.	Saraswati Agarwal	9	0.00	[●]	[●]
4.	Public in IPO	-	-	[●]	[●]
	Sub – Total (C)	26,60,571	39.02	[●]	[●]
	Total Promoters, Promoters’ Group and Public (A+B+C)	68,19,588	100.00	[●]	[●]

15. The average cost of acquisition of or subscription to Equity Shares by our Promoters and Investor Selling Shareholder is set forth in the table below:

Name of Promoter	Category	No. of Shares held	Average Cost of Acquisition (in ₹) *
Jai Agarwal	Promoter	36,00,000	1.11
Prem Lata Agarwal	Promoter	5,58,099	1.10
Aanya Agarwal	Promoter	900	9
India Customer Insight Fund	Investor Selling Shareholder	23,19,588	43.11

\*The average cost of acquisition of Equity Shares by our Promoters and Investor Selling Shareholder has been calculated by taking into account the amount paid by them, by way of fresh issuance or acquisition of the Equity Shares less amount received by them for the sale of Equity Shares through transfer, if any, and



*the net cost of acquisition has been divided by total number of shares held as on date of the Draft Red Herring Prospectus.*

*\*As certified by the Peer Reviewed Statutory Auditor M/s GGPS and Associates, Chartered Accountants, Bikaner vide certificate dated January 30, 2026.*

#### **Other Confirmations**

20. None of our Promoter, members of our Promoter Group, the Directors of our Company or any of their relatives have purchased or sold any Equity Shares of our Company during the period of six months immediately preceding the date of this Draft Red Herring Prospectus.

21. There have been no financing arrangements whereby our Promoters, members of our Promoter Group, our Directors and their relatives have financed the purchase by any other person of the Equity Shares of our Company (other than in the normal course of the business of the financing entity) during a period of six months immediately preceding the date of filing of this Draft Red Herring Prospectus.

22. Our Company, our Promoters, our Directors and the Book Running Lead Manager to this Offer have not entered into any buy-back and/or standby or similar arrangements with any person for purchase of our Equity Shares issued by our Company through this Draft Red Herring Prospectus.

25. There are no outstanding warrants, options to be issued or rights to convert debentures, loans or other convertible instruments, which would entitle promoters or any shareholders or any other person any option to acquire Equity Shares after this Offer, as on the date of this Draft Red Herring Prospectus.

26. Neither our Promoters nor the members of our Promoter Group will participate in the Offer. No person related to Promoters nor the members of our Promoter Group shall apply under the Anchor Investor portion of the Offer, if any.

27. The Promoters and members of our Promoter Group will not receive any proceeds from the Offer.

30. No person connected with the Offer, including, but not limited to, the BRLM, the members of the Syndicate, our Company, the Directors, the Investor Selling Shareholder, members of our Promoter Group and the Promoter or Group Company, shall offer or make payment of any incentive, whether direct or indirect, in the nature of discount, commission and allowance or otherwise, except for fees or commission for services rendered in relation to the Offer, in any manner, whether in cash or kind or services or otherwise, to any Bidder for making a Bid.

31. Our Company shall ensure that transactions in the Equity Shares by our Promoter and the Promoter Group between the date of filing of this Draft Red Herring Prospectus and the date of closure of the Offer shall be intimated to the Stock Exchanges within 24 hours of such transaction.

36. As on the date of this Draft Red Herring Prospectus, none of the Equity Shares of our Company held by Promoters / Promoter Group are subject to any pledge.

37. As on the date of this Draft Red Herring Prospectus, none of the shareholding of the Promoters & Promoter Group is subject to lock-in.

39. An over subscription to the extent of 10% of the Net Offer can be retained for the purpose of rounding off to the nearest integer during finalizing the allotment, subject to minimum allotment, which is the minimum application size in this Offer. Consequently, the actual allotment may go up by a maximum of 10% of the Net Offer, as a result of which, the post-offer paid-up capital after the Offer would also increase by the excess amount of allotment so made. In such an event, the Equity Shares held by our Promoters and subject to three (3) years lock-in shall be suitably increased, so as to ensure that 20% of the post Offer paid-up capital is locked in.

47. Neither the (i) BRLMs or any associate of the BRLMs (other than mutual funds sponsored entities which are associates of the BRLMs or insurance companies promoted by entities which are associates of the BRLMs or AIFs sponsored by the entities which are associates of the BRLMs or FPIs other than individuals, corporate bodies and family offices which are associates of the BRLMs or pension fund registered with the Pension Fund Regulatory and Development Authority established under sub-section (1) of section 3 of the Pension Fund

Regulatory and Development Authority Act, 2013 sponsored by entities which are associate of the BRLMs); nor (ii) any person related to the Promoter or Promoter Group can apply under the Anchor Investor Portion.

**Further, Page 93 shall be updated as under:**

Bonus Ratio is 8:1.

**Page 97 shall be updated as under:**

In accordance with Regulation 230 (1) (d) of the SEBI (ICDR) Regulations, all the equity shares held by the shareholders are already in dematerialized form.

## OBJECTS OF THE OFFER

### Land details:

The total plot area identified for the proposed project admeasures 45,000 sq. ft. (4,182.15 sq. mtr.) situated at Khasra No. 394/4, Village Bachhasar, Tehsil and District Bikaner, Rajasthan - 334001. The land is a converted industrial land and has already been acquired by the Promoter, Mr. Jai Agarwal. The Promoter has made the said land available to the Company for a period of 15 years, commencing from February 01, 2026, on a lease basis in accordance with the terms of the lease deed, at a monthly lease rental of ₹1.80 lakhs. The leased land for construction of the new manufacturing facility is an industrial land. Also, there is adequate arrangement for meeting water requirements through a dedicated water tank and a tubewell.

### **a) New Building Infrastructure - construction of a dedicated manufacturing facility at its Bachhasar location**

To support the scale-up of operations, our Company has planned the construction of a dedicated production facility at its Bachhasar location. The building will be executed by vendor specializing in pre-engineered steel building structures. As per the quotation, the project includes design, supply, and erection of a Pre-Engineered Building (PEB) with integrated civil works and auxiliary infrastructure.

Detailed bifurcation of Cost is as under:

*Amount in Lakhs*

Sr No.	Vendor	Description of work	Item Purchased	Amount (excluding GST)	GST	Quotation Value	Date of Quotation	Validity of Quotation
1	Rainbow Engineering Solution	Building Construction work	Pre Engineered Steel Building - Area - 45000 sq ft  EAVE Height - 25 Ft	440.61	79.31	519.92	16-12-2025	15-03-2026
		Civil Work	RCC Foundation for Columns, Plinth Beam, Flooring of Kotah stone, Brickwork 3 meter all around the shed, Plastering of walls from outside & inside.  Area - 45000 sq ft					

	Staff Quarters	<p>RCC building (single storey) having 5 living rooms with attached Toilet &amp; Pantry complete with plumbing &amp; sanitary work, Flooring with tiles @basic rate rs 40/sq., doors &amp; windows, basic electrical work includes conduit wiring, switches, lights &amp; fans with Painting.</p> <p>Area - 2000 sq ft (5 rooms with attached Toilet and Pantry of size 400sq ft/room)</p>					
	Boundry Wall	<p>L-3875 ft. x H-12.5 ft.</p> <p>Area - 28750 sq ft (approx area)</p>					
	Rain Water Harvesting Tanks	<p>Supply and Fixing of 300 mm diameter; DWC pipe for Rain water on all four sides and connecting to the Rain Water Harvesting Tanks.</p> <p>1400 running feet</p>					
	Utilities, Electrical &	Supply and Errection of Pre Engineered					

		Maintenance Sheds	Shed for Utilities, Electrical & Maintenance Sheds of size 20'x230 ft' of height 15', adjacent to the boundary wall including internal three partitions. This includes civil work for foundations, brick work required and floorings  Area - 4600 sq ft					
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**Note:**

1. For the proposed building construction project, GST of Rs. 79.31 Lakhs will be borne by the Company through its internal accruals only

2. Source: Quotations received by our Company and detailed project report certified by Jayanta Dutta, Chartered Engineer, dated December 20, 2025.

3. We hereby confirm that the vendors from whom quotations have been procured for the proposed Capex projects are not in any way related or connected to the Promoter, Promoter Group, Directors, or Merchant Banker.

**b) Purchase of Rice Papad (Khichiya) making Machinery and Packaging Machinery**

The machinery setup shall support scalable production aligned with forecasted demand and market expansion.

Detailed bifurcation of Cost is as under:

*Amount in Lakhs*

Sr No.	Vendor	Description of work	Item Purchased	Amount (excluding GST)	GST	Quotation Value	Date of Quotation	Validity of Quotation
1.	Utsav Sales & Engineering Co.	(A) Flour Kneading machine 100 Kg Steam Inlet System. (B) Extruder Machine 8". (C) Sheeter machine. 54". (D) Cutter machine. 54" (3.0+0.5+0.5 Hp.). (E) Papad drier Machine. (80' Ft X 17 Belt) (7.5+7.5 Hp)	Auto Rice Papad Plant.	113.75	20.48	134.23	17-12-2025	16-03-2026

		(F) Control Panel Box. (G) Collection Conveyor Belt. 10 Ft (H) HAG Gas Fire 1,500,00 Kilo Calories x 3 Nos. (I) HAG Control Panel						
2	Asian Packing Machinery Pvt. Ltd	(I) APM 101 Collar Machine (II) 14 Heads Weigher (III) Z Type Bucket elevator (IV) Supporting Platform (V) Take away Conveyor	Collar Type Packing Machine with 14 head weigher	141.00	25.38	166.38	16-12-2025	15-3-2026
3	Asian Packing Machinery Pvt. Ltd	APM 114 HORIZONTAL FLOWRAP PACKING MACHINE	Packing Machines	26.00	4.68	30.68	16-12-2025	29-01-2026
		<b>TOTAL</b>		<b>280.75</b>	<b>50.54</b>	<b>331.29</b>		

**Note:**

- The Company shall procure new rice papad (Khichiya) making machinery and the packaging machinery.**
- Source: Quotations received by our Company and detailed project report certified by Jayanta Dutta, Chartered Engineer, dated December 20, 2025*
- We hereby confirm that the vendors from whom quotations have been procured for the proposed Capex projects are not in any way related or connected to the Promoter, Promoter Group, Directors, or Merchant Banker.*

**a) Setting up and installation of 250 kW Rooftop Solar Power System**

The company has proposed a 250 kW rooftop solar power system for Bachhasar Unit.

Detailed bifurcation of Cost is as under:

*Amount in Lakhs*

Sr No.	Description of work	Item Purchased	Amount (excluding GST)	GST	Quotation Value	Date of Quotation	Validity of Quotation
1	Design, supply, installation, testing & commissioning (site) of rooftop solar pv power plant capacity:250kW	Rooftop Solar Power System 250 kW	60.83	5.41	66.24	16-12-2025	29-01-2026

**Note-**

- 1.Source: Quotations received by our Company and detailed project report certified by Jayanta Dutta, Chartered Engineer, dated December 20, 2025.
- 2.We hereby confirm that the vendors from whom quotations have been procured for the proposed Capex projects are not in any way related or connected to the Promoter, Promoter Group, Directors, or Merchant Banker.

**Comparative Cost–Benefit Analysis:**

Particulars	Existing Grid Electricity	Proposed Rooftop Solar Power System
Nature of Cost	Recurring operational expense	One-time capital expenditure
Installed Capacity	NA	250 kW
Tariff / Cost Basis	₹6.70 per unit	Lump-sum investment
Approximate Annual Units	~4,60,000 units	~4,60,000 units (estimated)
Annual Power Cost	~₹30,82,000	Nil (excluding routine O&M costs)
Initial Investment	Nil	₹66,24,000 (including GST of ₹5.41 lakh)
Cost Variability	Subject to tariff revisions	Largely fixed post installation
Useful Life	NA	Typically 20–25 years
Long-term Impact	Continuous annual cash outflow	One-time investment with long-term savings

**Explanation:**

- The Company currently incurs an annual electricity expense of approximately ₹30.82 lakh, based on a tariff of ₹6.70 per unit and annual consumption of around 4,60,000 units.
- The proposed rooftop solar power system entails a one-time capital cost of approximately ₹66.24 lakh (including GST of ₹5.41 lakh), and the power generated thereafter can be utilized over multiple years, subject to maintenance and potential replacement or repair costs.
- Since solar power does not involve a recurring per-unit charge, a like-to-like per-unit comparison is not appropriate. The financial benefit of the solar power system is realized through avoidance of recurring grid electricity costs over its operational life and reduced exposure to future tariff escalations.

**Government and Statutory Approvals:**

Our company is required to obtain government approvals and licenses for **setting up a new manufacturing facility** at address of Khasra No. 394/4, Village Bachhasar, Tehsil and District Bikaner, Rajasthan, Pin code- 334001. The details are provided below:

Sr. No.	Particulars	Concerned Issuing Authority	Tentative obtaining timeline
1	Intimation to Pollution Control Board (Consent to Establish)	Rajasthan State Pollution Control Board	After construction is completed
2	Fire NOC	Local Self Government Department, Government of Rajasthan	After construction is completed
3	Factory License	Factories and Boilers, Jaipur (HQ), Government of Rajasthan	Before operations
4	Food Safety and Standards Authority of India (FSSAI)	Food Safety and Standards Authority of India, Medical, Health and Family Welfare Department, Government of Rajasthan	Before operations
5	Intimation to Pollution Control Board (Consent to Operate)	Rajasthan State Pollution Control Board	After construction is completed



## Raw Material Sourcing– Rice Papad (Khichiya)

“Raw Material Sourcing– Khichiya Papad”, integrating the sourcing sheet, process flow, and contextual narrative:

### - Strategic Sourcing

Our Company has established a regionally optimized procurement strategy for Khichiya papad production, ensuring consistent quality, cost efficiency, and logistical convenience. The sourcing map is as follows:

Ingredient	Source Location
Poha (flattened rice)	Gujarat
Papad Khar (alkaline salt)	Gujarat
Jeera (cumin)	Bikaner / Jodhpur
Salt	Bikaner
Pulses (for blends)	Bikaner
Packaging Material	Delhi / NCR
Corrugated Boxes	Bikaner

This regional clustering minimizes freight costs and ensures freshness, especially for spices and pulses that define the flavor profile of Khichiya papad.

### Advantages of the New Bachhasar Manufacturing Unit

The establishment of the new Khichiya Papad manufacturing unit at Bachhasar, Bikaner marks a significant step in long-term growth and consolidation strategy for our Company. The new facility is designed as a centralised, semi-automated, and energy-efficient production hub, integrating all critical operations—dough preparation, sheeting, drying, packaging, and dispatch—under one roof. By consolidating multiple rented or outsourced units into a single, purpose-built site, the company will achieve greater operational control, production efficiency, and cost optimisation.

## 2. Installation of 125kW Rooftop Solar Power System at existing Garsisar Unit, Bikaner

The company has proposed a 125kW rooftop solar power system for Garsisar Unit. The Company's manufacturing operations require a continuous and reliable supply of electrical power. At present, the Company consumes approximately 18,000 units of electricity per month, which is sourced from the State Electricity Board at an average tariff of ₹6 per unit. The annual electricity expenditure of the Company, based on current consumption levels and prevailing tariffs, is approximately ₹12.96 lakhs.

In order to optimize power costs, enhance operational efficiency, and reduce dependence on conventional grid power, the Company proposes to install a 125kW captive solar power generation plant at its Garsisar manufacturing unit. The estimated capital expenditure for installation of the proposed solar power generation facility is approximately ₹33.55 lakhs. Detailed bifurcation of Cost is as under:

*Amount in Lakhs*

Sr No.	Vendor	Description of work (Installation of Rooftop Solar Power Plant )	Item Purchased	Amount (excluding GST)	GST	Quotation Value	Date of Quotation	Validity of Quotation
1	R K & Company	Design, supply, installation, testing & commissioning (site) of rooftop solar pv power plant capacity:125kw	Rooftop Solar Power System 125 kW	30.81	2.74	33.55	16-12-2025	29-01-2026

### *Note-*

1. Source: Quotations received by our Company
2. We hereby confirm that the vendors from whom quotations have been procured for the proposed Capex projects are not in any way related or connected to the Promoter, Promoter Group, Directors, or Merchant Banker.

The proposed solar power plant is expected to generate approximately 19,300 units of electricity per month on an average basis, translating to an estimated annual generation of approximately 2,31,600 units, subject to weather conditions, operational efficiency, and routine maintenance, which is more than the Company's current electricity consumption.

The solar panels proposed to be installed carry a linear power output warranty of 30 years, while the solar inverter is proposed to be procured with a manufacturer's warranty of 10 years. The Company expects the installation of the solar power plant to result in significant reduction in its electricity procurement from the grid, thereby lowering operating expenses over the long term and that the capital investment in the solar power generation facility will be recovered over a period of approximately 2.5 to 3 years, subject to actual power generation and prevailing electricity tariffs. Post recovery of the capital cost, the Company expects to benefit from relatively lower marginal power costs for the remaining useful life of the plant

Further, the proposed investment in renewable energy infrastructure is aligned with the Company's focus on sustainable operations and energy efficiency. The Company believes that such initiatives may contribute to cost stability, improved operating margins, and reduced exposure to future increases in electricity tariffs. However, there can be no assurance that the anticipated benefits will be fully realized, and actual results may differ due to various factors including changes in government policies, regulatory framework, climatic conditions, and operational performance of the plant.

### **COST BENEFIT ANALYSIS OF THE PROPOSED ROOF TOP SOLAR POWER SYSTEM OF 125kWh**

Month	125 KW Generation in Units (kWh)	Rate per unit	Savings per Month
Jan	18750	6.50	121875.00
Feb	18750	6.50	121875.00
Mar	20625	6.50	134062.50
Apr	20625	6.50	134062.50
May	20625	6.50	134062.50
Jun	22500	6.50	146250.00
Jul	22500	6.50	146250.00
Aug	20625	6.50	134062.50
Sep	18750	6.50	121875.00
Oct	16875	6.50	109687.50
Nov	16875	6.50	109687.50
Dec	15000	6.50	97500.00
Total Savings per year -			1511250.00

#### **Project Details**

#### **Capital Subsidy**

Our is eligible to receive a capital subsidy in respect of the capital expenditure incurred by its unit, amounting to 50% of the capital investment (subject to a maximum of ₹1.50 crore), disbursed at 5% per year for 10 years. The subsidy amount shall be utilised in such manner as may be approved by the Board of Directors of the Company from time to time.

## Details of objects of the Offer

### 1. Funding the capital expenditure towards construction of building, mechanical and electrical works and procurement of plant and machinery and installation of Rooftop Solar for setting up a new manufacturing facility at Bachhasar, Bikaner

To meet growing demand and strengthen the production capabilities, the Company is establishing a manufacturing unit at Bachhasar, Bikaner District, Rajasthan, designed to enhance operational efficiency, expand product diversity, and support scalable growth. The proposed facility will manufacture new product lines, namely 5” and 7” Rice Papads, which will be marketed under “Zhakaas” brand, and Machine-Made Mini Papads in Urad Special, Moong Special, and Moong Punjabi variants, which will be marketed under “Rozana” brand.

The Bachhasar Unit will serve as the hub for machine-made production, shifting the connected operations for manufacturing of rice papad (Khichiya) currently undertaken at the Karni Units. This strategic shift is expected to unlock significant operational efficiencies, enhance production capacity, reduce costs, and ensure uniform product quality across growing product portfolio, while addressing storage and space constraints at existing facilities. Furthermore, the closure of the rented Karni Unit will contribute to operational savings and improved cost management.

The Bachhasar Unit, spread across over 45,000 sq. ft., represents a key milestone in growth journey, with a total estimated project cost of Rs. 782.19 Lakhs. The investment shall include, civil construction, electrical installations and fittings, utility infrastructure, and procurement of modern machinery. As part of commitment to sustainability and energy efficiency, the Bachhasar Unit will also be equipped with a 250 kW Rooftop Solar power system, enabling partial self-generation of electricity, reducing dependence on conventional energy sources, and contributing to lower operating costs and a smaller carbon footprint.

By integrating modern automation with traditional expertise, Company aims to scale efficiently, maintain product authenticity, and strengthen its position as one of India’s leading organised papad manufacturers, while delivering consistent and sustainable value to its stakeholders.

This facility will serve as the the hub for rice papad (khichiya) production, drying, packaging, and solar integration, enabling operational efficiency and future scalability.

Note: The Company is eligible to receive a capital subsidy in respect of the capital expenditure incurred by its unit, amounting to 50% of the capital investment (subject to a maximum of ₹1.50 crore), disbursed at 5% per year for 10 years. The subsidy amount shall be utilised in such manner as may be approved by the Board of Directors of the Company from time to time.

### Advantages of the New Bachhasar Manufacturing Unit

The establishment of the new Khichiya Papad manufacturing unit at Bachhasar, Bikaner marks a significant step in long-term growth and consolidation strategy for our Company. The new facility is designed as a centralised, semi-automated, and energy-efficient production hub, integrating all critical operations—dough preparation, sheeting, drying, packaging, and dispatch—under one roof. By consolidating multiple rented or outsourced units into a single, purpose-built site, the company will achieve greater operational control, production efficiency, and cost optimisation

#### A. Operational Advantages

~~From an operational standpoint, the Bachhasar unit has been engineered to deliver enhanced productivity and consistency. The plant layout follows a streamlined workflow that allows smooth material movement from raw material receipt to finished goods dispatch, minimising manual handling and production losses. The use of semi-automated equipment such as steam inlet kneaders, precision sheeters, triple cutters, and PTFE belt dryers ensures uniform product quality and high throughput. Mechanisation also significantly reduces dependency on manual labour, lowers the risk of contamination, and ensures that every batch meets predefined texture and taste parameters. Additionally, the modular machine design provides flexibility for producing different papad sizes and future product variants without major reinvestment.~~

#### A. Financial & Economic Advantages

Financially, the project offers multiple advantages through cost reduction, energy savings, and improved asset efficiency. The integration of rice papad (khichiya) manufacturing operations in the Bachhasar unit will eliminate redundant freight, job work, and rental expenses, thereby lowering the per-unit cost of production of rice papad (khichiya). With automation and better process control in the production process, operating margins are projected to improve EBITDA and improved cash flows. The combined benefits of scale, energy efficiency, and reduced overheads, making the project financially robust and investor-attractive.

### **Manufacturing Process Flow**

The production of **Khichiya Papad** shall follow a **semi-automated, scalable process** designed to maintain high throughput, uniform quality, and food safety. Each stage of production shall be engineered to optimise resource efficiency and ensure compliance with modern food manufacturing standards such as **FSSAI**.

The process steps are outlined below:

#### **1. Poha Grinding**

The process begins with the cleaning and grinding of **flattened rice (poha)**, which forms the main raw material. The poha is processed into fine flour, ensuring uniform texture and consistency.

#### **2. Mixing of Spices and Ingredients**

This flour is then mixed with ingredients such as salt, cumin, papad khar, and other spices in measured proportions to achieve the desired taste and aroma.

#### **3. Dough Making**

The mixture is blended thoroughly to form a uniform base for dough preparation. In the **dough-making stage**, the blended mixture is kneaded into a smooth and elastic dough using semi-automatic kneading machines. Controlled temperature and moisture conditions are maintained to ensure the dough's proper texture and binding strength, which are essential for the quality of the final product.

#### **4. Sheet Making**

Once prepared, the dough is transferred for **sheeting**, where it is rolled into thin, even layers.

#### **5. Cutting**

The continuous dough sheets are then **cut into circular papads** of different sizes, typically 5-inch and 7-inch variants, depending on the product type.

#### **6. Drying**

This is followed by **drying**, a crucial step where moisture is removed under controlled temperature and airflow conditions. Proper drying ensures crispness, shelf stability, and prevents microbial growth, thereby extending the product's storage life.

#### **7. Packaging**

After drying, the papads are **visually inspected and sorted** before moving to the **packaging stage**. Packaging is carried out using automated machines that ensure accurate weight, sealing, and labeling of each pack. The papads are packed in moisture-resistant laminated pouches to preserve freshness and quality during storage and transportation.

#### **8. Storage and Dispatch**

The **finished goods** are stored in a clean, temperature-controlled warehouse following FIFO (First-In, First-Out) principles. Strict hygiene standards are maintained to prevent contamination and maintain product quality. The products are then dispatched to distributors and retail partners across key markets through established logistics channels.

## Funding incremental working capital requirements of our Company

Our business is working capital intensive. In order to support the incremental business requirements, our Company requires additional working capital for funding its incremental working capital requirements in Fiscal 2027. We fund a majority of our working capital requirements in the ordinary course of business from banks facilities and internal accruals. Our Company requires additional working capital for funding its incremental working capital requirements and releasing the internal accruals deployed in working capital. The funding of the incremental working capital requirements will lead to a consequent increase in our profitability, ability to utilize internal accruals for growth opportunities and achieving the proposed targets as per our business plan.

Our Company proposes to utilize ₹ 281.02 Lakhs of the Net Proceeds towards our Company's working capital requirements in Fiscal 2027.

## Basis of estimation of incremental working capital requirement

The details of our existing Company's working capital as at March 31, 2023, March 31, 2024, March 31, 2025 and for the period ended June 30, 2025, the source of funding, derived from the financial statements of our Company, as certified by our Statutory Auditor M/s GGPS and Associates, through their certificate dated February 27, 2026, are provided in the table below:

(Amount in ₹. In Lakhs)

Particulars	Restated Audited as on 31.03.2023	Restated Audited as on 31.03.2024	Restated Audited as on 31.03.2025	Restated Audited as on 30.06.2025
<b>Current Assets</b>				
Inventory	879.23	1468.97	1814.66	2044.63
Trade Receivables	99.16	120.48	290.77	200.06
Short term Loans and Advances	12.90	10.48	11.27	21.51
Other Current Assets	7.65	13.64	11.85	15.28
Total (A)	998.94	1613.57	2128.55	2281.48
<b>Current Liabilities</b>				
Trade Payables	301.75	321.88	481.36	461.75
Other Current Liabilities	38.72	28.15	23.67	31.47
Short Term Provisions	1.30	1.95	2.59	16.04
Total (B)	341.77	351.98	507.62	509.26
<b>Net Working Capital (A)-(B)</b>	<b>657.17</b>	<b>1261.59</b>	<b>1620.93</b>	<b>1772.22</b>
<b>Funding Pattern</b>				
Short Term Borrowings and Internal Accruals	657.17	1261.59	1620.93	1772.22

\*As certified by M/s GGPS and Associates, Chartered Accountants pursuant to their certificate dated February 27, 2026.

For further details, please refer to Section titled "Financial Information" on page 301 of this Draft Red Herring Prospectus. On the basis of our existing and estimated working capital requirements, our Board, pursuant to their resolution dated February 25, 2026 has approved the estimated working capital requirements for Fiscal 2026 and Fiscal 2027 and the proposed funding of such working capital requirements as stated below:

(Amount in ₹. In Lakhs)

<b>Particulars</b>	<b>Fiscal 2026 (Estimated)</b>	<b>Fiscal 2027 (Projected)</b>
<b>Current Assets</b>		
Inventory	1,971.02	2,157.30
Trade Receivables	286.73	310.85
Short term Loans and Advances	21.44	35.37
Other Current Assets	17.82	24.72
Total (A)	2,297.01	2,528.24
<b>Current Liabilities</b>		
Trade Payables	545.18	558.42
Other Current Liabilities	38.35	45.67
Short Term Provisions	25.83	32.01
Total (B)	609.36	636.10
<b>Net Working Capital (A)-(B)</b>	<b>1,687.65</b>	<b>1,892.14</b>
<b>Funding Pattern</b>		
Short Term Borrowings and Internal Accruals	1,687.65	1,611.12
Working Capital Gap to be funded by IPO	-	281.02

*\* As certified by M/s GGPS and Associates, Chartered Accountants pursuant to their certificate dated February 27, 2026.*

The table below contains the details of the holding levels (in number of days or relevant matrix as applicable) considered and is derived from the Restated Financial Information for Fiscal 2023, Fiscal 2024, Fiscal 2025 and period ended June 30, 2025 and the estimation and projections for Fiscal 2026 and Fiscal 2027 and the assumptions based on which the working plan projections has been made and approved by our Board of Directors:

We have estimated our working capital requirement based on the following holding periods:

*(Approximate holding period in days)*

<b>Particulars</b>	<b>31.03.2023</b>	<b>31.03.2024</b>	<b>31.03.2025</b>	<b>30.06.2025*</b>	<b>31.03.2026</b>	<b>31.03.2027</b>
Trade Receivables Holding period (Days)	16	15	24	28	32	30
Inventory Holding Period (Days):	115	163	189	217	212	209
Trade Payables Holding Period (Days)	57	58	65	88	88	83

*\*Not Annualized*

*(365 days in a year have been considered, except for the period ended June 30, 2025 where no. of days considered as 91 days)*

*As certified by M/s GGPS and Associates, Chartered Accountants pursuant to their certificate dated February 27, 2026*

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

<b>Asset-Current Assets</b>
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<p><b>Trade Receivables</b></p>	<p>Our Trade Receivable holding period are ranging between 15 days to 32 days during the periods under review.</p> <p>In Fiscal 2024, our trade receivable days decrease to 15 days from 16 days in Fiscal 2023. The decrease was mainly on account of unparallel growth of average trade receivable in term of revenue from operations and contraction of average credit terms provided to certain customers within range of 5 days to 21 days. The shift towards contraction of credit terms, enabling faster billing and more efficient collections.</p> <p>In Fiscal 2025, The debtor holding period increased from 15 days in FY 2024 to 24 days in FY 2025, primarily due to the extension of credit terms offered to certain customers in the modern trade segments, where credit periods range between 15 days to 60 days. Further, during FY 2025 the Company also expanded its customer base with four new modern trade customers and one quick commerce customer. The combined impact of extended credit terms and onboarding of new customers resulted in an increase in average trade receivables and, consequently, debtor holding days increased during the year.</p> <p>In period ended June 30, 2025, our trade receivable days further increased to 28 days as compared to 24 days in Fiscal 2025, mainly due to a proportional increase in revenue from operation during the period.</p> <p>For Fiscal 2026 and Fiscal 2027, trade receivable days are slightly increased and expected to remain around 32 days and 30 days, respectively, as compared to 24 days in Fiscal 2025. The projected increase in trade receivable days is primarily attributable to the expected growth in revenue from operations and the corresponding increase in trade receivables in line with the expanded scale of operations during the Fiscal 2026 and Fiscal 2027. In addition, the proposed new manufacturing facility at Bachhasar, Bikaner, expected to begin operations during Fiscal 2027, as a result of which our revenue from operation and trade receivable are expected to be slightly increased from Fiscal 2025. Further, based on the credit terms historically extended to customers, the Company has estimated the trade receivable holding days on a prudent and reasonable basis. Accordingly, the trade receivable holding period is expected to increase during Fiscal 2026 and Fiscal 2027 as compared to Fiscal 2025.</p>
<p><b>Inventories</b></p>	<p>Our Inventory holding period is ranging between 115 days to 217 days. Our inventory primarily consists of raw materials, packing material, finished goods and stock-in-trade which are used for manufacturing of Papads, Papad Choori, Moongodi and Trading of Cereal Pallets.</p> <p>In Fiscal 2023, the Company's inventory holding period was 115 days, which increased to 163 days in Fiscal 2024, reflecting an increase of 48 days. This increase was primarily attributable to higher procurement of raw materials undertaken to support enhanced production requirements driven by expected sales to KPKB, for which the Company had filed an application for vendor registration in February 2024, as well as increase in estimated supplies to newly opened distribution channels of existing customers under the modern trade segment, resulting in total raw material purchases increasing to ₹1,828.20 lakhs from ₹1,510.35 lakhs in FY 2023. This increase was leading to higher inventory levels maintained during the year with average inventory increasing from ₹785.04 lakhs in FY 2023 to ₹1,174.10 lakhs in FY 2024, representing an increase of ₹389.06 lakhs (49.56%), while sales increased marginally from ₹2,499.18 lakhs to ₹2,627.19 lakhs representing an increase by Rs. 128.01 lakhs (5.12%). The disproportionate increase in inventory levels relative to sales, production, and consumption of materials, led to a decline in inventory turnover from 3.18 times in FY 2023 to 2.24 times in FY 2024, thereby increasing the inventory holding period during the year</p> <p>In Fiscal 2025, our inventory days increased to 189 days from 163 days in Fiscal 2024, reflecting an increase by 26 days. Reason behind this is due to the inventory of the Company increased by ₹345.69 lakhs, from ₹1,468.97 lakhs in FY 2024 to ₹1,814.66 lakhs in FY 2025. The increase in inventory as at the closing date was primarily due to a reduction in the proportion of Cost of Material Consumed, which declined from 57.85% of total income in FY 2024 to 50.68% in FY 2025. This reduction was mainly driven by a change in the revenue mix, with a relatively lower contribution from manufacturing activities during the year. During FY 2025, sales of manufactured finished goods decreased, while trading activities increased by ₹369.54 lakhs. As a result, the share of revenue from finished goods declined from 96.97% in FY 2024 to 85.88% in FY 2025, whereas the contribution from other operating revenue increased from 2.79% to 14.09%, Consequently, overall revenue from operations increased as compared to last year. This shift in operational mix led to comparatively lower material consumption and consequently higher closing inventory levels. This results in average</p>



	<p>inventory increasing from ₹1174.10 lakhs in FY 2024 to ₹1641.82 lakhs in FY 2025, representing an increase of ₹467.71 lakhs (39.84%), while sales increased from ₹2,627.19 lakhs to ₹3175.09 lakhs representing an increase by Rs. 547.90 lakhs (20.85%). The increase in inventory levels relative to sales led to a decline in inventory turnover from 2.24 times in FY 2024 to 1.93 times in FY 2025, thereby increasing the inventory holding period during the year.</p> <p>In period ended June 30, 2025, our inventory holding days increased to 217 days as compared to 189 days in Fiscal 2025, primarily due to higher inventory levels maintained during the period in estimation of increased production and sales requirements for the ensuing financial year.</p> <p>For Fiscal 2026, the inventory days are expected to increase to 212 days and subsequently decline to 209 days in Fiscal 2027. During the estimated year 2026 Company proposes to maintain a higher level of finished goods in its inventory to ensure ready availability for supply to modern trade customers. This increase in inventory, increases average inventory in higher proportion than increase in sale during the year 2026. Hence, Inventory Turnover ratio decreases in FY 2026 which increase holding day in FY 2026. Further, the company has proposed to establish a new manufacturing facility at Bachhasar, Bikaner, which is expected to commence operations during Fiscal 2027. Upon commencement of operations at the proposed facility, production capacity and operational efficiencies are expected to improve, leading to higher sales volumes. Although average inventory levels are also projected to increase in Fiscal 2027 to support expanded operations, the growth in revenue is expected to outpace the increase in inventory. Consequently, the Inventory Turnover Ratio is expected to improve and the inventory holding period is projected to decline in Fiscal 2027.</p>
<b>Liabilities-Current Liabilities</b>	
<b>Trade Payables</b>	<p>Company's trade payables predominantly comprise of payables towards purchase of goods, expenses payable, packing expenses payable, transport expenses payable and contractor payable. The trade payable days are ranging between 57 days and 88 days.</p> <p>In Fiscal 2024, our trade payable days marginally increased to 58 days from 57 days in Fiscal 2023. This is mainly due to increase in purchase of raw material by Rs. 317.85 Lakhs, purchase of stock in trade by Rs. 26.15 Lakhs and creditors by Rs. 20.13 Lakhs in fiscal 2024 from fiscal 2023.</p> <p>In Fiscal 2025, our trade payable days increased slightly to 65 days from 58 days in Fiscal 2024. The increase was on account of increase in purchases of stock-in-trade amounting to 164.19 lakhs and a corresponding increase in trade payables of 159.48 lakhs during the year. This increase is broadly in line with the growth in the company's production, revenue and overall business operations</p> <p>In period ended June 30, 2025, our trade payable holding days increased to 88 days as compared to 65 days in Fiscal 2025. This increase is primarily due to disproportional increase in average creditor for material during the period in terms of cost of sale. During the period average creditor increase by Rs. 69.93 lakhs against decrease in cost of sale by Rs. 1756.58 lakhs. This leads to decrease creditor turn over, which further increase creditor holding period by 23 days.</p> <p>For Fiscal 2026 and Fiscal 2027, our trade payable is increased to 88 days and then slightly decreased to 83 days, respectively. The increase in trade payable holding days in Fiscal 2026 is primarily on account of and as per the demand of our product, our market practice and more bargaining power with our suppliers. Further, the company propose to establish a new manufacturing facility at Bachhasar, Bikaner, which is expected to commence operations during Fiscal 2027. With the expansion in production capacity and anticipated growth in revenue, the requirement for raw materials is expected to rise correspondingly. Hence, company with infusion of capital, plans to secure bulk purchase discounts, more favourable pricing, and expand the vendor base, which reduced the holding days in fiscal 2027. The company aims to enhances supply chain reliability, strengthens supplier relationships, and improves cost competitiveness in the papad manufacturing market.</p>

*\*As certified by M/s GGPS and Associates, Chartered Accountants pursuant to their certificate dated February 27, 2026*

#### **Justification for increase working capital requirement in FY 2026 and FY 2027 compared to FY 2025**

The working Capital requirement for the Financial Year 2026 and Financial Year 2027 will be ₹ 1,687.65 lakhs, and ₹ 1,892.14 lakhs respectively, as per projected financials in comparison to ₹ 1620.93 lakhs in Financial Year 2025 on restated basis. Such increased amounts are majorly due to increase in inventory, trade receivables, short term loans and advances and other current assets. The company has proposed to utilise the proceeds from fresh issue of share towards meeting working capital requirements during the financial year 2027.

The company's turnover in FY 2025-26 and FY 2026-27 is projected to be increased on account of expansion of business operation during the years. Further, establishment of new manufacturing facility at Bachhasar, Bikaner, which is expected to commence operations during Fiscal 2027 also enhance the revenue of the company during the Fiscal 2027. In addition, the company has applied for Empanelment with the Kendriya Police Kalyan Bhandar (KPKB) during the Financial year 2023-24. After it is obtained, it will enable expansion into a high-volume institutional sales channel characterised by consistent demand and bulk procurement. Further, the Company has projected an expansion of its product portfolio in the Rice Papad (Khichiya) segment during Fiscal 2027. Additionally, company also planned to increase the vendor registration with leading Modern Trade Channels Brand Owners and leading Quick Commerce Platform Brand Owners, which will further enable the company to direct supply and expand its presence in pan India basis.

Based on these estimates, increased inventory levels required to maintained at the end of the FY 2026 and during the FY 2027 to ensure uninterrupted execution of Projects and expanded sales. Inventory, which include different variety of pulses, rice, oils and spices items for papad making was valued ₹ 1814.66 lakhs in Financial Year 2025 which is projected to be increased to Rs 1,971.02 lakhs in Financial Year 2026 due to maintaining a relatively higher level of finished goods inventory to ensure ready availability of products for modern trade customers and to strengthen service levels across key distribution channels. Further, inventory in Fiscal 2027 increased to Rs. 2,157.30 lakhs due to proposed establishment of new manufacturing facility at Bachhasar, Bikaner, which is expected to commence commercial operations in Fiscal 2027. Upon commencement of operations, the Company anticipates improved capacity utilisation, enhanced production planning and hence more inventory is required. For Fiscal 2026, the inventory days are expected to increase to 212 days and subsequently decline to 209 days in Fiscal 2027. During the estimated year 2026 increase in inventory increases average inventory in higher proportion than increase in sale during the year 2026. Hence, Inventory Turnover ratio is expected to decreases, resulting in an increase in inventory holding day in Fiscal 2026. Further, the company has proposed to establish a new manufacturing facility at Bachhasar, Bikaner, which is expected to commence operations during Fiscal 2027. Upon commencement of operations at the proposed facility, production capacity and operational efficiencies are expected to improve, leading to higher sales volumes. Although average inventory levels are also projected to increase in Fiscal 2027 to support expanded operations, the growth in revenue is expected to outpace the increase in inventory. Consequently, the Inventory Turnover Ratio is expected to improve and the inventory holding period is projected to decline in Fiscal 2027.

The trade receivables are Rs 290.77 lakhs in FY 2024-25 which are estimated to be slightly decrease to Rs 286.73 lakhs in FY 2025-26 and further increase to Rs. 310.85 lakhs in FY 2026-27. The proposed new manufacturing facility at Bachhasar, Bikaner, expected to begin operations during Fiscal 2027, and is expected to result in an increase in revenue from operations, correspondingly leading to higher trade receivable balances. Further, the trade receivable cycle for FY 2025-26 are expected to be increasing to 32 days and is expected to marginally decrease to **30 days in FY 2027**. This increase mainly due to estimated increase in revenue from operation and trade receivable. Sale in comparison to trade receivable is projected to be increasing more than earlier year which will increasing trade receivable holding period in FY 2026 and FY 2027 from FY 2025. Further, based on the credit terms historically extended to customers, the Company has estimated the trade receivable holding days on a prudent and reasonable basis.

We proposed to maintain our short-term loans and advances amounting Rs. 21.44 lakhs and Rs. 35.37 lakhs for the FY 2025-26 and FY 2026-27, this is because we have to maintain advance Income tax in line with our earning and advance required to be deposited to suppliers for purchase of raw material.

Other current assets are projected to maintained at amounting Rs. 17.82 lakhs and Rs. 24.72 lakhs for the FY 2025-26 and FY 2026-27 as compared to Rs. 11.85 lakhs in FY 2025. The increase is primarily on account of balances proposed to be maintained towards statutory deposits with government authorities, security deposits, and prepaid expenses.

Trade Payable are projected to increase in FY 2026 and FY 2027 to Rs. 545.18 Lakhs and Rs. 558.42 Lakhs from Rs 481.36 lakhs in FY 2024-25. This increase is primarily due to the anticipated increase in procurement of raw materials for increased scale of operation and sale in projected years. In FY 2025-26 and FY 2026-27, trade payable holding day will increase from 65 days in FY 2024-25 to 88 days then slightly decreased to 83 days, respectively. The increase in trade payable holding days in Fiscal 2026 is primarily on account of and as per the expected demand of our product, our market practice and more bargaining power with our suppliers. Further, the company propose to establish a new manufacturing facility at Bachhasar, Bikaner, which is expected to commence operations during Fiscal 2027. With the expansion in production capacity and anticipated growth in revenue, the requirement for raw materials is expected to rise correspondingly. Hence, company with infusion of capital, plans to secure bulk purchase discounts, more favourable pricing, and expand the vendor base, which reduced the holding days in fiscal 2027. The

company aims to enhance supply chain reliability, strengthen supplier relationships, and improve cost competitiveness in the papad manufacturing market.

Hence, due to aggregate impact of above, the working capital requirement increases in Financial Year 2026 and Financial Year 2027 estimation as compared to Financial Year 2025.

**Justification for increased working capital requirement in FY 2024-25 compared to FY 2023-24.**

Working Capital requirement for the Financial Year 2025 will be ₹1620.93 lakhs, in comparison to ₹ 1261.59 lakhs in Financial Year 2024 on restated basis. Such increased amounts are majorly due to increase in inventory, trade receivables, short term loans and advances and decrease in other current liabilities. Reason for increase in working capital are as follow:

Particular	Restated Audited as On 31.03.2025 (Rs. In Lakhs)	Restated Audited as On 31.03.2024 (Rs. In Lakhs)	Absolute Changes (Rs. In Lakhs)	Percentage Changes (%)
<b>Current Assets</b>				
Inventory	1814.66	1468.97	345.69	23.53%
Trade Receivables	290.77	120.48	170.29	141.34%
Short term Loans and Advances	11.27	10.48	0.79	7.54%
<b>Current Liabilities</b>				
Trade Payables	481.36	321.88	159.48	49.55%
Other Current Liabilities	23.67	28.15	-4.48	-15.91%
Short Term Provisions	2.59	1.95	0.64	32.82%

The inventory of the Company increased by ₹345.69 lakhs, from ₹1,468.97 lakhs in FY 2024 to ₹1,814.66 lakhs in FY 2025. The increase in inventory as at the closing date was primarily due to a reduction in the proportion of Cost of Material Consumed, which declined from 57.85% of total income in FY 2024 to 50.68% in FY 2025. This reduction was mainly driven by a change in the revenue mix, with a relatively lower contribution from manufacturing activities during the year. During FY 2025, sales of manufactured finished goods decreased, while trading activities increased by ₹369.54 lakhs. As a result, the share of revenue from finished goods declined from 96.97% in FY 2024 to 85.88% in FY 2025, whereas the contribution from other operating revenue increased from 2.79% to 14.09%. Consequently, overall revenue from operations increased as compared to last year. This shift in operational mix led to comparatively lower material consumption and consequently higher closing inventory levels. The detail bifurcation is given below:

Particulars	For the year ended 31 March, 2025	Percentage on Total Income (in %)	For the year ended 31 March, 2024	Percentage on Total Income (in %)
<b>Revenue from operations</b>				
Sale of Product- Finished Goods	2,727.57	85.88%	2,549.21	96.97%
Other operating revenues	447.52	14.09%	77.99	2.97%
Other Income	0.91	0.03%	1.60	0.06%
<b>Total Income</b>	<b>3,176.00</b>	<b>100.00%</b>	<b>2,628.79</b>	<b>100.00%</b>
<b>Expenses :-</b>				
Cost of Material Consumed	1,609.53	50.68%	1,520.75	57.85%
Purchase of Stock-In-Trade	294.37	9.27%	130.18	4.95%
Changes in inventories of finished goods and Stock-in-Trade	(102.11)	-3.21%	(78.37)	-2.98%

The total closing stock of raw material for FY 2025 stood at ₹ 686.53 lakhs as compared to ₹ 614.56 lakhs in FY 2024, reflecting an increase of ₹ 71.97 lakhs (11.71%). The closing stock of packaging materials increased to ₹ 743.40 lakhs in FY 2025 from ₹ 571.79 lakhs in FY 2024, representing an increase of ₹ 171.61 lakhs (30.01%) due to advance procurement undertaken to ensure uninterrupted production and to comply with statutory labelling and disclosure requirements prescribed under FSSAI and Legal Metrology regulations. Further, the closing stock of

finished goods and stock-in-trade increased to ₹ 384.73 lakhs in FY 2025 as compared to ₹ 282.62 lakhs in FY 2024, reflecting an increase of ₹ 102.11 lakhs (36.13%). Inventory holding days of the company also increased to 189 days in FY 2025 from 163 days in Fiscal 2024, reflecting an increase by 26 days. During the year reduced consumption of material has resulted inventory levels increase at the end of the financial year. This increase was leading to higher inventory levels maintained during the year with average inventory increasing from ₹1174.10 lakhs in FY 2024 to ₹1641.82 lakhs in FY 2025, representing an increase of ₹467.71 lakhs (39.84%), while sales increased from ₹2,627.19 lakhs to ₹3175.09 lakhs representing an increase by Rs. 547.90 lakhs (20.85%). The increase in inventory levels relative to sales led to a decline in inventory turnover from 2.24 times in FY 2024 to 1.93 times in FY 2025, thereby increasing the inventory holding period during the year.

The Company's trade receivables increased to ₹ 290.77 lakhs from ₹ 120.48 lakhs in FY 2024, reflecting an increase of ₹ 170.29 lakhs or 141.34%. This increase in trade receivables was due to increase in credit term provided to certain customers in modern trade ranging between 15 days to 60 days. Further, company has expanded its customer base in modern trade and quick commerce during the year by entering into vendor registration with 4 new customers in modern trade and 1 customer in quick commerce. The increased in credit terms and new vendor registration enable customers to increase their purchase which inline increase revenue from operations of the company, which was increased to ₹ 3175.09 lakhs in FY 2025 from ₹ 2627.19 lakhs in FY 2024, representing an increase of ₹ 547.90 lakhs (20.85%). Further, extended credit term to customer increases the average trade receivable days to 24 days in FY 2025 from 15 days in Fiscal 2024.

Short-term loans and advances increased during FY 2025 primarily due to an increase in Income Tax assets by ₹ 9.22 lakhs, which rose to ₹ 10.46 lakhs in FY 2025 from ₹ 1.24 lakhs in FY 2024. This increase was in line with the growth in revenue from operations and profitability during the year, which resulted in higher payment of advance income tax by the Company.

Trade payables increased to ₹ 481.36 lakhs in FY 2025 from ₹ 321.88 lakhs in the preceding financial year, reflecting an increase of ₹ 159.48 lakhs (49.55%). Further, trade payable holding days also increased slightly to 65 days in FY 2025 from 58 days in Fiscal 2024. The increase was primarily on account of higher procurement of raw materials and stock-in-trade in line with the growth in sales and manufacturing activities during the year. With the increase in production volumes and scale of operations, the Company undertook purchases of raw materials to ensure uninterrupted manufacturing and timely fulfilment of customer orders. Consequently, this resulted in a higher outstanding balance with suppliers as at the end of FY 2025.

Other current liabilities decreased by ₹ 4.48 lakhs during FY 2025, declining to ₹ 23.67 lakhs as compared to ₹ 28.15 lakhs in FY 2024, representing a decrease of 15.91%. The decrease was primarily attributable to lower statutory dues payable, reduction in employee-related payables, and a decrease in advances received from customers, reflecting timely settlement of operational and statutory obligations during the year.

#### **Justification for increased working capital requirement in FY 2023-24 compared to FY 2022-23.**

The working capital of the Company for the financial year 2024 stood at ₹ 1,261.59 lakhs as compared to ₹ 657.17 lakhs in the financial year 2023, reflecting an increase of ₹ 604.42 lakhs (91.97%). The increase in working capital during FY 2024 is primarily attributable to an increase in inventory, trade receivables and other current assets, along with a decrease in other current liabilities. Reason for increase in working capital are as follow:

<b>Particular</b>	<b>Restated Audited as On 31.03.2024 (Rs. In Lakhs)</b>	<b>Restated Audited as On 31.03.2023 (Rs. In Lakhs)</b>	<b>Absolute Changes (Rs. In Lakhs)</b>	<b>Percentage Changes (%)</b>
<b>Current Assets</b>				
Inventory	1468.97	879.23	589.74	67.07%
Trade Receivables	120.48	99.16	21.32	21.50%
Short term Loans and Advances	10.48	12.90	-2.42	-18.76%
Other Current assets	13.64	7.65	5.99	78.30%
<b>Current Liabilities</b>				
Trade Payables	321.88	301.75	20.13	6.67%
Other Current Liabilities	28.15	38.72	-10.57	-27.30
Short Term Provisions	1.95	1.30	0.65	50.00%

During FY 2024, the Company achieved revenue from operations of ₹ 2,627.19 lakhs as compared to ₹ 2,499.18 lakhs in FY 2023, reflecting an increase of ₹ 128.01 lakhs (5.12%). These increase in the sale is due to growth in organic market demand for the Company's products which is nearly 5.12%. Increased volume of sale resulted a corresponding enhancement in production capacity, which led to higher procurement of raw materials and consequently resulted in increased inventory levels.

During the FY 2024, the inventory level of the Company has increased by ₹ 589.74 lakhs, from ₹ 879.23 lakhs in FY 2023 to ₹ 1,468.97 lakhs in FY 2024. The increase was primarily attributable to higher procurement of raw

materials undertaken to support enhanced production requirements, driven by expected sales to KPKB for which the Company had filed an application for vendor registration in February 2024, as well as increased estimated supplies to newly opened distribution channels of existing customers under the modern trade segment.

Hence, due to expected production and sale, company had increased purchased of Raw Material which rose to ₹ 1,828.20 lakhs in FY 2024 as compared to ₹ 1,510.35 lakhs in FY 2023, representing an increase of ₹ 317.85 lakhs (21.04%). The increase in purchase of raw material also increases closing stock of Raw material from Rs. 237.30 lakhs in FY 2024 to Rs. 614.56 lakhs in FY 2025, representing an increase by Rs. 377.26 lakhs. Closing stock of packing material increases by Rs. 134.11 lakhs during the year, primarily due to advance procurement undertaken to ensure timely availability of packaging materials and to facilitate compliance with statutory disclosure requirements, including FSSAI regulations and legal metrology (weight and measurement) norms. Further, the increase in purchase of raw material also increases closing stock of finished goods which was processed from raw material and increased to ₹ 282.62 lakhs in FY 2024 from ₹ 204.25 lakhs in FY 2023, representing an increase by Rs. 78.37 lakhs.

Further, the increase in purchase of inventory has decreased the Inventory Turnover from 3.18 time in FY 2023 to 2.24 time in FY 2024, which in turn increased inventory holding days which were 163 days in FY 2024 and 115 days in FY 2023, reflecting an increase of 48 days. The inventory holding days was primarily derived from average inventory level divided by sale for 365 days during the year. Average inventory levels increase from Rs. 785.04 lakhs in FY 2023 to Rs. 1174.10 lakhs in FY 2024, representing an increase by Rs. 389.06 lakhs (49.56%) with the expansion in production activity and sales value from Rs. 2499.18 lakhs in FY 2023 to Rs. 2627.19 lakhs in FY 2025, representing an increase by Rs. 128.01 lakhs (5.12%). Unparallel growth in average inventory has also increased inventory holding period during the years.

Further, company's trade receivables increased to ₹ 120.48 lakhs in FY 2024 from ₹ 99.16 lakhs in FY 2023, reflecting an increase of ₹ 21.32 lakhs (21.50%). The increase trade receivable is due to increase in sale during the year from 2499.18 lakhs in FY 2024 to Rs. 2627.19 lakhs, representing an increase by Rs. 128.01 lakhs (5.12%). The average trade receivable days decrease to 15 days in Fiscal 2024 from 16 days in Fiscal 2023. The decrease was mainly on account of unparallel growth of average trade receivable in term of revenue from operations and contraction of average credit terms provided to certain customers within range of 5 days to 21 days as per the . The shift towards contraction of credit terms, enabling faster billing and more efficient collections.

**Short Term Loans and Advances:** Short term loans and advances represent funds given by the company to other parties or advances made for a short duration, generally less than one year, and are classified as Current assets in the balance sheet. These assets include Advance to Employees, Advance Income Tax, and Advance to Vendors.

**Other current assets:** Other Current Assets represent current assets on the company's balance sheet that do not fall into specific categories such as inventories, trade receivables, cash and cash equivalents, and short-term loans and advances. These assets generally include items such as prepaid expenses, Balance with Government Authority, Security Deposits, and other miscellaneous assets.

Other current assets increased to ₹ 13.64 lakhs in FY 2024 as compared to ₹ 7.65 lakhs in FY 2023, representing an increase of ₹ 5.99 lakhs (78.30%). This increase was primarily due to major balance due with government authorities, mainly on account of Tax Deduction at Source (TDS) and Tax Collection at Source (TSC) receivable from Income Tax authority.

Trade payables increased to ₹ 321.88 lakhs in FY 2024 from ₹ 301.75 lakhs in FY 2023, representing an increase of ₹ 20.13 lakhs (6.67%). Correspondingly, the creditor holding period marginally increased to 58 days in FY 2024 from 57 days in FY 2023. The increase in trade payables was primarily attributable to higher procurement of raw materials and stock-in-trade during the year, with purchases of raw materials increasing by ₹ 317.85 lakhs and purchases of stock-in-trade increasing by ₹ 26.15 lakhs in FY 2024. The increase in creditor balances is operational in nature and is in line with the scale-up in business activities during the year

Further, the working capital for FY 2024 was also impacted by a decrease in other current liabilities, which declined to ₹ 28.15 lakhs in FY 2024 from ₹ 38.72 lakhs in FY 2023, reflecting a decrease of ₹ 10.57 lakhs (27.30%). This reduction was mainly due to a decrease in advances received from customers of general trade, as such advances were adjusted against invoices raised during the year.

DRHP – Page 124 shall be updated as under:

#### 4. Prepayment or repayment of all or a portion of Certain Debt Facilities availed by our Company

Our Company has entered into various financing arrangements from time to time, with various lenders. The financing arrangements availed by our Company include, inter alia, unsecured loans, term loans and working capital facilities. For further details, please refer “Financial Indebtedness” on page 148-149. As at **31<sup>st</sup> December, 2025**, our total outstanding borrowings amounted to **₹ 992.47 Lakhs**. Our Company proposes to utilise an estimated amount of up to ₹ 860.42 Lakhs from the Net Proceeds towards prepayment or scheduled repayment of all or a portion of certain secured loans availed by our Company.

#### Details of outstanding borrowings of the Company as on December 31, 2025.

Sr. No.	Name of the lender	Facility Name	Facility Type	Sanctioned Amount (₹ in Lakhs)	Date of Loan Taken/ Sanction	Primary Collateral	Secondary Collateral	Purpose	Outstanding Unsecured loans as on December 31, 2025 (₹ in Lakhs)	Interest rate (%) p.a.	Repayment Terms
1	Axis Bank Limited	SBB Cash Credit	Cash Credit	890.00	24/11/2023  Renewed at 19/03/2025  Renewed at 15/10/2025	Book Debts/Debtors and Stock	Self-Occupied Residential Property*, Vacant Land** and Residential Property used as Industrial ***	Business Purpose - Working Capital	863.91	REPO Rate +2.25 %	12 Months
2	Axis Bank Limited	SBB Secured Term Loan	Term Loan	200.00	24/11/2023  Renewed at 19/03/2025	Book Debts/Debtors and Stock	Self-Occupied Residential Property*, Vacant Land** and Residential Property used as Industrial ***	Business Purpose - Working Capital	97.77	7.45%	180 Months
3	ICICI Bank Ltd	-	Vehicle Loan	29.70	04/06/2025	Xev 9e/Pack Three 79Kwh (vehicle)	-	For Purchase of Vehicle	25.67	8.80% (Fixed)	Repayable in 39 Monthly Instalments of Rs. 87,861/-
4	Jai Agarwal	NA	NA	5.12	NA	NA	NA	Working Capital	5.12	15%	Repayment on Demand
			<b>Total</b>	<b>1,124.82</b>					<b>992.47</b>		

\* Self-Occupied Residential Properties of Mr. Jai Agarwal, situated near Railway Quarters Industrial Area Rani Bazar Bikaner, Bikaner, District: Bikaner, State: Rajasthan, Pincode: 334001, India

\*\* Vacant Land of Mr. Jai Agarwal and Mrs. Premlata Agarwal situated at Khara Tehsil and Distt Bikaner, Bikaner, District: Bikaner, State: Rajasthan, Pincode: 334001, India

\*\*\* Residential Property used as Industrial at Gharsisar Road, Gram Panchayat Shiv Bari, Tehsil Bikaner, Bikaner, District: Bikaner, State: Rajasthan, Pincode: 334001, India

Mr. Jai Agarwal and Mrs. Prem Lata Agarwal are guarantor for both facilities availed

We believe that the pre-payment or scheduled repayment will help reduce our existing borrowings, assist us in maintaining a favourable debt-equity ratio and enable utilisation of our internal accruals for further investment in business growth and expansion. The following table provides details of loans and facilities as at the end of **December 31<sup>st</sup>, 2025**, which are proposed to be pre-paid or partly or fully repaid by our Company from the Net Proceeds.

Sr. No.	Name of the lender	Facility Name	Facility Type	Sanctioned Amount (₹ in Lakhs)	Date of Loan Taken/ Sanction	Primary Collateral	Secondary Collateral	Purpose	Outstanding Unsecured loans as on December 31, 2025 (₹ in Lakhs)	Interest rate (%) p.a.	Repayment Terms
1	Axis Bank Limited	SBB Cash Credit	Cash Credit <sup>#</sup>	890.00	24/11/2023  Renewed at 19/03/2025  Renewed at 15/10/2025	Book Debts/ Debtors and Stock	Self-Occupied Residential Property*, Vacant Land** and Residential Property used as Industrial ***	Business Purpose - Working Capital	863.91	REPO Rate +2.25%	12 Months
2	Axis Bank Limited	SBB Secured Term Loan	Term Loan <sup>##</sup>	200.00	24/11/2023  Renewed at 19/03/2025	Book Debts/Debtors and Stock	Self-Occupied Residential Property*, Vacant Land** and Residential Property used as Industrial ***	Business Purpose - Working Capital	97.77	7.45%	180 Months
			<b>Total</b>	<b>1,090.00</b>					<b>961.68</b>		

*\* Self-Occupied Residential Properties of Mr. Jai Agarwal, situated near Railway Quarters Industrial Area Rani Bazar Bikaner, Bikaner, District: Bikaner, State: Rajasthan, Pincode: 334001, India*

*\*\* Vacant Land of Mr. Jai Agarwal and Mrs. Premalata Agarwal situated at Khara Tehsil and Distt Bikaner, Bikaner, District: Bikaner, State: Rajasthan, Pincode: 334001, India*

*\*\*\* Residential Property used as Industrial at Gharsisar Road, Gram Panchayat Shiv Bari, Tehsil Bikaner, Bikaner, District: Bikaner, State: Rajasthan, Pincode: 334001, India*

*Mr. Jai Agarwal and Mrs. Prem Lata Agarwal are guarantor for both facilities availed*

*# The Cash Credit Loan which does not carry date of disbursement*

*## The Term Loan were initially disbursed on March 16, 2024.*

DRHP – Page 128 shall be updated as under:

5) The Processing fees for applications made by UPI Bidders using the UPI Mechanism would be as follows:

RTAs / CDPs/ Registered Brokers/Members of the Syndicate	₹[●] per valid Bid cum Application Form (plus applicable taxes)
Sponsor Bank*	₹ [●]/- per valid Bid cum Application Form* (plus applicable taxes) The Sponsor Bank shall be responsible for making payments to the third parties such as remitter bank, <b>NPCI</b> and such other parties as required in connection with the performance of its duties under the SEBI circulars, the Syndicate Agreement and other applicable laws

\* For each valid application

The processing fees for applications made by UPI Bidders using the UPI Mechanism may be released to the remitter banks (SCSBs) only after such banks provide a written confirmation on compliance with SEBI Circular No:

SEBI/HO/CFD/DIL2/P/CIR/2021/570 dated June 2, 2021 read with SEBI Circular No:

SEBI/HO/CFD/DIL2/CIR/P/2021/2480/1/M dated March 16, 2021, SEBI Circular no. SEBI/HO/CFD/DIL2/CIR/P/2022/51 dated April 20, 2022 and SEBI Master Circular no. SEBI/HO/MIRSD/POD-1/P/CIR/2023/70 dated May 17, 2023 (to the extent applicable).

#### **Other confirmations**

No part of the Net Proceeds will be paid to our Promoter, Promoter Group, Directors, our Group Company or our Key Managerial Personnel, in relation to the utilization of the Net Proceeds and in the ordinary course of business.

Our Company has not entered into nor has planned to enter into any arrangement/ agreements with our Directors, our Key Management Personnel, or our Group Company in relation to the utilization.



## **BASIS OF OFFER PRICE**

### **Following shall be included:**

There are no listed companies at Global level engaged in the business segment of exclusively manufacturing of papad or of comparable size to that of us.

### **DRHP – Page 133 shall be updated as under:**

#### **KEY PERFORMANCE INDICATORS (“KPI’s”)**

Our Company confirms that it shall continue to disclose all the KPIs included in this section on a periodic basis, at least once in a year (or any lesser period as determined by the Board of our Company), for a duration of one year after the date of listing of the Equity Shares on the Stock Exchange or till the complete utilisation of the proceeds of the Fresh Issue as per the disclosure made in the *Objects of the Offer* section, whichever is later or for such other duration as may be required under the SEBI ICDR Regulations.

The KPIs disclosed below have been approved by a resolution of our Audit Committee dated November 29, 2025 and the members of the Audit Committee have verified the details of all KPIs pertaining to the Company. Further, the members of the Audit Committee have confirmed that there are no KPIs pertaining to our Company that have been disclosed to any investors at any point of time during the three year period prior to the date of filing of this Draft Red Herring Prospectus. Further, the KPIs herein have been certified by M/s. GGPS and Associates, Chartered Accountants, by their certificate dated November 29, 2025, who hold a valid certificate issued by the Peer Review Board of the ICAI. The Restated Financial Statement dated October 30, 2025 has been included in the Chapter titled ‘*Material Contracts and Documents for Inspection*’ beginning on page 466 of this Draft Red Herring Prospectus.

The KPIs disclosed below have been used historically by our Company to understand and analyze the operational and the financial performance, which in result, helps it in analyzing the growth of various verticals, and other relevant and material KPIs of the business of our Company that have a bearing on arriving at the Basis for Offer Price, have been disclosed below.

The Applicants can refer to the below-mentioned Key Performance Indicators, being a combination of financial and operational Key Performance Indicators, to make an assessment of our Company’s performances and make an informed decision.

#### **KPI of our Company-**

(Amount ₹ In Lakhs except Percentages)

Sr. No	Particulars	For the period ended 30th June, 2025#	As of and for the Fiscal		
			2025	2024	2023
1	Revenue From Operation (₹ in Lakhs)	809.81	3175.09	2627.19	2499.18
2	Year-on-year growth in Revenue from Operation (%)*	-	20.85	5.12	8.96
3	Total Income (₹ in Lakhs)	809.84	3176.00	2628.79	2500.40
4	Year-on-year growth in Total Income (%)*	-	20.82	5.13	8.87
5	Operating EBITDA (₹ in Lakhs)	233.31	598.23	330.63	159.49
6	Operating EBITDA Margin (%)	28.81	18.84	12.58	6.38
7	Year-on-year growth in Operating EBITDA (%)*	-	80.94	107.30	(1.24)
8	Profit/(loss) after tax for the year (₹ in Lakhs)	180.60	472.44	210.76	25.41
9	Net profit Ratio / PAT Margin (%)	22.30	14.88	8.02	1.02

10	Year-on-year growth in Profit/(loss) after tax for the year (%)*	-	124.16	729.44	8.27
11	Return on Equity (ROE) (%)	15.26	55.15	40.92	6.36
12	Debt To Equity Ratio	0.70	0.82	1.66	1.59
13	Debt Service Coverage Ratio	0.24	0.13	0.06	0.05
14	Return on Capital Employed (%)	15.16	44.51	32.26	20.30
15	Current Ratio	1.88	1.72	1.48	1.04
16	Net Working Capital Turnover Ratio	0.82	4.48	9.37	(1044.72)
17	Earnings Per Share (EPS)(In Rs.)	2.65	6.93	3.09	0.37
18	Year-on-year growth in EPS (%)*	-	124.27	735.14	8.82
19	Net worth	1273.52	1092.92	620.48	409.73
<b>Operational KPI's</b>					
20	Number of Manufacturing Facilities	2	2	2	2
21	<b>Installed Capacity (in Kgs.)-</b>				
	Machine Made Papad	227500	912500	912500	912500
	Moongodi	54600	219000	219000	219000
	Rice Papad (Khichiya)	273000	1095000	1095000	1095000
	<b>Actual Production (in Kgs.)-</b>				
	Machine Made Papad	134400	628320	591360	470400
	Moongodi	8232	36960	50400	49728
	Rice Papad (Khichiya)	246120	907200	900480	873600
	<b>Capacity Utilization (in %)</b>				
	Machine Made Papad	59.08%	68.86%	64.81%	51.55%
	Moongodi	15.08%	16.88%	23.01%	22.71%
	Rice Papad (Khichiya)	90.15%	82.85%	82.24%	79.78%
22	Number of Employees	129	110	106	106

*#Not Annualized*

*\*As certified by M/s. GGPS and Associates, Chartered Accountants pursuant to their certificate dated November 29, 2025, the Audit committee in its resolution dated November 29, 2025 has confirmed that the Company has not disclosed any KPIs to any investors at any point of time during the three years preceding the date of this Draft Red Herring Prospectus other than as disclosed in this Section.*

**Notes:**

- Revenue from Operations means the Revenue from Operations as appearing in the Restated Financial Statements.*
- Total Income as appearing in the Restated Financial Statements of the companies*
- Operating EBITDA refers to earnings before interest, taxes, depreciation, amortisation, gain or loss from discontinued operations and exceptional items. Operating EBITDA excludes other income.*
- Operating EBITDA Margin refers to operating EBITDA during a given period as a percentage of revenue from operations during that period.*
- PAT is the profit for the year from continuing operations as appearing in the Restated Financial Statements of the company*
- Net Profit Ratio/PAT Margin quantifies our efficiency in generating profits from our revenue and is calculated by dividing our net profit after taxes by our revenue from operations.*
- Return on equity (ROE) is equal to profit for the year divided by the total average equity during that period and is expressed as a percentage.*
- Debt to equity ratio is calculated by dividing the Total debt (i.e., Total borrowings) by total equity (Shareholders' Fund).*
- Debt Service Coverage Ratio measures our ability to make interest payments from available earnings and is calculated by dividing EBITDA by Debt service (Principal + Interest+ Lease Rentals).*

- j. **RoCE (Return on Capital Employed) (%) is calculated as Earning Before Interest and Tax divided by Capital Employed (i.e. Net worth + Long Term Debt (including the current maturities of long-term borrowings) - Intangible Assets – Deferred Tax Asset + Deferred Tax Liability).**
- k. **Current Ratio is a liquidity ratio that measures our ability to pay short-term obligations (those which are due within one year) and is calculated by dividing the current assets by current liabilities.**
- l. **Net Working Capital Turnover Ratio quantifies our effectiveness in utilizing our working capital and is calculated by dividing our revenue from operations by our Average working capital (i.e., current assets less current liabilities)**
- m. **EPS is calculated as PAT of relevant year divided by Average number of Equity Share (As the Company has allotted bonus shares vide EGM dated September 23,, 2025, in the ratio of 8 shares for every 1 share held. Weighted average number of equity shares has been adjusted as if the event has occurred in the beginning of earliest reporting period for year on year comparison)**
- n. **Net worth is a snapshot of financial stability at a given point in time and is useful for assessing financial progress and making informed financial decisions. The formula is Net worth = Total Assets – Total Liabilities.**
- o. **Number of manufacturing facilities are strategically located in Bikaner, the state of Rajasthan, India.**
- p. **Installed Capacity (in Kgs.) represents maximum production capabilities of our manufacturing facilities under ideal operating conditions;**
- q. **Actual production (in Kgs.) represents actual output achieved by our facilities during the given period.**
- r. **Capacity utilization (in %) indicates the extent to which the installed capacity has been utilized, reflecting operational efficiency.**
- s. **Number of employees represents the employees working as on the last date of each stated period.**
- \* Year-on-year growth is calculated as (Relevant Year Amount/ number minus Previous Year Amount/ number) divided by Previous Year Amount/number

**Set forth the description of historic use of the KPIs by our Company to analyses, track or monitor the operational and/or financial performance of our Company.**

For evaluation of our business, we consider that the KPIs, as presented above, as additional measures to review and assess our financial and operating performance. These KPIs have limitations as analytical tools and presentation of these KPIs should not be considered in isolation or as a substitute for the Restated Standalone Financial Information. Further, these KPIs may differ from the similar information used by other companies, including peer companies, and hence their comparability may be limited. Although these KPIs are not a measure of performance calculated in accordance with applicable accounting standards, our Company's management believes that it provides an additional tool for investors to use our operating results and trends and in comparing our financial results with other companies in our industry as it provides consistency and comparability with past financial performance.

KPI	Explanations
Revenue from Operations (₹ in Lakhs)	Revenue from Operations is used by our management to track the revenue profile of the business and in turn helps assess the overall financial performance of our Company and Size of our business.
Growth in Revenue from Operations (%)	Revenue Growth informs the management of annual growth rate i.e. Rate at which Company's revenue are growing on annual basis.
Total Income (₹ in Lakhs)	Total Income is used to track the total revenue generated by the business including other income.
Growth in Total Income (%)	Total Income Growth informs the management of annual growth rate i.e. Rate at which Company's total income are growing on annual basis.
Operating EBITDA (₹ in Lakhs)	Operating EBITDA provides information regarding the operational efficiency of the business.
Operating EBITDA Margin (%)	Operating EBITDA Margin is an indicator of the operational profitability and financial performance of our business.
Growth in EBITDA (%)	EBITDA Growth means the annual growth rate in EBITDA during the term determined

Profit After Tax for the year (₹ in Lakhs)	Profit after tax provides information regarding the overall profitability of the business.
Net Profit Ratio/PAT Margin (%)	PAT Margin is an indicator of the overall profitability and financial performance of our business.
Growth in Net Profit Ratio/PAT (%)	PAT Growth means the annual growth rate in PAT during the Term determined
Return on Equity (ROE) (%)	RoE provides how efficiently our Company generates profits from shareholders' funds.
Debt To Equity Ratio	Debt-to-equity (D/E) ratio is used to evaluate company's financial leverage.
Debt Service Coverage Ratio	The debt service coverage ratio is a debt service and profitability ratio used to determine how easily a company can pay interest and principal on its outstanding debt.
Return on Capital Employed (ROCE) (%)	ROCE provides how efficiently our Company generates earnings from the capital employed in the business.
Current Ratio	It shows management how business can maximize the current assets on its Balance Sheet to satisfy its current debt and other payables.
Net Working Capital Turnover Ratio	This metric enables us to track the how effectively company is utilizing its working capital to generate revenue.
Earnings Per Share (EPS) (In Rs.)	EPS is calculated as PAT of relevant year divided by Average number of Equity Share.
Growth in Earning Per Share (%)	Earning Per Share (EPS) Growth means the annual growth rate in Earning Per Share (EPS) during the Term determined
Net worth	Net worth is a snapshot of financial stability at a given point in time and is useful for assessing financial progress and making informed financial decisions. The formula is Net worth = Total Assets – Total Liabilities.
No. of Manufacturing Facilities	Number of manufacturing facilities are strategically located in Bikaner, the state of Rajasthan, India
Installed Capacity	Represents the maximum production capability of our manufacturing facilities under ideal operating conditions.
Actual Production	Refers to the actual output achieved by our facilities during the given period.
Capacity Utilization	Indicates the extent to which the installed capacity has been utilized, reflecting operational efficiency.
Number of Employees	Indicates the number of employees working as on the last date of each stated period.

#### Operational KPIs of the Company\*

Revenues	For the period ended	Fiscal		
	June 30, 2025	2025	2024	2023

	Amount (₹ in lacs)	Percentage of Revenue from Operations (%)	Amount (₹ in lacs)	Percentage of Revenue from Operations (%)	Amount (₹ in lacs)	Percentage of Revenue from Operations (%)	Amount (₹ in lacs)	Percentage of Revenue from Operations (%)
Top 1 Customer	149.24	18.43%	629.97	19.84%	409.88	15.59%	395.52	15.82%
Top 3 Customers	329.11	40.64%	1251.51	39.41%	954.90	36.35%	819.66	32.80%
Top 5 Customers	462.65	57.13%	1696.76	53.43%	1420.24	54.06%	1220.49	48.84%
Top 10 Customers	591.89	73.09%	2198.74	69.25%	1829.83	69.65%	1607.58	64.32 %

*\*As certified by M/s GGPS and Associates, Chartered Accountants, Bikaner; Peer Reviewed Statutory Auditor of our Company, pursuant to their certificate dated November 29, 2025.*

Purchases	For the period ended		Fiscal					
	June 30, 2025		2025		2024		2023	
	Amount (₹ in lacs)	Percentage of Purchases (%)	Amount (₹ in lacs)	Percentage of Purchases (%)	Amount (₹ in lacs)	Percentage of Purchases (%)	Amount (₹ in lacs)	Percentage of Purchases (%)
Top 1 Supplier	91.93	15.44%	346.52	16.14%	281.14	13.00%	173.12	9.49%
Top 3 Suppliers	213.82	35.92%	607.65	28.30%	734.09	33.95%	409.39	22.45%
Top 5 Suppliers	286.50	48.13%	826.79	38.51%	998.83	46.19%	612.28	33.58%
Top 10 Suppliers	399.74	67.16%	1165.76	54.29%	1458.28	67.44%	927.72	50.87%

As certified by the Peer Reviewed Statutory Auditor M/s GGPS and Associates, Chartered Accountants, Bikaner vide certificate dated November 29, 2025

Explanation for KPI Metrics

KPI	Explanation
Contribution to revenue from operations of top 1/3/5/10 customers	This metric enables us to track the contribution of our key customers to our revenue and also assess any concentration risks.
Contribution to purchase of raw materials from top 1/3/5/10 suppliers	This metric enables us to track the purchase of raw materials from our key suppliers and also assess any concentration risks.

## 7.Comparison of key performance indictors with Peer Group Companies

There are no listed companies in India that are engaged in the business segment in which we operate or of a comparable size to that of our Company. Accordingly, it is not possible to provide an industry comparison in relation to operational KPIs of the listed peer with our Company.

(Amount ₹ In Lakhs except Percentages)

Sr. No	Particulars	Papadmalji Agro Foods Limited				Peer 1\$			
		For the period ended 30th June, 2025#	As of and for the Fiscal			For the period ended 30th June, 2025#	As of and for the Fiscal		
			2025	2024	2023		2025	2024	2023
1	Revenue From Operation (₹ in Lakhs)	809.81	3175.09	2627.19	2499.18	-	-	-	-
2	Year-on-year growth in Revenue from Operation (%)*	-	20.85	5.12	8.96	-	-	-	-
3	Total Income (₹ in Lakhs)	809.84	3176	2628.79	2500.4	-	-	-	-
4	Year-on-year growth in Total Income (%)*	-	20.82	5.13	8.87	-	-	-	-
5	Operating EBITDA (₹ in Lakhs)	233.31	598.23	330.63	159.49	-	-	-	-
6	Operating EBITDA Margin (%)	28.81	18.84	12.58	6.38	-	-	-	-
7	Year-on-year growth in Operating EBITDA (%)*	-	80.94	107.3	(1.24)	-	-	-	-
8	Profit/(loss) after tax for the year (₹ in Lakhs)	180.6	472.44	210.76	25.41	-	-	-	-
9	Net profit Ratio / PAT Margin (%)	22.3	14.88	8.02	1.02	-	-	-	-
10	Year-on-year growth in Profit/(loss) after tax for the year (%)*	-	124.16	729.44	8.27	-	-	-	-
11	Return on Equity (ROE) (%)	15.26	55.15	40.92	6.36	-	-	-	-
12	Debt To Equity Ratio	0.7	0.82	1.66	1.59	-	-	-	-
13	Debt Service Coverage Ratio	0.24	0.13	0.06	0.05	-	-	-	-
14	Return on Capital Employed (%)	15.16	44.51	32.26	20.3	-	-	-	-
15	Current Ratio	1.88	1.72	1.48	1.04	-	-	-	-
16	Net Working Capital Turnover Ratio	0.82	4.48	9.37	(1044.72)	-	-	-	-
17	Earnings Per Share (EPS)(In Rs.)	2.65	6.93	3.09	0.37	-	-	-	-
18	Year-on-year growth in EPS (%)*	-	124.27	735.14	8.82	-	-	-	-

19	Net worth	1273.52	1092.92	620.48	409.73	-	-	-	-
Operational KPI's									
20	Number of Manufacturing Facilities	2	2	2	2	-	-	-	-
21	Installed Capacity (in Kgs.)-								
	Machine Made Papad	227500	912500	912500	912500	-	-	-	-
	Moongodi	54600	219000	219000	219000	-	-	-	-
	Rice Papad (Khichiya)	273000	1095000	1095000	1095000	-	-	-	-
	Actual Production (in Kgs.)-								
	Machine Made Papad	134400	628320	591360	470400	-	-	-	-
	Moongodi	8232	36960	50400	49728	-	-	-	-
	Rice Papad (Khichiya)	246120	907200	900480	873600	-	-	-	-
	Capacity Utilization (in %)								
	Machine Made Papad	59.08%	68.86%	64.81%	51.55%	-	-	-	-
	Moongodi	15.08%	16.88%	23.01%	22.71%	-	-	-	-
	Rice Papad (Khichiya)	90.15%	82.85%	82.24%	79.78%	-	-	-	-
22	Number of Employees	129	110	106	106	-	-	-	-

**Note:**

**#Not Annualized**

**\*Year-on-year growth is calculated as (Relevant Year Amount/ number minus Previous Year Amount/ number) divided by Previous Year Amount/number**

**\$There are no listed companies in India that are engaged in the business segment in which we operate or of a comparable size to that of our Company. Accordingly, it is not possible to provide an industry comparison in relation to operational KPIs of the listed peer with our Company.**

**Page 130 shall be modified as under:**

#### **Qualitative Factors**

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

- ~~1. We are amongst the few organized players exclusively in the papad segment leveraging strategically located manufacturing facilities~~
1. Multi Channel presence and extensive and well-established sale and distribution network
2. Wide Range of Products with distinct variants
3. Purity, Health & Wellness Focus
4. Empowered by Women: A symbol of strength and dedication
5. Experienced Promoters and professional management team

For a detailed discussion on the qualitative factors which form the basis for computing the price, refer the Chapter titled "Our Business – Strengths" on page 185 of this Draft Red Herring Prospectus.

## SECTION V- ABOUT THE COMPANY

### INDUSTRY OVERVIEW

The chapter titled “Industry Overview” beginning on page 144 of the Draft Red Herring Prospectus has been updated to delete in their entirety the sections (i) *Global Growth Projections*; (ii) *Outlook for South Asia*; (iii) *Indian Economy Overview*; and (iv) *Indian Economy Outlook*.

Further, the chapter has also been updated to delete the pointer titled “Overview of recent growth in the food processing sector” appearing under the paragraph “Current growth trends in India’s food processing industry,” forming part of the section “THE FUTURE OF FOOD PROCESSING IN INDIA: GROWTH, OPPORTUNITIES AND CHALLENGES”

### FOOD PROCESSING INDUSTRY IN INDIA

India is the fourth-largest economy in the world and is projected to be the fastest-growing among major G20 countries, with GDP growth estimated at 6.9% in FY26. The food processing sector has emerged as one of the key contributors to this growth, supported by progressive policies of the Ministry of Food Processing Industries (MoFPI). The market is valued at Rs. 30,49,800 crore (US\$ 354.5 billion) in 2024 and is expected to reach Rs. 65,24,480 crore (US\$ 758.4 billion) by 2028, growing at a CAGR of 8.38% during 2025-33.

Exports remain a strong driver of the sector. Between April and August FY26, processed fruits and vegetables exports stood at Rs. 6,251 crore (US\$ 729 million), animal products at Rs. 10,223 crore (US\$ 1.19 billion), and other processed foods at Rs. 11,054 crore (US\$ 1.29 billion). The total exports of floriculture, fresh and processed fruits and vegetables, animal products, cereals, cashew, herbal, and medicinal plants reached Rs. 59,118 crore (US\$ 6.9 billion) during the same period.

The sector has also been attracting steady foreign investment. Between April 2000 and June 2025, it drew Rs. 1,15,596 crore (US\$ 13.4 billion) in FDI, aided by favourable policies, tax benefits, and government schemes. Initiatives like the Production Linked Incentive Scheme for Food Processing Industry (PLISFPI), with an outlay of Rs. 10,900 crore (US\$ 1.3 billion), and the PLI scheme for Millet-Based Products (PLISMBP), launched in FY23 with Rs. 800 crore (US\$ 96 million) are expected to further accelerate growth and global competitiveness.

Infrastructure support has been another key focus. By June 2024, MoFPI had approved 41 Mega Food Parks, 399 Cold Chain projects, 76 Agro-processing Clusters, and 588 Food Processing Units under PMKSY schemes. As of FY25 (April-December 2024), 394 integrated cold chain projects were taken up, of which 286 were completed, creating 10.06 lakh MT of cold storage, 331 MT/hour of quick-freezing capacity, 190.98 LLPD of milk processing/storage, and 1,918 reefer vehicles.

The industry also benefits from India’s vast agricultural base. Diverse agro-climatic conditions provide a strong raw material supply for sub-sectors such as fruits and vegetables, poultry and meat, dairy, fisheries, grains, spices, nutraceuticals, and ready-to-eat segments. In 2022-23, horticulture production was estimated at 351.92 million tonnes, making India the second-largest producer of fruits and vegetables. It is also the world’s largest producer of spices, with 11.26 million tonnes of major spices produced that year.

India leads the world in milk production, contributing about 25% to global output in 2023-24. Milk production grew from 146.3 million tonnes in FY15 to 239.2 million tonnes in FY24, registering a 63.6% rise at an annual growth rate of 5.7%. Egg production grew at 6.58% CAGR from FY19 to FY24, while meat production rose at 4.8% during the same period, ranking India second in eggs and fifth in meat globally.

The Indian food and grocery market, the sixth largest in the world, contributes 70% through retail sales. The food processing industry alone accounts for 32% of this market, 13% of India’s total exports, and 6% of industrial investment. It employs nearly 1.93 million people in the registered sector and another 5.1 million in the unregistered segment.

Overall, the food processing sector has been growing at an average annual rate of 5.35% in recent years. Supported by a planned US\$ 1 trillion infrastructure push and Rs. 25 lakh crore (US\$ 300 billion) investment into the rural economy, the sector is well-positioned to remain one of the strongest pillars of India’s economic growth.

The food processing sector has seen some major developments, investments, and support from the Government in the recent past.



- India is boosting turmeric exports via the SPICED scheme, which includes quality certification, value-addition support, post-harvest upgrades, and domestic & international market linkage programs under the newly formed National Turmeric Board
- APEDA has launched the BHARATI (Bharat's Hub for Agri-tech, Resilience, Advancement, and Incubation for Export Enablement) initiative to empower 100 agri-food and agri-tech startups, foster innovation, improve export readiness and help India achieve Rs. 4,28,450 crore (US\$ 50 billion) in agri-food exports of its scheduled products by 2030.
- In a major boost to the dairy industry, India's iconic dairy brand, Amul has announced setting up the world's largest curd (dahi) manufacturing facility in Kolkata. This new integrated dairy plant, backed by Rs. 600 crore (US\$ 69.1 million) investment will significantly expand Amul's footprint in West Bengal.
- The Ministry of Food Processing Industries (MoFPI) was allocated Rs. 4,364 crore (US\$ 505.70 million) in the Union Budget 2025-26.
- Pradhan Mantri Kisan Sampada Yojana (PMKSY) budget was allocated Rs. 729 crore (US\$ 84.50 million). The food processing industry's Production-Linked Incentive Scheme was allocated Rs. 1,444 crore (US\$ 167.30 billion) to promote innovation in the sector.
- An outlay of Rs. 2,000 crore (US\$ 231.80 million) was allocated towards the Prime Minister Formalization of Micro Food Processing Enterprises Scheme (PMFME).

In the Interim Budget 2024-25, the Ministry of Food Processing Industries was allocated a total Budget of Rs. 3,290 crore (~US\$ 396 million), an increase of ~13% over revised estimates for fiscal year 2024.

Of the total budget, Rs. 2,173.02 crore (~US\$ 261.5 million) was allocated towards central sector schemes and projects, including the Pradhan Mantri Kisan Sampada Yojana (PMKSY) and Production-Linked Incentive Scheme for Food Processing Industry (PLISFPI).

An outlay of Rs. 879.5 crore (~US\$ 105.8 million) was allocated towards the centrally sponsored schemes including the Prime Minister Formalization of Micro Food Processing Enterprises Scheme (PMFME).

The Mega Food Park (MFP) Scheme was launched to integrate agricultural production with the market by bringing together farmers, processors, and retailers. The scheme follows a cluster approach, establishing modern food processing units within well-defined agri/horticultural zones.

Each park includes supply chain infrastructure like collection centres, processing units, and cold chains, along with developed plots for entrepreneurs. Under the MFP scheme 41 projects were approved, of which 24 are operational as of December 2023.

The Ministry of Food Processing Industries hosted 'World Food India' event, in November 2023, in New Delhi. The event provided a distinctive platform to all the stakeholders in the food value chain including food processors, equipment manufacturers, producers, cold chain players, technology providers, logistics players, researchers, startups and innovators, food retailers etc. to engage and demonstrate their capabilities.

The United Nation's General Assembly (UNGA) declared 2023 as the International Year of Millets. The Union Budget 2023-24 included a special focus on millet, highlighting the aspirations to make India a Global Hub for Millets (Shree Anna).

During the Presidency of G20 summit, India had organized a two-day Global Millets Conference in March 2023 in New Delhi bringing together participants from more than 102 countries facilitating discourse on important issues related to millets, including its production, consumption, nutritional benefits, value chain development, market linkages, and research and development.

The Indian Institute of Millets Research in Hyderabad was declared as a Centre of Excellence for sharing best practices, research, and technology at national and international level.

The Indian food processing sector offers a promising growth journey ahead and presents several opportunities with the sector being recognised as a key priority industry under the "Make in India" initiative. The MoFPI has undertaken several initiatives aimed at enhancing infrastructure and fostering food processing industries to stimulate investment in this domain. The Indian Government has sought to involve multiple stakeholders to improve interactions between farmers, processors, distributors, and retailers to establish strong supply chains linking farmers to processing and marketing to empower them with nearby grading and storage facilities which will enhance the value of their products.

There are substantial investment prospects totalling US\$ 2.36 billion across 31 projects under Common Infrastructure for Industrial Parks which includes facilities such as specialized processing units, effluent treatment plants, testing laboratories, common warehouses, and logistics support. These facilities are designed to support the

industry's manufacturing processes and ensure compliance with environmental regulations while promoting efficient production and export capabilities.

The food processing sector in India boasts over 3,300 recognized startups, employing 33,000 people and spread across 425 districts. Supported by incubators, accelerators, and funds, startups hold immense potential to drive innovation and economic growth in the food processing industry. There are several food and agriculture value chain funds like the Startup India Seed Fund Scheme, Startup India Tax Exemption Benefits, etc. that support the startups in the food processing industry.

India's food processing sector stands as a vital pillar of the nation's growth journey, supported by robust government initiatives, expanding infrastructure, and rising global demand. With strong export momentum, increasing foreign investments, and growing startup participation, the industry is poised to unlock immense value across the agri-food value chain. Continued focus on innovation, sustainability, and inclusive rural development will further enhance its global competitiveness. Looking ahead, the sector is well-positioned to strengthen India's role as a global hub for high-quality, value-added food products, driving employment, empowering farmers, and contributing significantly to the vision of a developed India by 2047.

**References:** Ministry of Food Processing Industries (MoFPI), Press Information Bureau, Nivesh Bandhu Investor Portal, Source: Agricultural & Processed Food Products Export Development Authority (APEDA), News Articles, Department for Promotion of Industry, and Internal Trade (DPIIT), Union Budget 2025-26, Union Budget 2023-24, Interim Budget 2024-25, Grant Thornton - Viksit Bharat by 2047: Role of the food processing sector, India Investment Grid, Startup India.

**Note:** Conversion rate used in July 2025, Rs. 1 = US\$ 0.011

(Source: <https://ibef.org/industry/food-processing-presentation>)

## **INDIA'S FOOD PROCESSING INDUSTRY: GROWTH & OPPORTUNITIES**

### **INTRODUCTION**

India is the fourth largest economy in the world and is projected to be the fastest growing among major G20 nations, with GDP growth expected at 6.9% in FY26. Within this growth story, the food processing sector has emerged as a vital contributor to the economy, driven by progressive policy measures of the Ministry of Food Processing Industries (MoFPI). The sector plays a crucial role in Gross Domestic Product (GDP), employment generation, and industrial investment. In 2024, it accounted for around 8.80% and 8.39% of Gross Value Added (GVA) in Manufacturing and Agriculture, respectively, while contributing 13% of India's exports and 6% of overall industrial investment. GVA from food processing increased from Rs. 1.61 lakh crore (US\$ 24.60 billion) in 2015-16 to Rs. 1.92 lakh crore (US\$ 24.43 billion) in 2022-23, according to the Ministry of Statistics and Programme Implementation.

India's diverse agro-climatic conditions provide it with a strong and sustainable raw material base. The country has established itself as a global leader in milk production, accounting for nearly 25% of global output in 2023-24. It also ranks second in the production of vegetables, fruits, and eggs, and fifth in meat production. Moreover, India is the largest producer of spices worldwide, recording 11.80 million tonnes of production in FY24, as per the Spices Board of India.

The Indian food and grocery market is the world's sixth largest, with retail contributing 70% of sales. The food processing industry alone represents 32% of this market, making it one of the country's largest industries and positioning it fifth globally in terms of production, consumption, exports, and anticipated growth.

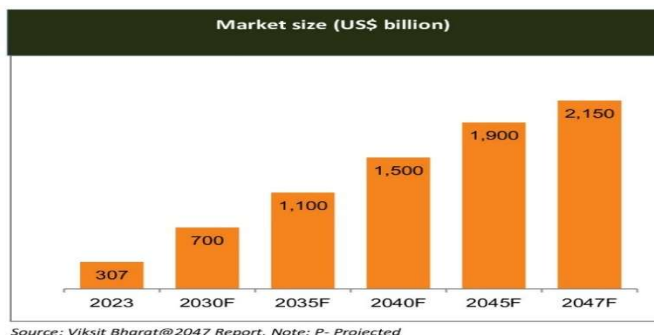
A robust food processing sector is critical for addressing India's food and nutritional security challenges. Processed food enhances shelf life, improves convenience, enables distribution to remote regions, and ensures better accessibility for consumers. For farmers, it provides higher value realization and wider market opportunities, creating a strong multiplier effect across the economy.

### **MARKET SIZE**

India, the most populous countries globally, is expected to maintain one of the youngest populations until 2030. Rising urbanization and changing consumption patterns are driving food consumption, which is projected to reach US\$ 1.2 trillion by FY26. The processed fruits and vegetables segment alone was valued at US\$ 15.4 billion in 2019, while consumer demand has been steadily increasing for ready-to-eat (RTE), ready-to-cook (RTC), dairy, and fruit and vegetable products.

The Indian food processing market reached Rs. 30,49,800 crore (US\$ 354.5 billion) in 2024 and is expected to grow to Rs. 4,584,415 crore (US\$ 535 billion) by the end of FY26. In the long term, the sector is projected to

expand to Rs. 60,22,100 crore (US\$ 700 billion) by 2030, Rs. 94,63,300 crore (US\$ 1,100 billion) by 2035, Rs. 1,29,04,500 crore (US\$ 1,500 billion) by 2040, Rs. 1,63,45,700 crore (US\$ 1,900 billion) by 2045, and Rs. 1,84,96,450 crore (US\$ 2,150 billion) by 2047, according to PHDCCI.



India's exports in the food processing sector are also witnessing strong growth. In FY26 (April-August 2025), exports of processed fruits and vegetables stood at Rs. 6,251 crore (US\$ 729 million), animal products at Rs. 10,223 crore (US\$ 1,193 million), and other processed foods at Rs. 11,054 crore (US\$ 1,290 million). The total exports, including floriculture, fresh fruits and vegetables, cereals, cashew, and herbal and medicinal plants, reached Rs. 59,118 crore (US\$ 6,899 million) during the same period. Exports are expected to surpass FY25 levels,

supported by GST reforms and market-diversification initiatives.

The food processing industry contributes around 32% of the overall Indian food market, 13% of total exports, and 6% of industrial investment. It is also a significant source of employment, engaging approximately 1.93 million people in the registered sector and 5.1 million workers in the unregistered sector. According to the Viksit Bharat@2047 report, the sector is expected to reach US\$ 1,100 billion by FY35, US\$ 1,500 billion by FY40, US\$ 1,900 billion by FY45, and US\$ 2,150 billion by FY47, underscoring its long-term growth potential.

## RECENT DEVELOPMENT/INVESTMENTS

The food processing sector has seen some major developments and investments in the recent past.

- From April 2000 to June 2025, the food processing industry received Rs. 1,15,596 crore (US\$ 13.4 billion) FDI. As of June 2025, Food processing is the 15th largest recipient of FDI inflow in the country.
- The Sector contributes 1.8% of total FDI inflows received from April 2000 to June 2025.
- In a major boost to the dairy industry, India's iconic dairy brand, Amul has announced setting up the world's largest curd (dahi) manufacturing facility in Kolkata. This new integrated dairy plant, backed by Rs. 600 crore (US\$ 69.1 million) investment will significantly expand Amul's footprint in West Bengal.
- Amul has been named the world's strongest food and dairy brand in the Brand Finance Food & Drink 2024 report, achieving an impressive Brand Strength Index (BSI) score of 91.0 out of 100 and earning a prestigious AAA+ rating. This recognition underscores Amul's leadership in the global food and dairy industries.
- As on 30<sup>th</sup> June 2024, Ministry of Food Processing Industries has approved 41 Mega Food Parks, 399 Cold Chain projects, 76 Agro-processing Clusters, 588 Food Processing Units, 61 Creation of Backward & Forward Linkages Projects & 52 Operation Green projects under corresponding component schemes of PMKSY.
- A total of 92,549 micro food processing enterprises has been approved for assistance under PMFME as on 30<sup>th</sup> June 2024.
- The Ministry of Food Processing Industries (MoFPI) was allocated Rs. 4,364 crore (US\$ 505.70 million) in the Union Budget 2025-26
- Pradhan Mantri Kisan Sampada Yojana (PMKSY) budget was allocated Rs. 729 crore (US\$ 84.50 million). The food processing industry's Production-Linked Incentive Scheme was allocated Rs. 1,444 crore (US\$ 167.30 billion) to promote innovation in the sector.
- An outlay of Rs. 2,000 crore (US\$ 231.80 million) was allocated towards the Prime Minister Formalization of Micro Food Processing Enterprises Scheme (PMFME).

- In the Interim Budget 2024-25, the Ministry of Food Processing Industries was allocated a total Budget of Rs. 3,290 crores (~US\$ 396 million), an increase of ~13% over revised estimates for fiscal year 2024.
- Of the total budget, Rs. 2,173.02 crore (~US\$ 261.5 million) was allocated towards central sector schemes and projects, including the Pradhan Mantri Kisan Sampada Yojana (PMKSY) and Production-Linked Incentive Scheme for Food Processing Industry (PLISFPI).
- An outlay of Rs. 879.5 crore (~US\$ 105.8 million) was allocated towards the centrally sponsored schemes including the Prime Minister Formalization of Micro Food Processing Enterprises Scheme (PMFME).
- The Ministry of Food Processing Industries hosted 'World Food India' event, in November 2023, in New Delhi. The event provided a distinctive platform to all the stakeholders in the food value chain including food processors, equipment manufacturers, producers, cold chain players, technology providers, logistics players, researchers, start-ups and innovators, food retailers etc. to engage and demonstrate their capabilities.
- The United Nation's General Assembly (UNGA) declared 2023 as the International Year of Millets. The Union Budget 2023-24 included a special focus on millet, highlighting the aspirations to make India a Global Hub for Millets (Shree Anna).
- During the Presidency of G20 summit, India had organized a two-day Global Millets Conference in March 2023 in New Delhi bringing together participants from more than 102 countries facilitating discourse on important issues related to millets, including its production, consumption, nutritional benefits, value chain development, market linkages, and research and development.
- The Indian Institute of Millets Research in Hyderabad was declared as a Centre of Excellence for sharing best practices, research, and technology at national and international level
- The Mega Food Park (MFP) Scheme was launched to integrate agricultural production with the market by bringing together farmers, processors, and retailers. The scheme follows a cluster approach, establishing modern food processing units within well-defined agri/horticultural zones. Each park includes supply chain infrastructure like collection centres, processing units, and cold chains, along with developed plots for entrepreneurs. Under the MFP scheme 41 projects were approved, of which 24 are operational as of December 2023.
- In 2022, a Special Food Processing Fund of US\$ 263 million (Rs. 2,000 crore) was set up with National Bank for Agriculture and Rural Development (NABARD) to provide affordable credit for investments in setting up units under Mega Food Parks (MFP) and Designated Food Parks (DFP).
- The Production Linked Incentive Scheme for Food Processing Industry (PLISFPI) was approved in March 2021, with a budget of US\$ 1.3 billion (Rs. 10,900 crore) to be implemented from 2021-22 to 2026-27. It is aimed at incentivizing manufacturing, promoting innovative/organic SME products, and endorsing Indian brands internationally. Additionally, a PLI Scheme for Millet-based Products (PLISMBP) was launched in FY23 with an outlay of ~US\$ 96 million (Rs. 800 crore).

## GOVERNMENT INITIATIVES

- India is boosting turmeric exports via the SPICED scheme, which includes quality certification, value-addition support, post-harvest upgrades, and domestic & international market linkage programs under the newly formed National Turmeric Board.
- Under Pradhan Mantri Kisan SAMPADA Yojana (PMKSY), 1,601 food processing or preservation projects have been sanctioned as of June 2025, 1,133 of which are completed, benefiting 34.15 lakh farmers across India.
- APEDA has launched the Bharat's Hub for Agritech, Resilience, Advancement and Incubation for Export Enablement (BHARATI) initiative to empower 100 agri-food and agri-tech startups, foster innovation, improve export readiness and help India achieve Rs. 4,28,450 crore (US\$ 50 billion) in agri-food exports of its scheduled products by 2030.
- The Government of India (GOI) introduced the Pradhan Mantri Kisan SAMPADA Yojana (PMKSY), administered by the Ministry of Food Processing Industries (MoFPI). The scheme aims to establish modern infrastructure and streamline supply chain management from farm to retail, fostering growth in the food processing sector. It aims to enhance farmer returns, double farmers' incomes, generate employment

opportunities in rural areas, reduce agricultural wastage, increase processing levels, and boost processed food exports.

- The Agro Processing Cluster Scheme under PMKSY is aimed at developing modern infrastructure and common facilities to facilitate the establishment of food processing units based on a cluster approach. This involves connecting groups of producers/farmers with processors and markets through a well-equipped supply chain. Each agro-processing cluster includes Basic Enabling Infrastructure (such as roads, water supply, power supply, drainage, ETP) and Core Infrastructure/Common facilities (including warehouses, cold storages, IQF, tetra pack, sorting, grading) along with at least 5 food processing units requiring a minimum investment of Rs. 25 crore (-US\$ 3 million). The units are established simultaneously with the creation of common infrastructure, requiring at least 10 acres of land arranged either through purchase or lease for a minimum of 50 years.
- The "Integrated Cold Chain and Value Addition Infrastructure" Scheme under PMKSY was launched to establish uninterrupted cold chain facilities from farm to consumer, including pre-cooling, storage, and distribution. It encompasses various temperature-controlled storage, packing, and transportation facilities for diverse products like horticulture, dairy, and meat.
- The cold chain infrastructure created by 372 completed cold chain projects under this scheme until October 2023 involve 10.3 lakh MT of Cold Storage, Controlled Atmosphere (CA)/Modified Atmosphere (MA) Storage and Deep Freezer, 335 MT per hour of Individual Quick Freezing (IQF), 175.8 Lakh Litres Per Day (LLPD) Milk Processing/Storage, and 1860 reefer vehicles.
- Milk production has increased by 63.56% over the past 10 years from 146.3 million tonnes during FY15 to 239.2 million tonnes during FY24, with an annual growth rate of 5.7 % during the past 10 years.
- The Mega Food Park (MFP) Scheme was launched under PMKSY to integrate agricultural production with the market by bringing together farmers, processors, and retailers. The scheme follows a cluster approach, establishing modern food processing units within well-defined agri/horticultural zones. Each park includes supply chain infrastructure like collection centres, processing units, and cold chains, along with developed plots for entrepreneurs. Under the MFP scheme 41 projects were approved, of which 24 are operational as of December 2023.
- MoFPI initiated the PM Formalisation of Micro food processing Enterprises Scheme (PMFME) nationwide to aid micro food processing enterprises with financial, technical, and business assistance for upgrading operations.
- The One District One Product (ODOP) scheme under PMFME was launched to reap the benefit of scale in terms of procurement of inputs, availing common services and marketing of products. It aims to provide the framework for value chain development and alignment of support infrastructure. ODOP approved for 713 districts in 35 States/UTs with 137 unique products.
- The Branding and Marketing support scheme provides 50% financial grant to groups of FPOs, Self Help Groups (SHGs), cooperatives to promote their existing or proposed brands to market their processed food products under the scheme.
- Food processing units qualify for complete profit exemption in the first five years and 25 percent (30 percent in case of companies) for next 5 years. 100% deduction permitted on capital expenditure for cold chain or warehouse.
- Loans to food and agro-based processing units and cold chain have been classified under agriculture activities for Priority Sector Lending (PSL).
- Government allows 100% FDI in the food processing sector under the automatic route, facilitating a straightforward and efficient investment process.

## ROAD AHEAD

The Indian food processing sector offers a promising growth journey ahead and presents several opportunities with the sector being recognised as a key priority industry under the “Make in India” initiative. The MoFPI has undertaken several initiatives aimed at enhancing infrastructure and fostering food processing industries to stimulate investment in this domain. The Indian Government has sought to involve multiple stakeholders to improve interactions between farmers, processors, distributors, and retailers to establish strong supply chains linking farmers to processing and marketing to empower them with nearby grading and storage facilities which will enhance the value of their products.

There are substantial investment prospects totalling US\$ 2.36 billion across 31 projects under Common Infrastructure for Industrial Parks which includes facilities such as specialized processing units, effluent treatment plants, testing laboratories, common warehouses, and logistics support. Foreign investment opportunities in India's food processing sector are also promising due to favourable policies, a vast consumer market, and government initiatives focused on improving the sector's competitiveness and sustainability.

*\*Note: Conversion rate used in July 2025 is Rs. 1 = US\$ 0.011*

**References:** Ministry of Food Processing Industries (MoFPI), Press Information Bureau, Nivesh Bandhu Investor Portal, Source: Agricultural & Processed Food Products Export Development Authority (APEDA), News Articles, Department for Promotion of Industry, and Internal Trade (DPIIT), Union Budget 2023-24, Interim Budget 2024-25, Union Budget 2025-26, Grant Thornton - Viksit Bharat by 2047: Role of the food processing sector, India Investment Grid, Startup India.

(Source: <https://ibef.org/industry/food-processing>)

## WORLD FOOD INDIA (WFI)

<sup>1</sup>MoFPI launched World Food India (WFI), its flagship international event designed to showcase India's rich food culture and attract global investment in 2017. Two more editions were held in 2023 and 2024. Since its inception WFI has grown into a premier platform for global stakeholders to connect, collaborate and explore opportunities in India's dynamic food processing landscape. World Food India 2025, being organised by the Ministry of Food Processing Industries on September 25-28, 2025, is a flagship international event positioning India as a 'Global Food Hub'



<sup>2</sup>World Food India 2025, organized by the Ministry of Food Processing Industries (MoFPI), concluded on a historic note with investment commitments of unprecedented scale. Over the course of the four-day event, 26 leading

domestic and global companies signed Memoranda of Understanding (MoUs) worth a total of ₹1,02,046.89 crore, marking one of the largest investment announcements in India's food processing sector. These MoUs are projected to generate direct employment for over 64,000 people and create indirect opportunities for more than 10 lakh individuals, reinforcing the government's vision of positioning India as a global hub for food processing.

The MoUs were signed by some of the most prominent names in the sector, including Reliance Consumer Products Ltd., The Coca-Cola System in India, Gujarat Cooperative Milk Marketing Federation (Amul), Fair Exports (India) Pvt. Ltd. (Lulu Group), Nestlé India Ltd., Tata Consumer Products Ltd., Carlsberg India Pvt. Ltd., B.L. Agro Industries Ltd., ABIS Foods & Proteins Pvt. Ltd., ACE International Ltd., Patanjali Foods Ltd., Godrej Agrovet Ltd., Agristo Masa Pvt. Ltd., Tiwana Nutrition Global Pvt. Ltd., Haldiram Snacks Food Pvt. Ltd., Indian Poultry Alliance Pvt. Ltd., Mrs. Bectors Food Specialities Ltd., Dabur India Ltd., Allana Consumer Products Ltd., Olam Food Ingredients, AB InBev, Cremica Food Park Pvt. Ltd., Dairy Craft, Sundex Biotech Pvt. Ltd., Naso Industries Pvt. Ltd., and Bluepine Foods. The commitments span across diverse segments such as dairy, meat and poultry, packaged foods, alcoholic and non-alcoholic beverages, spices and condiments, confectionery, edible oils, fruits and vegetables, and ready-to-eat products.

A significant highlight of these partnerships is their pan-India footprint, with investments spread across multiple states including Gujarat, Maharashtra, Uttar Pradesh, Punjab, Bihar, Karnataka, Tamil Nadu, Andhra Pradesh, Telangana, Madhya Pradesh, Odisha, Rajasthan, West Bengal, Assam, Chhattisgarh, Uttarakhand, Jammu & Kashmir, and the North-Eastern region. This wide geographic distribution ensures that the benefits of these investments are equitably shared, bringing opportunities for farmers, entrepreneurs, and local communities across diverse regions of the country.

Invest India, the national investment promotion and facilitation partner, assisted the Ministry of Food Processing Industries in signing these MoUs.

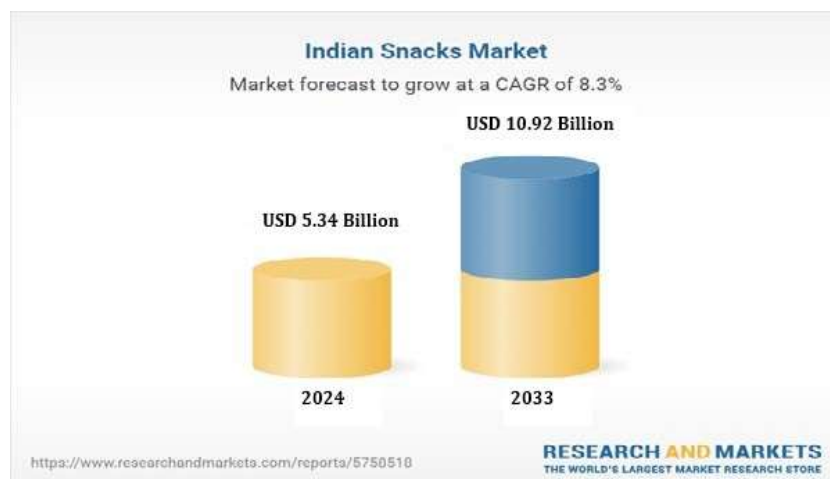
World Food India 2025 has not only attracted record investment commitments but also reaffirmed India's position as a trusted global destination for food processing. The event has laid a strong foundation for sustainable growth, innovation, and international collaboration, further consolidating India's leadership in shaping the future of global food systems. The Ministry of Food Processing Industries (MoFPI), in partnership with Invest India, will continue to work closely with industry stakeholders to facilitate these investments and ensure their effective implementation.

(Source: <sup>1</sup><https://www.pib.gov.in/PressReleasePage.aspx?PRID=2170508>

<sup>2</sup><https://www.pib.gov.in/PressReleasePage.aspx?PRID=2172417>

## INDIAN SNACK MARKET WILL REACH US\$ 23.69 BILLION IN 2028

India Snacks Market is expected to reach US\$ 5.34 billion in 2024 to US\$ 10.92 billion by 2033, with a CAGR of 8.26 % from 2025 to 2033. The market is expanding as a result of shifting lifestyles, growing disposable incomes, and increasing urbanization. The increasing number of young people and the impact of Western eating habits, which are increasing demand for quick, ready-to-eat snack options across a range of demographics, lend further credence to it.



### India Snacks Industry Overview

A snack is a tiny portion of food that isn't as nourishing and satisfying as a full meal. Snacks, which might include processed foods and other refined carbohydrates, can be consumed in between meals. Usually, readily available items are used to make snacks.

Because of the widespread adoption of work-from-home cultures and lockdowns brought on by the pandemic, the market for snack products has grown exponentially over the last two years. As snack producers concentrate on innovation and healthier goods, this trend is expected to persist during the projected period.



The more individuals who work from home, the more they want to indulge in "on-the-go." The last two years have seen a rise in demand for packaged snacks including macaroni, crisps, and noodles as the pandemic forced consumers to rearrange their meals at home.

Growing health concerns and shifting lifestyles have led to a demand for a wide range of snacks. The way people consume vegan and other snack foods is changing significantly, according to the industry. In order to extend shelf life and promote munching while on the road, international businesses have taken advantage of the growing demand for snacks by packaging their goods in more practical shapes.

### **Growth Drivers for the India Snacks Market**

#### **Growth in Retail Channels**

The growth of online platforms, mostly as a result of the COVID-19 epidemic, has a significant impact on the expansion of retail channels in the Indian snacking sector. The development of nationwide distribution and logistics networks has made this trend possible by expanding accessibility and convenience. In the last three years, India has added 125 million online buyers, with an additional 80 million anticipated by 2025, according to a report by the Indian Brand Equity Foundation. It is anticipated that India's e-commerce sector will grow to 111 billion USD by 2024 and 200 billion USD by 2026.

#### **Packaging Innovation**

The growing customer demands for sustainability and convenience have a major impact on packaging innovations in the Indian snack sector. Due to its convenient on-the-go consumption and effective storage features, pouch packaging has grown in popularity. An article from Invest India states that the food and beverage packaging sector is anticipated to reach \$86 billion in 2029, while the food processing sector is anticipated to reach \$535 billion by 2025-2026. The use of recyclable, compostable, or biodegradable materials in packaging is becoming more and more common. Corn plastic, bamboo, wood and plant fibers, and packaging made from mushrooms are examples of environmentally friendly materials.

#### **Growing Trends in Health and Wellbeing**

As consumers search for healthier eating options these days, the health and wellness trend in the Indian snack market is growing in popularity. The trend may be seen in the rising demand for natural, organic, vegan, low-calorie, and gluten-free snacks. These goods serve consumers who are concerned about their health, watch what they eat, and like snacks that improve their wellbeing. In 2023, a story in the Times of India stated that 38% of Indians are committed vegetarians. In response to this trend, snack producers are increasingly developing goods that suit consumers' health preferences, which is growing the Indian snack market.

### **India Snacks Market Overview by Regions**

Regional differences exist in the Indian snack market; North India favors traditional foods like mathris and namkeens, while South India favors crispy foods like banana chips and fried snacks. While packaged snacks are in high demand in Western India, rice-based and spicy snacks are preferred in Eastern India. An overview of the market by region is given below:

#### **North & Central India Snacks Market**

Traditional and regional snacks dominate the market in Northern and Central India. Customers have a significant taste for savory, spicy snacks, such as mathris, bhujia, and namkeens. Products like samosas, chole bhature, and aloo tikki are popular in Northern states like Punjab, Delhi, and Uttar Pradesh. Similar savory snacks are popular in Central India, which includes Madhya Pradesh and Chhattisgarh. Roasted and fried types are preferred. Both national and local businesses are increasing their presence in these areas, demonstrating the increased demand for packaged and ready-to-eat snacks.

#### **Southern India Snacks Market**

Savory, spicy, and fried snacks with a unique regional flavor profile are popular in Southern India's snack market. Popular products include banana chips, murukku, dosa chips, and idli, with variations among states including Kerala, Tamil Nadu, Karnataka, and Andhra Pradesh. Appalams and puffs, which are rice-based snacks, are also commonly



eaten. Demand for healthier substitutes, such as baked snacks and millet-based goods, is increasing in the area. As urbanization increases the need for both traditional and contemporary snacks, such as convenience and ready-to-eat options, e-commerce platforms are becoming more and more significant.

### **Western India Snacks Market**

The market for snacks in Western India is a vibrant and expanding sector, propelled by the region's urbanization and varied culinary customs. Along with well-known regional sweets, states like Maharashtra, Gujarat, and Rajasthan provide a broad range of traditional snacks, such as farsan, bhujia, chakri, and sev. The market is growing quickly due to a young population, increased disposable incomes, and growing need for quick, ready-to-eat solutions. Additionally, the desire for organic, low-calorie, and healthier snacks is being driven by health-conscious customers. E-commerce sites and the emergence of national and international snack brands are other contributing factors to the expansion.

### **Eastern India Snacks Market**

A rich culinary legacy, featuring distinctive flavors and regional delicacies like momos, pakhala, chowmein, and other rice-based snacks, characterizes the Eastern India snacking sector. This market is influenced by states like West Bengal, Odisha, Bihar, and Assam, which combine traditional and contemporary tastes. The market is expanding as a result of rising urbanization, rising disposable income, and a growing demand for convenient foods. Health-conscious consumers are also seeking nutritional and organic snack alternatives. Eastern India's market dynamics are being further enhanced by the rise of national and local snack brands as well as internet retail.

(Source: <https://www.researchandmarkets.com/reports/5758518/india-snacks-market-forecast-report-sector>)

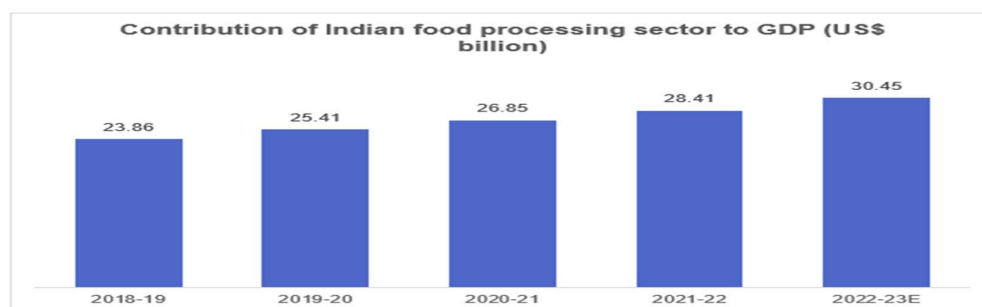
## **THE FUTURE OF FOOD PROCESSING IN INDIA: GROWTH, OPPORTUNITIES AND CHALLENGES**

The food processing industry in India is rapidly emerging as a vital cog in the nation's economy. The industry has been significantly contributing to the country's gross domestic product (GDP), employment and exports, growing at an AAGR (annual average growth rate) of about 7.26% per annum for the past seven years. Food processing increases the value of agricultural products and reduces wastage, while also creating job opportunities and enhancing food security. MoFPI (Ministry of Food Processing Industries), for its part, hasn't been behind the curve, incentivizing this growth through initiatives such as the Pradhan Mantri Kisan Sampada Yojana and the Production Linked Incentive (PLI) Scheme. It targets infrastructure building in modern terms, efficiently organizes supply chains, and makes Indian food brands competitive at the world level. Food processing is the mainstay of driving agricultural and economic development in India. It is also strategically placed to boost innovation that would work towards raising the livelihoods of millions in the country.

### **Current growth trends in India's food processing industry**

- **Contribution to India's GDP**

Food processing has immense potential to contribute significantly to the GDP of India. Food processing has been recognized as one of the priority industries in the "Make in India" policy initiative for the promotion of domestic manufacturing and attracting investments. The industry, besides being relevant for ensuring economic growth, provides opportunities for gainful employment, thus supporting the livelihood of millions of people across the country. Recent statistics reveal that the sector has achieved an AAGR of around 7.26% in the past seven years, thus transforming it into a vital segment of the country's economy.



Source - Grant and Thornton

Note - 2022-23E – Estimated

- **Growing domestic demand and export potential**

Backed by changes in consumer lifestyle and preference, the demand for processed food has increased in the Indian market. These factors coupled with an increasing urban population and busy work schedules promote the consumption of RTE (ready-to-eat) meals and packaged foods. The Government of India's efforts to unclog regulatory bottlenecks toward ensuring ease of doing business have also encouraged an increasing number of new players into the market. This also gives the country a great opportunity to export food items. However, food processing products currently constitute only 16% of India's Agri-exports-the comparative figures for the US and China are 25% and 49%, respectively. This gap offers a tremendous chance for development, notably in processed fruits and vegetables, seafood, and dairy sectors. With the right investments in technology and infrastructure, India can certainly fulfil the global appetite for high-end and value-added food products, positioning itself for a larger role in the world's food processing market.

#### **Key opportunities in the food processing sector**

The food processing sector in India is currently experiencing significant transformation, influenced by evolving consumer preferences and advancements in technology. These trends not only highlight the sector's potential for growth but also its critical role in India's broader economic framework.

- **Rising urbanisation and changing consumption patterns**

Approximately 35% of India's population resides in urban areas. This number is projected to rise to 50% by 2047 (according to the United Nations). This urbanisation in turn is driving a notable shift in consumption habits, with demand for ready-to-eat and packaged foods expected to reach Rs. 12 lakh crore (approximately US\$ 150 billion) by 2025 (according to ResearchAndMarkets). Urban dwellers prioritise products that offer time-saving solutions while still meeting their nutritional requirements, driving innovation and diversification within the food processing industry.

- **Focus on health and organic products**

The growing emphasis on health and wellness among consumers has led to an increased demand for organic and plant-based foods. The organic food market in India is projected to reach Rs. 75,000 crore (US\$ 9 billion) by 2025, growing at a CAGR of 20% (according to the Indian Organic Market Report 2022). A survey indicated that 60% of Indian consumers are willing to pay a premium for organic products. This shift has prompted food processors to expand their offerings to include a wider range of organic fruits, vegetables and plant-based alternatives.

- **Integration of Technology**

Technological advancements are revolutionising the food processing landscape. The market for food processing technology is projected to grow to Rs. 2.5 lakh crore (US\$ 30 billion) by 2024 (according to the Indian Food Processing Industry report). Automation and Artificial Intelligence (AI) are increasingly being integrated into processing plants, with over 60% of food manufacturers in India expected to adopt these

technologies by 2025 (according to McKinsey & Company). This integration of technology not only boosts productivity but also favourably positions India's food processing firms in the competitive global market.

- **Export potential and demand for Indian ethnic food**

India's food exports are expected to reach US\$ 61 billion by 2024, with ethnic foods, including spices and snacks, accounting for a significant portion of this growth (according to the Ministry of Commerce and Industry, Government of India). The global demand for Indian cuisine has been increasing, with exports of processed food products growing at a CAGR of 15% over the past five years. The government's initiatives aim to boost food processing exports by US\$ 10 billion by 2025 (according to the Department of Food Processing Industries).

- **MSMEs and startups in rural areas**

The food processing sector presents significant opportunities for micro, small, and medium enterprises (MSMEs) and startups, especially in rural regions. As of 2023, there were approximately 63 million MSMEs in India, contributing to 30% of the country's GDP (according to the Ministry of Micro, Small and Medium Enterprises). Government schemes, such as the PM Formalisation of Micro Food Processing Enterprises Scheme, have supported over 200,000 MSMEs (according to the Ministry of Food Processing Industries). By improving market access for farmers and fostering local entrepreneurship, these businesses can empower communities and stimulate economic development.

### **Food processing industry challenges**

- **Infrastructure bottlenecks**

The lack of adequate infrastructure is one of the most pressing challenges for India's food processing sector. For instance, there is a significant issue with cold chain and storage facilities, with more than 30% of agricultural produce lost due to inadequate cold chain infrastructure. The NITI Aayog has estimated annual post-harvest losses to be around Rs. 90,000 crore (US\$ 10.79 billion). Additionally, poor connectivity and the absence of all-weather roads lead to erratic supply chains, making it difficult to transport perishable goods efficiently. This situation increases costs and reduces the overall quality of food products.

- **Limited access to technology for small and medium-sized enterprises (SMEs)**

SMEs often lack access to the latest technology and modern processing equipment. This limitation negatively impacts their ability to compete effectively with larger firms that can invest in advanced machinery and processes. The high costs associated with upgrading facilities further exacerbate this issue, restricting innovation and efficiency in production.

- **Regulatory and quality compliance issues for exports**

The food processing industry faces numerous regulatory hurdles that complicate compliance with quality standards, especially for exports. The diversity of regulations under different ministries creates confusion and inconsistencies in food safety specifications and guidelines. Ensuring adherence to international quality standards is challenging, which can limit the ability to export processed food products effectively.

- **Need for skilled labor and better R&D for innovation**

The industry suffers from a shortage of skilled labor and a lack of Research and Development (R&D) initiatives. There is a pressing need for training programs to equip the workforce with necessary skills in food processing and technology. The National Skill Development Corporation (NSDC) estimates a requirement to skill 17.8 million individuals in the food processing sector by 2022. Increased focus on R&D is essential for fostering innovation and developing new products that meet changing consumer preferences. The current level of investment in R&D is insufficient to drive significant advancements in the sector.

### **Conclusion - A bright future for India's food processing industry**

The food processing industry in India is at the threshold of a major transformation due to a host of reasons: growing urbanization, changing consumer preferences, and above all, a government framework that is supportive

of business pursuits. As the domestic processing capacity has reached 20 million metric tonnes since 2014, there are ample opportunities open for innovation as well as investment. The introduction of the PLI Scheme is proving to be a turning point in modernizing the agro-industry ecosystem by incentivizing the manufacturing of ready-to-eat products, processed fruits, and vegetables; and dairy products, among others, thereby creating infrastructure, attracting technology, enhancing exports, and positioning India as a competitive player in the food market globally.

(Source:<https://www.ibef.org/blogs/the-future-of-food-processing-in-india-growth-opportunities-and-challenges>)

## OUR BUSINESS

The Chapter titled “Our Business” beginning on page 176 of the Draft Red Herring Prospectus has been updated with modification in the Sections (1) Overview; (2) Key Performance Indicators; (3) Our Values; (4) Our Vision and Mission; (5) Product Overview; (6) Revenue Bifurcation – Brand wise Revenue Bifurcation; (7) Our Competitive Strengths; (8) Our Business Strategies – “Establishment of new Manufacturing Unit at Bachhasar, Rajasthan and Rationalization of Manufacturing Operations” and “Maintaining cordial relationships with our suppliers and customers”; (9) Our Manufacturing Process – diagram depicting the flow of manufacturing operations of Handmade Papads (including the second paragraph of Batara–Batari Model), Machine Made Papads, Rice Papads (Khichiya) and Vrat Special Papads together with Step 1 of the respective manufacturing processes and the Flow of manufacturing operations of Moongodi; (10) Our Locational Presence (3<sup>rd</sup> paragraph); (11) Installed Capacity, Actual Production and Capacity Utilisation – Karni Unit; (12) SWOT Analysis; (13) Procurement of Raw Materials and Packaging Materials – Insertion of table disclosing “*state-wise value of procurement of raw materials during the three months ended June 30, 2025 and for the financial years ended March 31, 2025, March 31, 2024 and March 31, 2023*”; (14) Second paragraph of Environment, Health and Safety; (15) Sales & Marketing (First and Second paragraph) ; (16) Our Properties; and (17) Intellectual Property

Further, the chapter has also been updated to include Section “Onboarding Process of Distributors and Vendors” and deletion of Sections “Our Journey” and “Awards, Recognitions and Accreditations”.

### OVERVIEW

Our Company, headquartered in Bikaner, Rajasthan, is an ISO 22000:2018 certified enterprise engaged in the in-house manufacturing of:

- Hand-Made Papads,
- Machine-Made Papads,
- Machine-Made Ready to Fry Papads,
- Rice Papads (Khichiya),
- Vrat Special Papads, and
- Moongodi.

In addition to in-house manufacturing, we also undertake white label manufacturing of Handmade Papads for clients, wherein products are produced by the Company and marketed by clients under their respective brand names and packaging, tailored to their target market. This combination of in-house and white label manufacturing enables the Company to leverage its production, optimize capacity utilization, diversify revenue streams and maintain consistent demand. At the same time, clients benefit by expanding their product portfolio without investing in manufacturing infrastructure, strengthening brand presence and ensuring product quality and reliability. Furthermore, the Company is engaged in the trading of Cereal Pellets where these products are sourced and traded by the Company under its own brand, complementing its manufacturing operations and providing an additional revenue stream.

While handmade papads continue to represent a significant share of our revenue, we have invested in machine-based production to enhance scalability, consistency, and hygiene standards. Our facilities are equipped with semi-automated and automated machinery for dough preparation, sheeting, rolling, cutting, drying and packaging. The combination of traditional and mechanized methods enables us to balance scale with heritage-based production.

The Company operates a portfolio of brands comprising *Zhakaas*, *Vishal*, *Rozana*, *Diamond* and *Papadmalji*, each positioned to address different product categories, consumer segments and distribution channels.

*Zhakaas* offers a range of products including rice papads (khichiya), vrat-special papads, ready-to-fry papads, cereal pellets, and moongodi. These products offerings are different from those offered under the other brands of the Company. These products are distributed through General Trade, Modern Trade and Quick-Commerce Platform.

*Vishal* focuses on hand-made papads manufactured using established processes and traditional formulations. Distribution is undertaken through General Trade and Merchant Exporter.

*Rozana* comprises machine-made papads intended for regular consumption, with distribution primarily through Modern Trade, Quick-commerce Platforms and Merchant Exporter.

*Diamond* offers hand-made papads and caters to customers who specifically prefer papads under the Diamond brand.

*Papadmalji* is the Company's direct-to-consumer brand, offering hand-made papads sold exclusively through the Company's own platform.

Collectively, the brand portfolio enables the Company to service multiple consumer segments across consumption occasions, product formats and distribution channels across domestic and overseas markets.

Our products are sold through a multi-channel distribution network that spans general trade supported by distributors and wholesalers, modern trade channels and quick commerce platform – all through formal purchase order arrangement with renowned brand owners, as well as our direct-to-consumer website. The transactions with modern trade channels and quick commerce platform are conducted on a Purchase Order (PO) basis. The Company does not undertake direct exports. Sales are made within India to an independent merchant exporter on a principal-to-principal basis against purchase orders, and all overseas exports to selected Middle Eastern countries are independently carried out by the merchant exporter. The diversified channel mix enables us to reach a broad base of customers across multiple regions.

#### **Our Company name and its history:**

Our journey began in 2012 with a small retail venture, “Vishal Namkeen Bhandar”, a sole proprietorship firm located in Rani Bazar, Bikaner, Rajasthan. It was founded by Mr. Jai Agarwal with a commitment to manufacture and sell handmade papads and focus on maintaining product quality and traditional methods of preparation. The business grew steadily, introducing a variety of new papad offerings and continually introducing diverse flavors to meet evolving consumer preferences, all while staying true to the rich tradition of papad-making. The operations of the proprietorship business formed the foundation for the present business of Papadmalji Agro Foods Limited, which continues to be engaged in the production and marketing of papads across India.

Papad is a traditional Indian food item that is commonly consumed as an accompaniment or snack across households, religious occasions, festivals, and social gatherings. It has historically formed part of customary meals and traditional culinary practices in several regions of India. Over time, consumption of papad has extended beyond household and ceremonial use to include hotels, restaurants, catering services and institutional consumption. In line with these consumption trends, the Company has focused on the organized manufacture and distribution of papads across multiple formats and channels.

With this vision in mind, the brand name “Papadmalji” was adopted to reflect the heritage of papad making and was registered as a device mark on March 30, 2017. In line with the adopted brand identity and business objectives, we formally incorporated Papadmalji Agro Foods Private Limited on December 19, 2017 with the Registrar of Companies, Central Registration Centre, Manesar.

We subsequently acquired the business of sole proprietorship firm “Vishal Namkeen Bhandar” pursuant to a Business Transfer Agreement (BTA) dated February 17, 2018, on a slump sale basis, in accordance with the terms and conditions set forth in the BTA. Pursuant to the execution of the BTA, our Company acquired all assets and liabilities relating to the business as on the effective date of the BTA.

Through our journey, our Company has drawn on its deep understanding of target markets and consumer segments, combined with strong capabilities in product innovation, an extensive distribution network, and strategically located manufacturing facilities, to strengthen its brand presence across India. Over time, its products have gained acceptance based on quality standards and established production practices.

Our operations are carried out through two manufacturing units located in Bikaner, Rajasthan, which are FSSAI licensed with Gharsisar Unit also certified under ISO 22000:2018. Handmade papad production is carried out through the Batara–Bataris model governed through Batara Agreement, involving contractors (Bataras) who supervise women workers (Bataris) engaged in home-based hand rolling of papads. Machine-based production has been introduced to support scalability, standardization, and hygiene in production. We source raw materials, including urad dal, moong dal, spices, and edible oils, from domestic markets, primarily within Rajasthan.

Our products are marketed under the brands “Zhakaas”, “Vishal”, “Rozana”, “Diamond” and “Papadmalji” and are distributed through a pan-India network of distributors, wholesalers as well as through modern trade channels, quick commerce platform, including our direct-to-consumer platform. Our products are also supplied to markets in the Middle East through a merchant exporter. As of June 30, 2025, our products were sold in 20 states and 2 Union Territories in India. The Company is promoted by Mr. Jai Agarwal, who has experience of more than a decade in the papad industry, and Mrs. Prem Lata Agarwal, who serves as Whole-time Director, has experience of over a decade in the papad industry. Our Promoters are responsible for the overall strategic direction, management and control of the affairs along with overseeing the day-to-day operations of our Company. Further, since 2018, we have been supported by an equity investment from “India Customer Insight Fund,”, a SEBI-registered Alternative Investment Fund backed by seasoned investors, namely KLB Capital Advisors LLP, Mr. Akash Manek Bhansali, ADIC Diversified Investment Fund, Ageless Capital & Finance Pvt. Ltd., Mr. Haresh Chawla and Mr. Santosh Desai, which has contributed to strengthening our corporate governance framework, internal control systems and overall organizational discipline.

#### KEY PERFORMANCE INDICATORS:

The details of our financial Key Performance Indicators (KPIs) for three months ended June 30, 2025 and Financial Years ended on March 31, 2025, March 31, 2024 and March 31, 2023 are set out hereinbelow:

Sr. No	Particulars	For the period ended 30th June, 2025#	As of and for the Fiscal		
			2025	2024	2023
1	Revenue From Operation (₹ in Lakhs)	809.81	3175.09	2627.19	2499.18
2	Year-on-year growth in Revenue from Operation (%)*	-	20.85	5.12	8.96
3	Total Income (₹ in Lakhs)	809.84	3176.00	2628.79	2500.40
4	Year-on-year growth in Total Income (%)*	-	20.82	5.13	8.87
5	Operating EBITDA (₹ in Lakhs)	233.31	598.23	330.63	159.49
6	Operating EBITDA Margin (%)	28.81	18.84	12.58	6.38
7	Year-on-year growth in Operating EBITDA (%)*	-	80.94	107.30	(1.24)
8	Profit/(loss) after tax for the year (₹ in Lakhs)	180.60	472.44	210.76	25.41
9	Net profit Ratio / PAT Margin (%)	22.30	14.88	8.02	1.02
10	Year-on-year growth in Profit/(loss) after tax for the year (%)*	-	124.16	729.44	8.27
11	Return on Equity (ROE) (%)	15.26	55.15	40.92	6.36
12	Debt To Equity Ratio	0.70	0.82	1.66	1.59
13	Debt Service Coverage Ratio	0.24	0.13	0.06	0.05
14	Return on Capital Employed (%)	15.16	44.51	32.26	20.30
15	Current Ratio	1.88	1.72	1.48	1.04
16	Net Working Capital Turnover Ratio	0.82	4.48	9.37	(1044.72)
17	Earnings Per Share (EPS)(In Rs.)	2.65	6.93	3.09	0.37
18	Year-on-year growth in EPS (%)*	-	124.27	735.14	8.82
19	Net worth	1273.52	1092.92	620.48	409.73
Operational KPI's					
20	Number of Manufacturing Facilities	2	2	2	2
21	Installed Capacity (in Kgs.)-				
	Machine Made Papad	227500	912500	912500	912500

	Moongodi	54600	219000	219000	219000
	Rice Papad (Khichiya)	273000	1095000	1095000	1095000
	Actual Production (in Kgs.)-				
	Machine Made Papad	134400	628320	591360	470400
	Moongodi	8232	36960	50400	49728
	Rice Papad (Khichiya)	246120	907200	900480	873600
	Capacity Utilization (in %)				
	Machine Made Papad	59.08%	68.86%	64.81%	51.55%
	Moongodi	15.08%	16.88%	23.01%	22.71%
	Rice Papad (Khichiya)	90.15%	82.85%	82.24%	79.78%
22	Number of Employees	129	110	106	106

<sup>#</sup>Not Annualized

*\*As certified by M/s. GGPS and Associates, Chartered Accountants pursuant to their certificate dated November 29, 2025, the Audit committee in its resolution dated November 29, 2025 has confirmed that the Company has not disclosed any KPIs to any investors at any point of time during the three years preceding the date of this Draft Red Herring Prospectus other than as disclosed in this Section.*

#### **Notes:**

- a. Revenue from Operations means the Revenue from Operations as appearing in the Restated Financial Statements.
- b. Total Income as appearing in the Restated Financial Statements of the companies
- c. Operating EBITDA refers to earnings before interest, taxes, depreciation, amortisation, gain or loss from discontinued operations and exceptional items. Operating EBITDA excludes other income.
- d. Operating EBITDA Margin refers to operating EBITDA during a given period as a percentage of revenue from operations during that period.
- e. PAT is the profit for the year from continuing operations as appearing in the Restated Financial Statements of the company
- f. Net Profit Ratio/PAT Margin quantifies our efficiency in generating profits from our revenue and is calculated by dividing our net profit after taxes by our revenue from operations.
- g. Return on equity (ROE) is equal to profit for the year divided by the total average equity during that period and is expressed as a percentage.
- h. Debt to equity ratio is calculated by dividing the Total debt (i.e., Total borrowings) by total equity (Shareholders' Fund).
- i. Debt Service Coverage Ratio measures our ability to make interest payments from available earnings and is calculated by dividing EBITDA by Debt service (Principal + Interest+ Lease Rentals).
- j. RoCE (Return on Capital Employed) (%) is calculated as Earning Before Interest and Tax divided by Capital Employed (i.e. Net worth + Long Term Debt (including the current maturities of long term borrowings) - Intangible Assets – Deferred Tax Asset + Deferred Tax Liability).
- k. Current Ratio is a liquidity ratio that measures our ability to pay short-term obligations (those which are due within one year) and is calculated by dividing the current assets by current liabilities.
- l. Net Working Capital Turnover Ratio quantifies our effectiveness in utilizing our working capital and is calculated by dividing our revenue from operations by our Average working capital (i.e., current assets less current liabilities)
- m. EPS is calculated as PAT of relevant year divided by Average number of Equity Share (As the Company has allotted bonus shares vide EGM dated September 23,, 2025, in the ratio of 8 shares for every 1 share held. Weighted average number of equity shares has been adjusted as if the event has occurred in the beginning of earliest reporting period for year on year comparison)
- n. Net worth is a snapshot of financial stability at a given point in time and is useful for assessing financial progress and making informed financial decisions. The formula is Net worth = Total Assets – Total Liabilities.
- o. Number of manufacturing facilities are strategically located in Bikaner, the state of Rajasthan, India.
- p. Installed Capacity (in Kgs.) represents maximum production capabilities of our manufacturing facilities under ideal operating conditions;
- q. Actual production (in Kgs.) represents actual output achieved by our facilities during the given period.
- r. Capacity utilization (in %) indicates the extent to which the installed capacity has been utilized, reflecting operational efficiency.



s. Number of employees represents the employees working as on the last date of each stated period.  
 \* Year-on-year growth is calculated as (Relevant Year Amount/ number minus Previous Year Amount/ number) divided by Previous Year Amount/number

## OUR VALUES

We follow traditional papad-making practices while incorporating appropriate manufacturing technologies and standardized processes. This approach enables us to maintain product quality, consistency, authenticity and regulatory compliance.

### Quality Commitment

We maintain defined quality control procedures across our operations. Our products are manufactured using RO water and are subject to established hygiene protocols and quality checks at various stages of production to ensure conformity with internal specifications and applicable regulatory requirements.

### Customer Focus

We place our consumers at the centre of our operations. We assess their needs, preferences and feedback, and incorporate these considerations into our product development and operational decisions. We endeavour to offer products that are consistent with consumer expectations and aligned with prevailing consumption patterns across our markets.



### Commitment to Our people and stakeholders

We recognize that our employees, suppliers and business partners are integral to our operations. We are committed to maintaining a structured and collaborative work environment with clearly defined roles and responsibilities to support operational efficiency and sustainability. We provide training, where necessary, to strengthen competencies and promote coordination and accountability to ensure effective execution of business objectives.

### Continuous Process Enhancement and Product Development

We continue to follow traditional methods of preparation while incorporating appropriate technological interventions and process improvements to strengthen hygiene, improve efficiency and maintain consistency. We may introduce product variants, formats and flavours based on market demand, subject to maintaining established product standards. Automated and hygienic production practices are adopted, where necessary, to ensure uniformity and compliance with applicable quality and safety requirements.

### Women Empowerment

We manufacture hand-made papads through contractors referred to as “Bataras,” who supervise women workers known as “Bataris.” These women are trained in traditional hand-rolling techniques and typically carry out production activities from their homes. This home-based production model supports livelihood opportunities for local women while preserving traditional practices and promoting community participation.

## OUR VISION AND MISSION



*Our mission is to craft high-quality papads by leveraging advanced technology and empowering women while preserving India's culinary heritage*

*Our vision is to strengthen our presence in the organized papad segment in India by focusing on quality standards, process consistency and product development.*



## PRODUCT OVERVIEW

### Papads

When it comes to preserving authentic taste and quality, few foods hold a more cherished place in Indian cuisine than papad. Papad is a traditional Indian snack made primarily from seasoned dough consisting of lentil flours such as moong, urad, or a blend of grains, along with spices, salt, and edible oil. The dough is carefully rolled out into thin, round discs and then sun-dried, giving it a long shelf life. Papad is typically enjoyed roasted, fried, or microwaved,

adding a crispy, flavorful element to meals. Beyond its taste, papad offers several health benefits. Being made from lentils, it is a good source of protein, dietary fiber, and essential minerals. It supports digestion due to the use of spices like black pepper and asafoetida (hing), which help in reducing bloating and improving gut health. Low in fat when roasted, papad can be a light and nutritious addition to meals. It is served as an accompaniment, appetizer, or snack, making it a versatile and beloved part of Indian culinary tradition. Papad can be handmade or machine made.

#### *Handmade Papad:*

Handmade Papad is a traditional culinary art passed down through generations, often practiced by women at home, symbolizing both livelihood and heritage. Crafted with care, these papads are made from a blend of Black Gram (Urad) Pulse Flour and Green Gram (Moong) Pulse Flour, enhanced with natural spices such as Black Pepper, Iodized Salt, and Asafoetida (Hing), and enriched with Groundnut Oil and Black Charcoal (Saaji) for optimal texture and flavor. Known for their authentic taste, crisp texture, and traditional aroma, hand-made papads are a cherished part of India's cultural heritage and continue to delight families across generations. The shelf life ranges from 90 days to 120 days from the date of manufacture.

#### *Machine made Papad:*

Machine-made papad represents a modern approach to the traditional craft of papad making, combining advanced technology with authentic flavors. Crafted for precision and consistency, these papads are made from a blend of Black Gram (Urad) Pulse Flour and Green Gram (Moong) Pulse Flour, enhanced with Black Pepper, Iodized Salt, Cottonseed Oil, Black Charcoal (Saaji), Asafoetida (Hing). Known for their consistent quality, convenience, and authentic flavor, machine-made papads cater to a wider market while preserving the the flavor, aroma, and traditional essence of this beloved Indian snack, making them perfect for everyday meals. The shelf life ranges from 120 days to 180 days from the date of manufacture.

### **Rice Papad (Khichiya)**

Rice Papad, also known as Khichiya in some regions, is a traditional Indian snack made primarily from rice, typically in the form of flattened rice (poha) or rice flour. Unlike lentil-based papads, rice papads have a distinct light and crispy texture, making them a popular accompaniment to meals or a standalone snack. They are flavored with a variety of spices such as jeera, ajwain, red chili offering diverse taste profiles for different preferences. Rice Papads offered by us is machine-made, ensuring uniform thickness, crispiness, and consistent quality. Rich in carbohydrates and easy to digest, they provide quick energy, support digestion, and are suitable for consumption by people of all ages. Their versatility, combined with authentic taste and digestive benefits, makes rice papads a beloved staple in Indian households. The shelf life ranges from 240 days to 365 days from the date of manufacture.

### **Vrat Special Papad**

Vrat Special Papad is a traditional Indian snack specially crafted for consumption during fasting days (vrat). Made from fasting-permissible ingredients such as Sabudana (tapioca pearls), Potato Flakes, these papads are seasoned with spices like Rock Salt, Black Pepper, and Cumin Seeds, avoiding grains, onions, garlic, and other restricted ingredients. Vrat Special Papads offered by us is machine-made, ensuring uniform thickness, crispiness, and quality. Rich in carbohydrates and easy to digest, they provide sustained energy, support digestion, and contribute to overall well-being, making them ideal for consumption during fasting periods. Their delicious taste, wholesome ingredients and health benefits make Vrat Special Papads a favored snack during vrat in Indian households. The shelf life is 365 days from the date of manufacture.

### **Moongodi**

Moongodi is a traditional Indian snack made from moong dal, which is carefully cleaned, soaked, and ground into a smooth dough. The dough is then seasoned with Iodised Salt, Asafoetida (Hing) and other spices, giving it a distinctive and savory flavor. The dough is shaped into small, round or flat discs and then sun-dried, which ensures a long shelf life while preserving its natural aroma and taste. Known for its crisp texture, nutty flavor, and high nutritional value, our machine made Moongodi is a versatile snack that can be enjoyed fried, roasted, or used in curries and snacks. Its preparation reflects a delicate balance of traditional craftsmanship and quality ingredients, making it a beloved part of Indian culinary heritage. The shelf life is 180 days from the date of manufacture.

### **Cereal Pellets**

Cereal pellets are compact, processed pieces made from cereal grains such as wheat, rice, maize, barley, or millets. They are naturally rich in carbohydrates, proteins, dietary fiber, vitamins, and minerals, and can be fortified or flavored to meet specific dietary or culinary needs. Available in various shapes like Wheel, Flower, Finger, Oval and Badminton, these pellets are versatile, easy to store, and convenient to handle. They can be roasted, fried, puffed, or cooked, retaining their texture, flavor, and nutritional value, making them ideal for breakfast cereals, snacks, fortified mixes, and other food applications. The shelf life is 365 days from the date of manufacture.

### Wide Range of Products with diverse variants

Our wide-ranging portfolio ensures that we meet the needs of diverse consumer segments – from families rooted in traditional food habits to modern households seeking convenience-driven snacking. Available in multiple pack sizes, our products cater to daily household consumption, festive gatherings, institutional demand, bulk orders, and gifting occasions. This versatility has supported acceptance of the products across different consumer segments. The Company undertakes ongoing product development in relation to flavours, formats and packaging, and introduces new variants from time to time to address in response to evolving consumer preferences and market requirements. We have consistently introduced new and exciting variants ahead of market trends, enabling us to remain relevant and competitive in an evolving marketplace. By combining the authenticity of traditional papad-making with contemporary formats such as machine made papads, rice papads, vrat special papads, ready-to-fry variants, cereal pellets and moongodi, we appeal to both domestic consumers and select Middle East markets.

### REVENUE BIFURCATION:

A detailed bifurcation of revenue across brands, business verticals and states, as set out hereinbelow, provides a comprehensive view of our Company's performance across multiple dimensions.

#### Brand wise Revenue Bifurcation

Brand wise Revenue bifurcation of the Company for three months ended June 30, 2025 and Financial Years ended on March 31, 2025, March 31, 2024 and March 31, 2023 are set out hereinbelow:

Brand	For the period ended		Fiscal					
	June 30, 2025		2025		2024		2023	
	Amount (₹ in Lacs)	Percentage of Revenue from Operations (%)	Amount (₹ in Lacs)	Percentage of Revenue from Operations (%)	Amount (₹ in Lacs)	Percentage of Revenue from Operations (%)	Amount (₹ in Lacs)	Percentage of Revenue from Operations (%)
Zhakaas	283.21	34.97%	1099.98	34.64%	1024.60	39.00%	949.69	38.00%
Vishal	243.45	30.06%	936.98	29.51%	788.16	30.00%	699.77	28.00%
Rozanna	150.34	18.56%	703.42	22.15%	341.53	13.00%	199.93	8.00%
Diamond	19.47	2.40%	107.96	3.40%	84.07	3.20%	95.35	3.82%
Papadmalji	0.15	0.02%	4.56	0.14%	0.00	0.00%	0.00	0.00%
Others*	113.19	13.98%	322.19	10.15%	388.83	14.80%	554.44	22.18%
Total	809.81	100.00%	3175.09	100.00%	2627.19	100.00%	2499.18	100.00%

As certified by M/s GGPS and Associates, Chartered Accountants, Bikaner, Peer Reviewed Statutory Auditor of our Company, pursuant to their certificate dated January 17, 2026.

\*Others comprise revenue from non-branded operations, namely white label manufacturing and trading of agricultural commodities Ground Nut, RNR Paddy and Raw Rice

The trading of Ground Nut has been discontinued w.e.f. October 24, 2024

The trading of RNR Paddy and Raw Rice has been discontinued w.e.f. May 2025

### OUR JOURNEY

The table below sets forth major events and milestones in the history of our company:

Calendar Year	Particulars
2017	Incorporation of our Company in the name and style of Papadmalji Agro Foods Private Limited
2018	Acquisition of sole proprietorship firm namely M/s Vishal Namkeen Bhandar of our Promoter, Mr. Jai Agarwal, along with the assets and liabilities of the proprietorship concerns, as going concern, pursuant to Business Transfer Agreement dated February 14, 2018.
	Received a private equity investment of INR 1000.00 Lakhs from India Customer Insight Fund, a SEBI registered Alternative Investment Fund backed by seasoned investors, namely KLB Capital Advisors LLP, Mr. Akash Manek Bhansali, ADIC Diversified Investment Fund, Ageless Capital & Finance Pvt. Ltd., Mr. Haresh Chawla and Mr. Santosh Desai
	Received Food Safety and Standards Authority of India (FSSAI) State License from Medical, Health and Family Welfare Department, Government of Rajasthan under Food Safety and Standards Act, 2006 for Gharsisar Unit
	Application filed with the Trade Marks Registry for recording the assignment of the trademarks "Papadmalji," bearing Registration Nos. 3517207 (Class 30) and 3517208 (Class 35), in favour of the Company, to reflect the Company as the subsequent proprietor pursuant to an Assignment Deed dated February 21, 2018 processed by the Trade Marks Registry.
2019	Successfully obtained the registration of our trademark "Zhakkas"
	Received Food Safety and Standards Authority of India (FSSAI) State License from Medical, Health and Family Welfare Department, Government of Rajasthan under Food Safety and Standards Act, 2006 for Karni Unit
2020	Successfully obtained the registration of our trademark "Papadmalji's Rozana"
	Successfully obtained the registration of our trademark "Papadmalji Choori"
	Expansion of business in Trading segment (Trading of 2D and 3D Cereal Pellets)
2021	Successfully completed listing in and/or vendor registration with two leading Modern Trade Channels Brand Owners enabling direct supply and expanded pan India retail presence
2022	Set up and commenced operations at Karni Unit situated at H-262, Second Phase, Karni Industrial Area, Bikaner — 334001, Rajasthan, India to manufacture machine-made Rice Papad (Khichiya) and Vrat Special Papad
	Successfully completed listing in and/or vendor registration with two leading Modern Trade channels Brand Owners enabling direct supply and expanded pan India retail presence
	Received ISO 22000:2018 Certification for food safety management system at Gharsisar Unit for manufacturing of Papad, Moongodi, and Snacks from Quality Assurance Advisory
2023	Expansion of business in Trading segment (Trading of Groundnut)
	Successfully achieved the milestone of of Rs. 2500.00 Lacs in Total Revenue.
2024	Successfully completed listing in and/or vendor registration with three leading Modern Trade Channels Brand Owners enabling direct supply and expanded pan India retail presence
	Successfully completed listing in and/or vendor registration with a leading Quick Commerce Platform Brand Owners enabling direct supply and expanded pan India retail presence
	Commenced our own online Direct to Consumer Platform ( <a href="https://papadmalji.com/">https://papadmalji.com/</a> ) to sale — Hand-Made Papdas under the Brand "Papadmalji"
2025	Successfully completed listing in and/or vendor registration with one leading Modern Trade Channels Brand Owner enabling direct supply and expanded pan India retail presence
	Conversion of our Company from Private Limited to Public Limited Company

## AWARDS, RECOGNITIONS AND ACCREDITATIONS

The table set forth the awards, recognitions and accreditations received by our Company:

Calendar Year	Particulars
2018	Received Powerbrands Rising Stars Award at Power Brands Global, Edition 2018: London International Forum for Equality
2025	Received Elite Crest — Business Leader Award for "Excellence in Papad Manufacturing — From Bikaner's Kitchens to Global Plates: A Legacy Rolled Into Flavour" at the prestigious Radio City Business Titans Awards 2025 held in Phuket, Thailand

~~Our Company was honoured with Powerbrands Rising Stars Award presented by London International Forum for Equality~~

~~Our Company was honoured with Elite Crest Business Leader Award for “Excellence in Papad Manufacturing From Bikaner’s Kitchens to Global Plates: A Legacy Rolled Into Flavour” presented by Radio City~~

## OUR COMPETITIVE STRENGTHS

We believe the following competitive strengths contribute to our success and position us well for future growth:

~~We are amongst the few organized players exclusively in the papad segment leveraging strategically located manufacturing facilities~~

We are among the few organized players exclusively dedicated to the papad segment, giving us a distinct advantage in specialization, quality consistency, and product innovation. Unlike diversified food processing companies whose focus spans multiple product categories, our exclusive dedication enables us to gain deeper insights into consumer preferences, streamline production processes and continuously refine our portfolio to address varied tastes, occasions, and regional requirements. At the same time, unlike unorganized manufacturers, we have built a structured market for our products, expanded operations, and achieved economies of scale that smaller players find difficult to realize. This dual advantage—combining the focus of a specialist with the operational strength of an organized enterprise—enables us to strengthen our market position and establish itself as a trusted household name synonymous with papads.

Our manufacturing facilities are strategically located in Bikaner, Rajasthan—the traditional hub of papad making in India—providing the Company with a distinctive advantage in both heritage and operational efficiency together with natural climatic advantage for papad manufacturing due to its dry, low-humidity conditions, which help in sun-drying and maintaining product quality and shelf life. This location allows us to leverage the region’s culinary traditions, skilled workforce, and deep-rooted expertise in papad production, ensuring that every product carries the authentic essence of Bikaner. Equipped with modern machinery and well-equipped manufacturing infrastructure, our facilities are complemented by quality control measures and audits by internationally recognized agencies, such as the Quality Assurance Advisory, validating that our products consistently meet stringent quality standards and global benchmarks.

We combine carefully selected traditional techniques with modern manufacturing practices to preserve the authentic



taste, texture, and aroma that define our products. Most of our raw materials are sourced locally i.e., from the state of Rajasthan which reduces time, effort and transport cost, thereby giving us a competitive advantage. Our manufacturing facility is well connected with major roads for shipping our finished products to our customers, which facilitates easy transportation of raw material, packaging materials and finished products.

Leveraging our strategic location, modern infrastructure, certified quality manufacturing facility, and strong local sourcing, we streamline operations and maximize efficiency which enables our Company to preserve its authentic taste and quality, meet growing consumer demand, and reinforce its reputation as a

brand in the papad industry.

#### Extensive and well-established sale and distribution network

We have a broad and expansive distribution network that forms the backbone of our operations, particularly in our core markets within Rajasthan, while also supporting a pan-India presence.

As of June 30, 2025, our distribution network comprises 67 distributors and 25 wholesalers, collectively servicing 5,965 retail outlets in the general trade channel through distributors and wholesalers. This network extends across urban, semi-urban, and rural areas, ensuring that our products are consistently accessible to a diverse and widespread customer base across 12 states and 1 Union Territory. This extensive network ensures consistent product availability, strengthens market penetration, and reinforces our presence across key regions and emerging markets.

The following table sets forth the number of distributors of the Company together with the retail outlets through distributors covered as on the Financial Period ended June 30, 2025, and the Financial Years ended March 31, 2025, March 31, 2024, and March 31, 2023

States	Number of Distributors				Number of Retail Outlets covered through distributors			
	For the period ended June 30, 2025	Fiscal			For the period ended June 30, 2025	Fiscal		
		2025	2024	2023		2025	2024	2023
Rajasthan	50	48	40	35	3,500	3,400	3,000	2,800
Uttar Pradesh	5	5	4	4	500	400	350	300
Madhya Pradesh	2	2	2	2	200	190	150	100
Telangana	1	1	1	1	100	90	70	50

Assam	2	1	1	2	300	280	200	150
Haryana	2	2	2	1	100	90	80	60
Tamil Nadu	1	1	1	1	100	90	80	60
Karnataka	2	2	2	1	150	120	100	80
Maharashtra	1	1	1	0	50	40	30	20
Gujarat	1	1	1	1	50	40	30	20
<b>Total</b>	<b>67</b>	<b>64</b>	<b>55</b>	<b>48</b>	<b>5,050</b>	<b>4,740</b>	<b>4,090</b>	<b>3,640</b>

*As certified by M/s GGPS and Associates, Chartered Accountants, Bikaner; Peer Reviewed Statutory Auditor of our Company, pursuant to their certificate dated November 29, 2025*

The following table sets forth the number of wholesalers of the Company together with the retail outlets through wholesalers covered as on the Financial Period ended June 30, 2025, and the Financial Years ended March 31, 2025, March 31, 2024, and March 31, 2023

States	Number of Wholesalers				Number of Retail Outlets covered through wholesalers			
	For the period ended June 30, 2025	Fiscal			For the period ended June 30, 2025	Fiscal		
		2025	2024	2023		2025	2024	2023
Rajasthan	15	12	9	7	600	580	400	200
Gujarat	1	1	0	0	20	18	10	5
Delhi	1	1	1	0	20	18	10	5
Haryana	1	1	1	0	25	20	15	10
Punjab	1	1	1	0	15	15	10	5
Madhya Pradesh	1	1	1	0	50	45	30	20
Bihar	1	1	0	0	15	15	10	5
Maharashtra	1	1	1	0	20	18	15	10
Uttar Pradesh	3	2	1	0	150	140	100	60
<b>Total</b>	<b>25</b>	<b>21</b>	<b>15</b>	<b>7</b>	<b>915</b>	<b>869</b>	<b>600</b>	<b>320</b>

*As certified by M/s GGPS and Associates, Chartered Accountants, Bikaner; Peer Reviewed Statutory Auditor of our Company, pursuant to their certificate dated November 29, 2025.*

Distributors and Wholesalers manage orders, warehousing, and logistics within their territories, and upon delivery, the title of products is transferred to them. Their established relationships with conventional grocery retailers enable our products to reach end-consumers efficiently. To expand reach further, we continuously add distributors and support them with trade promotion programs, including target-based incentives, secondary sales promotions, and special early-bulk purchase offers during festivals. The Company also offers trade discounts and volume-based incentives, rewarding distributors and wholesalers for meeting sales targets. Our dedicated Sales team works alongside distributors and wholesalers, assessing market demand, providing guidance and ensuring timely servicing of requirements.

### Multi Channel Presence

Our Company has established a diversified multi-channel presence that ensures widespread product availability and high brand visibility across domestic and select international markets. In addition to its extensive network of distributors and wholesalers catering to general trade segment, the Company has developed strong business relationships with modern trade channels and quick commerce platform that directly serve end-consumers through formal purchase order arrangement. These established business relationships expand our Company's market reach, enhance product accessibility and ensure consistent product availability across multiple retail formats.

The Company also engages with a merchant exporter to facilitate the distribution of its products to key Middle Eastern markets, specifically the UAE, Saudi Arabia, Qatar, Oman, Kuwait, and Bahrain through formal purchase order arrangement. As of June 30, 2025, we are associated with eight modern trade channels, one quick commerce platform and one merchant exporter serving these Middle Eastern countries. Complementing these channels, the Company



also operates its Direct-to-Consumer platform, [www.papadmalji.com](http://www.papadmalji.com), allowing customers to conveniently purchase products online, thereby reinforcing direct engagement and consumer loyalty.

By leveraging this integrated mix of distributors, wholesalers, modern trade channels, quick commerce platform, merchant exporter, and direct-to-consumer platform operations, we ensure widespread product availability, strong brand visibility and multiple consumer touchpoints.

The table set out below provides a detailed breakdown of our revenue contribution by channel for three months ended June 30, 2025 and Financial Years ended on March 31, 2025, March 31, 2024 and March 31, 2023:

Channels	For the period ended June 30, 2025		Fiscal					
			2025		2024		2023	
	Amount (₹ in Lacs)	Percentage of Revenue from Operations (%)	Amount (₹ in Lacs)	Percentage of Revenue from Operations (%)	Amount (₹ in Lacs)	Percentage of Revenue from Operations (%)	Amount (₹ in Lacs)	Percentage of Revenue from Operations (%)
Sale through General Trade	553.81	68.38%	2,111.12	66.49%	1,906.29	72.56%	1,961.35	78.47%
Sale through Modern Trade	241.29	29.80%	1,032.40	32.52%	685.44	26.09%	493.84	19.76%
Quick Commerce	12.48	1.54%	26.10	0.82%	31.26	1.19%	39.74	1.59%
Sale through direct-to-consumer platform	0.07	0.01%	0.30	0.01%	0.00	0.00%	0.00	0.00%
Sale through Merchant Exporter	2.16	0.27%	5.17	0.16%	4.20	0.16%	4.25	0.17%
Total	809.81	100.00%	3175.09	100.00%	2627.19	100.00%	2499.18	100.00%

*As certified by M/s GGPS and Associates, Chartered Accountants, Bikaner, Peer Reviewed Statutory Auditor of our Company, pursuant to their certificate dated January 17, 2026*

### Wide Range of Products with diverse variants

We have built our reputation on a strong foundation of authenticity and variety, making our extensive product portfolio one of our defining strengths. Over the decade, we have consistently diversified and expanded our offerings to align with evolving consumer tastes, cultural preferences and lifestyle shifts. By blending time-honoured traditions with modern consumer expectations, we have created a range that resonates with households across India and beyond.

Our diverse product portfolio includes:

- Handmade Papads – Moong Sada, Moong Special, Moong Punjabi, Sada Plain, Moong Lahsun, Urad Punjabi, Chana Chatpata, Sada Masala
- Machine Made Papads – Moong Special, Moong Punjabi, Urad Special, Urad Punjabi Mini, Chana Chatpata, Chana Lahsun, Sada Plain, Sindhi Gold
- Machine made Ready to Fry variants– Disco, Small Disco, Fali/Katran, Katori Papad, Mini Papad
- Machine made Rice Papads (Khichiya) – Jeera, Ajwain, Red Chilly, Plain
- Machine Made Vrat Special Papads – Sabudana Papad, Aloo Plain Papad, Aloo Kalimirch Papad
- Ready-to-Fry 2D Cereal Pellets – Wheel, Flower, Finger
- Ready-to-Fry 3D Cereal Pellets – Oval, Badminton

In addition to our papad portfolio, we offer machine made Moongodi, a versatile lentil-based ingredient, catering to households that prefer flexible cooking and snack options.

The Company's product line has remained consistent and unchanged during the three months ended June 30, 2025 and the financial years ended March 31, 2025, March 31, 2024 and March 31, 2023, with no new products introduced, launched or added to the Company's product portfolio during this period.

The table below sets out the product-wise revenue bifurcation of the Company for the three months ended June 30, 2025, and for the financial years ended March 31, 2025, March 31, 2024, and March 31, 2023.

Products	For the period ended June 30, 2025		Fiscal					
			2025		2024		2023	
	Amount (₹ in Lacs)	Percentage of Revenue from Operations (%)	Amount (₹ in Lacs)	Percentage of Revenue from Operations (%)	Amount (₹ in Lacs)	Percentage of Revenue from Operations (%)	Amount (₹ in Lacs)	Percentage of Revenue from Operations (%)
Papads								
<i>Handmade Papads</i>	309.81	38.26%	1147.43	36.14%	1255.8	47.80%	1233.85	49.37%
<i>Machine Made Papads</i>	178.35	22.02%	799.52	25.18%	503.63	19.17%	477.34	19.10%
<i>Rice Papads (Khichiya)</i>	224.43	27.71%	732.61	23.07%	723.79	27.55%	687.27	27.50%
<i>Vrat Special Papads</i>	2.97	0.37%	13.99	0.44%	8.67	0.33%	10.00	0.40%
Papad Choori	0.07	0.01%	4.26	0.13%	0.52	0.02%	0.00	0.00%
Moongodi	13.38	1.65%	42.88	1.35%	57.80	2.20%	55.23	2.21%
Cereal Pallets	14.12	1.74%	81.50	2.57%	76.98	2.93%	35.49	1.42%
Ground Nut <sup>#</sup>	0.00	0.00%	218.96	6.90%	0.00	0.00%	0.00	0.00%
Others <sup>§</sup>	66.68	8.23%	133.94	4.22%	0.00	0.00%	0.00	0.00%
<b>Total</b>	<b>809.81</b>	<b>100.00%</b>	<b>3175.09</b>	<b>100.00%</b>	<b>2627.19</b>	<b>100.00%</b>	<b>2499.18</b>	<b>100.00%</b>

*As certified by M/s GGPS and Associates, Chartered Accountants, Bikaner, Peer Reviewed Statutory Auditor of our Company, pursuant to their certificate dated November 29, 2025.*

<sup>#</sup> *The trading of Ground Nut has been discontinued w.e.f. October 24, 2024*

<sup>§</sup> *The trading of RNR Paddy and Raw Rice has been discontinued w.e.f. May 2025*

Our wide-ranging portfolio ensures that we meet the needs of diverse consumer segments – from families rooted in traditional food habits to modern households seeking convenience-driven snacking. Available in multiple pack sizes, our products cater to daily household consumption, festive gatherings, institutional demand, bulk orders, and gifting occasions. This versatility has supported acceptance of the products across different consumer segments.

The Company undertakes ongoing product development in relation to flavours, formats and packaging, and introduces new variants from time to time to address in response to evolving consumer preferences and market requirements. By combining the authenticity of traditional papad-making with contemporary formats such as machine made papads, rice papads, vrat special papads, ready-to-fry variants, cereal pellets and moongodi, we appeal to both domestic consumers and select Middle East markets.

Our products enjoy widespread acceptance not only in general trade outlets but also across modern trade channels, quick commerce platform and our direct-to-consumer platform. This omni-channel presence ensures deeper market penetration, stronger visibility, and multiple touchpoints for engaging with consumers.

The Company offers a diversified product portfolio across multiple papad categories and operates within the organised segment of the papad manufacturing industry. Its operations combine traditional production practices with mechanised processes to support scalability and consistency. The Company also evaluates opportunities to expand its distribution footprint beyond domestic markets, subject to regulatory approvals and market conditions.

### **Purity, Health & Wellness Focus**

We believe that great taste and wholesome nutrition should go hand in hand. Every papad we produce is thoughtfully crafted to harmonize purity, health, and tradition, reflecting our commitment to delivering a product that not only delights the palate but also supports overall wellness. Our papads are made from pulses, carefully selected for quality and nutritional content, and blended with Asafoetida (Hing) and aromatic spices, creating a unique flavor profile while also promoting digestion.

To ensure optimal purity, we use RO-filtered water infused with activated charcoal, a natural process that helps purify the water, enhances aroma, and supports gut health. The combination of traditional ingredients and modern purification techniques ensures that our papads are not only flavorful but also a health-conscious choice.

From a nutritional standpoint, our papads have protein and fiber making them a light accompaniment to meals. We maintain a strict no-compromise approach by ensuring zero additives or harmful chemicals in any of our products. Only a touch of Groundnut Oil in handmade papads and Cottonseed Oil in machine-made papads is used during rolling, keeping them light, clean, and easily digestible.

Our hand-made papads are sun-dried using traditional methods, which preserves natural enzymes and nutrients, enhancing both their flavor and health benefits. In parallel, our machine-made papads, rice papads, and vrat special papads are produced under stringent hygiene standards, ensuring consistent quality, texture, and flavor, while also offering convenience and accessibility for everyday consumption.

The Company integrates traditional production techniques with modern purification processes in its manufacturing operations, with a focus on purity, nutrition and wellness considerations.

Our dedication to wellness extends beyond product formulation. Each stage of production, from sourcing raw materials locally to final packaging, is designed to uphold the highest standards of hygiene, safety, and nutritional integrity. This commitment not only differentiates our offerings in a competitive market but also reinforces brand loyalty, fosters consumer trust, and provides a distinct competitive edge, cementing our reputation as a health-focused brand.

Through this meticulous attention to purity, health, and wellness, we continue to deliver papads that celebrate authentic taste, nutritional benefits, and mindful consumption, ensuring that every product leaving our facilities contributes to the well-being and satisfaction of our consumers.

### **Empowered by Women: A Symbol of Strength and Dedication**

At the core of the Company is the “Empowered by Women” philosophy, reflecting our commitment to honouring the skill, dedication, and resilience of women who form the backbone of our handmade papad production. Each packet proudly carries this symbol, celebrating inclusivity, dignity of labor, and the invaluable contribution of women.

Our production model empowers women at the grassroots level through a structured network of Bataras, contractors who manage and coordinate the work of skilled women papad makers known as Bataris, working from their homes. This model provides economic independence with flexibility, enabling women to balance household responsibilities while contributing to family income. The Bataras, bound by formal Batara Agreements, are entrusted with the responsibility of exercising strict supervision and control over the hand-rolling and sun-drying of papads. Currently, 11 Bataras oversee operations, collectively managing team of Bataris, ensuring smooth distribution of loyas, tikdis, and besan, collection of finished papads, and strict quality control. Bataris play a pivotal role in preserving the authenticity of traditional papad-making while adhering to modern standards of hygiene and quality. They possess skills passed down through generations, enabling them to craft meticulously hand made papads from carefully selected ingredients.

Through this inclusive employment model, every handmade papad carries the essence of women’s empowerment, cultural heritage, and quality. By choosing our range of products, consumers not only enjoy authentic taste but also support a movement rooted in women’s empowerment. The “Empowered by Women” symbol embodies our vision of growth rooted in dignity, inclusivity, and empowerment, sustaining a traditional craft while advancing our mission of making women’s empowerment a cornerstone of success.

## Experienced Promoters and professional management team

We are guided by seasoned promoters with deep-rooted expertise in the papad industry, supported by a professional management team comprising Senior Management Personnel and Key Managerial Personnel with strong operational, technical, commercial, and financial capabilities. This collective strength enables the Company to anticipate market trends, streamline business operations, and drive sustainable long-term growth.

Our Promoters, Mr. Jai Agarwal and Mrs. Prem Lata Agarwal, bring industry experience and have been instrumental in transforming our Company from a family-owned enterprise into a well-organized and established player in the papad segment. Under their leadership, the Company has established efficient and scalable manufacturing processes, introduced varied product offerings across multiple categories, and maintained consistently quality standards, thereby ensuring consumer trust. They have also built an extensive distribution network, with strong business relationships across modern trade channels, quick commerce platform and own Direct-to-Consumer platform, enabling direct access to end consumers. Their vision, operational skills, and emphasis on quality have laid a strong foundation for market recognition. Furthermore, their adaptability to evolving market conditions, coupled with an established reputation, reinforces the Company's credibility and strengthen its positions within the industry. For further details on the experience of our Promoters, please refer to the chapters titled *"Our Management"* and *"Our Promoters and Promoter Group"* on pages 276 and 292 of this Draft Red Herring Prospectus.

The professional management team further complements the experience of our Promoters. Notably, Mr. Ramzan Sinwal, a key member of the Senior Management team, brings extensive experience in food processing industry. His prior experience with Zydus Wellness Limited has enabled him to build strong relationships with customers and suppliers while gaining in-depth knowledge of the local and regional markets in which we operate. His commercial knowledge, operational skills and industry insights play a vital role in driving the continued development and expansion of the Company's business.

The synergy between experienced Promoters and a professional management team provides us with a distinct competitive edge. This combination ensures consistent product quality across diverse offerings, operational excellence through efficient processes and resource optimization, and sustainable growth driven by strategic planning, market insight and innovation. With this strong leadership structure, we are well-positioned to leverage its expertise and market presence to further strengthen its position as an established player in the papad industry.

## OUR BUSINESS STRATEGIES

Our Company endeavors to implement the following strategies to capitalise on its competitive strengths and drive sustainable business growth:

### **Establishment of new Manufacturing Unit at Bachhasar, Rajasthan and Rationalization of Manufacturing Operations**

To meet growing demand and strengthen our production capabilities, our Company is establishing a manufacturing unit at Bachhasar, Bikaner District, Rajasthan, designed to enhance operational efficiency, expand product diversity, and support scalable growth. The proposed facility will manufacture new product lines, namely 5" and 7" Rice Papads (Khichiya), which will be marketed under our popular "Zhakaas" brand, and Machine-Made Mini Papads in Urad Special, Moong Special, and Moong Punjabi variants, which will be marketed under our "Rozana" brand.

**The Bachhasar Unit will serve as the hub for machine-made rice papad (Khichiya) production, shifting the connected operations for manufacturing of rice papad (Khichiya) currently undertaken at the Karni Unit. This strategic shift is expected to unlock significant operational efficiencies, enhance production capacity, reduce costs, and ensure uniform product quality across our growing product portfolio, while addressing storage and space constraints at existing facilities. Furthermore, the closure of the rented Karni Unit will contribute to operational savings and improved cost management.**

The Bachhasar Unit, spread across 45,000 sq. ft., represents a key milestone in our growth journey, with a total estimated project cost of Rs. ~~760.94~~ **782.19** Lakhs. The investment shall include civil construction, electrical installations and fittings, utility infrastructure and procurement of modern machinery. As part of our commitment to sustainability and energy efficiency, the Bachhasar Unit will also be equipped with 250kW Rooftop Solar power system, enabling partial self-generation of electricity, reducing dependence on conventional energy sources and contributing to lower operating costs and a smaller carbon footprint. The project will be funded through the IPO

proceeds. For further details, please refer to the Chapter titled “*Objects of the Issue*” on page 108 of this Draft Red Herring Prospectus.

~~Following this transition, the Gharsisar Unit will focus exclusively on handmade papad production, preserving the traditional craftsmanship that defines our brand while empowering local artisans through our Datara-Datari model. This inclusive model plays a pivotal role in women’s empowerment, creating sustainable livelihood opportunities at the grassroots level.~~

By integrating modern automation with traditional expertise, our Company aims to scale **its operations** efficiently, maintain product authenticity; and strengthen its ~~position as one of India’s leading organised papad manufacturers~~ **presence in the organized papad manufacturing segment**, while delivering consistent and sustainable value to its stakeholders.

#### **Maintaining cordial relationships with our suppliers and customers**

We believe that fostering strong relationships with our suppliers and customers is fundamental to sustaining and accelerating the Company’s growth. Over the years, our dedicated approach, commitment to quality, and efficient, timely delivery of products have helped us build enduring and trust-based relationships with our existing customers. The Company maintains long-standing relationships with its key customers and suppliers, with an average association of approximately 8 (eight) years with customers and 5 (five) years with suppliers. These relationships are not only a source of repeat business but also provide valuable insights into evolving consumer preferences, enabling us to continuously improve our products and services.

Similarly, we recognize that maintaining strong relationships with key suppliers is essential for ensuring consistency, reliability, and efficiency across our supply chain. By working closely with these suppliers, we are able to maintain high standards of quality, secure timely procurement of raw materials, and optimize costs, thereby strengthening overall operational performance. Although the Company does not enter into formal long-term contracts with its suppliers, we foster enduring business association through regular interaction and mutual trust. This approach enables continuous improvement in sourcing, packaging, and production processes, contributing to enhanced product quality and greater competitiveness in the market.

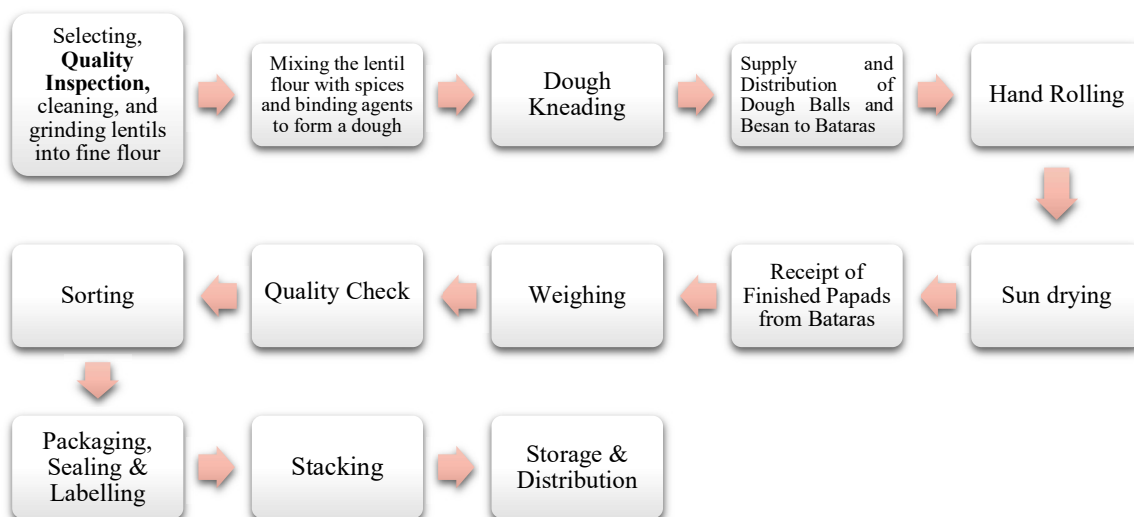
The Company’s approach emphasizes mutual benefit, transparency, and proactive communication with both customers and suppliers. Regular feedback mechanisms, strategic discussions, and collaborative problem-solving help strengthen these relationships and align interests for long-term success. Through this comprehensive relationship management strategy, the Company aims to create a resilient supply chain, reinforce customer loyalty, and support sustainable business growth while continuously adding value for all stakeholders.

### **OUR MANUFACTURING PROCESS**

#### **Handmade Papad manufacturing process**

##### **Flow of manufacturing operations of Handmade papads**

The diagram below highlights the flow of manufacturing operations of Handmade Papads



Step 1 : Selecting, **Quality Inspection**, cleaning, and grinding lentils into fine flour

Selection and Receipt of Lentils: Lentils such as Moong Dal, Urad Dal, Chana Dal, or their combinations are selected and issued at the time of manufacturing based on the specific papad variety being produced.

Acceptance and Quality Inspection of Lentils: Upon receipt, lentils undergo quality checks as per internal specifications, including inspection for colour, appearance, taste & odour, moisture content, foreign matter and overall suitability, prior to acceptance for processing.

Cleaning of Lentils: Once the lentils have been selected, they are thoroughly cleaned before they are grounded into flour. The cleaning process ensures the removal of any impurities, dirt, stones, or foreign particles that could affect the quality of the papad.

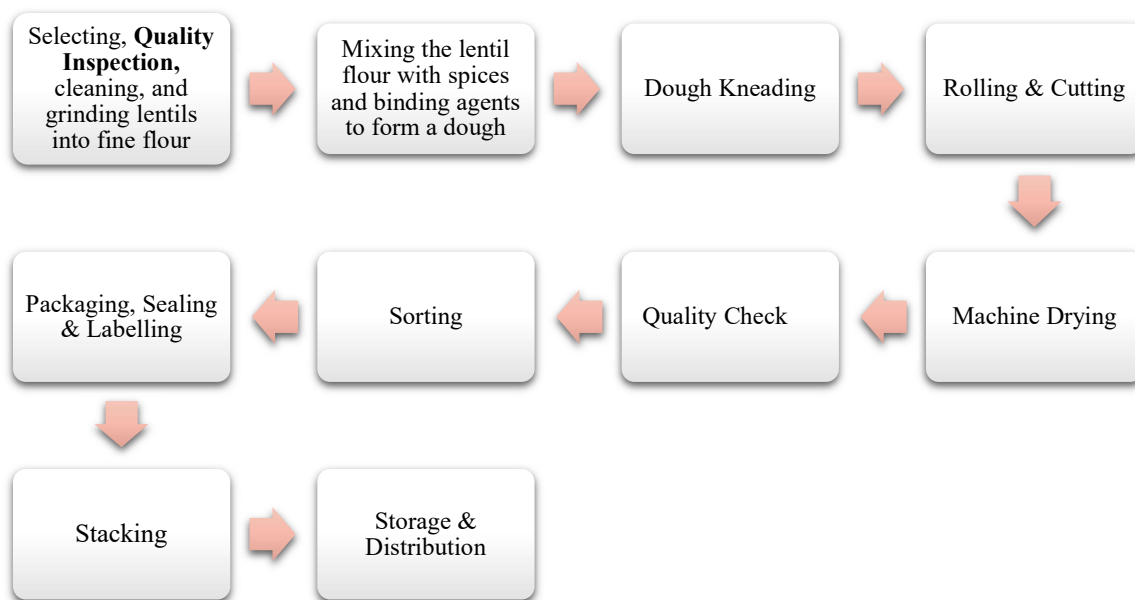
Grinding of Lentils: After cleaning, the cleaned lentils are fed into the grinding machine where they are crushed or grounded into a fine flour, which is the main base for preparing the papad dough.

#### **Batara – Batari Model**

The Bataras, bound by formal Batara Agreements, are entrusted with the responsibility of exercising strict supervision and control over the hand-rolling and sun-drying of papads. They ensure that these stages are carried out strictly in accordance with the Company's prescribed specifications and operational standards, thereby maintaining uniformity and consistency across all batches. The Company maintains quality standards in the manufacturing of hand-made papads through adherence to its internal standard titled "*Product Specification and Operational Standards for Home Based Papad Production*" which sets out defined product parameters and operational controls to ensure consistency and compliance with applicable requirements. As on the date of the Draft Red Herring Prospectus, 11 Bataras oversee operations, collectively engaging, managing and supervising team of Bataris engaged for hand-made papad production process that is carried out from their homes to ensure that every Batari strictly complies with the Product Specifications and Operational Standards for Home-Based Papad Production laid down by the Company. Some Bataras are based in urban areas, while others operate from surrounding villages, creating an efficient geographical distribution that facilitates timely collection, delivery, and close monitoring of production activities.

#### **Flow of manufacturing operations of Machinemade papads**

The diagram below highlights the flow of manufacturing operations of Machine made Papads



Step 1 : Selecting, **Quality Inspection**, cleaning, and grinding lentils into fine flour

**Selection and Receipt of Lentils:** Lentils such as Moong Dal, Urad Dal, Chana Dal, or their combinations are selected and issued at the time of manufacturing based on the specific papad variety being produced.

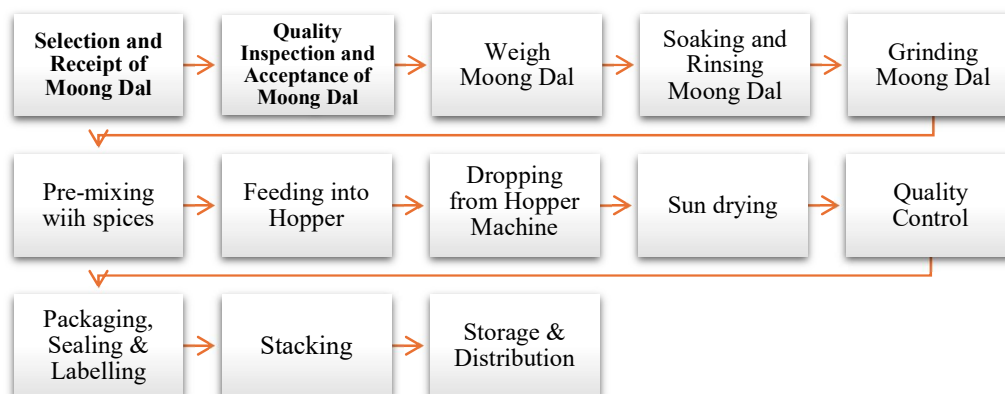
**Acceptance and Quality Inspection of Lentils:** Upon receipt, lentils undergo quality checks as per internal specifications, including inspection for colour, appearance, taste & odour, moisture content, foreign matter and overall suitability, prior to acceptance for processing.

**Cleaning of Lentils:** Once the lentils have been selected, they are thoroughly cleaned before they are grounded into flour. The cleaning process ensures the removal of any impurities, dirt, stones, or foreign particles that could affect the quality of the papad.

**Grinding of Lentils:** After cleaning, the cleaned lentils are fed into the grinding machine where they are crushed or grounded into a fine flour, which is the main base for preparing the papad dough.

### Flow of manufacturing operations of Moongodi

The diagram below highlights the flow of manufacturing operations of Moongodi



#### Step 1: Selection and Receipt of Moong Dal

The moongodi manufacturing process begins with selection and issuance of Moong Dal at the time of manufacturing, ensuring suitability for processing and superior taste, aroma, and crispiness in the final Moongodi

#### Step 2: Quality Inspection and Acceptance of Moong Dal

Upon receipt, the moong dal undergo quality checks as per internal specifications, including inspection for colour, appearance, taste & odour, moisture content, foreign matter and overall suitability, prior to acceptance for processing. Moong dal meeting the defined acceptance criteria is approved for further processing.

### **Step 3: Weigh Moong Dal**

The process begins with accurately weighing the moong dal to ensure the correct quantity is used for production. Precise measurement is essential as it determines the consistency, texture, and quality of the final product, while also maintaining uniformity across batches and standardizing recipes for flavor and texture.

### **Step 4: Soaking and Rinsing Moong Dal**

After weighing, the moong dal is soaked in RO water for a specified duration to soften it, making grinding easier and improving the dough's cohesiveness. The dal is then thoroughly rinsed to remove impurities, dust, and excess starch, ensuring a clean and smooth base for grinding.

### **Step 5: Grinding Moong Dal**

The soaked and rinsed moong dal is ground into a fine paste using a wet grinding machine. This smooth paste forms the foundation of the moongodi dough, ensuring consistent thickness.

### **Step 6: Pre-mixing with Spices**

The ground moong dal paste is pre-mixed with asafoetida, iodized salt, and other spices according to the recipe. This step ensures even distribution of flavors throughout the dough, enhancing both the taste and aroma of the final moongodi.

### **Step 7: Feeding into Hopper**

Once the spices are incorporated, the dough is fed into the hopper of the moongodi-making machine, which acts as a reservoir to ensure a continuous and controlled flow of dough into the forming or dropping machine. This step is crucial for maintaining efficiency and uniformity in the shaping process.

### **Step 8: Dropping from Hopper Machine**

The dough is dispensed from the hopper machine onto trays or sheets in uniform portions. The machine forms small circular portions of dough, maintaining consistency in size and thickness to ensure even drying.

### **Step 9: Sun Drying**

The shaped moongodis are spread out for sun drying, which naturally removes moisture, increases shelf life, and enhances crispness. The drying process is carefully monitored to ensure even drying without cracking or warping, preserving their shape and texture.

### **Step 10: Quality Control**

After drying, the moongodis undergo a comprehensive quality assessment, including sensory evaluation, nutritional analysis, and texture assessment. This ensures that only moongodis meeting all quality standards proceed to packaging.

### **Step 11: Packaging, Sealing & Labelling**

Once the moongodis have passed quality check, they are correctly weighed and then sent for packaging in pouches prepared from approved packaging material designed to maintain quality and ensure product safety. Each pouch is carefully filled with the measured quantity of the product to maintain uniformity and consistency across all packs. After filling, the pouches are sealed to create an airtight barrier that prevents the entry of air, moisture, and contaminants thereby preserving the freshness, crispness, taste, and extended shelf life of the product, ensuring that they reach consumers in perfect condition.

After sealing, every packet undergoes labelling in accordance with regulatory standards. The labels display all mandatory and relevant information, including the list of ingredients, nutritional facts, batch number, manufacturing



date, expiry date, and branding elements. This ensures compliance with food safety norms and provides transparency to customers while reinforcing the identity and authenticity of the brand.

### Step 12: Stacking

Once labelled, the moongodis are systematically arranged into stacks and grouped for secondary packaging. Each stack is weighed and then packed into durable cartons, which serve as the outer protective layer to facilitate safe storage, efficient handling, and smooth distribution.

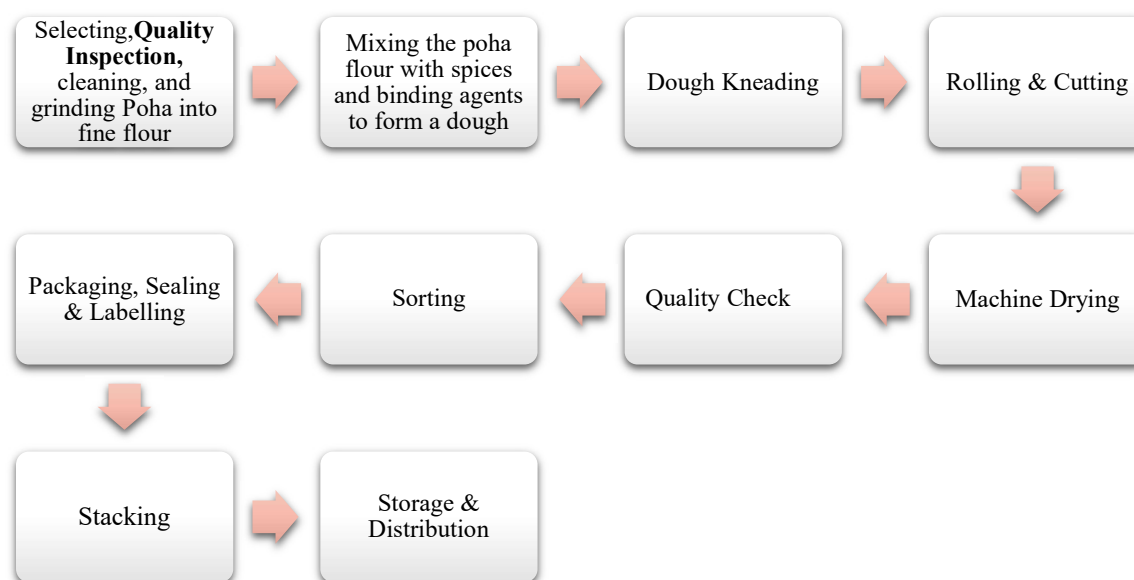
### Step 13: Storage & Distribution

Once packaged, the moongodis are stored in a clean, dry and well-ventilated storage area at Gharsisar Unit to preserve quality, prevent moisture absorption and maintain shelf life for further distribution to authorised distributors, wholesalers, modern trade channels, quick commerce platform or directly to consumers through our direct-to-consumer platform. Proper inventory management is maintained to track stock levels, ensure traceability, and meet market demand efficiently, following strict hygiene and safety protocols to maintain freshness and quality until they reach the end customer.

This step completes the production cycle, connecting the manufacturing process seamlessly with the supply chain to satisfy customer demand reliably.

### Flow of manufacturing operations of Rice papads (Khichiya)

The diagram below highlights the flow of manufacturing operations of Rice Papads (Khichiya)



Step 1 : Selecting, **Quality Inspection**, cleaning and grinding Poha (Flattened Rice) into fine flour

**Selection and Receipt of Poha:** The process begins with selection and issuance of Poha at the time of manufacturing, ensuring suitability for processing and superior taste, aroma, and crispiness in the final papad.

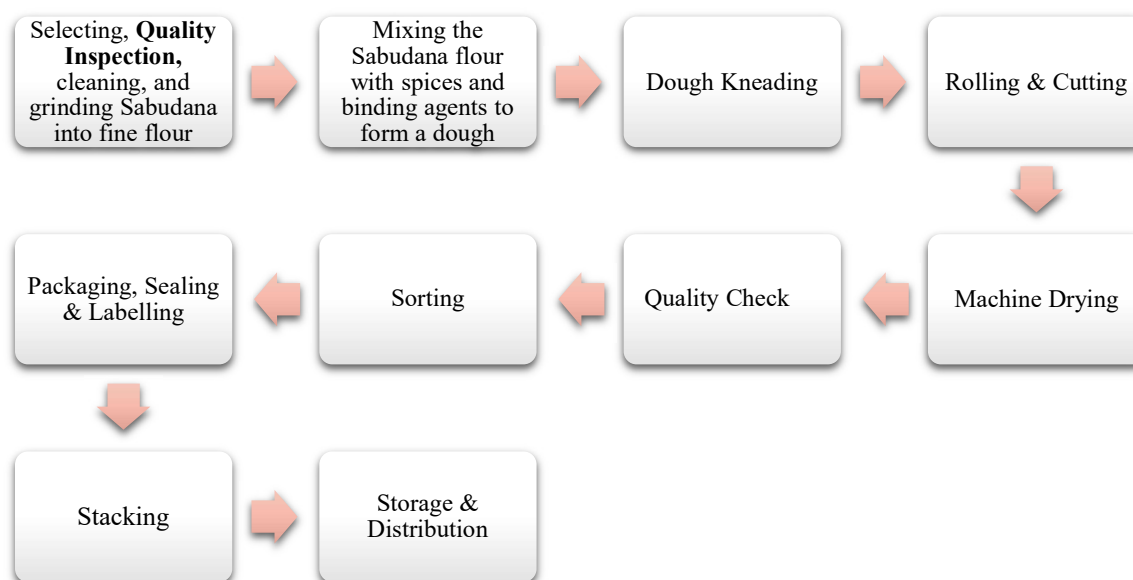
**Acceptance and Quality Inspection of Poha:** Upon receipt, Poha undergo quality checks as per internal specifications, including inspection for colour, appearance, taste & odour, moisture content, foreign matter and overall suitability, prior to acceptance for processing.

**Cleaning of Poha:** Once the Poha have been selected, they are thoroughly cleaned before they are grounded into flour. The cleaning process ensures the removal of any impurities, dirt, stones or foreign particles that could affect the quality of the papad.

**Grinding of Poha:** After cleaning, the cleaned pohas are fed into the grinding machine where they are crushed or grounded into a fine flour, which is the main base for preparing the papad dough.

### Flow of manufacturing operations of Vrat Special papads

The diagram below highlights the flow of manufacturing operations of Vrat Special Papads



Step 1 : Selecting, Quality Inspection, cleaning and grinding Sabudana (Tapioca Pearls) into fine flour

**Selection and Receipt of Sabudana:** The process begins with selection and issuance of Sabudana at the time of manufacturing, ensuring suitability for processing and superior taste, aroma, and crispiness in the final papad.

**Acceptance and Quality Inspection of Sabudana:** Upon receipt, Sabudana undergo quality checks as per internal specifications, including inspection for colour, appearance, taste & odour, moisture content, foreign matter and overall suitability, prior to acceptance for processing.

**Cleaning of Sabudana:** Once the Sabudana have been selected, they are thoroughly cleaned before they are grounded into flour. The cleaning process ensures the removal of any impurities, dirt, stones or foreign particles that could affect the quality of the papad.

**Grinding of Sabudana:** After cleaning, the cleaned sabudana are fed into the grinding machine where they are crushed or grounded into a fine flour, which is the main base for preparing the papad dough.

### OUR LOCATIONAL PRESENCE

The Company maintains a dedicated Maintenance Store at *Opposite Manav Bharti School, Gharsisar, Rani Bazar Industrial Area Road, Bikaner – 334001, Rajasthan, India* for the systematic storage of machinery spares, tools, and maintenance consumables required for plant and machinery, which supports efficient maintenance and uninterrupted production activities by providing timely availability of critical parts required for plant upkeep and ensure minimal downtime in operations.

## INSTALLED CAPACITY, ACTUAL PRODCUTION AND CAPACITY UTILISATION

**Karni Unit<sup>^</sup>:** H-262, Second Phase, Karni Industrial Area, Bikaner – 334001, Rajasthan, India

Products	Installed Capacity  (KGS)	For the period ended		Installed Capacity  (KGS)	Fiscal					
		June 30, 2025 <sup>(1)</sup>			2025		2024		2023	
		Actual Production (KGS)	Capacity Utilisation (%)		Actual Production (KGS)	Capacity Utilisation (%)	Actual Production (KGS)	Capacity Utilisation (%)	Actual Production (KGS)	Capacity Utilisation (%)
Rice Papad (Khichiya) <sup>(2)</sup>	2,73,000	2,46,120	90.15%	10,95,000	9,07,200	82.85%	9,00,480	82.24%	8,73,600	79.78%

<sup>^</sup>Vrat special papad is also manufactured by the Company at its Karni Unit.

As certified by Jayanta Dutta, Independent Chartered Engineer; pursuant to their certificate dated November 18, 2025

<sup>(1)</sup> Installed capacity, Actual Production and Capacity Utilisation for the three months ended June 30, 2025 have not been annualized.

<sup>(2)</sup> We are unable to present the estimated annual installed capacity for Vrat Special Papad, as the same machinery is used to manufacture both Rice Papad and Vrat Special Papad. The machinery is shared between these two products, and the production allocation time between them varies based on demand.

Notes: (1) The information relating to the installed capacity as of the dates included above is based on various assumptions and estimates that have been taken into account for calculation of the installed capacity. The assumptions and estimates taken into account include the following: (i) Number of working days in a fiscal year - 336; (ii) Number of working days for the period ended June 30, 2025 – 84; (iii) Number of working days in a month - 28; (iv) Number of shifts in a day - 4; and (v) Number of working hours per shift - 9. (2) Capacity utilization has been calculated based on actual production during the relevant fiscal year/period divided by the aggregate installed capacity all at the end of the relevant fiscal year / period.

## SWOT ANALYSIS

We have undertaken a comprehensive assessment of our Strengths, Weaknesses, Opportunities, and Threats (SWOT), which are outlined below:

Strengths	Weakness
<ul style="list-style-type: none"> <li>• <b>Organised player in Papad Industry<sup>#</sup></b></li> <li>• Widespread and established sales and distribution &amp; wholesale network</li> <li>• <b>Well-equipped manufacturing infrastructure<sup>#</sup></b></li> <li>• Diversified product portfolio in papad segment catering to diverse tastes and preferences</li> <li>• <b>Purity, Health &amp; Wellness focus over mass production<sup>#</sup></b></li> <li>• Maintaining a strong and engaging social media presence on Instagram and Facebook.</li> <li>• Stringent quality and food safety procedures</li> <li>• <b>Empowering women<sup>#</sup></b></li> <li>• Experienced Promoters with proven track record</li> </ul>	<ul style="list-style-type: none"> <li>• Multiple unorganized local players in the segment</li> <li>• Dependencies on third party transporters</li> <li>• Working capital intensive business</li> <li>• Manual labour dependency in hand-made papads</li> <li>• Perishability and Shelf-Life Issues</li> <li>• Adverse weather patterns, such as unpredictable rains and extended monsoons, disrupt the sun-drying process essential for producing handmade papads and moongodi, leading to supply inconsistencies.</li> <li>• Production and sales often peak during certain festivals and wedding seasons, leading to revenue fluctuations</li> <li>• Limited market share</li> </ul>
Opportunities	Threats
<ul style="list-style-type: none"> <li>• Sales through empanelment with Kendriya Police Kalyan Bhandar (KPKB)</li> <li>• <b>Deepening engagement with renowned brand owner in Modern Trade channels / Quick Commerce Platform<sup>S</sup></b></li> <li>• Leveraging own direct to consumer website for business growth</li> <li>• Growth of supermarkets, hypermarkets, and online grocery platforms provides new and extensive distribution channel</li> <li>• Digital &amp; Social Media Marketing through engagement of food influencers</li> <li>• Expanding product lines with innovative flavors and health-oriented variants</li> <li>• <b>Leveraging government schemes supporting food processing industries<sup>S</sup></b></li> <li>• <b>Engaging with the HoReCa (Hotel, Restaurant, Café/Catering) sector<sup>S</sup></b></li> <li>• Massive and growing demand for Indian snacks in the international market</li> </ul>	<ul style="list-style-type: none"> <li>• Dominance of the unorganised sector in the mass production of papads</li> <li>• Raw materials price fluctuations</li> <li>• Supply Chain &amp; Logistics Disruptions</li> <li>• Regulatory challenges affecting food safety standards and packaging</li> <li>• Changing tastes and preferences of consumers</li> <li>• Traditional sun-drying of hand made papads makes the industry highly dependent on weather conditions.</li> <li>• Competition from alternative packaged snacks</li> <li>• Inflation and changing economic conditions</li> <li>• Change in Technology</li> <li>• Change of government policy</li> </ul>

<sup>#</sup>The rationale for identifying (i) Organised player in Papad Industry, (ii) Well-equipped manufacturing infrastructure, (iii) Purity, Health & Wellness focus over mass production and (iv) Empowering Women as Strengths of the Company are set out hereinbelow:

### *Organised player in Papad Industry*

The classification as “Organised player in Papad Industry” has been presented as a structural and operational strength, reflecting the nature of the Company’s business model and, formalised and compliance-oriented operating framework, rather than any assertion regarding market share, competitive positioning, leadership or dominance, as distinguished from the predominantly unorganised nature of the industry.

The papad industry in India is largely characterised by small, household-level or informal units with limited regulatory compliance, fragmented supply chains, minimal standardisation and constrained access to organised distribution channels. In contrast, the Company operates within the organised segment of the industry, as evidenced by the following objective and verifiable operational and regulatory parameters, including:

- (i) formal corporate structure with incorporation under the Companies Act, 2013 and transparent governance practices.
- (ii) operation through formal manufacturing facilities located at Gharsisar and Karni both located in District – Bikaner, Rajasthan;
- (iii) possession of requisite statutory and regulatory registrations, including under applicable food safety and taxation laws;
- (iv) adoption of standardised manufacturing processes and quality control systems;
- (v) sale of products under branded and statutorily compliant labelled packaging;
- (vi) maintenance of structured procurement, logistics and distribution systems; and
- (vii) maintenance of audited books of accounts and compliance with applicable corporate and financial reporting requirements.

#### *Well-equipped manufacturing infrastructure*

The statement “Well-equipped manufacturing infrastructure” has been included as a strength in the Draft Red Herring Prospectus to describe the Company’s manufacturing capabilities and physical operating framework. The Company operates through established manufacturing facilities equipped with requisite machinery, utilities, and process layouts to support the manufacture of papads across multiple categories, as well as moongodi, under defined hygiene and quality control standards. The manufacturing infrastructure facilitates standardised production processes, supports compliance with applicable regulatory and food safety requirements, and enables consistency and continuity in operations. The use of this statement is factual and descriptive in nature and does not imply any claim of superior scale, technological advancement or competitive advantage over other industry participants.

#### *Purity, Health & Wellness focus over mass production*

The statement “Purity, Health & Wellness focus over mass production” has been included as a Strength in the Draft Red Herring Prospectus to describe the Company’s manufacturing philosophy and operational prioritisation. The Company follows a purity and hygiene-focused manufacturing approach, including the use of selected raw materials, RO filtered water with activated charcoal in its water purification process, absence of additives and preservatives, minimal use of edible oils, and adherence to defined quality and hygiene controls across hand-made and machine-made production. The integration of traditional production practices with modern purification and process controls reflects an emphasis on product purity and process discipline rather than scale driven mass-production. The use of this statement is descriptive in nature and does not imply any claim of health benefits, comparative advantage or performance vis-à-vis other industry participants.

#### *Empowering women*

The statement “Empowering women” has been included as a strength in the Draft Red Herring Prospectus to describe the Company’s role in facilitating indirect employment opportunities for women through its contractor-based *batara-batari* production model. The handmade papad production is carried out through this model, under which women are engaged by independent contractors to perform rolling and sun-drying activities within a structured and organised production framework.

This operating model enables women associated with contractor units to participate in income-generating activities with defined quality standards, regular work allocation and predictable procurement arrangements, while allowing flexibility in work practices. The model supports livelihood generation and skill continuity at the local level and has therefore been presented as a structural and operational strength of the Company’s business model.

The use of the term “Empowering women” is descriptive in nature and reflects the Company’s indirect contribution to women’s economic participation through its operations. It does not imply any claim of direct employment, social impact guarantees or comparative advantage over other industry participants.

<sup>5</sup>The manner in which the Company proposes to pursue the opportunities relating to (i) Deepening engagement with renowned brand owners on quick commerce platforms, (ii) Leveraging government schemes supporting the food processing industry, and (iii) Engagement with the HoReCa (Hotel, Restaurant, Café/Catering) sector are set out hereinbelow:

#### *Deepening Engagement with Renowned Brand Owners on Quick Commerce Platforms*

The Company is currently engaged with quick commerce platforms as part of its distribution network to enhance product visibility and consumer access across urban and semi-urban markets. Such engagements are undertaken through arms-length commercial arrangements on a purchase-order basis, wherein supplies are made against individual purchase orders, without any assured volumes, long-term supply commitments or exclusivity obligations.

Looking ahead, the Company intends to strengthen and optimise its participation in the quick commerce channel as part of its broader distribution strategy. This channel is expected to continue influencing consumer purchasing behaviour due to convenience-led and impulse-driven consumption patterns. Given that papads are commonly consumed as instant accompaniments and snack items, the Company considers quick commerce to be a relevant channel for supporting product discovery, repeat purchases and expanded consumption occasions.

In pursuing a forward-looking approach, the Company may focus on the following initiatives, subject to commercial feasibility, operational readiness, and platform policies:

##### *(a) Enhanced Platform Engagement*

The Company may seek to improve on-platform visibility through curated placements, appropriate category positioning and participation in platform-led initiatives, where commercially viable.

##### *(b) Channel-Aligned Product Configuration*

The Company may evaluate product configurations suitable for the quick commerce environment, including smaller pack sizes, combo offerings, and impulse-oriented price points, while selectively expanding ready-to-fry papad variants consistent with its existing product portfolio.

##### *(c) Data-Informed Planning*

The Company may utilise platform-level sales trends and consumption insights, where available, to support demand forecasting, inventory planning, and replenishment across fulfilment locations.

##### *(d) Brand Visibility and Consumer Engagement*

The Company may participate in curated assortments, regional selections, or seasonal campaigns on quick commerce platforms to enhance brand visibility and support trial and repeat purchases.

##### *(e) Operational Alignment*

The Company may continue to align its dispatch, inventory, and supply processes with platform-led fulfilment and logistics frameworks to support order execution, availability, and service levels in high-velocity markets.

There can be no assurance that continued optimisation or expansion within the quick commerce channel will result in increased volumes, margins, or market presence, as outcomes depend on consumer demand, platform dynamics, competitive intensity, and other external and internal factors.

#### *Leveraging Government Schemes Supporting Food Processing Industries*

The Company operates within the food processing sector, which is supported by various policy initiatives and incentive programmes of the Government of India, administered through the Ministry of Food Processing Industries (MoFPI), along with complementary measures at the state government level, which together present an opportunity for the Company to support its growth and operational objectives. These initiatives are generally

aimed at strengthening manufacturing infrastructure, promoting formalisation, enhancing food safety and quality standards, improving supply chain efficiency, and encouraging value addition.

The Company monitors relevant policy developments on an ongoing basis and, from time to time, evaluates the applicability of eligible government schemes to support its operational and strategic objectives. Such objectives may include manufacturing capacity enhancement, technology upgradation, process efficiency improvements, quality and compliance strengthening, supply chain optimisation, market development initiatives, and workforce skill development.

Any participation in government schemes would be undertaken only after assessing eligibility criteria, statutory approvals, prescribed conditions, implementation timelines, and the availability of funds under the respective programmes. The Company's evaluation process is intended to ensure compliance with applicable laws and alignment with its long-term operational priorities. There can be no assurance that the Company will be eligible for, or will receive, benefits under any government scheme, or that such benefits, if received, will have a material impact on its operations or financial performance.

#### *Engaging with the HoReCa (Hotel, Restaurant, Café / Catering) Sector*

The HoReCa (Hotel, Restaurant, Café / Catering) sector represents a potential institutional distribution channel for the Company, given the widespread use of papads as accompaniments, starters, and complementary offerings across food service establishments. While the Company is not presently engaged with the HoReCa segment, it is evaluating this sector as an additional avenue for distribution and market presence, subject to commercial feasibility and operational readiness.

The Company proposes to explore engagement with the HoReCa sector in a gradual and selective manner, primarily through distributors, wholesalers, or direct supply arrangements, depending on customer requirements and commercial feasibility. Any such engagement, if undertaken, would focus on supplying products in formats suitable for institutional consumption, consistent with the Company's existing product portfolio and manufacturing capabilities.

Going forward, the Company's proposed engagement with the HoReCa segment may be supported by the following considerations:

##### *(a) Institutional Product Configuration*

The Company may evaluate HoReCa-oriented stock keeping units (SKUs), such as bulk packaging or standardised sizes, aligned with professional kitchen requirements, with the objective of facilitating ease of handling and preparation consistency.

##### *(b) Potential Demand Characteristics*

Engagement with hotels, restaurants, and catering operators may, over time, result in recurring order patterns, which could support production planning and inventory management, subject to demand realisation.

##### *(c) Brand Presence through Institutional Channels*

Supplying products to HoReCa establishments may support institutional-level brand visibility and familiarity among end consumers over time.

##### *(d) Distribution Diversification*

If developed, the HoReCa segment may operate as an additional institutional distribution channel alongside the Company's existing sales channels, supporting diversification across customer segments.

##### *(e) Operational Readiness and Standards*

Servicing HoReCa customers typically requires adherence to defined quality specifications, hygiene norms, and delivery timelines, which the Company would evaluate in line with its existing operational processes.

The Company does not intend to undertake any material changes to its existing manufacturing processes solely to enter or service the HoReCa segment. There can be no assurance that any engagement with the HoReCa sector will be successfully implemented or will result in increased revenues, sustained demand or improved margins, as

outcomes will depend on market acceptance, customer requirements, competitive dynamics, and other external and internal factors.

## PROCUREMENT OF RAW MATERIALS AND PACKAGING MATERIALS

### Raw Materials

The details of the raw materials required and the source of their procurement has been provided below:

Raw Materials	Source of Procurement
Moong Pulse	Procured from dal mills located in Bikaner (Rajasthan)
Chana Pulse	Procured from dal mills located in Bikaner (Rajasthan)
Urad Pulse	Procured from dal mills located in Bikaner (Rajasthan)
Black Peeper (Kali Mirch)	Procured from trader based in Bikaner (Rajasthan) and Ahmedabad (Gujarat)
Kini (Rice Broken)	Procured from traders based in Bikaner (Rajasthan)
Groundnut Oil	Procured from oil mills and traders based in Bikaner (Rajasthan)
Cotton Seed Oil	Procured from trader based in Bikaner (Rajasthan)
Black Cumin (Kala Jeera)	Procured from traders based in Bikaner (Rajasthan)
Ajwain (Carom Seeds)	Procured from traders based in Bikaner (Rajasthan)
Chilly Flakes (Mirchi & Bada Cut)	Procured from traders based in Bikaner (Rajasthan)
Long	Procured from traders based in Bikaner (Rajasthan)
Turmeric (Haldi)	Procured from traders based in Bikaner (Rajasthan)
Red Chilly Powder	Procured from traders based in Bikaner (Rajasthan)
Sonf	Procured from traders based in Bikaner (Rajasthan)
Sahi Jeera	Procured from traders based in Bikaner (Rajasthan)
Funtra	Procured from traders based in Bikaner (Rajasthan)
Asafoetida (Hing)	Procured from traders based in Bikaner (Rajasthan) and Kanpur (U.P.)
Longi Mirch Powder	Procured from manufacturers based in Bikaner (Rajasthan)
Poha	Procured from manufacturers based in Mehsana
Garlic Powder	Procured from manufacturer based in Ahmedabad (Gujarat)
Potato Flakes	Procured from traders based in Bikaner (Rajasthan)
Black Charcoal (Saaji)	Procured from trader based in Bikaner (Rajasthan)
Tamarind Powder	Procured from manufacturer based in Vadodara (Gujarat)
Lemon Powder	Procured from manufacturer based in Ahmedabad (Gujarat)
Ginger Powder	Procured from manufacturer based in Ahmedabad (Gujarat)
Custardapple Powder	Procured from manufacturer based in Vadodara (Gujarat)
Green Chilly Powder	Procured from manufacturer based in Ahmedabad (Gujarat)
Promerganates Fruit Powder	Procured from manufacturer based in Vadodara (Gujarat)
Javantri (Mace)	Procured from traders based in Bikaner (Rajasthan) and Ahmedabad (Gujarat)
Jaayaphal (Nutmeg)	Procured from traders based in Bikaner (Rajasthan)
Sabudana (Tapioca Pearls)	Procured from manufacturers and traders based in Indore (Madhya Pradesh)
Vanaspati Ghee	Procured from traders based in Bikaner (Rajasthan)
Iodised Salt	Procured from trader based in Bikaner (Rajasthan)
Sendha Namak (Rock Salt)	Procured from trader based in Bikaner (Rajasthan)
Papad Khar	Procured from manufacturer based in Bikaner (Rajasthan) and Gondal (Gujarat)
Kala Namak	Procured from trader based in Bikaner (Rajasthan)
Panamethi	Procured from trader based in Bikaner (Rajasthan)

The state-wise value of procurement of raw materials during the three months ended June 30, 2025, and for the financial years ended March 31, 2025, March 31, 2024, and March 31, 2023 is set out hereinbelow -



Raw Materials	State	June 30, 2025 (₹ in Lacs)	Fiscal 2023 (₹ in Lacs)	Fiscal 2024 (₹ in Lacs)	Fiscal 2025 (₹ in Lacs)
Moong Pulse	Rajasthan	92.40	391.76	421.14	421.08
Chana Pulse	Rajasthan	6.50	22.51	15.55	30.59
Urad Pulse	Rajasthan	141.91	447.21	588.26	619.80
Black Peeper (Kali Mirch)	Rajasthan	19.19	94.09	83.15	67.60
	Gujarat	8.57	-	-	14.30
Kini (Rice Broken)	Rajasthan	7.54	19.31	25.83	25.14
Groundnut Oil	Rajasthan	5.48	23.14	26.88	21.46
Cotton Seed Oil	Rajasthan	2.17	4.07	5.15	8.65
Black Cumin (Kala Jeera)	Rajasthan	-	-	0.02	-
Ajwain (Carom Seeds)	Rajasthan	0.60	1.01	1.02	1.73
Chilly Flakes (Mirchi & Bada Cut)	Rajasthan	0.91	3.35	4.54	5.24
Long	Rajasthan	0.61	1.43	1.73	2.74
Turmeric (Haldi)	Rajasthan	0.05	0.04	0.16	0.22
Red Chilly Powder	Rajasthan	0.60	-	1.48	3.01
Sonf	Rajasthan	0.05	0.55	0.47	0.11
Sahi Jeera	Rajasthan	0.75	1.17	2.16	2.25
Funtra	Rajasthan	0.38	0.95	1.11	1.21
Asafoetida (Hing)	Rajasthan	10.35	-	11.36	19.77
	Uttar Pradesh	-	26.37	30.50	17.22
Longi Mirch Powder	Rajasthan	0.60	0.50	0.72	2.41
Poha	Gujarat	49.10	238.49	121.93	97.26
	Rajasthan	11.78		117.19	171.07
Garlic Powder	Gujarat	0.36	0.56	0.62	1.35
Potato Flakes	Rajasthan	0.58	1.28	1.54	3.05
Black Charcoal (Saaji)	Rajasthan	12.67	50.54	35.76	50.06
Tamarind Powder	Gujarat	-	0.27	-	0.12
Lemon Powder	Gujarat	-	0.28	0.20	0.20
Ginger Powder	Gujarat	-	0.75	0.27	0.29
Custerdapple Powder	Gujarat	-	1.09	0.13	0.57
Green Chilly Powder	Gujarat	-	-	0.10	0.14

Promerganates Fruit Powder	Gujarat	-	0.67	0.46	0.43
Javantri (Mace)	Rajasthan	0.22	1.15	1.79	1.69
	Gujarat	0.38	-	-	-
Jaayaphal (Nutmeg)	Rajasthan	0.04	0.37	0.17	0.22
Sabudana (Tapioca Pearls)	Madhya Pradesh	0.41	2.51	3.45	4.21
Vanaspati Ghee	Rajasthan	0.02	0.03	0.09	0.15
Iodised Salt	Rajasthan	0.66	2.63	2.99	2.52
Sendha Namak (Rock Salt)	Rajasthan	-	0.05	0.06	0.08
Papad Khar	Rajasthan	-	-	1.01	0.90
	Gujarat	-	0.88	2.10	3.96
Kala Namak	Rajasthan	0.05	0.25	0.37	0.28
Panamethi	Rajasthan	0.06	0.13	0.23	0.11
Others	-	15.93	170.94	316.53	50.37

*As certified by M/s GGPS and Associates, Chartered Accountants, Bikaner, Peer Reviewed Statutory Auditor of our Company, pursuant to their certificate dated March 10, 2026*

Raw materials are the cornerstone of our manufacturing operations, directly impacting the quality, consistency, and taste of our papads, which are widely consumed across India. At our Gharsisar Unit, raw materials are carefully selected, procured, and stored under hygienic conditions to prevent contamination, moisture, or damage. Our procurement follows a standardized SOP, ensuring suppliers are evaluated for quality, food safety compliance, reliability, and cost competitiveness, with long-standing relationships helping maintain continuity and timely delivery. To mitigate supply chain risks, we maintain a diversified supplier base, allowing flexibility in sourcing without affecting production. While we do not have long-term supply agreements, purchase orders are placed based on immediate and projected needs, enabling competitive pricing and adaptability to market fluctuations. All incoming materials undergo quality checks, with substandard consignments rejected and replaced, ensuring that only materials meeting our standards enter production and safeguard the trust of our customers.

### **Packaging Materials**

Packaging is used to maintain the quality, safety, and freshness of our products and serves as a medium for brand communication. Our primary packaging materials include printed laminated pouches and polyethylene (PE) pouches, sourced from five domestic suppliers in Sonapat, Ahmedabad, and Jaipur as of June 30, 2025. Packaging is carried out using automated and manual systems, including multi-head pouch packing machines and vacuum packing machines, following standard operating procedures. Secondary packaging such as corrugated cartons and LDPE bags is used to protect products during storage and distribution. This process ensures that products reach customers in acceptable condition while supporting production and delivery requirements.

## ONBOARDING PROCESS OF DISTRIBUTORS AND VENDORS

The details of the onboarding processes followed by the Company for Distributors and Vendors are set out hereinbelow:

### **Onboarding Process of Distributors**

The Company follows a well-defined, structured and systematic process for onboarding distributors, with the objective of ensuring optimal market penetration, effective distribution coverage and alignment with its long-term sales objectives.

As an initial step, the Company undertakes detailed market surveys across identified and relevant geographies to assess demand potential and distribution gaps. These surveys focus on identifying distributors who are actively engaged in the sale and distribution of papads and moongodi, and who possess established relationships with retailers, wholesalers and institutional customers in their respective territories. Based on the findings of such surveys, a preliminary pool of prospective distributors is prepared.

From this preliminary pool, approximately 10–12 distributors are shortlisted for further evaluation. The shortlisted distributors are subjected to third-party verification and internal due diligence to assess their suitability. The evaluation criteria include, inter alia, the distributor's financial strength and creditworthiness, market reputation, years of experience in the relevant product category, depth and breadth of market coverage, availability and efficiency of sales and support manpower, transportation and logistics capabilities, adequacy and condition of godown and storage infrastructure, compliance with applicable statutory and regulatory requirements and existing business associations with other brands.

The outcome of this evaluation enables the Company to determine whether the distributor has the operational capability, infrastructure and market reach necessary to effectively represent and distribute the Company's products in the assigned territory. Distributors who meet the prescribed evaluation parameters are shortlisted for onboarding.

Upon completion of the evaluation and shortlisting process, the Company approaches the identified distributors with a formal distributorship proposal. This proposal sets out the proposed commercial terms, including pricing structure, margins, payment terms, credit period (if any), sales targets, territory allocation and operational responsibilities. It also outlines expectations relating to brand representation, inventory management, compliance with Company policies and adherence to quality and service standards.

If the distributor expresses interest and the commercial and operational terms are mutually agreed upon, the distributor is formally onboarded in accordance with the Company's internal approval and documentation procedures. This includes completion of statutory and KYC documentation and alignment on logistics, ordering and payment processes.

In addition to distributor identification through market surveys, the Company also receives distributorship inquiries through its website and other online and digital channels. Such inquiries are subjected to the same standardized evaluation, verification, due diligence and onboarding process as market survey-based candidates. This ensures consistency, transparency and uniformity in distributor selection across all sourcing channels.

The Company periodically reviews the performance of its distributors to ensure continued alignment with business objectives, market expansion plans and service quality standards.

### **Onboarding Process of Raw Material Vendors**

The Company has established a structured and standardized process for onboarding vendors, with the objective of ensuring consistent quality, reliability and continuity in the supply of raw materials used in its manufacturing operations.

The vendor onboarding process is initiated through identification of prospective vendors by the Company or upon receipt of vendor inquiries and proposals through the Company's website or other online and digital channels. As part of the initial assessment, prospective vendors are requested to submit samples of the raw materials proposed to be supplied to the Company.

Upon receipt, the raw material samples are subjected to detailed quality evaluation in accordance with the Company's internal quality specifications and quality control protocols. The quality evaluation includes, inter alia, inspection of colour, appearance, taste and odour, moisture content, presence of foreign matter and overall suitability for use in food processing. Only those raw material samples that meet the prescribed quality parameters are approved for further consideration.

Purchase orders are placed only after the raw material samples are approved by the Company's quality control function. This process ensures that raw materials procured by the Company conform to its internal quality standards and are suitable for use in the manufacturing process.

Subsequent to approval of the raw material, the prospective vendor is required to complete the formal vendor registration process. This includes submission of a duly completed Vendor Registration Form along with requisite statutory and regulatory documents, including the Goods and Services Tax (GST) Registration Certificate and the Udyam Registration Certificate, wherever applicable. The submitted documentation is reviewed to verify regulatory compliance and completeness prior to final vendor onboarding.

Vendors identified directly by the Company, as well as those approaching the Company through online or digital channels, are subjected to the same evaluation, quality testing, documentation and approval procedures. This ensures uniformity, transparency and consistency in vendor selection and onboarding across all sourcing channels.

The Company may periodically review vendor performance based on quality, consistency of supply, and compliance with agreed terms, and may continue, modify or discontinue vendor arrangements in accordance with its business requirements.

#### **Onboarding Process of Packaging Material Vendors**

The Company follows a structured and standardized process for onboarding vendors for packaging materials to ensure quality, safety, regulatory compliance and consistency in packaging used for its products.

The process is initiated through identification of prospective packaging material vendors by the Company or upon receipt of inquiries and proposals from vendors through the Company's website or other online and digital channels. Such vendors are engaged to supply various packaging materials, including primary and secondary packaging, as required for the Company's products.

As part of the initial assessment, prospective vendors are required to submit samples of the proposed packaging materials. Upon receipt, the samples are evaluated by the Company in accordance with its internal specifications and quality standards. The evaluation includes, inter alia, assessment of material quality, thickness, strength, sealing properties, print quality, labeling accuracy, durability, suitability for food-grade usage and overall compatibility with the Company's manufacturing and packaging processes.

Only packaging material samples that meet the prescribed quality and functional parameters are approved for further consideration. Purchase orders are placed only after successful sample approval, thereby ensuring that packaging materials procured by the Company are fit for purpose and compliant with applicable quality standards.

Subsequent to sample approval, the prospective vendor is required to complete the formal vendor registration process. This includes submission of a duly filled Vendor Registration Form along with requisite statutory and regulatory documentation, including the Goods and Services Tax (GST) Registration Certificate and other applicable registrations or certifications, as required. The submitted documents are reviewed to verify regulatory compliance and completeness prior to final onboarding.

Vendors identified directly by the Company as well as those approaching the Company through online or digital channels are subjected to the same evaluation, sample testing, documentation, and approval process. This ensures uniformity, transparency, and consistency in the onboarding of packaging material vendors across all sourcing channels.

The Company periodically reviews the performance of its packaging material vendors based on quality consistency, timely delivery, compliance with specifications, and adherence to agreed commercial terms, and may continue, modify, or discontinue such vendor arrangements in accordance with its business requirements.

## ENVIRONMENT, HEALTH AND SAFETY

As on the date of filing of the Draft Red Herring Prospectus, there are no pending, ongoing, threatened or contemplated actions, proceedings, notices or investigations against the Company by any environmental regulatory authority for non-compliance with applicable environmental laws or regulations.

## HUMAN RESOURCES

Our workforce plays a pivotal role in helping us maintain a competitive edge in the market. We recognize that our employees are key contributors to our business success, and we therefore prioritize attracting, developing, and retaining top talent. As of June 30, 2025, our Company employed a total of 129 personnel across various departments, each contributing to the smooth functioning and growth of our operations.

The following table presents a detailed breakdown of our permanent employees by function as of June 30, 2025:

Sl. No.	Department	Work Location (Gharsisar Unit / Karni Unit / Registered Office)	Number of Employees
1.	Management	Registered Office	2
2.	Accounts & Finance	Registered Office	4
3.	Secretarial	Registered Office	1
4.	Production*	Gharsisar Unit & Karni Unit	84
5.	Quality Control	Gharsisar Unit	2
6.	Customer Care	Registered Office	3
7.	Human Resource	Registered Office	2
8.	Maintenance	Registered Office	3
9.	Procurement & Purchase	Registered Office	1
10.	Sales & Marketing	Registered Office	8
11.	Supply Chain & Logistics	Registered Office	4
12.	Housekeeping	Gharsisar Unit & Karni Unit	13
13.	Security	Registered Office	2
<b>Total</b>			<b>129</b>

\* Production includes 25 skilled, 29 semi-skilled and 15 unskilled labours

In addition to our permanent employees, we engage third-party manpower and service providers to supply contract labor for specific functions at our manufacturing units. As of June 30, 2025, a total of 12 contract labourers were deployed at our factories through independent contractors, supporting various operational and production activities

As of June 30, 2025, out of a total of 129 permanent employees, 39 were women, representing 30.23 % of our workforce. We remain steadfast in our commitment to women's empowerment, providing equal opportunities, encouraging active participation across all functions, and recognizing the vital contributions of women in driving the growth and success of our organization.

None of our employees are represented by a labour union or covered under any collective bargaining agreement. We have not experienced any strikes, work stoppages, labour disputes, or similar actions, and we consider our relationship with our employees to be positive and constructive. Our employees, across all departments, work with integrity and dedication to ensure smooth operations and contribute toward the achievement of the Company's goals and targets.

### ***Engagement of Bataras and Bataris under the Contractor-Based Batara–Batari Model***

The manufacturing of handmade papads is carried out through a contractor-based production model, commonly referred to as the Batara–Batari model. Under this model, the Company engages independent contractors, known as “Bataras,” pursuant to written Batara Agreements, who are responsible for supervising and coordinating women workers, referred to as “Bataris,” engaged in the home-based hand-rolling and sun drying of papads.

The Bataras operate strictly as independent contractors and do not function as employees, agents, or representatives of the Company. The Bataras are engaged by the respective Bataras and perform the said activities from their own premises. Neither the Bataras nor the Bataris are employees of the Company, and accordingly, no employer–employee relationship exists between the Company and the Bataras or the Bataris.

In view of the contractor-based engagement structure, the Company does not directly employ Bataras or Bataris. Currently, the Company has entered into Bataras–Bataris Agreements with 11 Bataras as on the date of DRHP. However, as the engagement of Bataris is managed by the respective Bataras, the Company is not in a position to specify the exact number of Bataris engaged, which may please be noted.

### ***Employee Training & Development***

We are committed to the continuous training and professional development of our employees, recognizing that their growth, skills, and productivity are fundamental to our organizational success. To support this, we regularly engage external experts and accredited trainers to conduct monthly *Learning and Personality Development* sessions. These programs focus on enhancing communication and presentation skills, professional grooming, and overall personal growth. By equipping our employees with these competencies, we not only nurture individual development but also instill greater confidence, adaptability, and leadership qualities. This, in turn, contributes to improved efficiency, stronger collaboration, and higher workplace productivity, while fostering a culture of continuous learning and professional excellence across the organization.

In addition to soft skills development, we conduct structured training and development programs for our employees on a regular basis, with approximately one training program conducted per month, covering operational aspects, critical business areas such as internal compliance and control processes, occupational health and workplace safety practices, food safety protocols and quality control measures. These programs are designed to enhance employee awareness, reinforce accountability, and equip our workforce with the skills and discipline necessary to maintain productivity while ensuring full adherence to regulatory and industry standards.

By integrating both technical and personal development training, we foster teamwork, strengthen collaboration across departments, and cultivate a culture of continuous improvement. This holistic approach not only elevates individual performance but also enhances operational efficiency, workplace productivity, and customer service standards. At the same time, it strengthens employee loyalty and cultivates a resilient corporate culture rooted in trust, performance, shared success, and long-term sustainability.

### ***Disclosure pertaining to details of Employees' Provident Fund and Employees' State Insurance Corporation***

The table below sets out the details of our permanent employees and employees registered with EPFO and ESIC during the Financial Period ended June 30, 2025 and the Financial Years ended March 31, 2025, March 31, 2024, and March 31, 2023:

Particulars	For the period ended June 30, 2025	Fiscal		
		2025	2024	2023
Number of Employees	129	110	106	106
Number of Employees registered with EPFO	84	84	41	36
Number of Employees registered with ESIC	80	84	56	58

The table below sets forth the details of contributions collected and deposited in respect of permanent employees registered with the EPFO and ESIC, for whom employment-related statutory dues were applicable, during the Financial Period ended June 30, 2025, and the Financial Years ended March 31, 2025, March 31, 2024, and March 31, 2023:

Financial Period / Year ended	Employee Provident Fund / Employee State Insurance	Number of Employees registered				Contribution collected (Rs. in lacs)	Contribution deposited (Rs. in lacs)
		Opening*	Addition	Deletion	Net** \$		

June 30, 2025	Employee Provident Fund	86	10	12	84	2.46	2.67
	Employee State Insurance	80	7	7	80	0.19	0.84
March 31, 2025	Employee Provident Fund	66	30	12	84	9.33	10.11
	Employee State Insurance	51	53	20	84	0.78	3.38
March 31, 2024	Employee Provident Fund	33	17	9	41	4.24	4.59
	Employee State Insurance	59	12	15	56	0.70	3.03
March 31, 2023	Employee Provident Fund	48	12	18	36	4.52	4.90
	Employee State Insurance	43	15	0	58	0.63	2.73

\* As on April 01 (commencement of relevant Financial Year)

\*\* As on March 31 for Financial Year

<sup>§</sup> As on June 30 for Financial Period ended June 30, 2025

### Attrition Rate

The attrition rates of permanent employees, separately showing “Employees (other than Labours, Housekeeping, Security, Driver and Helper)” and “Labours, Housekeeping, Security, Driver and Helper”, are presented below to provide a comprehensive overview of workforce stability across the organization.

### Attrition Rate of Employees (other than Labours, Housekeeping, Security, Driver and Helper):

The attrition rate of Employees (other than Labours, Housekeeping, Security, Driver and Helper) across various departments for the period ended June 30, 2025, and for the financial years ending March 31, 2025, March 31, 2024 and March 31, 2023 is set forth in the table hereunder:

Particulars	For the period ended June 30, 2025	Fiscal		
		2025	2024	2023
No. of Employees at start of year *	20	26	20	22
No. of Employees Joined	15	7	10	5
No. of Employees Left	2	13	4	7
No. of Employees at the end ** <sup>§</sup>	33	20	26	20
Average No. of employees	26.50	23	23	21
<b>Attrition Rate %</b>	<b>7.54</b>	<b>56.52</b>	<b>17.39</b>	<b>33.33</b>

\* As on April 01 (commencement of relevant Financial Year)

\*\* As on March 31 for relevant Financial Year

<sup>§</sup> As on June 30 for Financial Period ended June 30, 2025

Note: Attrition Rate (%) = (Number of Employees Resigned during the Period ÷ Average Number of Employees during the Period) × 100

### Attrition Rate of Labours, Housekeeping, Security, Driver and Helper:

The attrition rate of Labours, Housekeeping, Security, Driver and Helper for the period ended June 30, 2025 and for the financial years ending March 31, 2025, March 31, 2024 and March 31, 2023 are as under:

Particulars	For the period ended June 30, 2025	Fiscal		
		2025	2024	2023
No. of Employees at start of year *	90	80	86	109
, No. of Employees Joined	41	64	42	42
No. of Employees Left	35	54	48	65
No. of Employees at the end ** <sup>§</sup>	96	90	80	86

Average No. of employees	93	85	83	97.5
Attrition Rate %	37.63	63.53	57.83	66.67

\* As on April 01 (commencement of relevant Financial Year)

\*\* As on March 31 for relevant Financial Year

<sup>S</sup> As on June 30 for Financial Period ended June 30, 2025

Note: Attrition Rate (%) = (Number of Employees Resigned during the Period ÷ Average Number of Employees during the Period) × 100

Our Company has historically experienced relatively higher attrition rates among certain categories of labour and operations support staff (including labourers, housekeeping personnel, security staff, drivers and helpers) compared to other permanent employee classes. A key contributor to this trend is the demographic profile of this workforce segment, where a significant number of individuals originate from rural or semi-urban regions and periodically return to their native places for agricultural cycles, festivals, or family-related obligations. Such absences often extend over several weeks and are treated as attrition for reporting purposes, even though a substantial proportion of such personnel subsequently return to work once their personal commitments conclude.

Accordingly, the reported attrition in these categories largely reflects cyclical and seasonal mobility rather than dissatisfaction or long-term separation from employment. While these patterns may pose operational challenges in planning production schedules and maintaining consistent output, we recognize these characteristics as inherent to the workforce segment and continue to engage with them empathetically to support long-term retention and production continuity.

## SALES & MARKETING

Our 8 member sales & marketing team spearheads a dynamic strategy designed to elevate brand visibility, strengthen credibility and expand market presence across India. Leveraging an extensive network of distributors, wholesalers, modern trade channels, quick-commerce platform and direct-to-consumer platform and merchant exporter, the company ensures strong market penetration while paving the way for sustainable growth and scalable expansion.–The Company follows a structured approach to market analysis and relationship management with its stakeholders, which supports operational continuity and business scalability, subject to market conditions.

We consistently focus on impactful branding and promotional activities that not only enhance our visibility but also reinforce the trust and reputation we have built in the papad industry over decades. For us, marketing is more than visibility – it is about creating experiences that allow consumers to connect with our brand on a deeper level. **The Company undertakes initiatives aimed at maintaining long-term business relationships with distributors, customers and other stakeholders, and at supporting product visibility across its distribution channels, in line with its business requirements.**

## OUR PROPERTIES

Our Company's premises comprises of Registered Office, Maintenance Store and our Manufacturing Facilities. The details of the immovable properties owned/rented by our Company are provided hereinbelow:

### 1. Properties owned by our Company

As on the date of this Draft Red Herring Prospectus, our Company does not own any immovable property.

### 2. Properties taken on rent by our Company

The table below sets out the details of the immovable properties taken on rental basis by our Company:

Sl. No.	Nature of Instrument	Particulars of Property	Area of Property	Tenure / Period of Agreement	Consideration	Relationship with the Owner	Usage of Property
1.	Rent Agreement between Landlord: Mr. Jai Agarwal Tenant: Papadmalji Agro	Opp. Manav Bharti School, Gharsisar, Rani Bazar Industrial	15,480 sq. ft.	33 months commencing from April 01, 2025 to December 31, 2027	₹ 1,30,000/- per month for the first 11 months. The monthly rent shall be subject to an	Promoter, Chairman & Managing Director	Registered Office & Gharsisar Unit






	Foods Limited Represented by its authorised representative Mr. Jai Agarwal	Area Road, Bikaner – 334001, Rajasthan, India			escalation of 5% after completion of every 11 months from the commencement date, calculated on the rent payable for the immediately preceding period. The escalated rent shall become payable from the 12 <sup>th</sup> month and every subsequent 11 month period during the tenancy.		
2.	Rent Agreement between Landlord: Mr. Roopendra Singh Saini, proprietor of Roopendra & Sons Tenant: Papadmalji Agro Foods Limited Represented by its authorised representative Mr. Jai Agarwal	H-262, Second Phase, Karni Industrial Area, Bikaner – 334001, Rajasthan, India	4,800 sq. ft.	33 months commencing from October 01, 2025 to June 30, 2028	₹ 31,500/- per month for the first 11 months. The monthly rent shall be subject to an escalation of 5% after completion of every 11 months from the commencement date, calculated on the rent payable for the immediately preceding period. The escalated rent shall become payable from the 12 <sup>th</sup> month and every subsequent 11 month period during the tenancy.	Nil	Karni Unit
3.	Rent Agreement between Landlord: Mrs. Bhanwari Tenant: Papadmalji Agro Foods Limited Represented by its authorised representative Mr. Jai Agarwal	Opp Manav Bharti School, Gharsisar, Rani Bazar Industrial Area Road, Bikaner – 334001, Rajasthan, India	1,500 sq. ft.	33 months commencing from September 01, 2025 to May 31, 2028	₹ 14,587/- per month for the first 11 months. The monthly rent shall be subject to an escalation of 5% after completion of every 11 months from the commencement	Nil	Maintenance Store

					date, calculated on the rent payable for the immediately preceding period. The escalated rent shall become payable from the 12 <sup>th</sup> month and every subsequent 11 month period during the tenancy.		
4.	Lease Agreement between Lessor: Mr. Jai Agarwal Lessee: Papadmalji Agro Foods Limited Represented by its authorised representative Mr. Jai Agarwal	Khasra No. 394/4, Village Bachhasar, Tehsil and District Bikaner, Rajasthan, Pin Code - 334001	45,000 sq. ft.	15 years commencing from February 01, 2026 to January 01, 2041	₹1,80,000/- per month for the first year of Lease Term. The monthly rent shall be subject to an annual escalation of 7% on the immediately preceding year's rent.	Promoter, Chairman & Managing Director	Bachhasar Unit

## INTELLECTUAL PROPERTY

Intellectual property rights are a key component of our business, and we invest significant time and resources in their development and protection. As on the date of this Draft Red Herring Prospectus, our Company has obtained registration and/or filed applications for the registration of the following trademark with the Registrar of Trademarks, Government of India. These trademarks serve as valuable intellectual property assets, providing legal protection and reinforcing the brand's identity in the market:

Sl. No.	Description of Trademark	Class	Nature of Mark	Application/Registration Number	Issuing Authority	Date of Application / Registration	Validity upto / Renewed upto	Current Status
1.		30	Device	3517207	Registrar of Trademarks, Trade Marks Registry, Mumbai	March 30, 2017	March 30, 2027	Registered <sup>*\$</sup>
2.		35	Device	3517208	Registrar of Trademarks, Trade Marks Registry, Mumbai	March 30, 2017	March 30, 2027	Registered <sup>*\$</sup>
3.		30	Device	4217721	Registrar of Trademarks, Trade Marks Registry, Mumbai	June 26, 2019	June 26, 2029	Registered <sup>\$</sup>

4.	PAPADMALJI CHOORI	35	Word	4579723	Registrar of Trademarks, Trade Marks Registry, Mumbai	July 22, 2020	July 22, 2030	Registered <sup>s</sup>
5	PAPADMALJI'S ROZANA	30	Word	4626318	Registrar of Trademarks, Trade Marks Registry, Mumbai	August 26, 2020	August 26, 2030	Registered <sup>s</sup>
6.	DIAMOND	30	Word	1157371	Registrar of Trademarks, Trade Marks Registry, Mumbai	December 11, 2002	December 11, 2032	Registered <sup>#</sup>
7.		30	Device	3399405	Registrar of Trademarks, Trade Marks Registry, Mumbai	October 31, 2016	-	Opposed
8.		30	Device	3177650	Registrar of Trademarks, Trade Marks Registry, Mumbai	February 05, 2016	-	Opposed
9.		30	Device	7496891	-	February 03, 2026	-	Formalities Check Pass
10.		30	Device	7496892	-	February 03, 2026	-	Formalities Check Pass
11.		30	Device	7496893	-	February 03, 2026	-	Formalities Check Pass
12.		30	Device	7506350	-	February 06, 2026	-	Formalities Check Pass

*\*The above trademarks bearing registration numbers 3517207 and 3517208 were originally registered in the name of our Promoter, Chairman and Managing Director, Mr. Jai Agarwal. Pursuant to a Deed of Assignment dated February 21, 2018, Mr. Jai Agarwal (“Assignor”) transferred all his rights, title, interest, property, and benefits in the aforesaid registered trademarks to our Company (“Assignee”) for a total consideration of ₹11,000/- . Our Company thereafter made applications before the Registrar of Trademarks, Government of India for registering the assignment of trademarks in its name, and the said intellectual properties have since been successfully registered in the name of our Company. Our Company has applied to update these registrations to reflect its new name “Papadmalji Agro Foods Limited” following its conversion into a public limited company. The application is currently under process.*

*§The above registrations are currently in the previous name of the Company “Papadmalji Agro Foods Private Limited” and our Company has applied to update these registrations to reflect its new name “Papadmalji Agro Foods Limited” following its conversion into a public limited company. The application is currently under process.*

*#The above Trademark bearing no. 1157371 was assigned to our Company pursuant to Business Transfer Agreement dated February 17, 2018 which forms an integral part of the overall transfer of business on a slump sale basis. Our Company is in the process of completing the formalities for registering the assignment of this trademark in its own name.*

#### **OTHER CONFIRMATIONS**

There is no conflict of interest between the suppliers of raw materials and third-party service providers (crucial for operations of the company) and the company, Promoter, Promoter Group, Key Managerial Personnel, Senior Management Personnel, Directors and subsidiaries / Group Company and its directors.

There is no conflict of interest between the lessor of the immovable properties (crucial for operations of the company) and the company, Promoter, Promoter Group, Key Managerial Personnel, Senior Management Personnel, Directors and subsidiaries / Group Company and its directors except as disclosed in Chapter titled “Our Promoters and Promoter Group – Interest in property, land, construction of building and supply of machinery” of the Draft Red Herring Prospectus.

## **KEY INDUSTRIAL REGULATIONS AND POLICIES**

### **The Essential Commodities Act, 1955**

The Essential Commodities Act, 1955 (the “EC Act”) gives powers to the Government of India to control the production, supply and distribution of certain essential commodities for inter alia securing their equitable distribution and availability at fair prices. Using the powers under it, various ministries/ departments of the Indian government have issued control orders for regulating production, distribution, trading, quality aspects, movement and prices pertaining to commodities which are essential and administered by them, including for essential commodities such as food grains, edible oils, sugar and drugs. Penalties in terms of fine and imprisonment are prescribed under the EC Act for noncompliance of its provisions.

## **HISTORY AND CERTAIN CORPORATE MATTERS**

The company was originally promoted by Mr. Jai Agarwal and Mrs. Prem Lata Agarwal who were the initial subscribers to the Memorandum of Association and Articles of Association of our Company. For further information, please refer to the chapter titled “Capital Structure – History of paid-up Share Capital of our Company” on Page 92 of this Draft Red Herring Prospectus.

Following shall be updated pursuant to shareholders’ agreement and waiver agreement:

### **Shareholders and Other Agreements**

Shareholders’ agreement dated February 22, 2018 entered into amongst our Company, Jai Agarwal and Prem Lata Agarwal (“Promoters”), India Customer Insight Fund (“Investor”) and Puneet Bothra (“Other Shareholder”)

Our Company has entered into the Shareholders’ Agreement inter-alia recording their rights and obligations in relation to the operation and management of our Company and other matters thereto. Certain rights that the parties are entitled to under the Shareholders’ Agreement inter alia include (i) right of investor to nominate two director to the board of our Company based on minimum shareholding thresholds set out therein; (ii) rights in relation to restrictions on transfer of Equity Shares, including drag along right, tag-along rights and right of first refusal; and (iii) information and inspection rights.

By the waiver-cum-amendment agreement dated February 16, 2026 (the “Waiver-cum-Amendment Agreement”) entered into among Papadmalji Agro Foods Limited (Company), Jai Agarwal and Prem lata Agarwal (Promoters), India Customer Insight Fund (“Investor & Investor Selling Shareholder”) and Puneet Bothra (Other Shareholder), the parties have agreed to amend, suspend and/or terminate certain rights and obligations under the Shareholders’ Agreement dated February 22, 2018 (the “SHA”), including: (i) amending certain provisions of the SHA; (ii) suspending certain rights and obligations under the SHA in connection with the IPO and the Offer for Sale; and (iii) providing for the automatic termination of certain provisions of the SHA, upon the consummation of the IPO, each of the foregoing being subject to the terms and conditions set forth in the Waiver Cum Amendment Agreement.

In view of the Offer, the parties have agreed to amend, suspend and/or terminate certain rights and obligations under the Shareholders’ Agreement dated February 22, 2018 (the “SHA”) as set forth below:

a. Amended certain clauses of the SHA to facilitate and enable the Offer, including, inter alia, modifications to the Definitions and Interpretation section to incorporate and/or align the following terms: “Consummation of the IPO”, “Company” or “PAFL”, “DRHP” or “Draft Red Herring Prospectus”, “IPO”, “Long Stop Date”, “Offer Document(s)”, “Offer for Sale”, “Prospectus”, “SEBI”, “SEBI ICDR Regulations”, “Selling Shareholder(s)” and “Stock Exchange”.

b. waived, suspend and/or terminate including (i) Information and Inspection Rights (ii) Board, Management and Related Matters including information affirmative matters & right of investor to nominate two director to the board of our Company based on minimum shareholding thresholds set out therein; (iii) Further Issue of Shares (iv) Restrictions on Transfer of Shares including Right of First Refusal & Tag Along Right (v) non-compete (vi) Exit & Drag Rights (vii) Covenants (viii) Events of Defaults and Consequences (ix) Indemnification (x) Amendment of Articles

Further, with effect from the date of Waiver-cum-Amendment Agreement, all definitions, schedules and interpretational provisions under the SHA that relate to the provisions suspended pursuant thereto shall stand suspended to the same extent. Upon consummation of the IPO, such provisions shall stand terminated. In the event the IPO and the Offer for Sale are withdrawn, abandoned or not consummated prior to the Long Stop Date, the Waiver-cum-Amendment Agreement shall automatically stand terminated and the suspended provisions of the SHA shall automatically revive and continue in full force and effect as if the Waiver-cum-Amendment Agreement had not been executed.

**Following shall be updated pursuant to updation of Promoter:**

**Agreements with key managerial personnel or a Directors or Promoters or Senior Management any other employee of the Company**

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

**Details of Agreements required to be disclosed under Clause 5A of paragraph A of part A of Schedule III of SEBI Listing Regulations**

There are no agreements that have been entered into by the Shareholders, Promoters, Promoter Group entities, related parties, Directors, Key Managerial Personnel, employees of our Company, amongst themselves or with our Company or with any third party, solely or jointly, which either, directly or indirectly, or potentially, or whose purpose and effect is to impact the management or control of our Company or impose any restrictions on or create any liability upon our Company.

**Other Confirmations**

There is no conflict of interest between the suppliers of raw materials and third-party service providers (crucial for operations of the Company) and the company, Promoter, Promoter Group, Key Managerial Personnel, Directors and subsidiaries / Group Company and its directors.

There is no conflict of interest between the lessor of the immovable properties (crucial for operations of the company) and the company, Promoter, Promoter Group, Key Managerial Personnel, Senior managerial Personnel, Directors and subsidiaries / Group Company and its directors except as disclosed under heading “Interest in property, land, construction of building and supply of machinery” under chapter titled “Our Promoters and Promoter Group”

## OUR MANAGEMENT

Page 283 shall be updated as under:

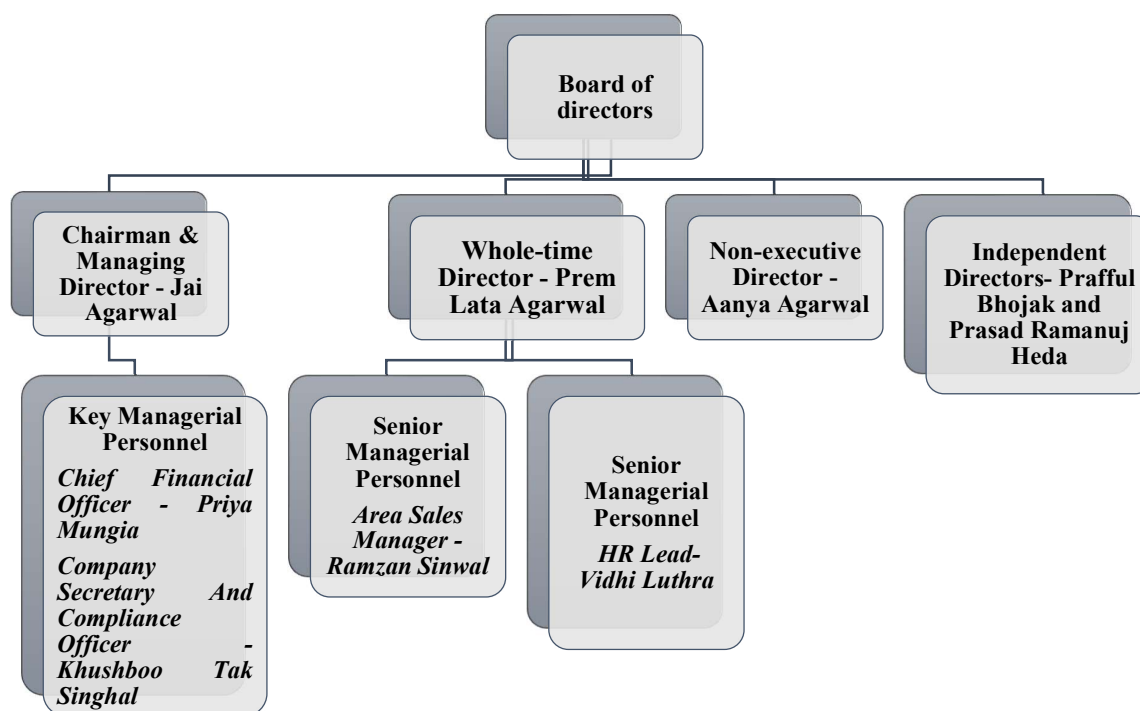
Name of Director	Date of Appointment	Date of Cessation	Reasons of Change/ Appointment
Saurabh Vijayvergia	April 23, 2018	January 28, 2023	Resignation on account of personal reasons.
Santosh Desai	December 31, 2020	May 20, 2025	Resignation on account of personal reasons.

The narrative description of the Board composition under the 'Corporate Governance' section on page 283 shall be updated as under:

As on the date of this Draft Red Herring Prospectus, our Board comprises of 5 (Five) Directors, 1 (one) Managing Director, 1 (one) Whole-time Director, 1 (one) Non-Executive Director and 2 (two) Independent Directors. In compliance with Section 152 of the Companies Act, not less than two thirds of the Directors (excluding Independent Directors) are liable to retire by rotation.

### Management Organization Structure

Set forth is the management organization structure of our Company:





**As on the date of the Draft Red Herring Prospectus**

- A. Neither Promoters nor persons forming part of our Promoter Group, our directors or persons in control of our Company or our Company are debarred from accessing the capital market by SEBI.
- B. None of the Promoters, Directors or persons in control of our Company, has been or is involved as a promoter, director or person in control of any other company, which is debarred from accessing the capital market under any order or directions made by SEBI or any other regulatory authority.
- C. None of Promoters or Directors of our Company are a fugitive economic offender.

## **OUR PROMOTERS AND PROMOTER GROUP**

### **Our Promoters**

The Promoters of our Company are:

1. Jai Agarwal
2. Prem Lata Agarwal
3. Aanya Agarwal

As on the date of this Draft Red Herring Prospectus, our Promoters hold 41,58,999 Equity Shares in aggregate, representing 60.98 % of the pre-Offer issued, subscribed and paid-up Equity Share capital of our Company.

#### **Details of our Promoters are as follows:**

##### ***Jai Agarwal***



Jai Agarwal, aged 42 years, is the Promoter and Managing Director of our Company. He resides at Vishal Namkeen Bhandar, Hanuman Gali, Rani Bazar, Bikaner – 334 001, Rajasthan, India.

The Permanent Account Number of Jai Agarwal is AGJPA5228K.

For complete profile of Jai Agarwal, along with details of his date of birth, educational qualifications, experience in the business/employment, positions/ posts held in the past, directorship held, special achievement, his business and financial activities.

##### ***Prem Lata Agarwal***



Prem Lata Agarwal, aged 46 years, is the Promoter and Whole-time Director of our Company. She resides at Vishal Namkeen Bhandar, Hanuman Gali, Rani Bazar, Bikaner - 334 001, Rajasthan, India.

The Permanent Account Number of Prem Lata Agarwal is AJDPA4963E.

For complete profile of Prem Lata Agarwal, along with details of her date of birth, educational qualifications, experience in the business/employment, positions/ posts held in the past, directorship held, special achievement, her business and financial activities.

### *Aanya Agarwal*



Aanya Agarwal, aged 19 years, is the Promoter and Non-Executive Director of our Company. She resides at Hanuman Gali, Vishal Namkeen Bhandar, Rani Bazar, Bikaner, PO: Bikaner, Distt. Bikaner – 334 001, Rajasthan, India

The Permanent Account Number of Aanya Agarwal is FKWPA5968J.

For complete profile of Aanya Agarwal, along with details of her date of birth, educational qualifications, experience in the business/employment, positions/ posts held in the past, directorship held, special achievement, her business and financial activities.

Our Company confirms that the permanent account numbers, bank account numbers, passport numbers, Aadhaar card numbers and driving license numbers of our Promoters, shall be submitted to the Stock Exchange at the time of filing of this Draft Red Herring Prospectus.

### **Change in control of our Company**

There has not been any change in the control of our Company during the last five years preceding the date of this Draft Red Herring Prospectus. Pursuant to a resolution passed by the Board of Directors in its meeting held on January 30, 2026. In addition to Jai Agarwal & Prem Lata Agarwal. Aanya Agarwal also have been identified as Promoters. Accordingly, our Company has three Promoters as on the date of this Draft Red Herring Prospectus.

### **Other ventures of our Promoters**

The other ventures in which our Promoters are involved are as follows:

#### *Jai Agarwal*

Sl. No.	Name of the entity	Nature of interest
1.	Bhujialalji Private Limited	Director & Shareholder
2.	Kachoree Club Private Limited	Director & Shareholder
3.	Jai Agarwal HUF	Karta

#### *Prem Lata Agarwal*

Sl. No.	Name of the entity	Nature of interest
1.	Bhujialalji Private Limited	Director

#### *Aanya Agarwal*

Sl. No.	Name of the entity	Nature of interest
1.	NIL	NIL

## Interests of Promoters

- (a) Our Promoters are interested in our Company to the extent (i) that they have promoted our Company; (ii) of their respective shareholding in our Company, the shareholding of their relatives and entities in which our Promoters are interested and which holds Equity Shares, to the extent applicable, in our Company; (iii) the dividends payable thereon; and (iv) any other distributions in respect of their shareholding in our Company or the shareholding of their relatives or such entities, if any.

Additionally, our Promoters may be interested in transactions entered into by our Company with other entities (i) in which our Promoters hold shares, or (ii) in which our Promoters are partners or directors; or (iii) which are controlled by our Promoters. For further details of interest of our Promoters in our Company, see ***“Financial Statements- Restated Financial Statements Statement of Related Party Transactions”***.

- (b) Further, Jai Agarwal, Prem Lata Agarwal and Aanya Agarwal, are also interested in our Company in the capacity of Managing Director, Whole-time Director and Non-Executive Director, and may be deemed to be interested in the remuneration, perquisites and allowances payable to them and the reimbursement of expenses incurred by them in the said capacity. For further details, see ***“Financial Statements- Restated Financial Statements”***
- (c) Jai Agarwal and Prem Lata Agarwal, are also interested in our Company to the extent of being subscribers to the Memorandum of Association.
- (d) Except as disclosed in ***“Restated Financial Statements”*** and ***“Financial Indebtedness”***, respectively in this Draft Red Herring Prospectus, our Promoters and members of our Promoter Group have (i) not extended any personal guarantees; (ii) have not provided their personal properties, for securing the repayment of the bank loans obtained by our Company; (iii) are not co-borrowers in certain loans availed by our Company; and (iv) have not advanced unsecured loans to our Company.
- (e) Except as stated in the Section titled “Financial Information – Restated Financial Statements – Notes to Restated Financial Statements – Related Party Disclosures” of the Draft Red Herring Prospectus, our Promoters are not interested as a member of a firm or company which has any interest in our Company. Further, no sum has been paid or agreed to be paid to our Promoters or to any such firm or company in which any of our Promoters are interested as a member, in cash or shares or otherwise by any person either to induce any of our Promoters to become, or qualify them as directors, or otherwise, for services rendered by any of our Promoters or by such firm or company in connection with the promotion or formation of our Company.

### (f) Common Pursuits of our Promoters

Except as disclosed below, there is no conflict of interest between our Company and Promoters or members of our Promoter Group:

Our Promoter Group entities, namely Bhujialalji Private Limited, Kachoree Club Private Limited and Desibites Snacks Private Limited, are engaged in the same industry as that of our Company, being food processing industry, however Bhujialalji Private Limited, Kachoree Club Private Limited and Desibites Snacks Private Limited deals with distinct product segments. Bhujialalji Private Limited is engaged in the manufacturing and sale of namkeen and sweets, and Kachoree Club Private Limited is engaged in manufacturing and sale of various types of kachorees and beverages. Owing to the separate industry segments in which the members of our Promoter Group operate, we do not foresee any conflict of interest. In the event, any conflict arises in the future, our Company shall take appropriate steps to address the same. Our Company has adopted an internal policy framework to regulate and manage any potential conflict of interest. Our Promoters & Directors shall ensure that any conflict of interest in any entity, in which they hold majority control and majority ownership, are prevented and/or addressed in the most appropriate manner. i.e. they will ensure that any entity, in which they hold majority control and majority ownership shall not engage in same line of business as Papadmalji Agro Foods Limited post Company listing unless they receive shareholder approval for the same.

Further, we confirm that our Promoters and Directors does not have any interest in Desibites Snacks Private Limited. *Also, our Promoters and Directors do not hold any shares in Desibites Snacks Private Limited, nor are they serving as directors in Desibites Snacks Private Limited*

Further, we confirm that all the transaction in the past with Bhujialalji Private Limited and Kachoree Club Private Limited have been conducted on an arm's length basis and in the ordinary course of business.

Also, company has entered into non-compete agreements with Bhujialalji Private Limited and Kachoree Club Private Limited to resolve conflict of interest between Promoter group entities.

- (g) No sum has been paid or agreed to be paid to our Promoters or to any firm or company in which our Promoters are interested, in cash or shares or otherwise by any person, either to induce them to become or to qualify them, as a director or Promoter or otherwise for services rendered by the Promoters, or by such firm or company, in connection with the promotion or formation of our Company.
- (h) Except as stated in the Chapter titled "Our Management – Terms of Appointment and Remuneration of our Executive Directors" of the Draft Red Herring Prospectus and Section titled Financial Information – Restated Financial Statements – Notes to Restated Financial Statements – Note 30 – Related Party Disclosures" of the Draft Red Herring Prospectus, there has been no payment or benefits by our Company to our Promoters or members of Promoter Group during the two years preceding the date of this Draft Red Herring Prospectus nor is there any intention to pay or give any benefit to our Promoters or members of Promoter Group as on the date of this Draft Red Herring Prospectus.
- (i) We confirm that except as disclosed in "*Financial Statements- Restated Financial Statements -: Statement of Related Party Transactions*", there is no conflict of interest between the suppliers of raw materials and third party service providers (crucial for operations of our Company) and our Promoters and Promoter Group.
- (j) Our Promoters may be deemed to be interested in the contracts, agreements/arrangements or any other related party transactions entered into or to be entered into by our Company with any company which is promoted by them or in which they are members or in which they hold directorships or any partnership firm in which they are partners in the ordinary course of business, including for purchase/sale of goods and/or services. For further details, please see "*Related Party Transactions*".
- (k) None of our Promoters have any interest, whether direct or indirect, in the properties acquired or proposed to be acquired by our Company in the three years preceding the date of this Draft Red Herring Prospectus with NSE EMERGE.
- (l) There is no conflict of interest between supplier of raw materials (which are crucial for operations of our Company) of the Company and our Promoters and members of our Promoter Group.

#### **Interest in property, land, construction of building and supply of machinery**

Except as disclosed below and in "Interest of Promoters" and "Our Business- Property", of this Draft Red Herring Prospectus, our Promoters have no interests in any property acquired, whether direct or indirect, by our Company,

during the three years preceding the date of this Draft Red Herring Prospectus or proposed to be acquired by our Company, or in the transactions for acquisition of land, construction of building or supply of machinery:

- a) Our Company has taken the office situated at Opp. Manav Bharti School, Gharsisar, Rani Bazar Industrial Area Road, Bikaner- 334 001, Rajasthan, India on rent from our Promoter, Jai Agarwal pursuant to had entered into a rent agreement dated March 11, 2025.
- b) Our Company proposes to set up a new unit on land located at Khasra No. 394/4, Village Bachasar, Tehsil and District Bikaner, Rajasthan-334001, owned by Promoter Mr. Jai Agarwal. A Letter of Intent has been executed, and a separate lease agreement will be entered into to formalize the arrangement.

#### **Payment or benefits to Promoter or Promoter Group**

Except as stated in the Chapter titled “Our Management – Terms of Appointment of our Executive Directors” Draft Red Herring Prospectus and Section titled Financial Information – Restated Financial Statements – Notes to Restated Financial Statements – Note [•]– Related Party Disclosures” of the Draft Red Herring Prospectus, there has been no amount or benefit paid or given, respectively, to our Promoters or members of our Promoter Group during the two years prior to date of this Draft Red Herring Prospectus and no amount or benefit is intended to be paid or given to any of our Promoters or members of our Promoter Group.

#### **Experience of our Promoters in the business of our Company**

Our Promoters hold adequate experience in the business activities undertaken by our Company. For details in relation to experience of our Promoters in the business of our Company, please refer to the chapter titled “Our Management – Brief Biographies of Directors” of this Draft Red Herring Prospectus.

#### **Companies or firms with which our Promoters have disassociated in the last three years**

Our Promoters have not dissociated themselves from any companies or firms in the three years preceding the date of this Draft Red Herring Prospectus.

#### **Material guarantees**

As on the date of this Draft Red Herring Prospectus, our Promoters have not given any material guarantee to any third party with respect to the Equity Shares.

#### **Other confirmations**

Our Promoters and members of Promoter Group have not been declared as Wilful Defaulters or Fraudulent Borrowers.

Our Promoters and members of our Promoter Group have not been debarred or prohibited from accessing the capital markets or debarred from buying, selling or dealing in securities, under any order or direction passed by SEBI or any other regulatory or governmental authority.

Our Promoters are not and have never been promoter, director, or person in control of any other company which is debarred or prohibited from accessing or operating in capital markets under any order or direction passed by SEBI or any other regulatory or governmental authority.

Our Promoters have not been declared as Fugitive Economic Offenders under the provisions of Section 12 of the Fugitive Economic Offenders Act, 2018

Our Promoters and members of our Promoter Group are in compliance with the Companies (Significant Beneficial Ownership) Rules, 2018.

No violations of securities laws have been committed by our Promoters or members of our Promoter Group in the past and no proceedings for violation of securities laws are pending against them.

None of our Promoters or Promoters Group or person in control of our Company has been refused listing of any of the securities issued by such entity by any stock exchange, in India or abroad.

None of our Promoters and members of our Promoter Group have any conflict of interest with the suppliers of raw materials and lessors of immovable properties (crucial for operations of our Company) of the Company.

There is no litigation or legal action pending or taken by any ministry, department of the Government or statutory authority during the last 5 (five) years preceding the date of this Draft Red Herring Prospectus against our Promoter.

## PROMOTER GROUP

Apart from our Promoters, the following individuals and entities constitute our Promoter Group in terms of Regulation 2(1)(pp) of the SEBI ICDR Regulations:

*Natural persons who are part of our Promoter Group (other than our Promoters)*

Name of the Promoter	Members of the Promoter Group	Relationship with the Promoter
Jai Agarwal	Roop Chand Agrawal	Father
	Sarda Devi Agrawal	Mother
	Prem Lata Agarwal	Spouse
	Ravi Agarwal	Brother
	Vijay Agarwal	Brother
	Aadvik Agarwal	Son
	Aarnav Agarwal	Son
	Aanya Agarwal	Daughter
	Late Ram Chandra Agarwal	Spouse's Father
	Rama Devi Agarwal	Spouse's Mother
	Rajender Kumar Agarwal	Spouse's Brother
	Ashok Kumar Agarwal	Spouse's Brother
	Kanchan Devi Agarwal	Spouse's Sister
	Shakuntla Devi Agarwal	Spouse's Sister
Prem Lata Agarwal	Late Ram Chandra Agarwal	Father
	Rama Devi Agarwal	Mother
	Jai Agarwal	Spouse
	Rajender Kumar Agarwal	Brother
	Ashok Kumar Agarwal	Brother
	Kanchan Devi Agarwal	Sister

Name of the Promoter	Members of the Promoter Group	Relationship with the Promoter
	Shakuntla Devi Agarwal	Sister
	Aadvik Agarwal	Son
	Aarnav Agarwal	Son
	Aanya Agarwal	Daughter
	Roop Chand Agrawal	Spouse's Father
	Sarda Devi Agrawal	Spouse's Mother
	Ravi Agarwal	Spouse's Brother
	Vijay Agarwal	Spouse's Brother
Aanya Agarwal	Jai Agarwal	Father
	Prem Lata Agarwal	Mother
	Aadvik Agarwal	Brother
	Aarnav Agarwal	Brother

***Entities forming part of the Promoters' Group:***

Entities forming part of our Promoter Group:

Relationship with the Promoters	Name of Promoter Group
(A) Any Body Corporate in which twenty percent or more of the Equity Share Capital is held by the Promoter or an immediate Relative of the Promoter or a Firm or Hindu Undivided Family in which the Promoter or any one or more of their Relative is a member.	<b>Company</b>
	<ol style="list-style-type: none"> <li>1. Bhujialalji Private Limited</li> <li>2. Kachoree Club Private Limited</li> <li>3. Desibites Snacks Private Limited</li> </ol>
(B) Any Body Corporate in which a Body Corporate as provided in (A) above holds twenty percent or more of the Equity Share Capital.	Nil
(C) Any Hindu Undivided Family or Firm in which the aggregate share of the Promoter and their Relatives is equal to or more than twenty per cent of the Total Capital.	<ol style="list-style-type: none"> <li>1. Jai Agarwal HUF</li> <li>2. Ashok Kumar Agarwal (HUF)</li> </ol>

**Person whose shareholding is aggregated under the heading "Shareholding of the Promoter Group"**



No other person forms part of promoter group for the purpose of shareholding of the Promoter Group under Regulation 2(1)(pp)(v) of the SEBI ICDR Regulations 2018.

#### **OUR GROUP COMPANIES**

As on the date of the Draft Red Herring Prospectus, our Company does not have any Subsidiaries Companies but does have Group Company.

## **SECTION VI- FINANCIAL INFORMATION**

### **RESTATED FINANCIAL INFORMATION**

S. No.	Details	Page No.
1.	Examination Report on Restated-Financial Information	302
2.	Restated Financial Information	305

#### **Annexure VII - Statement of Mandatory Accounting Ratios**

##### **Notes**

**Operating EBITDA** has been calculated as Profit before tax + Depreciation + Interest Expenses - Other Income

The Company respectfully submits that "Return on Equity" and "Return on Net Worth" have different mathematical formulas as follows-

*Return on Equity - Net profits after taxes divided by Average Networth;*

*Return on Networth - Net profit after taxes divided by Networth as at end of the period.*

**The Related Party Transactions ("RPT") disclosure in the RHP will be suitably updated to specifically include:**

1. The business purpose i.e., for working capital requirement for which the unsecured loans from Promoters were utilized; and
2. The applicable annual interest rate of 15% for such borrowings for each relevant financial period.

##### **Nature of expenses reimbursed to Mr. Jai Agarwal and Mrs. Premlata Agarwal**

Nature of expenses reimbursed to Mr. Jai Agarwal and Mrs. Premlata Agarwal (Rs. 2.53 lakhs and Rs. 3.74 lakhs were reimbursed to Mr. Jai Agarwal, and Rs. 0.22 lakhs and Rs. 1.89 lakhs to Mrs. Premlata Agarwal, respectively) as disclosed under the Related Party Transactions for the financial years ended March 31, 2024 and March 31, 2023, pertain primarily to tour and travel expenses incurred by them on behalf of the Company in connection with business operations. These expenditures were incurred for official purposes including, inter alia, business meetings, vendor and customer visits and other administrative and promotional activities undertaken in the ordinary course of business.

### FINANCIAL INDEBTEDNESS

**Secured Borrowings:** The details of the secured loans have been provided below:

Sl. No.	Category of borrowing	Sanctioned Amount	O/s Amount as on December 31, 2025	Rate of Interest	Repayment Terms	Security/Principal terms and conditions
	<b>SECURED BORROWING</b>	<b>(Rs. In Lakhs)</b>	<b>(Rs. In Lakhs)</b>			
<b>(I)</b>	<b>Working Capital- Term Loan</b>					
	<b>Axis Bank</b>	200.00	97.77	7.45%	Repayable in 180 Monthly instalments from 01/02/2024 (179 instalments for Rs. 1,11,100/- and 1 instalment of Rs. 1,13,100/-)	<p><b>A. Primary Security:</b> 1.) First charge by way of hypothecation of stocks and book-debts.</p> <p><b>B. Collateral Security:</b> 1.) First charge by way of equitable mortgage in favour of Axis Bank of all the immovable residential property, owned by the Mr. Jai Agarwal, situated at near railway quarters, Industrial Area, Rani Bazar, Bikaner, Rajasthan - 334001, admeasuring 1,200 sqft. 2.) First charge by way of equitable mortgage in favour of Axis Bank of all the immovable residential property used as industrial property, owned by Mr. Jai Agarwal, situated at Gharsisar Road, Gram Panchayat Shiv Bari, Tehsil - Bikaner, Bikaner, Rajasthan - 334001, admeasuring 7,740 sqft. 3.) First charge by way of equitable mortgage in favour of Axis Bank of all the immovable property (vacant land), owned by the Mr. Jai Agarwal, situated at near Khara Tehsil, District - Bikaner, Bikaner, Rajasthan - 334001, admeasuring 3,000 sqft. 4.) First charge by way of equitable mortgage in favour of Axis Bank of all the immovable residential property, owned by the Mr. Jai Agarwal, situated at near railway quarters, Industrial Area, Rani Bazar, Bikaner, Rajasthan - 334001, admeasuring 1,296 sqft. 5.) First charge by way of equitable mortgage in favour of Axis Bank of all the</p>

						<p>immovable property (vacant land), owned by the Ms. Prem Lata Agarwal, situated at near Khara Tehsil, District - Bikaner, Bikaner, Rajasthan - 334001, admeasuring 11,200 sqft</p> <p>6.) First charge by way of equitable mortgage in favour of Axis Bank of all the immovable residential property used as industrial property, owned by Mr. Jai Agarwal, situated at Gharsisar Road, Gram Panchayat Shiv Bari, Tehsil - Bikaner, Bikaner, Rajasthan - 334001, admeasuring 7,740 sqft</p> <p><b>C. Personal Guarantee</b>  1.) Jai Agarwal  2.) Prem Lata Agarwal</p>
	<b>Total of (I)</b>	200.00	97.77			
<b>(II)</b>	<b>Vehicle Loan</b>					
	<b>ICICI Bank Ltd</b>	29.70	25.67	8.80% (Fixed)	Repayable in 39 Monthly Instalments of Rs. 87,861/-	<b>A. Primary -</b> Hypothecation of the Automobiles - Xev 9e/Pack Three
	<b>Total of (II)</b>	<b>29.70</b>	<b>25.67</b>			
<b>(III)</b>	<b>Working Capital – Cash Credit</b>					
	<b>Axis Bank</b>	890.00	863.91	Repo Rate + 2.25%	Repayable in 12 Months	<p><b>A. Primary Security:</b>  1.) First charge by way of hypothecation on Stock and on book-debts / debtors.</p> <p><b>B. Collateral Security:</b>  1.) First charge by way of equitable mortgage in favour of Axis Bank of all the immovable residential property, owned by the Mr. Jai Agarwal, situated at near railway quarters, Industrial Area, Rani Bazar, Bikaner, Rajasthan - 334001, admeasuring 1,200 sqft.  2.) First charge by way of equitable mortgage in favour of Axis Bank of all the immovable residential property used as industrial property, owned by Mr. Jai Agarwal, situated at Gharsisar Road, Gram Panchayat Shiv Bari, Tehsil - Bikaner, Bikaner, Rajasthan - 334001, admeasuring 7,740 sqft,  3.) First charge by way of equitable mortgage in favour of Axis Bank of all the</p>

					<p>immovable property (vacant land), owned by the Mr. Jai Agarwal, situated at near Khara Tehsil, District - Bikaner, Bikaner, Rajasthan - 334001, admeasuring 3,000 sqft.</p> <p>4.) First charge by way of equitable mortgage in favour of Axis Bank of all the immovable residential property, owned by the Mr. Jai Agarwal, situated at near railway quarters, Industrial Area, Rani Bazar, Bikaner, Rajasthan - 334001, admeasuring 1,296 sqft.</p> <p>5.) First charge by way of equitable mortgage in favour of Axis Bank of all the immovable property (vacant land), owned by the Ms. Prem Lata Agarwal, situated at near Khara Tehsil, District - Bikaner, Bikaner, Rajasthan - 334001, admeasuring 11,200 sqft</p> <p>6.) First charge by way of equitable mortgage in favour of Axis Bank of all the immovable residential property used as industrial property, owned by Mr. Jai Agarwal, situated at Gharsisar Road, Gram Panchayat Shiv Bari, Tehsil - Bikaner, Bikaner, Rajasthan - 334001, admeasuring 7,740 sqft</p> <p><b>C. Personal Guarantee</b></p> <p>1.) Jai Agarwal</p> <p>2.) Prem Lata Agarwal</p>
	<b>Total of (III)</b>	<b>890.00</b>	<b>863.91</b>		
	<b>Total of Secured Borrowings (I+II+III)</b>	<b>1,119.70</b>	<b>987.35</b>		

**UNSECURED BORROWINGS** -As on December 31, 2025, our Company has availed unsecured loans, the details of which are as under:

Sl. No.	Category of borrowing	Sanctioned amount	O/s Amount as on December 31, 2025	Rate of Interest	Repayment terms	Security/ principle terms and conditions
	<b>UNSECURED BORROWING</b>	(Rs. In Lakhs)	(Rs. In Lakhs)			
<b>(I)</b>	Jai Agarwal	5.12	5.12	15% p.a	Repayment on Demand	NA
	Total of (I)					
	Total unsecured borrowing <b>(I+II+III)</b>					
	Total borrowings	<b>1,124.82</b>	<b>992.47</b>			

Sl. No.	Category of borrowing	O/s Amount as on December 31, 2025
	<b>UNSECURED BORROWING (From Directors)</b>	
	<b>Jai Agarwal</b>	<b>5.12 (Rs. In Lakhs)</b>
(I)	Nil	-
(II)	Nil	-
	<b>Total of Unsecured Borrowings (From Directors)</b>	<b>5.12 (Rs. In Lakhs)</b>

## MANAGEMENT'S DISCUSSION AND ANALYSIS OF FINANCIAL POSITION AND RESULTS OF OPERATIONS

### KEY PERFORMANCE INDICATORS ("KPI's")

Our Company confirms that it shall continue to disclose all the KPIs included in this section on a periodic basis, at least once in a year (or any lesser period as determined by the Board of our Company), for a duration of one year after the date of listing of the Equity Shares on the Stock Exchange or till the complete utilisation of the proceeds of the Fresh Issue as per the disclosure made in the *Objects of the Offer* section, whichever is later or for such other duration as may be required under the SEBI ICDR Regulations.

The KPIs disclosed below have been approved by a resolution of our Audit Committee dated November 29, 2025 and the members of the Audit Committee have verified the details of all KPIs pertaining to the Company. Further, the members of the Audit Committee have confirmed that there are no KPIs pertaining to our Company that have been disclosed to any investors at any point of time during the three year period prior to the date of filing of this Draft Red Herring Prospectus. Further, the KPIs herein have been certified by M/s. GGPS and Associates, **Chartered Accountants**, by their certificate dated November 29, 2025, who hold a valid certificate issued by the Peer Review Board of the ICAI. The Restated Financial Statement dated October 30, 2025 has been included in the Chapter titled '*Material Contracts and Documents for Inspection*' beginning on page 466 of this Draft Red Herring Prospectus.

The KPIs disclosed below have been used historically by our Company to understand and analyze the operational and the financial performance, which in result, helps it in analyzing the growth of various verticals, and other relevant and material KPIs of the business of our Company that have a bearing on arriving at the Basis for Offer Price, have been disclosed below.

The Applicants can refer to the below-mentioned Key Performance Indicators, being a combination of financial and operational Key Performance Indicators, to make an assessment of our Company's performances and make an informed decision.

#### KPI of our Company-

(Amount ₹ In Lakhs except Percentages)

Sr. No	Particulars	For the period ended 30th June, 2025#	As of and for the Fiscal		
			2025	2024	2023
1	Revenue From Operation (₹ in Lakhs)	809.81	3175.09	2627.19	2499.18
2	Year-on-year growth in Revenue from Operation (%)*	-	20.85	5.12	8.96
3	Total Income (₹ in Lakhs)	809.84	3176.00	2628.79	2500.40
4	Year-on-year growth in Total Income (%)*	-	20.82	5.13	8.87
5	Operating EBITDA (₹ in Lakhs)	233.31	598.23	330.63	159.49
6	Operating EBITDA Margin (%)	28.81	18.84	12.58	6.38
7	Year-on-year growth in Operating EBITDA (%)*	-	80.94	107.30	(1.24)
8	Profit/(loss) after tax for the year (₹ in Lakhs)	180.60	472.44	210.76	25.41
9	Net profit Ratio / PAT Margin (%)	22.30	14.88	8.02	1.02
10	Year-on-year growth in Profit/(loss) after tax for the year (%)*	-	124.16	729.44	8.27
11	Return on Equity (ROE) (%)	15.26	55.15	40.92	6.36
12	Debt To Equity Ratio	0.70	0.82	1.66	1.59
13	Debt Service Coverage Ratio	0.24	0.13	0.06	0.05
14	Return on Capital Employed (%)	15.16	44.51	32.26	20.30



15	Current Ratio	1.88	1.72	1.48	1.04
16	Net Working Capital Turnover Ratio	0.82	4.48	9.37	(1044.72)
17	Earnings Per Share (EPS)(In Rs.)	2.65	6.93	3.09	0.37
18	Year-on-year growth in EPS (%)*	-	124.27	735.14	8.82
19	Net worth	1273.52	1092.92	620.48	409.73
<b>Operational KPI's</b>					
20	Number of Manufacturing Facilities	2	2	2	2
21	Installed Capacity (in Kgs.)-				
	Machine Made Papad	227500	912500	912500	912500
	Moongodi	54600	219000	219000	219000
	Rice Papad (Khichiya)	273000	1095000	1095000	1095000
	Actual Production (in Kgs.)-				
	Machine Made Papad	134400	628320	591360	470400
	Moongodi	8232	36960	50400	49728
	Rice Papad (Khichiya)	246120	907200	900480	873600
	Capacity Utilization (in %)				
	Machine Made Papad	59.08%	68.86%	64.81%	51.55%
	Moongodi	15.08%	16.88%	23.01%	22.71%
	Rice Papad (Khichiya)	90.15%	82.85%	82.24%	79.78%
22	Number of Employees	129	110	106	106

<sup>#</sup>Not Annualized

*\*As certified by M/s. GGPS and Associates, Chartered Accountants pursuant to their certificate dated November 29, 2025, the Audit committee in its resolution dated November 29, 2025 has confirmed that the Company has not disclosed any KPIs to any investors at any point of time during the three years preceding the date of this Draft Red Herring Prospectus other than as disclosed in this Section.*

**Notes:**

- Revenue from Operations means the Revenue from Operations as appearing in the Restated Financial Statements.*
- Total Income as appearing in the Restated Financial Statements of the companies*
- Operating EBITDA refers to earnings before interest, taxes, depreciation, amortisation, gain or loss from discontinued operations and exceptional items. Operating EBITDA excludes other income.*
- Operating EBITDA Margin refers to operating EBITDA during a given period as a percentage of revenue from operations during that period.*
- PAT is the profit for the year from continuing operations as appearing in the Restated Financial Statements of the company*
- Net Profit Ratio/PAT Margin quantifies our efficiency in generating profits from our revenue and is calculated by dividing our net profit after taxes by our revenue from operations.*
- Return on equity (ROE) is equal to profit for the year divided by the total average equity during that period and is expressed as a percentage.*
- Debt to equity ratio is calculated by dividing the Total debt (i.e., Total borrowings) by total equity (Shareholders' Fund).*
- Debt Service Coverage Ratio measures our ability to make interest payments from available earnings and is calculated by dividing EBITDA by Debt service (Principal + Interest+ Lease Rentals).*
- RoCE (Return on Capital Employed) (%) is calculated as Earning Before Interest and Tax divided by Capital Employed (i.e. Net worth + Long Term Debt (including the current maturities of long term borrowings) - Intangible Assets – Deferred Tax Asset + Deferred Tax Liability).*
- Current Ratio is a liquidity ratio that measures our ability to pay short-term obligations (those which are due within one year) and is calculated by dividing the current assets by current liabilities.*

- l. *Net Working Capital Turnover Ratio quantifies our effectiveness in utilizing our working capital and is calculated by dividing our revenue from operations by our Average working capital (i.e., current assets less current liabilities)*
  - m. *EPS is calculated as PAT of relevant year divided by Average number of Equity Share (As the Company has allotted bonus shares vide EGM dated September 23,, 2025, in the ratio of 8 shares for every 1 share held. Weighted average number of equity shares has been adjusted as if the event has occurred in the beginning of earliest reporting period for year on year comparison)*
  - n. *Net worth is a snapshot of financial stability at a given point in time and is useful for assessing financial progress and making informed financial decisions. The formula is Net worth = Total Assets – Total Liabilities.*
  - o. *Number of manufacturing facilities are strategically located in Bikaner, the state of Rajasthan, India.*
  - p. *Installed Capacity (in Kgs.) represents maximum production capabilities of our manufacturing facilities under ideal operating conditions;*
  - q. *Actual production (in Kgs.) represents actual output achieved by our facilities during the given period.*
  - r. *Capacity utilization (in %) indicates the extent to which the installed capacity has been utilized, reflecting operational efficiency.*
  - s. *Number of employees represents the employees working as on the last date of each stated period.*
- \* Year-on-year growth is calculated as (Relevant Year Amount/ number minus Previous Year Amount/ number) divided by Previous Year Amount/number*

***Set forth the description of historic use of the KPIs by our Company to analyses, track or monitor the operational and/or financial performance of our Company.***

For evaluation of our business, we consider that the KPIs, as presented above, as additional measures to review and assess our financial and operating performance. These KPIs have limitations as analytical tools and presentation of these KPIs should not be considered in isolation or as a substitute for the Restated Standalone Financial Information. Further, these KPIs may differ from the similar information used by other companies, including peer companies, and hence their comparability may be limited. Although these KPIs are not a measure of performance calculated in accordance with applicable accounting standards, our Company's management believes that it provides an additional tool for investors to use our operating results and trends and in comparing our financial results with other companies in our industry as it provides consistency and comparability with past financial performance.

KPI	Explanations
Revenue from Operations (₹ in Lakhs)	Revenue from Operations is used by our management to track the revenue profile of the business and in turn helps assess the overall financial performance of our Company and Size of our business.
Growth in Revenue from Operations (%)	Revenue Growth informs the management of annual growth rate i.e. Rate at which Company's revenue are growing on annual basis.
Total Income (₹ in Lakhs)	Total Income is used to track the total revenue generated by the business including other income.
Growth in Total Income (%)	Total Income Growth informs the management of annual growth rate i.e. Rate at which Company's total income are growing on annual basis.
Operating EBITDA (₹ in Lakhs)	Operating EBITDA provides information regarding the operational efficiency of the business.
Operating EBITDA Margin (%)	Operating EBITDA Margin is an indicator of the operational profitability and financial performance of our business.
Growth in EBITDA (%)	EBITDA Growth means the annual growth rate in EBITDA during the term determined

Profit After Tax for the year (₹ in Lakhs)	Profit after tax provides information regarding the overall profitability of the business.
Net Profit Ratio/PAT Margin (%)	PAT Margin is an indicator of the overall profitability and financial performance of our business.
Growth in Net Profit Ratio/PAT (%)	PAT Growth means the annual growth rate in PAT during the Term determined
Return on Equity (ROE) (%)	RoE provides how efficiently our Company generates profits from shareholders' funds.
Debt To Equity Ratio	Debt-to-equity (D/E) ratio is used to evaluate company's financial leverage.
Debt Service Coverage Ratio	The debt service coverage ratio is a debt service and profitability ratio used to determine how easily a company can pay interest and principal on its outstanding debt.
Return on Capital Employed (ROCE) (%)	ROCE provides how efficiently our Company generates earnings from the capital employed in the business.
Current Ratio	It shows management how business can maximize the current assets on its Balance Sheet to satisfy its current debt and other payables.
Net Working Capital Turnover Ratio	This metric enables us to track the how effectively company is utilizing its working capital to generate revenue.
Earnings Per Share (EPS) (In Rs.)	EPS is calculated as PAT of relevant year divided by Average number of Equity Share.
Growth in Earning Per Share (%)	Earning Per Share (EPS) Growth means the annual growth rate in Earning Per Share (EPS) during the Term determined
Net worth	Net worth is a snapshot of financial stability at a given point in time and is useful for assessing financial progress and making informed financial decisions. The formula is Net worth = Total Assets – Total Liabilities.
No. of Manufacturing Facilities	Number of manufacturing facilities are strategically located in Bikaner, the state of Rajasthan, India
Installed Capacity	Represents the maximum production capability of our manufacturing facilities under ideal operating conditions.
Actual Production	Refers to the actual output achieved by our facilities during the given period.
Capacity Utilization	Indicates the extent to which the installed capacity has been utilized, reflecting operational efficiency.
Number of Employees	Indicates the number of employees working as on the last date of each stated period.

#### Operational KPIs of the Company\*

Revenues	For the period ended	Fiscal		
	June 30, 2025	2025	2024	2023

	Amount (₹ in lacs)	Percentage of Revenue from Operations (%)	Amount (₹ in lacs)	Percentage of Revenue from Operations (%)	Amount (₹ in lacs)	Percentage of Revenue from Operations (%)	Amount (₹ in lacs)	Percentage of Revenue from Operations (%)
Top 1 Customer	149.24	18.43%	629.97	19.84%	409.88	15.59%	395.52	15.82%
Top 3 Customers	329.11	40.64%	1251.51	39.41%	954.90	36.35%	819.66	32.80%
Top 5 Customers	462.65	57.13%	1696.76	53.43%	1420.24	54.06%	1220.49	48.84%
Top 10 Customers	591.89	73.09%	2198.74	69.25%	1829.83	69.65%	1607.58	64.32 %

*\*As certified by M/s GGPS and Associates, Chartered Accountants, Bikaner, Peer Reviewed Statutory Auditor of our Company, pursuant to their certificate dated November 29, 2025.*

Purchases	For the period ended		Fiscal					
	June 30, 2025		2025		2024		2023	
	Amount (₹ in lacs)	Percentage of Purchases (%)	Amount (₹ in lacs)	Percentage of Purchases (%)	Amount (₹ in lacs)	Percentage of Purchases (%)	Amount (₹ in lacs)	Percentage of Purchases (%)
Top 1 Supplier	91.93	15.44%	346.52	16.14%	281.14	13.00%	173.12	9.49%
Top 3 Suppliers	213.82	35.92%	607.65	28.30%	734.09	33.95%	409.39	22.45%
Top 5 Suppliers	286.50	48.13%	826.79	38.51%	998.83	46.19%	612.28	33.58%
Top 10 Suppliers	399.74	67.16%	1165.76	54.29%	1458.28	67.44%	927.72	50.87%

*As certified by the Peer Reviewed Statutory Auditor M/s GGPS and Associates, Chartered Accountants, Bikaner vide certificate dated November 29, 2025*

#### Explanation for KPI Metrics

KPI	Explanation
Contribution to revenue from operations of top 1/3/5/10 customers	This metric enables us to track the contribution of our key customers to our revenue and also assess any concentration risks.
Contribution to purchase of raw materials from top 1/3/5/10 suppliers	This metric enables us to track the purchase of raw materials from our key suppliers and also assess any concentration risks.

#### REVIEW OF RESTATED FINANCIALS

##### Balance Sheet Items

**Long / Short Term Borrowings:** Our borrowings mainly include cash credit loan, secured term loan and freshly sanctioned vehicle loan, availed to support day to day operational requirement. Our long-term borrowings has increased from ₹31.40 lakhs in FY 2022–23 to ₹287.13 lakhs in FY 2023–24, but decreased to ₹168.87 lakhs in FY 2024–25. The significant increase in long-term borrowings during FY 2023–24 was primarily to fund our general business operations and addition of new machinery, aimed at strengthening our growth trajectory. The subsequent reduction in FY 2024–25 reflects partial repayment and optimization of borrowings. Similarly, our short-term borrowings, rose from ₹619.57 lakhs to ₹740.70 lakhs between FY

2022-23 and FY 2023-24, but decreased to ₹728.25 lakhs in FY 2024-25. Short-term borrowings are largely in the form of working capital facilities such as cash credit, taken to support the increased scale of operations and higher working capital cycle requirements. The marginal reduction in FY 2024-25 indicates improved internal accruals and better working capital management despite growth in volumes. Emphasis will continue on improving operating cash flows, thereby gradually reducing dependence on high-cost borrowing.

#### **Unsecured Loans from Promoters**

*During Fiscal 2025, the Company availed unsecured loans aggregating to ₹458.40 lakhs from certain Promoters to support its short-term working capital requirements. These loans were extended on a need-basis to address temporary liquidity gaps arising from increased scale of operations, higher inventory holding, and extended credit periods offered to customers in the ordinary course of business.*

*As the Company's operational cash flows strengthened and internal accruals improved during the year, the Company repaid an aggregate amount of ₹672.42 lakhs to the Promoters in Fiscal 2025, which included repayment of loans availed during the year as well as outstanding balances from earlier periods.*

*The unsecured loans from Promoters have historically served as a flexible and timely source of funding, enabling the Company to manage its working capital cycle efficiently. These transactions were undertaken on mutually agreed commercial terms and have been appropriately disclosed in the financial statements in accordance with applicable accounting standards.*

**Inventories:** Inventories represent a critical element of the company's working capital, facilitating uninterrupted supply of raw materials supports smooth production and timely order fulfilment of finished goods to meet customer demand. Our inventories increased from ₹ 879.23 lakhs to ₹ 1,468.97 lakhs from FY 2022-23 to FY 2023-24, and further increased to ₹ 1,814.66 lakh in FY 2024-25. While inventories rose significantly between FY 2023 to FY 2025, sales also witnessed healthy growth momentum, particularly in FY 2025. The inventory build-up was a strategic measure to support anticipated demand, minimize supply disruptions, and manage raw material price volatility.

*During Fiscal 2024, the Company's inventory increased significantly primarily due to a strategic build-up of raw materials and finished goods to support anticipated supplies to institutional customers, including the proposed onboarding with Kendriya Police Kalyan Bhandar (KPKB), and the expansion of distribution through modern trade and newly opened channels of existing customers. The Company undertook higher procurement of key raw materials to ensure production continuity and timely fulfilment of expected orders, which also led to a corresponding increase in finished goods inventory. While Revenue from Operations grew moderately by 5.12%, the inventory levels rose by 67% (from Rs. 879.23 lakhs in Fiscal 2023 to Rs. 1,468.97 lakhs in Fiscal 2024) in advance of sales realization due to longer supply cycles and stocking requirements associated with modern trade and institutional channels. Consequently, the increase in inventory during Fiscal 2024 was largely operational and forward-looking in nature, arising from planned procurement and production aligned with demand visibility, resulting in a temporary working capital cycle mismatch rather than any slowdown in demand or operational inefficiency.*

#### **Summary of major items of Income and Expenditure:**

Revenue from Operations: Our company is generating revenue mainly from (i) sale of food products, in particular papad, moongodi, Rice Papad (khichiya) and others; and (ii) sale of traded goods. Our revenue from operations are 100.00%, 99.97%, 99.94% and 99.95% of total income for the period ended June 30, 2025 and financial year ended 2024-25, 2023-24 and 2022-23.

*(Amount in ₹ Lakhs)*

Particulars	For the period ended 30 June, 2025	For the year ended 31 March, 2025	For the year ended 31 March, 2024	For the year ended 31 March, 2023
<b>Sale of Products:</b>				

Finished goods	728.15	2,727.57	2,549.21	2,463.36
Other operating revenues*	81.66	447.52	77.99	35.83
<b>Total</b>	<b>809.81</b>	<b>3175.09</b>	<b>2,627.19</b>	<b>2,499.18</b>

#### **Performance of White Labelling Business Segment**

“Revenue from the White Labelling segment decreased from ₹515.08 lakhs (20.61% of total revenue from operations) in Fiscal 2023 to ₹145.60 lakhs (4.59% of total revenue from operations) in Fiscal 2025, representing a decline of approximately 71.7%. The decline was primarily due to a strategic shift in focus towards strengthening the Company’s own branded product portfolio and expanding its distribution network, including increased penetration in modern trade and organized retail. White labelling arrangements generally offer lower margins and limited brand visibility compared to in-house branded products.

Accordingly, the reduction reflects a deliberate business decision to prioritize higher-margin and sustainable growth segments. The Company may continue selective white labelling assignments; however, this segment is not expected to constitute a significant portion of revenue going forward.”

#### **Details for the period ended June 30, 2025**

**Total Income:** - Total Income for the period ended June 30, 2025 was ₹ 809.84 Lakhs comprising of (a) Revenue from operations (Net) for ₹809.81 Lakhs and; (b) Other Income for ₹0.03 Lakhs.

*(Amount in ₹ Lakhs)*

<b>Particulars</b>	<b>For the period ended 30 June, 2025 (₹ In Lakhs)</b>
(a) Revenue from operations	809.81
(b) Other Income	0.03
<b>Total Income</b>	<b>809.84</b>

**Revenue from Operations:** Our company is generating revenue mainly from (i) sale of food products, in particular papad, moongodi, Rice Papad (khichiya) and others; and (ii) sale of traded goods. Our revenue from operations are 100.00% of the total income for the period ended June 30, 2025.

*(Amount in ₹ Lakhs)*

<b>Particulars</b>	<b>For the period ended 30 June, 2025</b>
<b>Sale of Products:</b>	
Finished goods	728.15
Other operating revenues*	81.66
<b>Total</b>	<b>809.81</b>

\*Other operating revenue mainly includes revenue from sourcing and distribution.

**Other Income:** - The detailed breakup of other income is presented for the specified period as follows:

*(Amount in ₹ Lakhs)*

Particulars	For the period ended 30 June, 2025
Other income	0.03
<b>Total</b>	<b>0.03</b>

**Total Expenses:** Our total expense is ₹ 604.04 lakhs for the period ended June 30, 2025. Our expenses comprise Cost of materials consumed; Purchase of Stock-in-trade; Changes in Inventories of Finished Goods; Employee Benefits expense; Depreciation & Amortisation expenses; Finance costs; and Other Expenses. Our total expense is 74.59% of total income for the period ended June 30, 2025.

**Cost of Materials Consumed:** Our Cost of material consumed is ₹ 341.40 lakhs, representing 42.16% of total income for the period ended June 30, 2025. The subsequent table sets forth a breakdown of our cost of materials consumed for the periods indicated:

**Consumption of Raw Material-**

*(Amount in ₹ Lakhs)*

Particulars	For the period ended 30 June, 2025
Inventories at the beginning of the year	686.53
Purchase of Raw material	390.93
Inventories at the end of the year	743.53
<b>Total (A)</b>	<b>333.93</b>

**Consumption of Packing Material-**

*(Amount in ₹ Lakhs)*

Particulars	For the period ended 30 June, 2025
Inventories at the beginning of the year	743.40
Purchase of packing material	55.47
Inventories at the end of the year	791.40
<b>Total (B)</b>	<b>7.47</b>
<b>Total Cost of Material Consumed (A+B)</b>	<b>341.40</b>

**Changes in Inventories of Finished goods and Stock-in-Trade:** - Our changes in inventory of finished goods and stock-in-trade is (₹ 124.97 lakhs), representing (15.43%) of total income for the period ended June 30, 2025. The following table sets forth a breakdown of changes in inventories of Finished Goods and Stock-in-trade for the periods indicated:

*(Amount in ₹ Lakhs)*

Particulars	For the period ended 30 June, 2025
Inventories at the beginning of the year	384.73
Inventories at the end of the year	509.70

<b>Total</b>	<b>(124.97)</b>
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**Employee Benefit Expenses:** - Our employee benefit expenses is ₹ 91.78 lakhs, representing 11.33% of total income for the period ended June 30, 2025. The following table sets forth a breakdown of our employee benefits expense for the periods indicated:

*(Amount in ₹ Lakhs)*

<b>Particulars</b>	<b>For the period ended 30 June, 2025</b>
Salary, wages and other allowances	64.06
Director Remuneration	17.70
Contribution to PF and other fund	3.52
Gratuity expense	2.58
Staff Welfare Expenses	3.92
<b>Total</b>	<b>91.78</b>

**Depreciation, Amortization and Impairment Expenses:** - Our depreciation, amortization and impairment expenses is ₹ 9.53 lakhs, representing 1.18% of total income for the period ended June 30, 2025. The segregation of depreciation and amortization expenses is described as follows:

*(Amount in ₹ Lakhs)*

<b>Particulars</b>	<b>For the period ended 30 June, 2025</b>
Depreciation & Amortization Expenses	9.53
<b>Total</b>	<b>9.53</b>

**Finance Costs:** - Our finance cost is ₹ 18.00 lakhs, representing 2.22% of total income for the period ended June 30, 2025. Bifurcation of finance costs is described below:

*(Amount in ₹ Lakhs)*

<b>Particulars</b>	<b>For the period ended 30 June, 2025</b>
Interest paid to Bank	17.66
Bill Discounting	-
Interest paid to Others	0.21
Bank Charge and Loan Processing Charges	0.13
<b>Total</b>	<b>18.00</b>

**Other expenses:** - Our other expenses stood at ₹ 119.48 lakhs, representing 14.75% of total income for the period ended June 30, 2025. The following table sets forth a breakdown of our other expenses for the periods Indicated:

*(Amount in ₹ Lakhs)*

<b>Particulars</b>	<b>For the period ended 30 June, 2025</b>
Audit Fee	1.00
Power and Fuel Expenses	20.37



Particulars	For the period ended 30 June, 2025
Contractual Charges	57.22
<b>Repair and Maintenance:</b>	
Repair and Maintenance - Plant and Machinery	2.08
Repair and Maintenance - Others	2.22
Insurance Expenses	0.74
Donation	0.02
Rates & Taxes	0.12
Legal & Professional Fees	1.49
Rent	5.42
Business Promotion Expenses	4.82
Travelling Expenses	2.54
Freight Outward	16.87
Bad Debts written off	0.02
Other Expenses	4.56
<b>Total</b>	<b>119.48</b>

**Restated Profit before Extraordinary Item, Exceptional Items & Tax:-** Restated Profit before Exceptional Items, Extraordinary Item & Tax is ₹ 205.81 lakhs for the period ended June 30, 2025.

**Profit after Tax: -** The Company had reported net profit after tax of ₹ **180.60** lakhs for the period ended June 30, 2025. When analyzing the Restated Profit After Tax (PAT) in proportion to the total income, it is observed that for the period ended June 30, 2025 PAT represented 22.30% of the total income. Here are the factors contributing to higher PAT margin.

Rationale for Increase in PAT Margin for the Period Ended 30 June 2025 as follows –

Particulars	For the period ended June 30, 2025	% of Total Income	For the year ended 31-03-2025	% of Total Income	Remarks
Revenue from operations	809.81	100.00%	3,175.09	99.97%	There is a marginal increase in revenue from operation during the stub period June 30, 2025. Our revenue from operations increased to 100.00% (appx) of total income during the peioed ended June 30, 2025 from 99.97% in the fiscal 2025 primarily on account of increase in sale of papads. This growth was driven by company's consistent focus on strengthening its core product "Papads" and expanding its customer reach. Sale thorough general trade grew to 62.74% of the total revenue during the period ended June 30, 2025 from 61.90% in the fiscal 2025, supported by growth in the sale throguh quick commerce which resembles 1.54% of the total revenue during the period ended June 30, 2025 from 0.82% in the fiscal 2025. During the period ended 30 June 2025, the Company derived approximately 88.36% of its revenue from papad products (including handmade papads, machine-made papads, rice papads and vrat special papads), as compared to 84.83% during Fiscal 2025.
Other Income	0.03	0.00%	0.91	0.03%	There is a marginal decrease in other income in Stub period June 25 as compared to March 25.
<b>Total Income</b>	<b>809.84</b>	<b>100.00%</b>	<b>3,176.00</b>	<b>100.00%</b>	
<b>Expenses :-</b>					

Cost of Material Consumed	341.40	42.16%	1,609.53	50.68%	<p>During the period ended June 30, 2025, the cost of materials consumed decreased to 42.16% of total income, as compared to 50.68% in the financial year ended March 31, 2025, despite revenue remaining largely stable. This reduction is primarily attributable to improved operational efficiencies, better inventory management, and a favorable change in product and channel mix, as explained below:</p> <p><b>Improved Inventory Management and Cost Controls</b> During the period, the Company strengthened its inventory planning and monitoring processes, resulting in reduced wastage, improved raw material utilization, and better alignment between procurement and production schedules. In parallel, the Company undertook focused cost-control initiatives across procurement, production planning, and recipe optimization, which helped lower the effective cost of materials consumed without compromising product quality.</p> <p><b>Increase in General Trade Penetration in Rajasthan</b> The Company witnessed growth in General Trade sales, particularly in Rajasthan, which contributed to improved scale efficiencies:  - Number of distributors increased from 48 as of March 31, 2025 to 50 as of June 30, 2025.  - Number of retail outlets covered through distributors increased from approximately 3,400 to 3,500 during the same period.  - Number of wholesalers increased from 12 to 15, while retail outlets covered through wholesalers increased from approximately 580 to 600. The expansion of the distribution network led to higher throughput and better absorption of fixed and semi-variable production costs, thereby positively impacting material cost ratios.</p> <p><b>Favorable Change in Product Mix – Higher Share of Rice Papad</b> During the period, the contribution of rice papad, which has a relatively lower material consumption cost compared to other papad variants, increased from 23.07% of total revenue from operations in FY 2025 to 27.71% during the period ended June 30, 2025. This favorable shift in product mix contributed to an overall reduction in the cost of materials consumed as a percentage of income.</p> <p><b>Improved Capacity Utilisation for Rice Papad Production</b> Capacity utilization for rice papad production improved from 82.85% in FY 2025 to 90.15% during the period ended June 30, 2025. Higher utilization levels resulted in more efficient consumption of raw materials and better economies of scale, further supporting margin improvement.</p> <p><b>Recipe Evaluation and Optimization</b> The Company undertook a structured evaluation of its product recipes to optimize ingredient combinations and reduce input costs, while maintaining taste, quality, and compliance with applicable food safety standards. These initiatives led to sustainable reductions in material costs across select product categories.</p> <p>Overall, the decrease in the cost of materials consumed during the period ended June 30, 2025 is the outcome of strategic operational initiatives, including expanded distribution reach, improved capacity utilization, favorable product mix, and disciplined cost management, rather than any one-time or non-recurring factor.</p>
Purchase of Stock-In-Trade	148.82	18.38%	294.37	9.27%	<p>Our purchase of stock in trade for the period ending June 30, 2025 is 18.38% of the total revenues as compared to 9.27% in the fiscal 2025. This rise is mainly due to higher procurement aligned with enhanced sales volumes of the trading goods.</p>
Changes in inventories of finished goods, and Stock-in-Trade	-124.97	-15.43%	-102.11	-3.22%	<p>Changes in inventories tends to be more positive as it declined to (15.43%) of total income during the period ended June 30, 2025, compared to (3.21%) in the fiscal 2025. The inventory of finished goods and trading goods have been grew to cater the growing demand of Papads, specifically the handmade papad which grew to 38.26% of total income during the period ended June 30, 2025, compared to 36.14% in the fiscal 2025; Rice papad (Khichiya) which grew to 27.71% of total income during the period ended June 30, 2025, compared to 23.07% in the fiscal 2025 and other trading items which</p>

					grew to 8.23% of total income during the period ended June 30, 2025, compared to 4.22% in the fiscal 2025.
Employee Benefit Expenses	91.78	11.33%	314.06	9.89%	
Finance Cost	18	2.22%	92.06	2.90%	Finance costs were also comparatively lower as a percentage of total income, reducing to 2.22% for the period ended June 30, 2025 from 2.90% in the financial year ended March 31, 2025. The finance cost of the company is dependent on RBI Repo Rate plus extended rate determined by bank. Thus, the decrease in finance cost is due to decrease in RBI Repo Rate which has changed from 6.25% to 6.00% in April 2025 and further reduced to 5.50% in June 2025.
Depreciation & Amortization Expenses	9.53	1.18%	35.15	1.11%	Depreciation & Amortization expenses, however, increased marginally due to purchase of new vehicle and other few assets amounting to ₹36.00 lakhs during the period ended June 30, 2025.
Other Expenses	119.48	14.75%	461	14.52%	Other overheads remained largely stable in absolute terms relative to revenue, indicating improved cost efficiency, reflecting better working capital management and lower reliance on short-term borrowings during the period. Other expenses includes multiple heads of administrative overhead expenses. In absolute term, other expenses marginally increased from 14.52% in FY 2025 to 14.75% during the period ended June 30, 2025.  Major variations under the other expenses includes (i) Power and fuel expenses decreased from 2.91% of total income in FY 2025 to 2.52% in period ended June 30, 2025, (ii) Reduction in expenses of Freight Outward which reduced from 2.53% of total income in FY 2025 to 2.08% in period ended June 30, 2025, (iii) reduction in Legal and Professional fee which reduced from 0.27% of total income in FY 2025 to 0.18% of total income in period ended June 30, 2025, (iv) reduction in business promotion expenses from 0.95% in FY 2025 to 0.59% in period ended June 30, 2025, (v) reduction in rate and taxes from 0.19% of total income in FY 2025 to 0.01% in period ended June 30, 2025.
<b>Total Expenses</b>	<b>604.04</b>	<b>74.59%</b>	<b>2,704.07</b>	<b>85.14%</b>	Total expenses constituted 74.59% of total income for the period ended June 30, 2025, as compared to 85.14% in the financial year ended March 31, 2025.
<b>Profit Before Tax</b>	<b>205.81</b>	<b>25.41%</b>	<b>471.93</b>	<b>14.86%</b>	
<b>Tax Expenses</b>	<b>25.2</b>	<b>3.11%</b>	<b>-0.51</b>	<b>-0.02%</b>	
<b>Profit/(Loss) for the year</b>	<b>180.6</b>	<b>22.30%</b>	<b>472.44</b>	<b>14.88%</b>	Decrease in finance cost is also aided by improved working capital discipline and operational cash flows, which contributing to higher PAT margins. Accordingly, all the above factors increases PAT margin from 14.88% in fiscal 2025 to 22.30% of the total income for the period ended 30 June 2025.

**Details of Financial Year 2024-25 compared to Financial Year 2023-24 (Based on Restated Financial Statements)**

**Total Income:** - Total Income for the Financial Year 2024-25 stood at ₹ 3,176.00 Lakhs whereas the same stood at ₹ 2,628.79 Lakhs in financial year 2023-24, representing an increase of 20.82%. This significant growth is mainly attributable to increase in sales of the company which is mainly on account of company's focus on growth in business operation and sale. The company generates revenue mainly from (i) sale of food products, in particular papad, moongodi, rice papad (khichiya), and others. Sale of food products primarily comprises finished goods and traded products such as papad, moongodi, rice papad (khichiya) and others; (ii) sale of traded goods and other income.

*(Amount in ₹ Lakhs)*

Particulars	As at March 31, 2025 (₹ In lakhs)	As at March 31, 2024 (₹ In lakhs)	Growth Percentage (%)
(a) Revenue from operations	3,175.09	2,627.19	20.85

(b) Other Income	0.91	1.60	(43.13)
<b>Total Income</b>	<b>3,176.00</b>	<b>2,628.79</b>	<b>20.82</b>

**Revenue from Operations:-** Revenue from Operation for Financial Year 2024-25 stood at ₹ 3,175.09 lakhs as against ₹ 2,627.19 lakhs in financial year 2023-24. This impressive increase of 20.85% is primarily attributed to the growth in revenue from sale of products manufactured, in particular papad, moongodi, Rice Papad (khichiya) and other snacks and the goods traded. This increase in the sales can be attributed to a combination of various factors.

Particulars	As at March 31, 2025 (₹ In Lakhs)	As at March 31, 2024 (₹ In Lakhs)	Absolute Changes (₹ In Lakhs)	Growth Percentage (%)	Reason for Variance
Sale of Products -Finished goods	2,727.57	2,549.21	178.36	7.00	During the financial years 2023–24 and 2024–25, our company has focused towards increasing sales, which resulted in an increase in revenue in FY 2024–25 by ₹ 178.36 Lakhs. Further, our company have made additional sales in Rozanna Brand which has increased from ₹ 341.53 Lakhs in FY 2023-24 to ₹ 703.42 Lakhs in FY 2024-25
Other operating revenues	447.52	77.99	369.53	473.82	In the FY 2024-25, our company sold additional quantity of cereal pallets and also traded in other commodity goods, as compared to the previous year, leading to increase in revenue by ₹ 369.53 Lakhs in aggregate.
<b>Total</b>	<b>3,175.09</b>	<b>2,627.19</b>	<b>547.90</b>	<b>20.85</b>	

**Other Income:-** Other income for financial year 2024-25 was ₹ 0.91 lakhs as compared to ₹ 1.60 lakhs in financial Year 2023-24 representing a decrease of (43.13)%. Such decrease is mainly due to absence of profit on sale of vehicle in FY 2024-25, which was ₹ 1.02 lakhs during the FY 2023-24 representing decrease of 100.00%. Sundry balances written back of ₹ 0.34 lakhs during the FY 2024-25 comparing to ₹ 0.52 lakhs during the FY 2023-24, the same is representing a decrease by 34.62%. Apart from this other income stood at ₹0.57 lakhs in FY 2024–25 the same is representing an increase by 100%, while no income was recorded under interest on income tax refund during the FY 2024-25 as against ₹0.05 lakhs in the FY 2023-24 and hence, resulting in 100% decline.

**Total Expenses:-** Total Expense during the year ended on March 31, 2025 stood at ₹ 2,704.07 lakhs representing an increase of 11.94% from March 31, 2024, which was ₹ 2,415.55 lakhs. Our total expenses encompass the following - (i) Cost of Materials Consumed (ii) Purchase of stock in trade (iii) Changes in Inventories of Work in Progress (iv) Employee benefit expenses (v) Finance Cost (vi) Depreciation, Amortization and Impairment Expenses and (vii) Other Expenses

**Cost of Materials Consumed:** - Cost of material consumed increased from ₹1,520.75 lakhs in Fiscal 2024 to ₹1,609.53 lakh in Fiscal 2025 representing an increase of 5.84%. Our cost of material consumed is 50.68% of total income for the year ended March 31, 2025 against 57.85% of total income for the year ended March 31, 2024. It comprises of changes in material and purchase of raw material and packing material. During the FY 2025,

we have purchase raw material for the value of ₹ 1,653.56 lakhs and packing material of ₹ 199.55 lakhs. The absolute increase in cost of material consumed to ₹1,581.59 lakhs in Fiscal 2025 from ₹1,450.94 lakhs in Fiscal 2024 is primarily attributable to higher production volumes aligned with increased revenue from operations. However, as a percentage of total income, the cost declined significantly due to improved procurement efficiencies, optimisation in material usage and wastage control, and benefits arising from economies of scale.

**Employee benefits expense:** - Employee benefit expenses increased from ₹271.74 lakhs in Fiscal 2024 to ₹314.06 lakhs in Fiscal 2025 representing an increase of 15.57%. Our employee benefit expense is 9.89% of total income for the year ended March 31, 2025 against 10.34% of total income for the year ended March 31, 2024. It comprises of Salaries and wages, Directors Remuneration, Contribution to PF and other fund, Gratuity expenses, and staff welfare expenses. The increase in employee benefit expenses in Fiscal 2025 was mainly due to increase in the operations of the Company requiring incremental manpower deployment and support expanded operations. Although, the directors remuneration remains same for both of the fiscals, the main increment was in the salary & wages, which accounts ₹186.80 lakhs in Fiscal 2024 to ₹219.31 lakhs in Fiscal 2025. Despite the absolute increase in the value of expenses, the decline in percentage terms reflects higher revenue growth and better manpower productivity.

**Depreciation and Amortization Expenses:-** Depreciation and Amortization expenses during the year ended on March 31, 2025 stood at ₹ 35.15 lakhs whereas the same stood as ₹ 33.77 lakhs for the year ended March 31, 2024. This is showing an increase of ₹ 1.38 lakhs which is 4.09% from the previous year. This is due to depreciation on tangible asset such as factory building, motor vehicle, computers, Plant and Machinery, Furniture & Fixture and amortisation expenses on intangible asset such as Software/ website development, Goodwill / Trademark expenses of the company. Our Depreciation, Amortization and Impairment Expenses is 1.11% of total income for the year during the year ended March 31, 2025 and whereas the same is 1.28% of total income for the year ended March 31, 2024. The reduced proportion to income indicates improved asset utilisation.

**Finance Cost:** - Finance cost increased marginally during the year ended on March 31, 2025 stood at ₹ 92.06 lakhs, whereas the same is was ₹ 85.22 lakhs during the year ended March 31, 2024, representing an increase of 8.03% in Fiscal 2025 from the previous year. Our finance cost is 2.90% of total income for the year ended March 31, 2025 against 3.24% of total income for the year ended March 31, 2024. It comprises of Interest paid to bank, Bill discounting, Interest paid to others and bank charges amounting. Our company had modified the cash credit and term loan from Axis Bank Limited during the year which enhanced interest from previous year. The marginal increase in finance cost is attributable to higher interest paid to banks which amount to ₹46.09 lakhs in Fiscal 2024 to ₹68.80 lakhs in Fiscal 2025, reflecting higher average working capital utilisation to support increased scale of operations. However, finance cost as a percentage of total income declined due to better capital management, and optimised borrowing mix and interest cost controls.

**Other Expenses:-** Other Expenses increased slightly from ₹452.27 lakhs in Fiscal 2024 to ₹461.00 lakhs in Fiscal 2025, showing an increase of ₹ 8.73 lakhs or 1.93%. Our other expenses is 14.52% of total income for the year ended March 31, 2025 against 17.20% of total income for the year ended March 31, 2024. While other expenses increased marginally in absolute terms due to higher logistics, selling, and administrative activities linked to business growth, their reduction as a percentage of total income reflects cost rationalization initiatives, improved operational efficiencies, and tight control over discretionary overheads. This rise was primarily due to increased storage charges for goods of ₹2.81 lakhs (up 313.24% from ₹0.68 lakhs) for storing of increased raw materials and finished goods. Notable increases were seen in repair and maintenance charges of equipment's (₹8.65 lakhs vs ₹1.32 lakhs), Donation expenses (₹0.17 lakhs vs ₹0.05 lakhs), Rates and Taxes (₹5.88 lakhs vs ₹3.83 lakhs), Legal & Professional expenses (₹8.54 lakhs vs ₹5.23 lakhs), Business Promotion expenses (₹30.05 lakhs vs ₹18.19 lakhs), and other expenses (₹11.74 lakhs vs ₹4.32 lakhs). Other cost includes Contractual charges, Bad debt written off, Overall, Other Expenses represented 14.52% of total income in FY 2024–25, compared to 17.20% in FY 2023–24, indicating improved cost efficiency relative to revenue growth. Despite the increase in absolute terms, the Company achieved a significant reduction in total expenses as a percentage of income, from 91.89% in FY 2024 to 85.14% in FY 2025, resulting in a substantial improvement in profitability. This improvement was driven by scale-led operating leverage, optimised cost structure, and focused efficiency enhancement across operations.

Particulars	For the year ended 31 March, 2025 (₹ In Lakhs)	For the year ended 31 March, 2024 (₹ In Lakhs)	Variance (₹ In Lakhs)	% of Variance (in %)	Reason for Variance
Storage Charges for goods	2.81	0.68	2.13	313.24	The increase in sales volumes has resulted in a corresponding rise in storage and warehousing charges for raw materials and finished goods, also sudden increase includes the cold storage charges for storing tradable products.
<b>Repair and Maintenance:</b>					
Repair and Maintenance - Plant and Machinery	9.66	12.89	-3.23	-25.06	The decrease is observed due to cost of repair of boiler in the FY 2025. Whereas in FY 2024, no such expense was incurred.
Repair and Maintenance - Others	8.65	1.32	7.33	555.30	The increase in expenditure was due to repair and maintenance of vehicles during the FY 2025
Donation	0.17	0.05	0.12	240.00	The increase represents the additional donation made by the company during the FY 2025.
Rates & Taxes	5.88	3.83	2.05	53.52	The increase in Rates & Taxes expenses during the year is primarily due to higher statutory and compliance-related charges, including TDS late fees, ROC Fees etc. also, it includes the fee paid towards registration with Canteen etc.
Legal & Professional Fees	8.54	5.23	3.31	63.29	The increase in legal fee in the FY 2025 was due to additional expenditure incurred towards Trademark hearing.
Business Promotion Expenses	30.05	18.19	11.86	65.20	The increase in business promotion expense was due to additional expenditure incurred in the FY 2025 towards multiple advertisement and promotional activities undertaken by the Company.
Bad Debts written off	0.15	7.91	-7.76	-98.10	The decrease is due to writing off of various parties having old outstanding balances in the FY 2024, which was negligible in the FY 2025.
Other Expenses	11.74	4.32	7.42	171.76	Increase in other expenses mainly account for increase in water expenses, pest control expenses etc. which are

Particulars	For the year ended 31 March, 2025 (₹ In Lakhs)	For the year ended 31 March, 2024 (₹ In Lakhs)	Variance (₹ In Lakhs)	% of Variance (in %)	Reason for Variance
					necessary for production process and storing of goods.

**Restated Profit before Extraordinary Item, Exceptional Items & Tax:-** Restated Profit before Exceptional Items, Extraordinary Item & Tax is ₹ 471.93 lakhs during the financial year ended on March 31, 2025 whereas the same stood ₹ 213.24 lakhs during the year ended March 31, 2024. It is 14.86% and 8.11% of total income for the FY 2024-25 and FY 2023-24 respectively. In comparison to the FY 2023-24 it is showing an increase of 121.31% during the FY 2024-25.

**Profit after Tax:** - The Company had reported net profit after tax of ₹ 472.44 lakhs in financial year 2024-25, which marks an increase when compared to the preceding financial year, 2023-24, where the PAT was ₹ 210.76 lakhs. There is an increase in PAT by 124.16%. When analyzing the Restated Profit After Tax (PAT) in proportion to the total income, it is observed that in the financial year 2024-25 PAT represented 14.88% of the total income whereas in financial year 2023-24, PAT contributes 8.02% of total income. Here are the factors contributing to higher PAT margin.

Particulars	For the year ended 31-03-2025	Percentage on Total Income	For the year ended 31-03-2024	Percentage on Total Income	Variance in Percentage of Total Income	Variance in Absolute Amount	% of Variance in Absolute Amount	Remarks

Revenue from operations	3,175.09	99.97%	2,627.19	99.94%	0.03%	547.90	20.85%	<p>The Company's revenue from operations increased by ₹547.90 lakhs, from ₹2,627.19 lakhs in FY 2024 i.e. 99.94% of the total income to ₹3,175.09 lakhs in FY 2025 resembling 99.97% of the total income, having a growth of approximately 20.85%. This increase was due to increase in credit term provided to certain customers in modern trade ranging from 15 days to 60 days. Further, company has expanded its customer base in modern trade and quick commerce during the year by entering into vendor registration with four new customers in modern trade and one customer in quick commerce. The increased in credit terms and new vendor registration enable customers to increase their purchase which inline increase revenue from operations of the company. The increase in revenue is also driven by an expansion in sale to newly opened distribution channels of existing customers under the modern trade segment. Further the increase in sale is also expanded due to effective capture of heightened demand during the marriage season, improved market penetration, and an overall increase in demand across the food industry during the year.</p> <p>Company has also introducing and scaling up certain additional product categories under its trading activities, which contributed to the improvement in sale during the year. Trading revenue increased from ₹77.99 lakhs (2.97%) in FY 2024 to ₹434.40 lakhs (13.68%) in FY 2025.</p> <p>Further, the sale of machine-made papads increased from ₹503.63 lakhs in fiscal 2024 to ₹799.52 lakhs in fiscal 2025, however, revenue from handmade papad declined from ₹1255.80 lakhs in FY 2024 to ₹1147.43 lakhs in FY 2025 and its contribution marginally declined by 8.63% of total revenue from operation. The sale of rice papads (Khichiya) increased from ₹723.79 lakhs in fiscal 2024 to ₹732.61 lakhs in fiscal 2025, increased by 1.22% of total revenue from operation from FY 2024. The consistent performance of these core papad segments supported revenue growth.</p>
Other Income	0.91	0.03%	1.6	0.06%	-0.03%	-0.69	-43.13%	Other Income reduced by ₹0.69 lakhs, from ₹1.60 lakhs in fiscal 2024 to ₹0.91 lakhs in fiscal 2025 representing a variation of (43.13%).
<b>Total Income</b>	<b>3,176.00</b>	<b>100.00%</b>	<b>2,628.79</b>	<b>100.00%</b>	<b>0.00%</b>	<b>547.21</b>	<b>20.82%</b>	
<b>Expenses :-</b>								
Cost of Material Consumed	1,609.53	50.68%	1,520.75	57.85%	-7.17%	88.78	5.84%	<p>Cost of Material Consumed reduced by ₹88.78 lakhs i.e. from 57.85% of the total income in the fiscal 2024 to 50.68% of total income in the fiscal 2025. This reduction was mainly driven by a change in the revenue mix, with a relatively lower contribution from manufacturing activities during the year. During FY 2025, sales of manufactured finished goods decreased, while trading activities increased by ₹369.54 lakhs. As a result, the share of revenue from finished goods declined from 96.97% in FY 2024 to 85.88% in FY 2025, whereas the contribution from other operating revenue increased from 2.79% to 14.09%. Consequently, overall revenue from operations increased as compared to last year. This shift in operational mix led to comparatively lower material consumption. However, In spite of decrease in cost of Material consumed as percentage of total income, the value of material consumed increased by ₹88.78 lakhs during the fiscal 2025 from, ₹1,609.53 lakhs from ₹1,520.75 lakhs in fiscal 2024.</p>
Purchase of Stock-In-Trade	294.37	9.27%	130.18	4.95%	4.32%	164.19	126.13%	<p>Purchase of stock-in-trade rose by ₹164.19 lakhs i.e. to ₹294.37 lakhs in the fiscal 2025 from ₹130.18 lakhs in the fiscal 2024, representing a growth of 126.13%. The rise in the purchase of stock-in-trade item was due to increase in sale of traded items such as ground nuts and other traded items i.e. RNR Paddy and Raw Rice which has increased by Rs. 352.90 lakhs in FY 2025.</p>
Changes in inventories of finished goods, and	-102.11	-3.22%	-78.37	-2.98%	-0.23%	-23.74	30.29%	<p>Changes in inventories turned favourable by (₹23.74) lakhs and declined to ₹(102.11) lakhs i.e. (3.22%) of total income during fiscal 2025, compared to ₹(78.37) lakhs which resembles (2.98%) of total income in the fiscal 2024, which is 30.29% in variation to the fiscal 2024. The increase was mainly on account of higher procurement of raw materials</p>



Stock-in-Trade								undertaken to support enhanced production requirements and inventory lying as finished goods after processing from raw material during the year 2025. The growth in modern trade and e-commerce network has also resulted in higher inventory requirements to support timely and consistent deliveries across the market. As a result, higher levels of inventory were required to support stable product availability and continuity of sales, leading to the reported change in inventories.
Employee Benefit Expenses	314.06	9.89%	271.74	10.34%	-0.45%	42.32	15.57%	Employee benefit expenses decreases in terms of percentage of total income to ₹314.06 lakhs i.e. 9.89% of the total income during the fiscal 2025 as compared to ₹271.74 lakhs 10.34% of total income in the fiscal 2024. Though, in comparative terms it is showing growth by ₹42.32 lakhs representing 15.57% variations in the fiscal 2025 from Fiscal 2024. As the production and sale is increasing, the expenses related to manpower and human resource are also increasing due to rise in the annual increment of salary and wages structure during the year comparatively from previous FY 2024. But in term of total income there is a decrease in employees benefit expenses, which is due to decrease in Expenses related to Bonus Expenses and Festival gifts during the year from Previous years. Hence, reduction of Employees Benefit Expenses by 0.45% in terms of percentage of total income in FY 2025 from FY 2024 impacted to increase in PAT Margin.
Finance Cost	92.06	2.90%	85.22	3.24%	-0.34%	6.84	8.03%	Finance costs increased by ₹6.84 lakhs to ₹92.06 lakhs in the fiscal 2025 from ₹85.22 lakhs in the fiscal 2024, resembling 8.03% of variation in the fiscal 2025. During the FY 2025, the company have modify the Cash Credit Loan from Axis Bank and enhance the limit from 800.00 lakhs to 895.00 lakhs, whereas in the same year a working capital demand loan availed from Yes Bank sanction amount Rs. 400.00 lakhs has been repayed. The growth in finance cost is due to increase in Bank Charges and Interest of Secured Loan which rise from Rs. 47.72 lakhs in FY 2024 to Rs. 71.58 lakhs in FY 2025. However, Finance costs marginally reduced in term of percentage on total income from 3.24% to 2.90% due to decrease in interest on Unsecured Loan, loan processing charges and discounting charges on bill from Rs. 37.49 lakhs in FY 2024 to 20.94 lakh in FY 2025. Hence, reduction of finance cost by 0.34% in terms of percentage of total income in FY 2025 from FY 2024 impacted to increase in PAT Margin.
Depreciation & Amortization Expenses	35.15	1.11%	33.77	1.28%	-0.18%	1.38	4.09%	Depreciation and amortization expenses rose by ₹1.38 lakhs to ₹35.15 lakhs during the fiscal 2025 as compared to ₹33.77 lakhs in the fiscal 2024 resembling 4.09% increase in the fiscal 2025. This increase in depreciation cost is due to increase in value of assets i.e. addition in the value of factory building, Motor Vehicles, Computers, Plant & Machinery and Furniture & Fixture by Rs. 20.55 lakhs during the year. However, in term of percentage of total income the depreciation expenses reduced from 1.28% to 1.11% due to effective reduction in written down value of the existing tangible assets by Rs. 12.61 lakhs which was Rs. 380.69 lakhs in FY 2024 and Rs. 368.8 lakhs in FY 2025. Hence, reduction of depreciation & amortisation expenses by 0.18% in terms of percentage of total income in FY 2025 from FY 2024 impacted to increase in PAT Margin.

Other Expenses	461	14.52 %	452.27	17.20 %	-2.69 %	8.73	1.93 %	<p>Other expenses includes multiple heads of administrative overhead expenses. Other expenses marginally increased by Rs. 8.73 lakhs in FY 2025 representing 1.93% increase from FY 2024 in comparative basis. This increase in other expenses is due to increase in expenses of Storage charges of goods in Cold Storage, Repair and Maintenance expenses for regular vehicle maintenance and computer repair and maintenance activity, Expenses of Rates and Taxes for arrear PF demand due to late registration in PF and consultant fees paid for Central Police Canteen Registration, Legal and Professional Fees paid to legal professional, Business Promotion expenses for business promotional activity and advertisement inline with increase in sale and other expenses such as Water Expenses, Expenses for Pest Control service, Printing and Stationary expenses etc. by Rs. 34.10 lakhs from Rs. 33.57 lakhs in FY 2024 to Rs. 67.67 lakhs in FY 2025.</p> <p>However, on comparison in terms of total income it declined materially from 17.20% of the total income in fiscal 2024 to 14.52% of total income in fiscal 2025 due to effective decrease in certain expenses. Decrease under the other expenses in terms of total income includes (i) Power and Fuel expenses decrease from 3.37% of total income in FY 2024 to 2.91% of total income in FY 2025 due to decrease in expenses for biomass fuel pellets by Rs. 10.25 lakhs which was compensated by other fuel options such as petrol and diesel (ii) Contractual charges paid decrease from 8.20% in FY 2024 to 6.03% in FY 2025 mainly due to decrease in Batara charges by Rs. 20.33 lakhs, which reduced from ₹210.65 lakhs in fiscal 2024 to ₹190.32 lakhs in fiscal 2025, (iii) Reduction in expenses of Repairs &amp; maintenance of installed plant &amp; machineries by ₹3.23 lakhs, from ₹12.89 lakhs in the fiscal 2024 to ₹9.66 lakhs in the fiscal 2024 representing decrease of 0.49% of total income in FY 2024 to 0.30% of total income in FY 2025; (iv) reduction of insurance expenses in term of percentage total income by 0.13% to 0.11% which is not directly related to total income (v) decrease in rent expenses in term of percentage of total income from 0.20% in FY 2024 to 0.17% in FY 2025 which is not directly related to sale (vi) Decrease in travelling expenses in term of percentage on total income from 0.30% in FY 2024 to 0.27% in FY 2025 (vii) Freight charges decrease in terms of total income from 2.88% in FY 2024 to 2.53% in FY 2025 due to reduction in transport expenses to unregistered transport agencies which is compensated by other transport modes (iii) Bad debts written off decreased to ₹0.15 lakhs in the fiscal 2025 from ₹7.91 lakhs in the fiscal 2024, representing reduction in loss of bad debt during the year by ₹7.76 Lakhs. In terms of total income this represent decrease by 0.30% in FY to almost nil in FY 2025.</p> <p>Hence, the aggregate impact of changes in items specified in Other Expenses head reduced the cost in terms of total income from 17.20% in FY 2024 to 14.52% in FY 2024, which is impacting to increase the PAT margin by 2.69% in FY 2025.</p>
<b>Total Expenses</b>	2,704.07	85.14 %	2,415.55	91.89 %	-6.75 %	288.52	11.94 %	
<b>Profit Before Tax</b>	471.93	14.86 %	213.24	8.11 %	6.75 %	258.69	121.31 %	
<b>Tax Expenses</b>	-0.51	-0.02 %	2.48	0.09 %	-0.11 %	-2.99	-120.56 %	

Profit/(Loss) for the year	472.4 4	14.8 8%	210.7 6	8.02 %	6.86 %	261.68	124.16 %	<p>The increase in the Company's Profit After Tax ("PAT") margin in Fiscal 2025 was also driven by improved cost optimisation and operating efficiencies across major expense heads and improved procurement efficiencies, and enhanced operational execution resulted in higher PAT for fiscal 2025.</p> <p>Revenue from operations increased by ₹547.90 lakhs from ₹2,627.19 lakhs in fiscal 2024 to ₹3,175.09 lakhs in fiscal 2025, registering a growth of approximately 20.85% over Fiscal 2024, mainly attributable to expansion of the customer base in the modern trade and quick-commerce segments, execution of new vendor registrations, extension of credit terms to select customers, expansion in sale to newly opened distribution channels of existing customers under the modern trade segment and effective capture of seasonal and industry-wide demand.</p> <p>While, sales volumes improved, the Company achieved a reduction in cost of material consumption and overall cost of production (Cost of Material Consumed, Purchase of Stock-In-Trade and Changes in inventories of finished goods and Stock-in-Trade) as a percentage of total income from 59.82% in FY 2024 to 56.73% in FY 2025 representing decrease by 3.09%, which in turn increase the Profit margin by same ratio.</p> <p>Employee benefit expenses rose on account of annual salary increments; however, their proportion to total income declined. Hence, reduction of Employees Benefit Expenses by 0.45% in terms of percentage of total income in FY 2025 from FY 2024 impacted to increase in PAT Margin.</p> <p>Finance costs increased marginally in absolute terms but reduced as a percentage of total income due to partial repayment of borrowings. Hence, reduction of finance cost by 0.34% in terms of percentage of total income in FY 2025 from FY 2024 impacted to increase in PAT Margin.</p> <p>Depreciation expenses remained largely stable, however, in term of percentage of total income the depreciation expenses reduced from 1.28% to 1.11% due to effective reduction in written down value of the existing tangible assets by Rs. 12.61 lakhs which was Rs. 380.69 lakhs in FY 2024 and Rs. 368.8 lakhs in FY 2025. Hence, reduction of depreciation &amp; amortisation expenses by 0.18% in terms of percentage of total income in FY 2025 from FY 2024 impacted to increase in PAT Margin.</p> <p>While other operating expenses declined materially as a percentage of total income owing to reductions in power and fuel expenses, contractual charges, Repair and Maintenance - Plant and Machinery, Insurance Expenses, Rent expenses, Travelling Expenses, Freight Outward, bad-debt write-offs, and certain administrative and maintenance expenses. Hence, the aggregate impact of changes in items specified in Other Expenses head reduced the cost in terms of total income from 17.20% in FY 2024 to 14.52% in FY 2024, which is impacting to increase the PAT margin by 2.69% in FY 2025.</p> <p>Consequently, the combined impact of strong top-line growth, improved product mix, controlled operating expenditures, resulted in a significant improvement in the Company's PAT margin during Fiscal 2025 from 8.02% in FY 2024 to 14.88% in FY 2025.</p> <p>Further, the net profit during the year also increases due to increase in average profit margin of Papad and Rice Papad Segment. The average profit margin for Papad products increased from 28.65% in fiscal 2024 to 31.68% in fiscal 2025, reflecting higher margins across brands supported by improved contribution margins on both general and modern trade. Similarly, the average profit margin for Rice Papad products increased from 29.05% in fiscal 2024 to 31.04% in fiscal 2025, primarily due to improved realisations and better cost absorption across variants. The</p>
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								improvement in product-level margins contributed positively to the overall profitability of the Company and supported the increase in net profit during FY 2025.
								Consequently, the cumulative impact of the aforesaid factors i.e. improvement mainly attributable to higher operating revenues supported by higher sales volumes and better utilization of available liquidity resulted in an increase in the Company's net profit margin where the Profit after tax (PAT) increased from ₹210.76 lakhs (8.02%) in fiscal 2024 to ₹472.44 lakhs (14.88%) in fiscal 2025.

**Details of Financial Year 2023-24 compared to Financial Year 2022-23 (Based on Restated Financial Statements)**

**Total Income:** - Total Income for the Financial Year 2023-24 stood at ₹ 2,628.79 lakhs whereas the same stood at ₹ 2,500.40 lakhs in financial year 2022-23, representing an increase of 5.13%. This significant growth is mainly attributable to increase in revenue of the company which is mainly on account of company's focus on growth in business operation and sale. This increase of 5.13% is primarily attributed to the growth in revenue from sale of food products, in particular papad, moongodi, Rice Papad (khichiya) and other snacks.

Particulars	For the year ended 31 March, 2024 (₹ In Lakhs)	For the year ended 31 March, 2023 (₹ In Lakhs)	Growth Percentage (%)
(a) Revenue from operations	2,627.19	2,499.18	5.12
(b) Other Income	1.60	1.21	32.23
Total Income	<b>2,628.79</b>	<b>2,500.40</b>	<b>5.13</b>

**Revenue from Operations:** - Revenue from Operation for Financial Year 2023-24 stood at ₹ 2,627.19 lakhs as against ₹ 2,499.18 lakhs in financial year 2022-23. This increase of 5.12%, is primarily attributed to the growth in revenue from sale of food products, in particular papad, moongodi, Rice Papd (khichiya) and other snacks. This increase in the sales can be attributed to a combination of various factors.

Particulars	For the year ended 31 March, 2024 (₹ In Lakhs)	For the year ended 31 March, 2023 (₹ In Lakhs)	Absolute Changes (₹ In Lakhs)	Growth Percentage (%)	Reason for Variance
Sale of Products -Finished goods	2,549.21	2,463.36	85.85	3.49	During the financial years 2022-23 and 2023-24, our company had a focused towards increasing sales, which resulted in an increase in revenue in FY 2023-24 by ₹ 85.85 Lakhs. Further, our company have successfully executed major deals during the year and received final payment which also impacted increase in revenue.

Other operating revenues	77.99	35.83	42.16	117.67	In the FY 2024-25 our company have traded more goods and generated more revenue by 235.60 Lakhs
<b>Total</b>	<b>2,627.19</b>	<b>2,499.18</b>	<b>128.01</b>	<b>5.12</b>	

**Other Income:-** Other income for financial year 2023-24 was ₹ 1.60 lakhs as compared to ₹ 1.21 lakhs in financial Year 2022-23 representing an increase of 32.23%. Such increase is mainly due to profit on sale of vehicle in FY 2023-24, which was ₹ 1.02 lakhs during the FY 2023-24 representing increase of 100.00% which was absence in the F.Y 2022-23. sundry balances written back of ₹ 0.52 lakhs during the FY 2023-24 which was absence in the F. Y 2022-23, the same is representing an increase by 100%. Apart from this interest on income tax refund stood at ₹0.05 lakhs in FY 2023-24 the same is representing a decrease by 64.29% comparing to 0.14 lakhs during the F. Y. 22-23.

**Total Expenses:-** Total Expense during the year ended on March 31, 2024 stood at ₹ 2,415.55 lakhs. Our total expenses encompass the following - (i) Cost of Materials Consumed (ii) Purchase of stock in trade (iii) Changes in Inventories of Work in Progress (iv) Employee benefit expenses (v) Finance Cost (vi) Depreciation, Amortization and Impairment Expenses and (vii) Other Expenses.

**Cost of Materials Consumed:** - Cost of Materials Consumed stood at ₹1,520.75 lakhs during the FY 2024 whereas the same stood as Rs. 1480.79 lakhs in FY 2023, representing an increase by Rs. 39.96 lakhs or 2.70%. It comprises of changes in material and purchase of raw material and packing material. During the FY 2024, we have purchase raw material for the value of ₹ 1,828.80 lakhs and packing material of ₹ 203.93 lakhs. We have opening balance in raw material ₹ 237.30 lakhs and opening balance of packing material ₹ 437.68 lakhs and closing balance of raw material is ₹ 614.56 lakhs and closing balance of packing material ₹ 571.79 lakhs. Our cost of material consumed is 57.85% of total income for the year ended March 31, 2024. Whereas in the FY 2023, we have purchase raw material for the value of ₹ 1510.35 lakhs and packing material of ₹ 209.16 lakhs. We have opening balance in raw material ₹ 202.28 lakhs and opening balance of packing material ₹ 233.98 lakhs and closing balance of raw material is ₹ 237.30 lakhs and closing balance of packing material ₹ 437.68 lakhs. Our cost of material consumed is 59.22% of total income for the year ended March 31, 2023.

**Employee benefits expense:-** Employee Benefit Expense during the year ended on March 31, 2024 stood at ₹ 271.74 lakhs whereas the same was ₹ 225.68 lakhs during the FY 2022-23. It is 10.34% of total income during the year and showing increase of 20.41% from previous financial year. It comprises of Salaries and wages of ₹ 186.80 lakhs, Directors Remuneration to Mr. Jai Agarwal and Mrs. Prem Lata Agarwal of ₹ 60 lakhs, Contribution to PF and other fund of ₹ 8.34 lakhs , Gratuity expenses of (₹0.79 )lakhs, staff welfare expenses of ₹ 17.39 lakhs during the FY 2023-24. Whereas the same stood as ₹ 142.30 lakhs for Salary and wages, ₹ 60 lakhs for Directors Remuneration, ₹ 8.26 lakhs for Contribution to PF and other fund, ₹ 2.50 lakhs Gratuity expenses, ₹ 12.61 lakhs for the staff and Welfare Expenses for the FY 2022-23.

**Depreciation and Amortization Expenses:-** Depreciation and Amortization expenses during the year ended on March 31, 2024 stood at ₹ 33.77 lakhs whereas the same stood as ₹ 73.20 lakhs for the year ended March 31, 2023. This is showing a decrease of ₹ 39.43 lakhs which is (53.87)% from the previous year. This is due to depreciation on tangible asset such as factory building, motor vehicle, computers, Plant and Machinery, Furniture & Fixture and amortisation expenses on intangible asset such as Software/ website development, Goodwill / Trademark expenses of the company. Our Depreciation, Amortization and Impairment Expenses is 1.28% of total income for the year during the year ended March 31, 2024.

**Finance Cost:** - Finance cost during the year ended on March 31, 2024 stood at ₹ 85.22 lakhs which is 3.24% of total income, whereas the same is stood as ₹ 62.72 lakhs during the year ended March 31, 2023 which is 2.51% of total income and comparatively it is showing increase of ₹ 22.50 lakhs. It comprises of Interest paid to bank amounting ₹46.09 lakhs, Bill discounting of ₹6.05 lakhs, Interest paid to others ₹29.43 and bank charges amounting ₹3.65 lakhs during the year ended March 31, 2024, whereas in previous year ended March 31, 2023, the same stood at Interest paid to bank amounting ₹34.06 lakhs, Interest paid to others ₹26.81 and bank charges amounting ₹1.85 lakhs.

**Other Expenses:-** Other Expenses for the year ended March 31, 2024, stood at ₹452.27 lakhs, compared to ₹ 478.86 lakhs for the year ended March 31, 2023, showing decrease of ₹ 26.59 lakhs or (5.55%). This decline was primarily due to decrease in power and fuel expenses at ₹88.70 lakhs compared to ₹90.26 lakhs in FY 2022–23, representing 1.73% decrease from previous year. Deferred Revenue expenses for the FY 2024 is decrease by Rs. 1.99 lakhs from FY 2023 where the expenses were Rs. 1.99 lakhs, representing decrease by 100%. Repair and maintenance charges for other equipment's also decrease up to ₹1.32 lakhs in FY 2024, whereas the same was Rs. 4.77 lakhs in FY 2023, representing decrease by Rs. 3.45 lakhs or 72.32%. Notable decline was also happened in legal and professional fees by Rs. 8.72 lakhs (₹5.23 lakhs in FY 2024, compared to ₹13.95 lakhs in FY 2023) showing decrease of 62.51%, Rent for the FY 2024 decrease by Rs. 0.44 lakhs (FY 2024- Rs. 5.16 lakhs as compared to Rs. 5.60 lakhs), representing decline by 7.86%. Business Promotion expenses decrease by Rs. 3.45 lakhs (₹18.19 lakhs in FY 2024 compared to ₹21.64 lakhs in FY 2023) representing decreased by 15.94%. Travelling expenses decreased by Rs. 4.10 lakhs (₹7.90 lakhs in FY 2024 compared to ₹12.00 lakhs in FY 2023) representing decrease by Rs. 34.17%. Expenses for Freight Outward decreased by Rs. 25.03 lakhs (Rs. 75.81 lakhs in FY 2024 compared to Rs. 100.84 lakhs in FY 2023) representing decrease by 24.82%. And other expenses decreased by Rs. 1.19 lakhs (₹4.32 lakhs in FY 2024 compared to ₹5.51 lakhs in FY 2023) representing decrease by 21.60%. Further, a brief analysis of the other expenses incurred has been disclosed hereunder: -

Particulars	FY 2024	FY 2023	Variance (₹)	% of Variance	Reason for Variance
Power and Fuel Expenses	88.70	90.26	(1.56)	(1.73%)	Improved energy efficiency and better utilisation of power resources during the year has reduced expenses toward power and fuel.
Deferred Revenue Expenses	-	1.99	(1.99)	(100.00%)	Due to non-incurring of deferred revenue expenses during the year, the expenses become nil during the year and reduced by 100%
Repairs & Maintenance – Other Equipment	1.32	4.77	(3.45)	(72.32%)	Repair and maintenance-other mainly constitute [*] which has reduced by Rs. 3.45 lakhs representing decrease by 72.32% from previous year due to lower maintenance requirement and fewer breakdowns and no major repairs undertaken during FY 2024
Legal and Professional Fees	5.23	13.95	(8.72)	(62.51%)	Legal and professional fees during the FY 2024 reduced to Rs. 5.23 lakhs compared to Rs. 13.95 in FY 2023, representing decrease by Rs. 8.72 lakhs or 62.51%, due to reduced professional engagements and lower legal advisory requirements during the year.
Rent	5.16	5.60	(0.44)	(7.86%)	Rent expenses during the year reduced by Rs 0.44 lakhs representing decrease by 7.86 %, due to optimisation of rented premises and renegotiation of rental terms from land lord.
Business Promotion Expenses	18.19	21.64	(3.45)	(15.94%)	Expenses toward business promotion has decrease during the year by Rs. 3.45 lakhs representing 15.94%. This is due to rationalisation of promotional activities and focus on cost-effective marketing channels for sale of products of the company.
Travelling Expenses	7.90	12.00	(4.10)	(34.17%)	Travelling expense during the year reduced by Rs. 4.10 lakhs, representing 34.17% due to reduction in travel frequency of marketing personnel and promoters and adoption of virtual meetings and digital communications.

Freight Outward	75.81	100.84	(25.03)	(24.82%)	During the year expenses toward freight outward has reduced by Rs. 25.03 lakhs representing decline by 24.82%. This decline is mainly due reducing dependency on third party vehicle and purchased of owned vehicle, which improved logistics planning, better freight negotiation, and optimisation of dispatch schedules
Other Expenses	4.32	5.51	(1.19)	(21.60%)	Other expenses during the year reduces due to better cost control across miscellaneous operational expenses.

**Restated Profit before Extraordinary Item, Exceptional Items & Tax:-** Restated Profit before Exceptional Items, Extraordinary Item & Tax is ₹ 213.24 lakhs during the financial year ended on March 31, 2024 whereas the same stood ₹ 24.78 lakhs during the year ended March 31, 2023. It is 8.11% and 0.99 % of total income for the FY 2023-24 and FY 2022-23 respectively. In comparison to the FY 2022-23 it is showing an increase of 760.53% during the FY 2023-24.

**Profit after Tax: -** The Company had reported net profit after tax of ₹ 210.76 lakhs in financial year 2023-24, which marks an increase when compared to the preceding financial year, 2022-23, where the PAT was ₹ 25.41 lakhs. There is an increase in PAT by 729.44%. When analyzing the Restated Profit After Tax (PAT) in proportion to the total income, it is observed that in the financial year 2023-24 PAT represented 8.02% of the total income whereas in financial year 2022-23, PAT contributes 1.02% of total income. Here are the factors contributing to higher PAT margin:

Particulars	For the year ended 31-03-2024	Percentage on Total Income	For the year ended 31-03-2023	Percentage on Total Income	Variance in Percentage of Total Income	Variance in Absolute Amount	% of Variance in Absolute Amount	Remarks
Revenue from operations	2,627.19	99.94%	2,499.18	99.95%	-0.01%	128.01	5.12%	Revenue from operations increased by ₹128.01 lakhs, from ₹2,499.18 lakhs in fiscal 2023 to ₹2,627.19 lakhs in fiscal 2024. The growth, which account for ₹128.01 lakhs and nearly 5.12% from Fiscal 2023, was largely driven by higher sales across the Company's principal papad product categories, which continued to constitute a substantial portion of total revenue in both years. This increase in sales was due to growth in organic market demand for the Company's products which is nearly 5.12%.  In particular, Handmade papads increased in absolute terms from ₹1,233.85 lakhs to ₹1,255.80 lakhs, although their contribution in total revenue from operations marginally declined from 49.37% to 47.80% of total revenue. Machine-made papads increased from ₹477.34 lakhs to ₹503.63 lakhs, maintaining a stable contribution of more than 19% in total revenue from operation. Rice papads (Khichiya) increased from ₹687.27 lakhs to ₹723.79 lakhs, continuing to contribute approximately 27.5% of total revenue from operations. The increase in revenue was due to organic growth in sales pursuant to increase in market demand of existing customer in the general trade segment and modern trade segments.

Other Income	1.6	0.06 %	1.21	0.05%	0.01%	0.39	32.23 %	Increase in other income by ₹0.39 lakhs, is mainly due to profit on sale of vehicle and Sundry balances written off amounting ₹ 1.02 lakhs and ₹ 0.52 lakhs in the fiscal 2024, which were not there in the fiscal 2023.
<b>Total Income</b>	<b>2,628.79</b>	<b>100.00 %</b>	<b>2,500.40</b>	<b>100.00 %</b>	<b>0.00%</b>	<b>128.39</b>	<b>5.13%</b>	
<b>Expenses :-</b>								
Cost of Material Consumed	1,520.75	57.85 %	1,480.79	59.22 %	-1.37%	39.96	2.70%	During the fiscal 2024, the cost of materials consumed has increased by Rs. 39.96 lakhs compared to FY 2023, representing a increase of 2.70%. However as percentage of total income, the same decreased to 57.85% of total income from 59.22% in the fiscal 2023. The increase in purchases was due to higher procurement of raw materials undertaken to support enhanced production requirements, driven by expected sales to Kendriya Police Kalyan Bhandar (KPKB) for which the Company had filed an application for vendor registration in February 2024, as well as increase in estimated supplies to newly opened distribution channels of existing customers under the modern trade segment
Purchase of Stock-In-Trade	130.18	4.95 %	104.03	4.16%	0.79%	26.15	25.14 %	Purchase of stock-in-trade rose to ₹130.18 lakhs in the fiscal 2024 from ₹104.03 lakhs in the fiscal 2023, representing a growth of 25.14%. The rise in the purchase of stock-in-trade item was to supply and meet the enhanced demand of the traded goods during the fiscal 2024 which rose by Rs. 42.16 lakhs or by 117.69%.
Changes in inventories of finished goods, and Stock-in-Trade	-78.37	-2.98 %	50.33	2.01%	-4.99%	-128.70	-255.71 %	Changes in inventories turned favourable by (₹128.70) lakhs and declined to ₹(78.37) lakhs i.e. (2.98%) of total income during fiscal 2024, indicating improved inventory management, compared to ₹50.33 lakhs which resembles 2.01% in the fiscal 2023, which is (255.71%) in variation to the fiscal 2023. The increase was mainly on account of higher procurement of raw materials undertaken to support enhanced production requirements, driven by expected sales to Kendriya Police Kalyan Bhandar (KPKB), as well as increase in estimated supplies to newly opened distribution channels of existing customers under the modern trade segment. Hence, due to estimated sales, company had increased purchased of Raw Material. The increase in purchase of raw material also increases closing stock of finished goods which was processed from raw material.
Employee Benefit Expenses	271.74	10.34 %	225.68	9.03%	1.31%	46.06	20.41 %	Employee benefit expenses rose by ₹46.06 lakhs to ₹271.74 lakhs i.e.. 10.34% of the total income during the fiscal 2024 as compared to ₹225.68 lakhs 9.03% in the fiscal 2023 resembling 20.41% variations in the fiscal 2024. The increase was primarily attributable to the rise in the number of employees from 20 in Fiscal 2023 to 26 in Fiscal 2024 to support the Company's expanding operations. Further the increase in employees benefits expenses during FY 2024 was also due to increase in expenses related to festival gift to employees and provision for Gratuity expenses which was not incurred during the FY 2023.
Finance Cost	85.22	3.24 %	62.72	2.51%	0.73%	22.50	35.87 %	Finance costs increased to 3.24% of the total income during the fiscal 2024 as compared to 2.51% of total income in the fiscal 2023 showing increase by ₹22.50 lakhs or 35.87% during the year in comparison from FY 2023. The increase was primarily attributable to increase in bank charges, Discounting Charges for bill discounting, Interest on Secured and Unsecured Loans, and Loan processing fee incurred for induction of new secured term loan & cash credit facility from Axis Bank by Rs. 800.00 lakhs and working capital demand loan from Yes Bank by RS. 400.00 lakhs.



Depreciation & Amortization Expenses	33.77	1.28 %	73.2	2.93%	-1.64%	- 39.4 3	- 53.87 %	<p>Depreciation and amortization expenses reduced significantly to ₹33.77 lakhs during the fiscal 2024 as compared to ₹73.20 lakhs in the fiscal 2023 showing decrease by ₹39.43 lakhs and 53.87% in the fiscal 2024. The reduction was primarily attributable to the adoption of a revised management estimate with respect to the useful life of certain assets in accordance with Schedule II of the Companies Act, 2013. Schedule II mandates depreciation to be computed based on the estimated useful life of assets rather than on predetermined rates under the Written Down Value (WDV) method.</p> <p>Pursuant to this reassessment, the Company transitioned from the earlier Written Down Value method to a useful life-based depreciation approach. As a result of this review, the useful life of certain assets had substantially lapsed, leading to a lower depreciation charge during Fiscal 2024. Consequently, depreciation and amortisation expenses reduced from ₹73.20 lakhs in Fiscal 2023 to ₹33.77 lakhs in Fiscal 2024, which had a corresponding positive impact on the Profit After Tax for the year. Further, in term of total income expenses related depreciation and amortisation has also reduced to 1.28% in FY 2024 from 2.93% in FY 2023 due to normal use of assets.</p> <p>Accordingly, the reduction in depreciation and amortisation expenses by 1.64% in terms of total income had a favourable impact on profitability and contributed to an improvement in the Profit After Tax (PAT) margin for Fiscal 2024.</p>
Other Expenses	452.27	17.20%	478.86	19.15 %	-1.95%	- 26.5 9	- 5.55%	<p>Other expenses includes multiple heads of administrative overhead expenses, constituting 17.20% of total income in fiscal 2024 and 19.15% of the total incoming the fiscal 2023. Further, the expense have been reduced by ₹26.59 lakhs from ₹478.86 lakhs in the fiscal 2023 to ₹452.27 lakhs in the fiscal 2024, also representing a decrease of (5.55%) in the fiscal 2024.</p> <p>Reduction under the other expenses includes (i) reduction in Power &amp; Fuel Expenses from Rs. 90.26 lakhs in FY 2023 to Rs. 88.70 lakhs in FY 2024, representing decrease by Rs. 1.56 lakhs; is mainly due to reduction in vehicle running expenses (fuel expenses) incurred during the year from 9.94 lakhs in FY 2023 to 6.99 lakhs in FY 2024, which was compensated by other power and fuel expenses (Biomass Fuel Pellets, Electricity Expenses and Petrol and Diesel Expenses) (ii) Writing off deferred revenue expenses by Rs. 1.99 lakhs during the FY 2024 (iii) repair and maintenance to other equipment's decrease from Rs. 4.77 lakhs to Rs. 1.32 lakhs, representing decrease of Rs. 3.46 lakhs, due to decrease in expenses for computer maintenance repair related work and other repair related activity. (iv) legal &amp; professional fee reduced to ₹5.23 lakhs in fiscal 2024 from ₹13.95 lakhs in the fiscal 2023 due to certain payment for financial advisory fee in FY 2023, Certain legal fees, professional fees, which was not incurred in FY 2024; (v) reduction of business promotion expenses by Rs. 3.45 lakhs from Rs. 21.64 lakhs in FY 2023 to Rs. 18.19 lakhs in FY 2024 due decrease in advertisement expenses during the FY 2024 which was compensated by other business promotional activity such as social media marketing etc. (vi) reduction in travelling expenses from Rs. 12.00 lakhs in FY 2023 to Rs. 7.90 lakhs in FY 2024 representing decrease of Rs. 4.10 lakhs due to reduction in travelling expenses of management and sale staff in the month of September, October and November (vii) Freight outward reduced from ₹100.84 lakhs in the fiscal 2023 from ₹75.81</p>

								<p>lakhs in the fiscal 2024 representing decrease of Rs. 25.03 lakhs as we opted for better negotiations in rate with our transport service providers and focused on organised planned deliveries achieving the lower cost benefits towards freight cost.</p> <p>Hence, in aggregate impact of the above specified items, the other expenses was reduced by 1.95% in terms of percentage of total income which in turn enhanced the profitability margin by same ration in FY 2024.</p>
<b>Total Expenses</b>	2,415.55	91.89%	2,475.61	99.01%	-7.12%	-60.06	-2.43%	
<b>Profit Before Tax</b>	213.24	8.11%	24.78	0.99%	7.12%	188.46	760.53%	
<b>Tax Expenses</b>	2.48	0.09%	-0.63	-0.03%	0.12%	3.11	493.65%	
<b>Profit/(Loss) for the year</b>	210.76	8.02%	25.41	1.02%	7.00%	185.35	729.44%	<p>The significant improvement in the Company's Profit After Tax ("PAT") margin in Fiscal 2024 was primarily attributable to a combination of revenue growth and improved cost efficiencies across key expense heads. Revenue from operations increased by ₹128.01 lakhs, driven by higher sales volumes across the Company's core papad product segments, due to organic growth in sales pursuant to increase in market demand of existing customer in the general trade segment and modern trade segments.</p> <p>While revenue expanded, the Company simultaneously achieved better procurement of raw materials undertaken to support enhanced production requirements, driven by expected sales to Kendriya Police Kalyan Bhandar (KPKB), as well as increased estimated supplies to newly opened distribution channels of existing customers under the modern trade segment. While, sales volumes improved, the Company achieved a reduction in cost of material consumption and overall cost of production (Cost of Material Consumed, Purchase of Stock-In-Trade and Changes in inventories of finished goods and Stock-in-Trade) as a percentage of total income from 65.40% in FY 2023 to 59.82% in FY 2024 representing decrease by 5.58%, which in turn increase the Profit margin by same ratio.</p> <p>Depreciation expenses declined substantially due to adoption and change in management estimates for transitioned from the earlier Written Down Value method to a useful life-based depreciation approach. Reduced in depreciation and amortisation expenses by 1.64% in terms of percentage of total income had a favourable impact on profitability and contributed to an improvement in the Profit After Tax (PAT) margin for Fiscal 2024 by same ratio.</p> <p>Other operating expenses reduced favourably owing to reductions in Power and Fuel Expenses, Contractual Charges, Deferred Revenue Expenses, Repair and Maintenance - Others item, legal and professional fees, rent expenses, travelling expenses, freight outward, bad debt written off and business promotion expenses, supported by cost optimisation measures and improved operational efficiencies. Consequently, the cumulative impact of the these factors resulted in an increase in the Company's net profit margin from Profit after tax (PAT) increased from ₹25.41 lakhs (1.02%) in fiscal 2023 to ₹210.76 lakhs (8.02%) in fiscal</p>

								<p>2024.</p> <p>Consequently, the combined impact of strong top-line growth, controlled operating expenditures, resulted in a significant improvement in the Company's PAT margin during Fiscal 2024 from 1.02% in FY 2023 to 8.02% in FY 2024.</p> <p>Further, the average profit margin for Papad products increased from 25.56% in fiscal 2023 to 28.65% in fiscal 2024, reflecting higher margins across brands supported by improved contribution margins on both general and modern trade. Similarly, the average profit margin for Rice Papad products increased from 26.59% in fiscal 2023 to 29.05% in fiscal 2024, primarily due to improved realisations and better cost absorption across variants. The improvement in product-level margins contributed positively to the overall profitability of the Company and supported the increase in net profit during FY 2024.</p> <p>Consequently, the cumulative impact of the aforesaid factors resulted in an increase in the Company's net profit margin from Profit after tax (PAT) increased from ₹25.41 lakhs (1.02%) in fiscal 2023 to ₹210.76 lakhs (8.02%) in fiscal 2024.</p>
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### **Solvency Risk**

Historically, the Company has financed the expansion of its business operations through a combination of internal accruals and bank borrowings. The Company's borrowings are secured by way of charge over current assets, including inventories and trade receivables, together with personal guarantees provided by the Promoters.

During the fiscals under review, our Company reported low Debt Service Coverage Ratio (DSCR), as 0.13x, 0.06x, and 0.05x for fiscal years 2025, 2024, and 2023, respectively. Our Company experienced sub-optimal capacity utilization of its installed manufacturing facilities, which constrained revenue generation and operating cash flows in the initial years following expansion. Further, the extension of longer credit periods to certain customers and comparatively higher inventory levels maintained during expansion phases resulted in temporary working capital pressure, thereby affecting liquidity and cash flows available for debt servicing. These factors collectively contributed to a lower Debt Service Coverage Ratio in the said periods.

In order to strengthen its solvency position and improve its Debt Service Coverage Ratio to a sustainable level, the Company has undertaken and/or proposes to undertake the following measures:

1. Capacity Optimization: Progressive improvement in utilization levels of installed capacity through enhanced production planning and increased market penetration.
2. Debt Rationalization: Prepayment and/or reduction of a portion of outstanding borrowings, including through utilization of a part of the Issue proceeds, with a view to aligning repayment obligations with expected cash flow generation.
3. Working Capital Management: Strengthening receivable collection mechanisms, implementation of tighter customer credit evaluation policies, and optimization of inventory levels to improve liquidity.
4. Revenue Diversification: Expansion into higher-margin product categories and entry into new geographic markets to enhance profitability and cash accruals via modern trade segment.

The management believes that the aforesaid initiatives, coupled with the anticipated growth in revenues and operating margins, are expected to result in a gradual and sustainable improvement in operating cash flows and the Company's overall debt servicing capability in the forthcoming fiscal periods.

## OUTSTANDING LITIGATION AND MATERIAL DEVELOPMENTS

### II. LITIGATION INVOLVING OUR PROMOTERS

#### *A. Litigation filed against our Promoters*

##### *1. Criminal Proceedings*

Nil

##### *2. Other Material Proceedings*

Nil

##### *3. Actions taken by Regulatory and Statutory Authorities*

Nil

##### *4. Disciplinary action taken, including penalty imposed by SEBI or stock exchanges in the last five Financial Years preceding the date of this Draft Red Hearing Prospectus*

Nil

##### *5. Claims related to direct and indirect taxes in a consolidated manner, giving the number of cases and total amount*

Nil

#### *B. Litigation filed by our Promoters*

##### *1. Criminal Proceedings*

Nil

##### *2. Other Material Proceedings*

Nil

### VI. TAX PROCEEDINGS #

Except as disclosed below, there are no claims related to direct and indirect taxes, in a consolidated manner, giving the number of cases and total amount involving our Company, Directors (other than Promoters), Promoters, our Key Managerial Personnel & Senior Management Personnel, Subsidiaries and Group Company. in a consolidated manner, giving the number of cases and total amount

Nature of Case	Number of cases	Amount in Dispute / Demand (₹ in lakhs)
<b>Company</b>		
Direct Tax	1	276.84
Indirect Tax	-	-
<b>Directors (other than Promoters)</b>		
Direct Tax	-	-
Indirect Tax	-	-

<b>Promoters</b>		
Direct Tax	-	-
Indirect Tax	-	-
<b>Key Managerial Personnel and Senior Management Personnel</b>		
Direct Tax	-	-
Indirect Tax	-	-
<b>Subsidiaries *</b>		
Direct Tax	-	-
Indirect Tax	-	-
<b>Group Companies</b>		
Direct Tax	-	-
Indirect Tax	-	-

*\* As on the date of the Draft Red Herring Prospectus, our Company does not have any Subsidiary Companies*

## **PAST INQUIRIES, INSPECTIONS OR INVESTIGATIONS**

There have been no inquiries, inspections or investigations initiated or conducted under the Companies Act, 2013 or any previous company law in the last five years immediately preceding the date of this Draft Red Herring Prospectus in the case of our Company, Promoters and Directors. Other than as described above, there have been no prosecution filed (whether pending or not), fines imposed, compounding of offences under the Companies Act, 2013 or any other applicable law in the last five years immediately preceding the date of this Draft Red Herring Prospectus.

## **DISCLOSURE PERTAINING TO WILFUL DEFAULTERS**

Neither our Company, nor our Promoters and Directors have been categorized or identified as “Wilful Defaulters” by any bank or financial institution or consortium thereof, in accordance with the “Guidelines on Wilful Defaulters” issued by the Reserve Bank of India.

## **DISCLOSURE PERTAINING TO FRAUDULENT BORROWERS**

Our Company or any of our Promoters or Directors are not declared as “Fraudulent Borrowers” by the lending banks or financial institution or consortium thereof, in terms of Reserve Bank of India (Fraud Risk Management in Commercial Banks (including Regional Rural Banks) and All India Financial Institutions) Directions, 2024, dated July 15, 2024 issued by the Reserve Bank of India.

## **GOVERNMENT APPROVALS**

As per the Factories (Rajasthan Amendment) Act, 2014, a minimum of twenty (20) persons is required for applicability of a factory licence. Since the Karni Unit employs less than twenty (20) persons, the requirement to obtain a factory licence is not applicable to the said unit. Further, our Company has renewed the FSSAI license having license no. 12219017000311.

### **VI. BUSINESS RELATED APPROVALS**

1. The following is the list of business-related approvals which have been availed by our Company for carrying out business operations in registered office situated at Opposite Manav Bharti School Garsisar, Bikaner – 334 001, Rajasthan, India:

S. No .	Type of License/Approval	Issuing Authority	Applicable Law	Reference / Registration / License No.	Date of Issue/ Renewal	Valid up to
6	Certificate of Verification	Department of Consumer Affairs (Legal Metrology Cell), Rajasthan	Legal Metrology Act, 2009 and Rajasthan Legal Metrology (Enforcement) Rules, 2011	398162	November 20, 2025	November 04, 2026
7	Certificate of Verification	Department of Consumer Affairs (Legal Metrology Cell), Rajasthan	Legal Metrology Act, 2009 and Rajasthan Legal Metrology (Enforcement) Rules, 2011	420373	February 19, 2026	February 18, 2027

2. The following is the list of business-related approvals which have been availed by our Company for our commercial rented property at H-262, Phase-II, Karni Industrial Area, Bikaner, Rajasthan-334001:

S. No .	Type of License/Approval	Issuing Authority	Applicable Law	Reference / Registration / License No.	Date of Issue/ Renewal	Valid up to
4	Certificate of Verification	Department of Consumer Affairs (Legal Metrology Cell), Rajasthan	Legal Metrology Act, 2009 and Rajasthan Legal Metrology (Enforcement) Rules, 2011	420321	February 18, 2026	February 17, 2027

## **OTHER REGULATORY AND STATUTORY DISCLOSURES**

Page 378 shall remove the rationale for stating compliance with regulation 8.

### **Page 379 to be updated as:**

The date of incorporation of the Company is stated as “December 19, 2017”.

### **Page 383:**

#### **Other Listing Requirements**

In accordance with Regulation 230 (1) (d) of the SEBI (ICDR) Regulations, all the equity shares held by the shareholders are already in dematerialized form.

#### **Further updations:**

#### **Prohibition by SEBI, RBI or other Governmental Authorities**

- Our Company, Promoters, members of our Promoter Group, Directors, the Investor Selling Shareholder and person(s) in control of the Promoters or our Company are not prohibited from accessing or operating in the capital market or debarred from buying, selling or dealing in securities under any order or direction passed by SEBI or any securities market regulator in any other jurisdiction or any other authority/court.
- None of the companies with which our Promoters and Directors are associated with as promoters, directors or persons in control have been debarred from accessing capital markets under any order or direction passed by SEBI or any other authorities.
- Our Company, Promoters or Directors have not been declared as a ‘wilful defaulter’ by any bank or financial institution (as defined under the Companies Act, 2013) or consortium thereof, in accordance with the “Guidelines on Wilful Defaulters” issued by the RBI.
- Our Company, Promoters or Directors have not been declared as “Fraudulent Borrowers” by any bank, financial institution or lending consortium, in terms of the Reserve Bank of India (Fraud Risk Management in Commercial Banks (including Regional Rural Banks) and All India Financial Institutions) Directions, 2024, dated July 15, 2024 issued by the Reserve Bank of India. Our Promoters or Directors have not been declared as fugitive economic offenders under Section 12 of the Fugitive Economic Offenders Act, 2018.

#### **Confirmation under Companies (Significant Beneficial Owners) Rules, 2018**

Each of our Company, Promoters, and members of our Promoter Group and the Investor Selling Shareholder, severally and not jointly, confirms that it is in compliance with the Companies (Significant Beneficial Owners) Rules, 2018, as amended, to the extent applicable thereto, in respect of its respective holding in our Company, as on the date of this Draft Red Herring Prospectus.

#### **Non- appearance in the list of companies struck off by the Ministry of Corporate Affairs**

We confirm that the names of any of Directors, Promoters or individuals / entities forming part of the Promoter Group are not appearing in the list of directors of struck off companies by the RoC or the MCA.

#### **Eligibility for the Offer**

Our Company is not ineligible in terms of Regulations 228 of SEBI ICDR Regulations for this Offer as:

- Neither our Company, nor any of its Promoters, members of the Promoter Group, the Investor Selling Shareholder or Directors are debarred from accessing the capital markets by SEBI.

- Neither our Promoters, nor any Directors of our Company are a promoter or director of any other company which is debarred from accessing the capital markets by SEBI.
- Neither our Promoters nor any of our Directors are declared as fugitive economic offenders under Section 12 of the Fugitive Economic Offenders Act, 2018.
- Neither our Company, nor any of our Promoters, relatives (as defined under the Companies Act, 2013) of our Promoters nor our Directors are Wilful Defaulters or Fraudulent Borrowers.

In terms of Regulation 229(5) of the SEBI (Issue of Capital and Disclosure Requirements) Regulations, 2018, there has been no change in the existing Promoters of the Company. However, Ms. Aanya Agrarwal has been added as a Promoter of the Company. Further no new Promoter inducted (who have acquired more than fifty per cent of the shareholding) of our Company during the last 1 year from the date of this Draft Red Herring Prospectus.

## **6. Other Listing Conditions**

- e. The objects of the Offer does not consist of repayment of loan from Promoter, Promoter Group or any related party, from the Offer proceeds, whether directly or indirectly.

## **7. Disclosures**

We confirm that:

- a. There is no material regulatory or disciplinary action taken by a stock exchange or regulatory authority in the past one year in respect of Promoters/promoting company(ies), group companies, companies promoted by the Promoter/promoting companies of the Company.
- b. There is no default in payment of interest and/or principal to the debenture/bond/fixed deposit holders, banks, Fis by the Company, Promoter/promoting company(ies), group companies, companies promoted by the Promoter/promoting Company(ies) during the past three years.
- c. There are no litigations record against the applicant, Promoters/promoting company(ies), group companies promoted by the Promoters/promoting company(ies).

## **Disciplinary Action:**

We hereby confirm that:

- There is no regulatory action of suspension of trading against the promoter(s) or companies promoted by the promoters by any stock Exchange having nationwide trading terminals.
- The Promoter(s) or directors are not the promoter(s) or directors (other than independent directors) of compulsory delisted companies by the Exchange and there is no applicability of consequences of compulsory delisting is attracted or companies that are suspended from trading on account of non-compliance.

## **Other Listing Requirements:**

- b. The objects of the Offer do not consist of repayment of loan obtained from Promoters, Promoter Group or any related party, from the offer proceeds, whether directly or indirectly.
- c. 100% of the Promoters' shareholding in the Company is in dematerialised form.
- f. There has been no change in the promoters of Issuer Company but Ms. Aanya Agrarwal has been added as a Promoter of the Company in the preceding one year from date of filing application to National Stock Exchange of India Limited (NSE Emerge) for listing.



**In terms of Regulation 230(1) of the SEBI (ICDR) Regulations, 2018, our Company has ensured:**

- ❖ The entire Equity Shares of our Company held by our Promoters, promoter group, selling shareholder, directors are in dematerialized form.

## **CONSENTS**

Consents in writing of (a) Promoters, Investor Selling Shareholder, Promoter Group, Directors, Senior Managerial Personnel, Chief Financial Officer, Company Secretary & Compliance Officer, Internal Auditors, Statutory Auditors, Chartered Engineer, ; (b) the Monitoring Agency(1), Legal Counsel to the Offer, the BRLM to the Offer, Registrar to the Offer, Share Escrow Agent(1), the Syndicate Member(1), the Underwriter to the Offer(1), the Market Maker to the Offer(1), Bankers to the Company and the Bankers to the Offer (Escrow Collection Bank(s)/Refund Bank(s)/Public Offer Account Bank/Sponsor Bank)(1) to act in their respective capacities, have been obtained and shall be filed along with a copy of the Red Herring Prospectus / Prospectus with the RoC as required under Sections 26 and 32 of the Companies Act, 2013 and such consents shall not be withdrawn up to the time of delivery of the Red Herring Prospectus / Prospectus for filing with the RoC.

*<sup>(1)</sup>The aforesaid will be appointed prior to filing of the Red Herring Prospectus with RoC and their consents as above would be obtained prior to the filing of the Red Herring Prospectus with RoC.*

## **OFFER PROCEDURE**

Following will be the revised draft of 443 under chapter offer procedure :

Individual Investors applying for Minimum application size which shall be two lots per application, such that the minimum application size shall be above ₹ 2 lakhs (including HUFs applying through their Karta) and Eligible NRIs. Investors may note that in case of over subscription allotment shall be on proportionate basis and will be finalized in consultation with NSE.

## MATERIAL CONTRACTS AND DOCUMENTS

3. Waiver-cum-amendment agreement have been executed dated February 16, 2026.
4. Following mentioned certificates furnished by the statutory auditor -
  1. Statement Of Possible Special Tax Benefits
  2. Basis of estimation of incremental working capital requirement
  3. Certificate on Revenue Bifurcation
  4. Certificate on Distribution network
  5. Certificate on Plant & Machineries
  6. Certificate on Suppliers and Customers
  7. Certificate on Remuneration
  8. Certificate on Material Creditors
  9. Weighted Average Price of the Equity Shares acquired by our Promoters and Investor Selling Shareholder in the last one year preceding the date of this Draft Red Herring Prospectus
  10. Average Cost of Acquisition of Equity Shares for Promoters and Investor Selling Shareholder
  11. Tax proceeding of Company/ Directors/ Promoters/KMP's / SMP's/Subsidiaries and Group Companies
  12. Certificate in accordance with clause 9(F)(1) under Part A of Schedule VI of the SEBI ICDR Regulations
  13. Details of loans and facilities as at the end of August 31, 2025 and;
  14. Certificate in accordance with Clause 9(A)(2)(b) of Part A of Schedule VI of the SEBI (ICDR) Regulations which requires a certificate from statutory auditor certifying the utilization of loan for the purposed availed.

**General :**

1. The correct name of the Director & Promoter is **Mr. Jai Agarwal and Mrs. Prem Lata Agarwal**. We confirm that the same will be updated in all the relevant chapters of the RHP.
2. The correct name of the Independent Chartered Engineer is **Mr. Jayanta Dutta**. We confirm that the same will be updated in all the relevant chapters of the RHP.
3. The correct name of the Director & Promoter is **Ms. Aanya Agarwal**. We confirm that the name “**Aanya Agarwal**” will be standardized across all references in the document at the time of filing the Red Herring Prospectus, to ensure consistency and alignment with the definitive list of Board of Directors appearing on page 78.
4. The correct name of the entity is “**Vishal Namkeen Bhandar**.” We confirm this will be updated at the time of filing RHP.

## DECLARATION

We certify and declare that all relevant provisions of the Companies Act and the rules, regulations and guidelines issued by the Government of India, or the regulations or guidelines issued by the Securities and Exchange Board of India, established under section 3 of the Securities and Exchange Board of India Act, 1992, as the case may be, have been complied with and no statement made in this Addendum to draft red herring prospectus is contrary to the provisions of the Companies Act, the Securities Contracts (Regulation) Act, 1956, as amended, the Securities and Exchange Board of India Act, 1992, as amended or the rules, regulations or guidelines issued thereunder, as the case may be. We further certify that all the statements in this Addendum to draft red herring prospectus are true and correct.

## SIGNED BY THE DIRECTORS OF OUR COMPANY

Sd/- Jai Agarwal (Chairman and Managing Director)	Sd/- Prem Lata Agarwal (Whole Time Director)
Sd/- Aanya Agarwal (Non-Executive Director)	Sd/- Prafful Bhojak (Independent Director)
Sd/- Prasad Ramanuj Heda (Independent Director)	

## SIGNED BY THE CFO AND CS OF OUR COMPANY

Sd/-  Priya Mungia (Chief Financial Officer)	Sd/-  Khushboo Tak Singhal (Company Secretary)
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