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**AGRICON NUTRITECH LIMITED**  
CIN: U20120GJ2024PLC152600

**DRAFT RED HERRING PROSPECTUS**

Dated: September 18, 2024  
100% Book Built Issue  
Please read Section 26 and 32 of the  
Companies Act, 2013  
(This Draft Red Herring Prospectus will  
be updated upon filing with the RoC)

Registered Office	Contact Person	Email and Telephone	Website
508, Ananta Stallion, Nr. Sears Tower, Sevasi, Vadodara, Gujarat, India, 391101	Hitesh Singh Parihar Company Secretary & Compliance Officer	<b>E-mail:</b> <a href="mailto:compliance@agriconnutritech.com">compliance@agriconnutritech.com</a> Tel No: +91 94266 35147	<b>Website:</b> <a href="http://www.agriconnutritech.com">www.agriconnutritech.com</a>

**Promoters of the Company** Narendra Laljibhai Ghelani and Prafullaben Narendrakumar Ghelani

**DETAILS OF THE ISSUE**

Type	Fresh Issue Size (in ₹ lakhs)	OFS Size (by no. of Shares or by amount in ₹)	Total Issue Size (in ₹ lakhs)	Eligibility
Fresh Issue	40,00,000 Equity Shares aggregating to ₹ [●] Lakhs	Nil	₹ [●] Lakhs	This Issue is being made in terms of Chapter IX of the SEBI (ICDR) Regulations, 2018 as amended.

**DETAILS OF OFFER FOR SALE, SELLING SHAREHOLDERS AND THEIR AVERAGE COST OF ACQUISITION – NOT APPLICABLE AS THE ENTIRE ISSUE CONSTITUTES FRESH ISSUE OF EQUITY SHARES**

**RISK IN RELATION TO THE FIRST ISSUE**

This being the first issue of the issuer, there has been no formal market for the securities of the issuer. The face value of the Equity Shares is ₹10. The Floor Price, Cap Price and Issue Price determined by our Company, in consultation with the Book Running Lead Manager, on the basis of the assessment of market demand for the Equity Shares by way of the Book Building Process, as stated under **“Basis for Issue Price”** on page 85 should not be considered to be indicative of the market price of the Equity Shares after the Equity Shares are listed. No assurance can be given regarding an active or sustained trading in the Equity Shares nor regarding the price at which the Equity Shares will be traded after listing.

**GENERAL RISKS**

Investments in Equity and Equity-related securities involve a degree of risk and investors should not invest any funds in this Issue unless they can afford to take the risk of losing their entire investment. Investors are advised to read the risk factors carefully before taking an investment decision in the Issue. For taking an investment decision, investors must rely on their own examination of our Company and the Issue including the risks involved. The Equity Shares issued in the Issue have not been recommended or approved by the Securities and Exchange Board of India (“SEBI”), nor does SEBI guarantee the accuracy or adequacy of the Draft Red Herring Prospectus. Specific attention of the investors is invited to the section **“Risk Factors”** beginning on page 33 of this Draft Red Herring Prospectus.


**ISSUER’S ABSOLUTE RESPONSIBILITY**

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


**LISTING**

The Equity Shares Issued through Draft Red Herring Prospectus are proposed to be listed on the SME Platform of NSE (“NSE Emerge”). In terms of the Chapter IX of the SEBI (ICDR) Regulations, 2018 as amended from time to time, our Company has received “in-principle” approval letter dated [●] from NSE (NSE EMERGE) for using its name in the issue Document. For the purpose of this Issue, the Designated Stock Exchange will be the National Stock Exchange of India Limited (“NSE”).

**BOOK RUNNING LEAD MANAGER TO THE ISSUE**

Name and Logo	Contact Person	Email & Telephone
<b>Getfive Advisors Private Limited</b> (Formally known as Aavanya Advisors Private Limited) 	Shrikant Goyal	<b>Email:</b> <a href="mailto:compliance.officer@getfive.in">compliance.officer@getfive.in</a> <b>Tel. No.:</b> +91 9978912211/ +91 79907 29901

**REGISTRAR TO THE ISSUE**

Name and Logo	Contact Person	Email & Telephone
<b>Maashitla Securities Private Limited</b> 	Mukul Agarwal	<b>Email:</b> <a href="mailto:ipo@maashitla.com">ipo@maashitla.com</a> <b>Tel No.:</b> +91 99582 79163

**ISSUE PROGRAMME**

<b>ANCHOR PORTION ISSUE OPENS/ CLOSES ON:</b> [●] *	<b>BID/ISSUE OPENS ON:</b> [●]	<b>BID/ISSUE CLOSES ON:</b> [●] **
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\*The Company may, in consultation with the Book Running Lead Manager, consider participation by Anchor Investors in accordance with the SEBI ICDR Regulations, 2018. The Anchor Investor Bid/ Issue Period shall be one Working Day prior to the Bid/ Issue Opening Date.

\*\*Our Company may, in consultation with the BRLM, consider closing the Bid/ Issue Period for QIBs one Working Day prior to the Bid/ Issue Closing Date in accordance with the SEBI ICDR Regulations, 2018.



**AGRICON NUTRITECH LIMITED**  
CIN: U20120GJ2024PLC152600

DRAFT RED HERRING PROSPECTUS  
Dated: September 18, 2024  
100% Book Built Issue  
Please read Section 26 and 32 of the  
Companies Act, 2013

Our Company was initially established as a partnership firm under the name of "M/s. Agricon Fertilizers" vide partnership deed dated April 01, 2016 which was reconstituted and registered on May 05, 2024. Thereafter, our firm was converted from partnership firm to public limited, and the name of our Company was changed from "M/s. Agricon Fertilizers" to "Agricon Nutritech Limited" vide fresh certificate of incorporation dated June 19, 2024 issued by the Registrar of Companies, Central Registration Centre. The Corporate identification number of our Company is U20120GJ2024PLC152600.

**Registered Office:** 508, Ananta Stallion, Nr. Sears Tower, Sevasi, Vadodara, Gujarat, India, 391101

**Contact Person:** Hitesh Singh Parihar (Company Secretary & Compliance Officer)

**Tel No:** +91 94266 35147; **E-mail:** [compliance@agriconnutritech.com](mailto:compliance@agriconnutritech.com); **Website:** [www.agriconnutritech.com](http://www.agriconnutritech.com)

**Promoters of our Company:** Narendra Laljibhai Ghelani and Prafullaben Narendrakumar Ghelani

**DETAILS OF THE ISSUE**

**INITIAL PUBLIC OFFER OF UPTO 40,00,000 EQUITY SHARES OF FACE VALUE OF ₹ 10/- EACH (THE "EQUITY SHARES") OF AGRICON NUTRITECH LIMITED ("OUR COMPANY" OR "AGRICON" OR "THE ISSUER") AT AN ISSUE PRICE OF ₹ [●] PER EQUITY SHARE FOR CASH, AGGREGATING UPTO ₹ [●] LAKHS ("PUBLIC ISSUE") OUT OF WHICH [●] EQUITY SHARES OF FACE VALUE OF ₹ 10/- Each, AT AN ISSUE PRICE OF ₹ [●] PER EQUITY SHARE FOR CASH, AGGREGATING ₹ [●] LAKHS WILL BE RESERVED FOR SUBSCRIPTION BY THE MARKET MAKER TO THE ISSUE (THE "MARKET MAKER RESERVATION PORTION"). THE PUBLIC ISSUE LESS MARKET MAKER RESERVATION PORTION I.E. ISSUE OF [●] EQUITY SHARES OF FACE VALUE OF ₹ 10/- Each, AT AN ISSUE PRICE OF ₹ [●] PER EQUITY SHARE FOR CASH, AGGREGATING UPTO ₹ [●] LAKHS IS HEREIN AFTER REFERRED TO AS THE "NET ISSUE". THE PUBLIC ISSUE AND NET ISSUE WILL CONSTITUTE [●] % AND [●] % RESPECTIVELY OF THE POST- ISSUE PAID-UP EQUITY SHARE CAPITAL OF OUR COMPANY. THE PRICE BAND AND THE MINIMUM BID LOT WILL BE DECIDED BY OUR COMPANY IN CONSULTATION WITH THE BRLM AND WILL BE ADVERTISED IN ALL EDITION OF [●] (A WIDELY CIRCULATED ENGLISH NATIONAL DAILY NEWSPAPER) AND ALL EDITION OF [●] (A WIDELY CIRCULATED HINDI NATIONAL DAILY NEWSPAPER, AND VADODARA EDITION OF [●], A REGIONAL GUJARATI NEWSPAPER (GUJARATI BEING THE REGIONAL LANGUAGE OF VADODARA WHERE OUR REGISTERED OFFICE IS LOCATED), AT LEAST TWO WORKING DAYS PRIOR TO THE BID/ ISSUE OPENING DATE AND SHALL BE MADE AVAILABLE TO THE SME PLATFORM OF NSE ("NSE EMERGE") FOR THE PURPOSES OF UPLOADING ON THEIR WEBSITE.**

In case of any revision in the Price Band, the Bid/ Issue Period shall be extended for at least three additional Working Days after such revision of the Price Band, subject to the total Bid/Issue Period not exceeding 10 Working Days. In cases of force majeure, banking strike or similar circumstances, our Company, for reasons to be recorded in writing extend the Bid/Issue Period for a minimum of three Working Days, subject to the Bid/Issue Period not exceeding 10 Working Days. Any revision in the Price Band, and the revised Bid/Issue Period, if applicable, shall be widely disseminated by notification to the Stock Exchanges by issuing a press release and also by indicating the change on the website of the BRLM and at the terminals of the Members of the Syndicate and by intimation to Designated Intermediaries and Sponsor Bank.

The Issue is being made through the Book Building Process, in terms of Rule 19(2)(b)(i) of the Securities Contracts (Regulation) Rules, 1957, as amended ("SCRR") read with Regulation 253 of the SEBI ICDR Regulations, 2018, as amended, wherein not more than 50% of the Net Issue shall be allocated on a proportionate basis to Qualified Institutional Buyers ("QIBs", the "QIB Portion"), provided that our Company may, in consultation with the Book Running Lead Managers, allocate up to 60% of the QIB Portion to Anchor Investors on a discretionary basis in accordance with the SEBI ICDR Regulations, 2018 ("Anchor Investor Portion"), of which one-third shall be reserved for domestic Mutual Funds, subject to valid Bids being received from domestic Mutual Funds at or above the Anchor Investor Allocation Price. In the event of under-subscription, or non-allocation in the Anchor Investor Portion, the balance Equity Shares shall be added to the Net QIB Portion. Further, 5% of the Net QIB Portion shall be available for allocation on a proportionate basis only to Mutual Funds, and the remainder of the Net QIB Portion shall be available for allocation on a proportionate basis to all QIBs, including Mutual Funds, subject to valid Bids being received at or above the Issue Price. However, if the aggregate demand from Mutual Funds is less than 5% of the Net QIB Portion, the balance Equity Shares available for allocation in the Mutual Fund Portion will be added to the remaining Net QIB Portion for proportionate allocation to QIBs. Further, not less than 15% of the Net Issue shall be available for allocation on a proportionate basis to Non-Institutional Bidders and not less than 35% of the Net Issue shall be available for allocation to Retail Individual Bidders in accordance with the SEBI ICDR Regulations, 2018, subject to valid Bids being received at or above the Issue Price. All potential Bidders (except Anchor Investors) are required to mandatorily utilize the Application Supported by Blocked Amount ("ASBA") process providing details of their respective ASBA accounts, and UPI ID in case of RIBs using the UPI Mechanism, if applicable, in which the corresponding Bid Amounts will be blocked by the SCSBs or by the Sponsor Bank under the UPI Mechanism, as the case may be, to the extent of respective Bid Amounts. Anchor Investors are not permitted to participate in the Issue through the ASBA process. For details, see "Issue Procedure" beginning on page 241 of this Draft Red Herring Prospectus.

**RISK IN RELATION TO THE FIRST ISSUE**

This being the first issue of the issuer, there has been no formal market for the securities of the issuer. The face value of the Equity Shares is ₹10. The Floor Price, Cap Price and Issue Price determined by our Company, in consultation with the Book Running Lead Managers, on the basis of the assessment of market demand for the Equity Shares by way of the Book Building Process, as stated under "Basis for Issue Price" on page 85 should not be considered to be indicative of the market price of the Equity Shares after the Equity Shares are listed. No assurance can be given regarding an active or sustained trading in the Equity Shares nor regarding the price at which the Equity Shares will be traded after listing.

**GENERAL RISKS**

Investments in Equity and Equity-related securities involve a degree of risk and investors should not invest any funds in this Issue unless they can afford to take the risk of losing their entire investment. Investors are advised to read the risk factors carefully before taking an investment decision in the Issue. For taking an investment decision, investors must rely on their own examination of our Company and the Issue including the risks involved. The Equity Shares issued in the Issue have not been recommended or approved by the Securities and Exchange Board of India ("SEBI"), nor does SEBI guarantee the accuracy or adequacy of the Draft Red Herring Prospectus. Specific attention of the investors is invited to the section "Risk Factors" beginning on page 33 of this Draft Red Herring Prospectus.

**ISSUER'S ABSOLUTE RESPONSIBILITY**

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

**LISTING**

The Equity Shares Issued through this Draft Red Herring Prospectus are proposed to be listed on the SME Platform of NSE (NSE EMERGE). In terms of the Chapter IX of the SEBI (ICDR) Regulations, 2018 as amended from time to time, our Company has received "in-principle" approval letter dated [●] from NSE (NSE EMERGE) for using its name in the issue Document. For the purpose of this Issue, the Designated Stock Exchange will be the National Stock Exchange of India Ltd. ("NSE")

**BOOK RUNNING LEAD MANAGER TO THE ISSUE**

**REGISTRAR TO THE ISSUE**

 <p>Getfive Advisors Private Limited (Formerly known as Aavanya Advisors Private Limited)</p>	 <p>Maashitla Securities Private Limited</p>
<p><b>Getfive Advisors Private Limited</b> 502, Abhisheer Avenue, Nehru Nagar, Manekbag, Ahmedabad – 380015, Gujarat Tel. No.: +91 9978912211/ +91 79907 29901 Email: <a href="mailto:compliance.officer@getfive.in">compliance.officer@getfive.in</a> Investor Grievance Email: <a href="mailto:investor.grievance@getfive.in">investor.grievance@getfive.in</a> Website: <a href="http://www.getfive.in">www.getfive.in</a> Contact Person: Shrikant Goyal SEBI Regn. No.: INM000013147</p>	<p><b>Maashitla Securities Private Limited</b> Address: 451, Krishna Apra Business Square, Netaji Subhash Place, Pitampura, New Delhi-110034 Telephone: 99582 79163 Email: <a href="mailto:ipo@maashitla.com">ipo@maashitla.com</a> Investor Grievance Email: <a href="mailto:investor.ipo@maashitla.com">investor.ipo@maashitla.com</a> Website: <a href="http://www.maashitla.com">www.maashitla.com</a> Contact Person: Mukul Agrwal SEBI Registration Number: INR000004370 CIN: U67100DL2010PTC208725</p>

**ISSUE PROGRAMME**

**ANCHOR PORTION ISSUE OPENS/CLOSES ON: [●] \*** **BID/ISSUE OPENS ON: [●] \*** **BID/ISSUE CLOSES ON: [●] \*\***

\*The Company may, in consultation with the Book Running Lead Manager, consider participation by Anchor Investors in accordance with the SEBI ICDR Regulations, 2018. The Anchor Investor Bid/Issue Period shall be one Working Day prior to the Bid/Issue Opening Date.

\*\*Our Company may, in consultation with the BRLM, consider closing the Bid/Issue Period for QIBs one Working Day prior to the Bid/Issue Closing Date in accordance with the SEBI ICDR Regulations, 2018

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## SECTION I – GENERAL

### DEFINITIONS AND ABBREVIATIONS

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

*The words and expressions used in this Draft Red Herring Prospectus but not defined herein, shall have, to the extent applicable, the meaning ascribed to such terms under the Companies Act, 2013, the SEBI (ICDR) Regulations, 2018, the Securities Contracts Regulation Act, 1956 (“SCRA”), the Depositories Act or the rules and regulations made there under.*

*Notwithstanding the foregoing, terms used in of the sections “**Statement of Special Tax Benefits**”, “**Financial Information of the Company**” and “**Main Provisions of the Articles of Association**” on page 90, 161 and 275 respectively, shall have the meaning ascribed to such terms in such sections.*

#### General Terms

Terms	Description
“Agricon”, “the Company”, “our Company”, “Issuer” or “Agricon Nutritech Limited”	Agricon Nutritech Limited, a Company incorporated in India under the Companies Act, 2013, having its Registered office at 508, Ananta Stallion, Nr. Sears Tower, Sevasi, Vadodara, Gujarat, India, 391101
“we”, “us” or “our”	Unless the context otherwise indicates or implies refers to our Company.
“you”, “your” or “yours”	Prospective investors in this Issue.

#### Company related terms

Term	Description
Agri	Agriculture
AOA/ Articles/ Articles of Association	The articles of association of our Company, as amended
Audit Committee	The Audit Committee of the Board of Directors constituted in accordance with Chapter 177 of the Companies Act, 2013. Further detail of Audit Committee of our Company as described in the chapter titled “ <b>Our Management</b> ” beginning on page 139 of this Draft Red Herring Prospectus.
Peer review Auditors/ Statutory Auditors	The Statutory Auditors of our Company being M/s VRAJM & Associates., (Firm Registration No. as 121458W).
B.Sc.	Bachelor of Science
Bankers to our Company	HDFC Bank Limited
Board of Directors/ the Board/ our Board	The board of directors of our Company, as constituted from time to time. For further details of our Directors, please refer to section titled “ <b>Our Management</b> ” beginning on page 139 of this Draft Red Herring Prospectus.
Chief Financial Officer/ CFO	The Chief Financial Officer of our Company being Narsinhbhai Ratnabhai Koladia.
CIN	Corporate Identification Number
Companies Act/ Act	The Companies Act, 2013 and amendments thereto and erstwhile Companies Act 1956 as applicable
Company Secretary and Compliance Officer	The Company Secretary & Compliance Officer of our Company being Hitesh Singh Parihar (M. No.: A61540)
CRISIL	Credit Rating Information Services of India Limited
Depositories	A depository registered with SEBI under the Securities and Exchange Board of India (Depositories and Participants) Regulations, 1996 as amended from time to time, being.

Term	Description
	National Securities Depository Limited (NSDL) and Central Depository Services (India) Limited (CDSL).
Director(s)/ our directors	The Director(s) of our Company, unless otherwise specified. For details of our directors, see <b>“Our Management”</b> on page 139 of this Draft Red Herring Prospectus
DIN	Director Identification Number
DP ID	Depository’s Participant’s Identity Number
DP/ Depository Participant	A depository participant as defined under the Depositories Act.
Equity Shareholders/ Shareholders	Persons/ Entities holding Equity Shares of our Company
Equity Shares	Equity Shares of the Company of Face Value of ₹ 10/- each unless otherwise specified in the context thereof.
Executive Directors	Executive Directors are the Managing Director & Whole-time Directors of our Company.
Fe	Iron
Fugitive economic offender	Shall mean an individual who is declared a fugitive economic offender under section 12 of the Fugitive Economic Offenders Act, 2018 (17 of 2018)
GIS	geographic information systems
Gr./ G	Granules
Group Companies	Group Companies as defined under Regulation 2(1)(t) of the SEBI (ICDR) Regulations, 2018, and the Materiality Policy as set out in section titled <b>“Our Group Companies”</b> on page 157
Independent Chartered Engineer	The Chartered Engineer appointed by our Company, namely, Mr Vachhani Divyeshkumar Kishorbhai, Chartered Engineer
Independent Director	An Independent Director as defined under Section 2(47) of the Companies Act, 2013 and as defined under the Listing Regulations. For details of our Independent Directors, see <b>“Our Management”</b> on page 139 of this Draft Red Herring Prospectus.
Indian GAAP	Generally Accepted Accounting Principles in India
ISIN	International Securities Identification Number. In this case being INE11LT01013
Key Management Personnel/ KMP	Key Management Personnel of our Company in terms of Regulation 2(1) (bb) of the SEBI Regulations and the Companies Act, 2013. For details, see section titled <b>“Our Management”</b> on page 139 of this Draft Red Herring Prospectus.
M.Sc.	Master of Science
Materiality Policy	The policy adopted by our Board on August 20, 2024 for identification of Group Companies, material outstanding litigation and material outstanding dues to creditors, pursuant to the disclosure requirements under the SEBI (ICDR) Regulations, 2018 as amended from time to time.
MD or Managing Director	The Managing Director of our Company, Narendra Laljibhai Ghelani.
MOA/ Memorandum of Association	Memorandum of Association of Agricon Nutritech Limited as amended from time to time.
Nomination and Remuneration Committee	The nomination and remuneration committee of our Board constituted in accordance with Section 178 of the Companies Act, 2013 as described in the chapter titled <b>“Our Management”</b> beginning on page 139 of this Draft Red Herring Prospectus
Non-Executive Director	A Director not being an Executive Director.
NRIs/ Non-Resident Indians	A person resident outside India, as defined under Foreign Exchange Management Act, 1999 and who is a citizen of India or a Person of Indian Origin under Foreign Exchange Management (Transfer or Issue of Security by a Person Resident Outside India) Regulations, 2000.
Person or Persons	Any individual, sole proprietorship, unincorporated association, unincorporated organization, body corporate, corporation, company, partnership, limited liability company, joint venture, or trust or any other entity or organization validly constituted and/or incorporated in the jurisdiction in which it exists and operates, as the context requires.



<b>Term</b>	<b>Description</b>
Promoter Group	Includes such Persons and companies constituting our Promoter Group covered under Regulation 2(1) (pp) of the SEBI (ICDR) Regulations, 2018 as enlisted in the section <b>“Our Promoter and Promoter Group”</b> beginning on page 152 of this Draft Red Herring Prospectus.
Promoter(s)	Shall mean promoters of our Company i.e. Narendra Laljibhai Ghelani and Prafullaben Narendrakumar Ghelani. For further details, please refer to section titled <b>“Our Promoter &amp; Promoter Group”</b> beginning on page 152 of this Draft Red Herring Prospectus.
R&D	Research and development
Registered Office of our Company	The Registered Office of our Company situated at 508, Ananta Stallion, Nr. Sears Tower, Sevasi, Vadodara, Gujarat, India, 391101
Restated Financial Statement/ Statements	The Restated Financial statements of our Company comprising of the Restated Statement of Assets and Liabilities for financial year ended on March 31, 2024, March 31, 2023 and March 31, 2022, the Restated Statement of Profit & Loss for financial year ended on March 31, 2024, March 31, 2023 and March 31, 2022 and the Restated Cash Flows Statements for financial year ended on March 31, 2024, March 31, 2023 and March 31, 2022 of our Company prepared in accordance with Indian GAAP and the Companies Act and restated in accordance with the SEBI (ICDR) Regulations, 2018 and the Revised Guidance Note on Reports in Company Prospectus (Revised 2019) issued by the ICAI, together with the schedules, notes and annexure thereto.
RoC/ Registrar of Companies	Unless specified otherwise refers to ROC Ahmedabad situated at ROC Bhavan, Opp. Rupal Park Society, Behind Ankur Bus Stop, Naranpura, Ahmedabad - 380013, Gujarat.
Shareholders	Shareholders of our Company from time to time.
Stakeholders’ Relationship Committee	Stakeholders’ relationship committee of our Company constituted in accordance with Section 178 of the Companies Act, 2013 and as described in the chapter titled <b>“Our Management”</b> beginning on page 139 of this Draft Red Herring Prospectus
Stock Exchange	Unless the context requires otherwise, refers to, National Stock Exchange of India Limited (NSE).
Subscriber to MOA	Initial Subscribers to MOA & AOA being Narendrabhai Laljibhai Ghelani, Prafullaben Narendrakumar Ghelani, Mukesh Prahladbhai Parmar, Jatin Dhirajlal Ukani, Krishna Baburao Salve, Narsinhbhai Ratnabhai Koladia, Mohan Lal Kumawat
WIP	Work in progress

#### Issue Related Terms

<b>Terms</b>	<b>Description</b>
Abridged Prospectus	Abridged prospectus means a memorandum containing such salient features of a prospectus as may be specified by SEBI in this behalf.
Acknowledgement Slip	The slip or document issued by the Designated Intermediary to bidders as proof of registration of the Application.
Allocation/ Allocation of Equity Shares	The Allocation of Equity Shares of our Company pursuant to Fresh Issue of Equity Shares to the retail individual investors and other than retail individual investors, including corporate bodies or institutions.
Allotment/ Allot/ Allotted	Unless the context otherwise requires, means the allotment of Equity Shares, pursuant to the Fresh Issue to successful Bidders
Allotment Advice	A note or advice or intimation of Allotment sent to the successful Bidders who have been or are to be Allotted the Equity Shares after the Basis of Allotment has been approved by the Designated Stock Exchange.
Allottee (s)	A successful applicant to whom the Equity Shares are allotted.
Anchor Investor(s)	The price at which Equity Shares will be allocated to the Anchor Investors in terms of the Red Herring Prospectus.

<b>Terms</b>	<b>Description</b>
Anchor Price Investor Allocation	The price at which Equity Shares will be allocated to the Anchor Investors in terms of the Red Herring Prospectus and the Prospectus, which will be decided by our Company in consultation with the Book Running Lead Manager during the Anchor Investor Bid/ Issue Period.
Anchor Investor Application Form	The application form used by an Anchor Investor to make a Bid in the Anchor Investor Portion and which will be considered as an application for Allotment in terms of the Red Herring Prospectus and Prospectus.
Anchor Period Investor Bid/ Issue	One Working Day prior to the Bid/ Issue Opening Date, on which Bids by Anchor Investors shall be submitted and allocation to the Anchor Investors shall be completed.
Anchor Investor Issue Price	The final price at which the Equity Shares will be Allotted to the Anchor Investors in terms of the Red Herring Prospectus and the Prospectus, which price will be equal to or higher than the Issue Price but not higher than the Cap Price. The Anchor Investor Issue Price will be decided by our Company, in consultation with the Book Running Lead Manager.
Anchor Investor Portion	Up to 60% of the QIB Portion which may be allocated by our Company, in consultation with the Book Running Lead Manager, to the Anchor Investors on a discretionary basis in accordance with the SEBI (ICDR) Regulations. One-third of the Anchor Investor Portion shall be reserved for domestic Mutual Funds, subject to valid Bids being received from domestic Mutual Funds at or above the Anchor Investor Allocation Price, in accordance with the SEBI (ICDR) Regulations.
Application Supported by Block Amount (ASBA)	An application, whether physical or electronic, used by ASBA Bidders, to make a Bid and authorizing an SCSB to block the Bid Amount in the ASBA Account and will include amounts blocked by the SCSB upon acceptance of UPI Mandate Request by the UPI Bidders using the UPI Mechanism.
ASBA Account	A bank account maintained by ASBA Bidders with an SCSB and specified in the ASBA Form submitted by such ASBA Bidder in which funds will be blocked by such SCSB to the extent of the specified in the ASBA Form submitted by such ASBA Bidder and includes a bank account maintained by a Retail Individual Investor linked to a UPI ID, which will be blocked in relation to a Bid by a Retail Individual Investor Bidding through the UPI Mechanism.
ASBA Application Location(s)/ Specified Cities	Locations at which ASBA Applications can be uploaded by the SCSBs, namely Mumbai, New Delhi, Chennai, Kolkata and Ahmedabad.
ASBA Applicant/ ASBA Investor	Any prospective investor(s)/ applicants(s) in this Issue who apply (ies) through the ASBA process in terms of the Prospectus.
Banker to the Issue Agreement	Agreement dated [●] entered into amongst the Company, Lead Manager, the Registrar, Sponsor Bank and the Banker to the Issue.
Bankers to the Issue/ Public Issue Bank/ Sponsor Bank	Banks which are clearing members and registered with SEBI as Bankers to an Issue and with whom the Public Issue Account will be opened, in this case being [●]
Basis of Allotment	The basis on which the Equity Shares will be Allotted to successful bidders under the Issue and which is described in the chapter titled “ <i>Issue Procedure</i> ” beginning on page 241 of this Draft Red Herring Prospectus.
Bid	An indication to make an Issue during the Bid/ Issue Period by a Bidder (other than an Anchor Investor) pursuant to submission of the ASBA Form, or during the Anchor Investor Bid/ Issue Period by an Anchor Investor, pursuant to submission of the Anchor Investor Application Form, to subscribe to or purchase the Equity Shares at a price within the Price Band, including all revisions and modifications thereto as permitted under the SEBI ICDR Regulations, 2018 and in terms of the Draft Red Herring Prospectus and the Bid cum Application Form. The term “Bidding” shall be construed accordingly.
Bid Amount	The highest value of optional Bids indicated in the Bid cum Application Form and in the case of Retail Individual Bidders Bidding at Cut Off Price, the Cap Price multiplied by the number of Equity Shares Bid for by such Retail Individual Bidder and mentioned in the Bid cum Application Form and payable by the Retail Individual Bidder or blocked in the ASBA Account upon submission of the Bid in the Issue.
Bid Lot	[●] equity shares and in multiples of [●] equity shares thereafter.

<b>Terms</b>	<b>Description</b>
Bid/ Issue Opening Date	Except in relation to any Bids received from the Anchor Investors, the date on which the Syndicate, the Designated Branches and the Registered Brokers shall start accepting Bids, which shall be notified in all editions of the English national newspaper [●], all editions of Hindi national newspaper [●] and a Regional Gujarati newspaper [●] where the registered office of the company is situated, each with wide circulation, and in case of any revision, the extended Bid/ Issue Opening Date also to be notified on the website and terminals of the Syndicate and SCSBs, as required under the SEBI ICDR Regulations, 2018.
Bid/ Issue Closing Date	Except in relation to any Bids received from the Anchor Investors, the date after which the Syndicate, the Designated Branches and the Registered Brokers shall not accept the Bids, which shall be notified in all editions of the English national newspaper [●], all editions of Hindi national newspaper [●] and a Regional Gujarati newspaper [●] where the registered office of the company is situated, each with wide circulation, and in case of any revision, the extended Bid/ Issue closing Date also to be notified on the website and terminals of the Syndicate, SCSB's and Sponsor Bank, as required under the SEBI ICDR Regulations, 2018.
Bid/ Issue Period	Except in relation to any Bids received from the Anchor Investors, the period between the Bid/ Issue Opening Date and the Bid/ Issue Closing Date or the QIB Bid/ Issue Closing Date, as the case may be, inclusive of both days, during which Bidders can submit their Bids, including any revisions thereof. Provided however that the Bidding/ Issue Period shall be kept open for a minimum of three Working Days for all categories of Bidders.
Bidders/ First Bidder/ Applicant	Bidder(s) whose name shall be mentioned in the Bid cum Application Form or the Revision Form and in case of joint bids, whose name shall also appear as the first holder of the beneficiary account held in joint names.
Bidding	The process of making a Bid.
Bidding/ Collection Centres	Centres at which the Designated intermediaries shall accept the ASBA Forms, i.e. Designated SCSB Branches for SCSBs, specified locations for syndicates, broker centres for registered brokers, designated RTA Locations for RTAs and designated CDP locations for CDPs.
Book Building Process/ Book Building Method	Book building process, as provided in Part A of Schedule XIII of the SEBI ICDR Regulations, 2018, in terms of which the Issue is being made.
BRLM/ Book Running Lead Manager	Book Running Lead Manager to the Issue in this case being Getfive Advisors Private Limited, SEBI Registered Category-I Merchant Banker.
Broker Centres	Broker Centres notified by the Stock Exchanges, where the investors can submit the Bid-cum Application Forms to a Registered Broker. The details of such Broker Centres, along with the names and contact details of the Registered Brokers are available on the websites of the Stock Exchange.
Business Day	Monday to Friday (except public holidays).
CAN or Confirmation of Allocation Note	The Note or advice or intimation sent to each successful Applicant indicating the Equity which will be allotted, after approval of Basis of Allotment by the designated Stock Exchange.
Cap Price	The higher end of the price band above which the Issue Price will not be finalized and above which no Bids (or a revision thereof) will be accepted.
Client Id	Client Identification Number maintained with one of the Depositories in relation to Demat account
Collecting Depository Participants or CDPs	A depository participant as defined under the Depositories Act, 1996, registered with SEBI and who is eligible to procure Applications at the Designated CDP Locations in terms of circular no. CIR/CFD/POLICYCELL/11/2015 dated November 10, 2015 issued by SEBI
Collecting Registrar and Share Transfer Agent	Registrar to an Issue and share transfer agents registered with SEBI and eligible to procure Bids at the Designated RTA Locations in terms of circular no. CIR/CFD/POLICYCELL/11/2015 dated November 10, 2015 issued by SEBI.
Controlling Branches of the SCSBs	Such branches of the SCSBs which coordinate with the BRLM, the Registrar to the Issue and the Stock Exchange.
Cut Off Price	The Issue Price, which shall be any price within the Price band as finalized by our Company in consultation with the BRLM. Only Retail Individual Investors are entitled to Bid at the Cut-

Terms	Description
	off Price. QIBs (including Anchor Investor) and Non-Institutional Investors are not entitled to Bid at the Cut-off Price.
Demographic Details	The demographic details of the Bidders such as their Address, PAN, name of the Bidders father/husband, investor status, occupation and Bank Account details.
Depositor/ Depositories	A depository registered with SEBI under the Securities and Exchange Board of India (Depositories and Participants) Regulations, 1996 as amended from time to time i.e. National Securities Depository Limited (NSDL) and Central Depository Services (India) Limited (CDSL).
Depositories	National Securities Depository Limited (NSDL) and Central Depository Services (India) Limited (CDSL).
Depositories Act	The Depositories Act, 1996, as amended from time to time.
Designated CDP Locations	Such locations of the CDPs where Applicant can submit the Bid-cum-Application Forms to Collecting Depository Participants. The details of such Designated CDP Locations, along with names and contact details of the Collecting Depository Participants eligible to accept Bid-Cum-Application Forms are available on the website of the Stock Exchange i.e. <a href="http://www.nseindia.com">www.nseindia.com</a>
Designated Date	The date on which funds are transferred from the Escrow Account(s) and the amounts blocked are transferred from the ASBA Accounts, as the case may be, to the Public Issue Account(s) or the Refund Account(s), as applicable, in terms of the Prospectus and the Prospectus, after the finalization of the Basis of Allotment in consultation with the Designated Stock Exchange, following which Equity Shares may be Allotted to successful Bidders in the Issue.
Designated Intermediaries/ Collecting Agent	An SCSB's with whom the bank account to be blocked, is maintained, a syndicate member (or sub-syndicate member), a Stock Broker registered with recognized Stock Exchange, a Depository Participant, a registrar to an Issue and share transfer agent (RTA) (whose names is mentioned on website of the stock exchange as eligible for this activity).
Designated Market Maker	[•]
Designated RTA Locations	Such locations of the RTAs where Bidder can submit the Bid-Cum-Application Forms to RTAs. The details of such Designated RTA Locations, along with names and contact details of the RTAs eligible to accept Bid-Cum-Application Forms are available on the websites of the Stock Exchange i.e. <a href="http://www.nseindia.com">www.nseindia.com</a>
Designated SCSB Branches	Such branches of the SCSBs which shall collect the ASBA Application Form from the Applicant and a list of which is available on the website of SEBI at <a href="https://www.sebi.gov.in/sebiweb/other/OtherAction.do?doRecognised=yes">https://www.sebi.gov.in/sebiweb/other/OtherAction.do?doRecognised=yes</a> . Recognized-Intermediaries or at such other website as may be prescribed by SEBI from time to time.
Designated Stock Exchange	National Stock Exchange of India Limited ("SME Exchange") ("NSE Emerge")
DP ID	Depository's Participant's Identity Number
DP/ Depository Participant	A depository participant as defined under the Depositories Act, 1996
Draft Red Herring Prospectus	Draft Red Herring Prospectus dated as being filed with NSE Emerge [•]
Electronic Transfer of Funds	Refunds through NACH, NEFT, Direct Credit or RTGS as applicable.
Eligible NRI	A Non-Resident Indian in a jurisdiction outside India where it is not unlawful to make an offer or invitation under the issue and in relation to whom this Draft Red Herring Prospectus will constitute an invitation to subscribe for the Equity Shares.
Eligible QFIs	QFIs from such jurisdictions outside India where it is not unlawful to make an issue or invitation under the issue and in relation to whom the Prospectus constitutes an invitation to purchase the Equity shares issued thereby and who have opened Demat accounts with SEBI registered qualified depository participants.
FII/ Foreign Institutional Investors	Foreign Institutional Investor as defined under SEBI (Foreign Institutional Investors) Regulations, 1995, as amended) registered with SEBI under applicable laws in India.

Terms	Description
Floor Price	The lower end of the Price Band, subject to any revision(s) thereto, at or above which the Issue Price and the Anchor Investor Issue Price will be finalized and below which no Bids will be accepted.
First/ Sole Applicant	The Applicant whose name appears first in the Application Form or Revision Form.
Fresh Issue	The fresh issue of up to 40,00,000 Equity Shares by our Company, at ₹ [●] per Equity Share (including a premium of ₹ [●] per Equity Share) aggregating up to ₹ [●] lakhs.
Foreign Venture Capital Investors	Foreign Venture Capital Investors registered with SEBI under the SEBI (Foreign Venture Capital Investor) Regulations, 2000.
FPI/ Foreign Portfolio Investor	A Foreign Portfolio Investor who has been registered pursuant to the of Securities and Exchange Board of India (Foreign Portfolio Investors) Regulations, 2014, provided that any FII or QFI who holds a valid certificate of registration shall be deemed to be a foreign portfolio investor till the expiry of the block of three years for which fees have been paid as per the SEBI (Foreign Institutional Investors) Regulations, 1995, as amended.
Fugitive Economic Offender	An individual who is declared a fugitive economic offender under Section 12 of the Fugitive Economic Offenders Act, 2018.
General Corporate Purposes	Include such identified purposes for which no specific amount is allocated or any amount so specified towards general corporate purpose or any such purpose by whatever name called, in the issue document. Provided that any offer related expenses shall not be considered as a part of general corporate purpose merely because no specific amount has been allocated for such expenses in the issue document.
General Information Document (GID)	The General Information Document for investing in public issues, prepared and issued in accordance with the SEBI circular (SEBI/HO/CFD/DIL1/CIR/P/2020/37) dated March 17, 2020 and the UPI Circulars. The General Information Document shall be available on the websites of the Stock Exchanges, and the Book Running Lead Manager.
Issue Agreement	The Issue Agreement dated September 04, 2024 between our Company and Book Running Lead Manager i.e. Getfive Advisors Private Limited.
Issue Price	The final price at which Equity Shares will be Allotted to successful Bidders, other than Anchor Investors. Equity Shares will be Allotted to Anchor Investors at the Anchor Investor Issue Price in terms of the Red Herring Prospectus. The Issue Price will be decided by our Company, in consultation with the BRLM on the Pricing Date, in accordance with the Book Building Process and in terms of the Red Herring Prospectus
Issue Proceeds	Proceeds to be raised by our Company through this Issue, for further details please refer chapter titled <b>“Objects of the Issue”</b> beginning on page 76 of this Draft Red Herring Prospectus
Issue/ Public Issue/ Issue size/ Initial Public Issue/ Initial Public Offering/ IPO	The Initial Public Offer of upto 40,00,000 Equity shares of ₹ 10/- each at Issue price of ₹ [●]/- per Equity share, including a premium of ₹ [●]/- per equity share aggregating to ₹ [●] lakhs comprising the Fresh Issue.
Listing Agreement	The Equity Listing Agreement to be signed between our Company and the Stock Exchange.
Lot Size	[●]
Mandate Request	Mandate Request means a request initiated on the RII by sponsor bank to authorize blocking of funds equivalent to the application amount and subsequent debit to funds in case of allotment.
Market Maker Reservation Portion	The reserved portion of [●] Equity Shares of ₹10 each at an Issue price of ₹ [●] each is aggregating to ₹ [●] Lakhs to be subscribed by Market Maker in this Issue.
Market Making Agreement	The Market Making Agreement dated [●] between our Company, Book Running Lead Manager and Market Maker.
Mutual Fund Portion	5% of the Net QIB Portion, or [●] Equity Shares, which shall be available for allocation to Mutual Funds only on a proportionate basis, subject to valid Bids being received at or above the Issue Price.
Mutual Funds	A mutual fund registered with SEBI under the SEBI (Mutual Funds) Regulations, 1996, as amended from time to time.

Terms	Description
Net Issue	The Issue (excluding the Market Maker Reservation Portion) of [●] equity Shares of ₹10/- each at a price of ₹ [●] per Equity Share (the “Issue Price”), including a share premium of ₹ [●] per equity share aggregating to ₹ [●] Lakhs.
Net Proceeds	The Issue Proceeds received from the fresh issue excluding issue related expenses. For further information on the use of Issue Proceeds and Issue expenses, please refer to the section titled “ <i>Objects of the Issue</i> ” beginning on page 76 of this Draft Red Herring Prospectus.
Net QIB Portion	The portion of the QIB Portion less the number of Equity Shares Allocated to the Anchor Investors
Non- Resident	A person resident outside India, as defined under FEMA and includes NRIs, FPIs and FVCIs
Non-Institutional Bidders	All Bidders that are not QIBs, RIBs or Eligible Employees Bidding in the Employee Reservation Portion and who have Bid for Equity Shares, for an amount of more than 2,00,000 (but not including NRIs other than Eligible NRIs)
Non-Institutional Portion	The portion of the Issue being not less than 15% of the Issue, consisting of [●] Equity Shares, which shall be available for allocation on a proportionate basis to Non-Institutional Investors, subject to valid Bids being received at or above the Issue Price.
Other Investor	Investors other than Retail Individual Investors. These include individual applicants other than retail individual investors and other investors including corporate bodies or institutions irrespective of the number of specified securities applied for.
Overseas Corporate Body/ OCB	Overseas Corporate Body means and includes an entity defined in clause (xi) of Regulation 2 of the Foreign Exchange Management (Withdrawal of General Permission to Overseas Corporate Bodies (OCB’s) Regulations 2003 and which was in existence on the date of the commencement of these Regulations and immediately prior to such commencement was eligible to undertake transactions pursuant to the general permission granted under the Regulations. OCBs are not allowed to invest in this Issue.
Pay-in-Period	The period commencing on the Bid/ Issue Opening date and extended till the closure of the Anchor Investor Pay-in-Date.
Payment through electronic transfer of funds	Payment through NECS, NEFT or Direct Credit, as applicable.
Person/ Persons	Any individual, sole proprietorship, unincorporated association, unincorporated organization, body corporate, corporation, company, partnership, limited liability company, joint venture, or trust or any other entity or organization validly constituted and/ or incorporated in the jurisdiction in which it exists and operates, as the context requires.
Price Band	Price Band of a minimum price (Floor Price) of ₹ [●] and the maximum price (Cap Price) of ₹ [●] and includes revisions thereof. The Price Band will be decided by our Company in consultation with the BRLM and advertised in two national daily newspapers (one each in English and in Hindi) with wide circulation and a Regional Gujarati newspaper with wide circulation at least two working days prior to the Issue Opening Date.
Pricing Date	The date on which our Company in consultation with the BRLM, will finalize the Issue Price.
Prospectus	The Prospectus, to be filed with the Registrar of Companies in accordance with the provisions of Section 26 & 32 of the Companies Act, 2013, containing, inter alia, the Issue Price, size of the Issue and certain other information.
Public Issue Account	Account to be opened with the Bankers to the Issue to receive monies from the SCSBs from the bank account of the Applicant, on the Designated Date.
QIB Category/ QIB Portion	The portion of the Net Issue (including the Anchor Investor Portion) being not more than 50% of the Net Issue, consisting of [●] Equity Shares aggregating to ₹ [●] lakhs which shall be Allotted to QIBs (including Anchor Investors) on a proportionate basis, including the Anchor Investor Portion (in which allocation shall be on a discretionary basis, as determined by our Company in consultation with the BRLM), subject to valid Bids being received at or above the Issue Price or Anchor Investor Issue Price (for Anchor Investors).
Qualified Institutional Buyers/ QIBs/ QIB Bidders	Qualified institutional buyers as defined under Regulation 2(1) (ss) of the SEBI ICDR Regulations, 2018.

<b>Terms</b>	<b>Description</b>
Red Herring Prospectus / RHP	The Red Herring Prospectus to be issued in accordance with Section 32 of the Companies Act, 2013 and the provisions of the SEBI (ICDR) Regulations, which will not have complete particulars of the price at which the Equity Shares will be offered and the size of the Issue including any addenda or corrigenda thereto. The Red Herring Prospectus will be filed with the RoC at least three Working Days before the Bid/ Issue Opening Date and will become the Prospectus upon filing with the RoC after the Pricing Date.
Refund Account	The 'no-lien' and 'non-interest bearing' account opened with the Refund Bank, from which refunds, if any, of the whole or part, of the Bid Amount to the Anchor Investors shall be made.
Refund Bank/ Refund Banker	Bank which is/ are clearing member(s) and registered with the SEBI as Bankers to the issue at which the Refund Account will be opened, in this case being [●].
Refund through electronic transfer of funds	Refunds through NECS, direct credit, RTGS or NEFT, as applicable.
Registered Broker	The stockbrokers registered with the stock exchanges having nationwide terminals, other than the members of the Syndicate and eligible to procure Bids
Registrar Agreement	The agreement dated September 04, 2024 entered into between our Company and the Registrar to the Issue in relation to the responsibilities and obligations of the Registrar to the Issue pertaining to the Issue.
Registrar and Share Transfer Agents or RTAs	Registrar and share transfer agents registered with SEBI and eligible to procure Applications at the Designated RTA Locations in terms of circular no. CIR/CFD/POLICYCELL/11/2015 dated November 10, 2015 issued by SEBI.
Registrar/ Registrar to the Issue/ RTA/ RTI	Registrar to the Issue, in this case being Maashitla Securities Private Limited
Regulation S	Regulation S under the U.S. Securities Act of 1933, as amended from time to time.
Reservation Portion	The portion of the Issue reserved for category of eligible Applicants as provided under the SEBI (ICDR) Regulations, 2018.
Reserved Category/ Categories	Categories of persons eligible for making application under reservation portion.
Retail Individual Bidders/ RIBs/ Retail Individual Investors/ RIIs	Individual Bidders, submitting Bids, who have Bid for Equity Shares for an amount not more than ₹ [●] in any of the bidding options in the Net Issue (including HUFs applying through their Karta and Eligible NRIs and does not include NRIs other than Eligible NRIs).
Retail Portion	The portion of the Issue being not less than 35% of the Net Issue, consisting of [●] Equity Shares, available for allocation to Retail Individual Bidders.
Revision Form	The form used by the Bidders to modify the quantity of Equity Shares or the Bid Amount in any of their Bid-cum-Application Forms or any previous Revision Form(s), as applicable. QIBs and Non-Institutional Investors are not allowed to withdraw or lower their Bids (in terms of quantity of Equity Shares or the Bid Amount) at any stage.
SEBI	Securities and Exchange Board of India constituted under the SEBI Act, 1992.
SEBI Act	Securities and Exchange Board of India Act, 1992, as amended
SEBI AIF Regulations	Securities and Exchange Board of India (Alternate Investments Funds) Regulations, 2012, as amended.
SEBI FII Regulations	Securities and Exchange Board of India (Foreign Institutional Investors) Regulations, 1995, as amended from time to time.
SEBI FPI Regulations	Securities and Exchange Board of India (Foreign Portfolio Investors) Regulations, 2014, as amended from time to time.
SEBI FVCI Regulations	Securities and Exchange Board of India (Foreign Venture Capital Investor) Regulations, 2000, as amended from time to time.
SEBI SBEB Regulations	Securities and Exchange Board of India (Share Based Employee Benefits) Regulations, 2014.
SEBI (PFUTP) Regulations/ PFUTP Regulations	Securities and Exchange Board of India (Prohibition of Fraudulent and Unfair Trade Practices relating to Securities Markets) Regulations, 2003

<b>Terms</b>	<b>Description</b>
Securities laws	Means the Act, the Securities Contracts (Regulation) Act, 1956, the Depositories Act, 1996 and the rules and regulations made thereunder and the general or special orders, guidelines or circulars made or issued by the Board thereunder and the provisions of the Companies Act, 2013 or any previous company law and any subordinate legislation framed thereunder, which are administered by the Board.
SEBI (ICDR) Regulations/ CDR Regulation/ Regulation	SEBI (Issue of Capital and Disclosure Requirements) Regulations, 2018 issued by SEBI on September 11, 2018, as amended, including instructions and clarifications issued by SEBI from time to time.
SEBI (Venture Capital) Regulations	Securities Exchange Board of India (Venture Capital) Regulations, 1996 as amended from time to time.
SEBI Insider Trading Regulations	The Securities and Exchange Board of India (Prohibition of Insider Trading) Regulations, 2015 as amended, including instructions and clarifications issued by SEBI from time to time.
SEBI Listing Regulations, 2015/ SEBI Listing Regulations/ Listing Regulations/ SEBI (LODR)	The Securities and Exchange Board of India (Listing Obligation and Disclosure Requirements) Regulations, 2015 as amended, including instructions and clarifications issued by SEBI from time to time.
SEBI Takeover Regulations or SEBI (SAST) Regulations	Securities and Exchange Board of India (Substantial Acquisition of Shares and Takeover) Regulations, 2011, as amended from time to time.
Self-Certified Syndicate Bank(s)/ SCSB(s)	Shall mean a Banker to an Issue registered under Securities and Exchange Board of India (Bankers to an Issue) Regulations, 1994, as amended from time to time, and which offer the service of making Application/s Supported by Blocked Amount including blocking of bank account and a list of which is available on <a href="https://www.sebi.gov.in/sebiweb/other/OtherAction.do?doRecognised=yes">https://www.sebi.gov.in/sebiweb/other/OtherAction.do?doRecognised=yes</a> or at such other website as may be prescribed by SEBI from time to time.
Sub-Account	Sub-accounts registered with SEBI under the Securities and Exchange Board of India (Foreign Institutional Investor) Regulations, 1995, other than sub-accounts which are foreign corporate or foreign individuals.
SME Exchange	SME Platform of the NSE i.e. NSE Emerge.
Specified Locations	Collection centres where the SCSBs shall accept application form, a list of which is available on the website of SEBI ( <a href="http://www.sebi.gov.in/">www.sebi.gov.in/</a> ) and updated from time to time.
Specified Securities	Equity shares offered through this Draft Red Herring Prospectus.
Sponsor Bank	Sponsor Bank means a Banker to the Issue registered with SEBI, which is appointed by the Issuer to act as a conduit between the Stock Exchanges and NPCI (National Payments Corporation of India) in order to push the mandate, collect requests and/ or payment instructions of the Retail Investors into the UPI.
Sub Syndicate Member	A SEBI Registered member of NSE appointed by the BRLM and/ or syndicate member to act as a Sub Syndicate Member in the Issue.
Systemically Important Non-Banking Financial Company	Systemically important non-banking financial company as defined under Regulation 2(1)(iii) of the SEBI ICDR Regulations, 2018.
Transaction Registration Slip/ TRS	The slip or document issued by the member of the Syndicate or SCSB (only on demand) as the case may be, to the Applicant as proof of registration of the Application.
U.S. Securities Act	U.S. Securities Act of 1933, as amended
Underwriter	The BRLM who has underwritten this Issue pursuant to the provisions of the SEBI (ICDR) Regulations, 2018 and the Securities and Exchange Board of India (Underwriters) Regulations, 1993, as amended from time to time.
Underwriting Agreement	The Agreement [●] entered between the Underwriter, BRLM and our Company.
UPI	UPI is an instant payment system developed by the NCPI, it enables merging several banking features, seamless fund routing & merchant payment into one hood. UPI allow instant transfer of money between any two bank accounts using a payment address which uniquely identifies a person's bank account



<b>Terms</b>	<b>Description</b>
UPI Circulars	SEBI circular number SEBI/HO/CFD/DIL2/CIR/P/2018/138 dated November 1, 2018, SEBI circular number SEBI/HO/CFD/DIL2/CIR/P/2019/50 dated April 3, 2019, SEBI circular number SEBI/HO/CFD/DIL2/CIR/P/2019/76 dated June 28, 2019, SEBI circular number SEBI/HO/CFD/DIL2/CIR/P/2019/85 dated July 26, 2019, SEBI circular number SEBI/HO/CFD/DCR2/CIR/P/2019/133 dated November 8, 2019, SEBI circular number SEBI/HO/CFD/DIL2/CIR/P/2020 dated March 30, 2020, SEBI circular number SEBI/HO/CFD/DIL2/OW/P/2021/2481/1/M dated March 16, 2021, SEBI circular number SEBI/HO/CFD/DIL1/CIR/P/2021/47 dated March 31, 2021, SEBI circular number SEBI/HO/CFD/DIL2/P/CIR/2021/570m dated June 2, 2021, SEBI/HO/CFD/DIL2/CIR/P/2022/45 dated April 05, 2022, SEBI/HO/CFD/DIL2/CIR/P/2022/51 dated April 20, 2022, SEBI/HO/CFD/DIL2/P/CIR/2022/75 dated May 30, 2022, SEBI master circular with circular no. SEBI/HO/MIRSD/POD-1/P/CIR/2023/70 dated May 17, 2023 (to the extent that such circulars pertain to theUPI Mechanism), SEBI master circular with circular no. SEBI/HO/CFD/PoD- 2/P/CIR/2023/00094 dated June 21, 2023, SEBI circular no. SEBI/HO/CFD/TPD1/CIR/P/2023/140 dated August 9, 2023, and any subsequent circulars or notifications issued by SEBI in this regard, along with the circular issued by the National Stock Exchange of India Limited having reference no. 25/2022 dated August 3, 2022 and any subsequent circulars or notifications issued by SEBI or the Stock Exchanges in this regard and any other circulars issued by SEBI or any other governmental authority in relation thereto from time to time.
UPI ID	ID created on the UPI for single-window mobile payment system developed by the NPCI
UPI Mandate Request/ Mandate Request	A request (intimating the RII by way of notification on the UPI application and by way of a SMS directing the RII to such UPI application) to the RII by sponsor bank to authorize blocking of funds equivalent to the application amount and subsequent debit to funds in case of allotment.
UPI Mechanism	The mechanism that was used by RIB to make a Bid in the Issue in accordance with the UPI Circulars on Streamlining of Public Issues
UPI PIN	Password to authenticate UPI transaction
Venture Capital Fund/ VCF	Foreign Venture Capital Funds (as defined under the Securities and Exchange Board of India (Venture Capital Funds) Regulations, 1996) registered with SEBI under applicable laws in India.
Wilful Defaulter(s)	Wilful defaulter as defined under Regulation 2(1) (111) of the SEBI (ICDR) Regulations, 2018.
Working Day	In accordance with Regulation 2(1) (mmm) of SEBI (ICDR) Regulations, 2018, working days means, all days on which commercial banks in Mumbai are open for business. However, in respect of– (a) announcement of Price Band; and (b) issue period, working days shall mean all days, excluding Saturdays, Sundays and public holidays, on which commercial banks in Mumbai are open for business; (c) the time period between the Issue Closing Date and the listing of the Equity Shares on the Stock Exchange, working day shall mean all trading days of the Stock Exchange, excluding Sundays and bank holidays, as per circulars issued by SEBI.

#### Technical and Industry Related Terms/Abbreviations

Term	Description
ACFI	Agro Chem Federation of India
ACS	Associate Company Secretary
Adjusted EBITDA	Adjusted EBITDA is calculated by deducting other income from EBITDA
ATMA	Agricultural Technology Management Agency
B	Boron
CAGR	Compound annual growth rate
CAIIB	Certified Associate of Indian Institute of Bankers
Ca-Mg-S	Calcium, Magnesium Sulphur
CaN	Calcium ammonium Nitrate
CGST	Central GST
CIBRC	Central Insecticides Board and Registration Committee
CIBRC	Central Insecticide Board and Registration Committee
Cl	Chlorine
COVID – 19	The novel coronavirus disease which was declared as a Public Health Emergency of International Concern on January 30, 2020, and a pandemic on March 11, 2020, by the World Health Organization
Cu	Copper
DAP	Di-ammonium Phosphate
DPIIT	Department for Promotion of Industry and Internal Trade
EBITDA	EBITDA is calculated as restated profit/(loss)for the year/ period, plus total tax expenses, exceptional items, finance costs and depreciation and amortization expenses
EBITDA Margin	EBITDA Margin is the percentage of EBITDA divided by total income
EBLR	External Benchmark Lending Rate
e-NAM	e-National Agriculture Market
ERP	Enterprise Resource Planning
ESI	Employees' state insurance
FCO	Fertilizer Control Order
GDP	Gross domestic product
GSDP	Gross state domestic product
GST	Goods and Services Tax
IBEF	India Brand Equity Foundation
IGST	Inter-state GST
ISO	International Organization for Standardization
K	Potassium
KMS	Kharif Marketing Season
LMT	Lakh metric tonnes
MAP	Monoammonium phosphate
MCLR	Marginal Cost of the Fund-Based Lending Rate
MKP	Monopotassium phosphate
Mn	Manganese
Mo	molybdenum
MOU	Memorandum of understanding
MSP	Minimum Support Price
MT	Million Tonnes
MTPA	Metric Tonnes Per Annum
N	nitrogen
NABARD	National Bank For Agriculture And Rural Development.
NBCC	National Buildings Construction Corporation
NBS	nutrient-based subsidy
NCDC	National Cooperative Development Cooperation
Net Worth	Total equity attributable to owners of the Company

NITI	National Institution for Transforming India
NMSA	National Mission for Sustainable Agriculture
NPK	nitrogen, phosphorus, and potassium
P	phosphorus
PDM	Potash Derived from Molasses
PKVY	Paramparagat Krishi Vikas Yojana
PM AASHA	Pradhan Mantri Annadata Aay SanraksHan Abhiyan
PM FME	Pradhan Mantri Formalisation of Micro food processing Enterprises
PM KISAN	Pradhan Mantri Kisan Samman Nidhi
RBI Act	The Reserve Bank of India Act, 1934 as amended from time to time.
ROCE	Return on capital employed
ROE	Return on equity
SGST	State GST
Zn	Zinc

### Conventional terms and Abbreviations

Abbreviation	Full Form
Rs/ Rupees/ INR/ ₹	Indian Rupees
AS / Accounting Standard	Accounting Standards as issued by the Institute of Chartered Accountants of India
A/c	Account
ACS	Associate Company Secretary
AGM	Annual General Meeting
ASBA	Applications Supported by Blocked Amount
Amt.	Amount
AIF	Alternative Investment Funds registered under the Securities and Exchange Board of India (Alternative Investment Funds) Regulations, 2012, as amended.
AY	Assessment Year
AOA	Articles of Association
Approx	Approximately
BSE	BSE Limited
CDSL	Central Depository Services (India) Limited
CAGR	Compounded Annual Growth Rate
Companies Act, 2013	Companies Act, 2013 to the extent in force pursuant to the notification of sections of the Companies Act, 2013 along with the relevant rules made thereunder as amended.
CA	Chartered Accountant
CC	Cash Credit
CIN	Corporate Identification Number
CIT	Commissioner of Income Tax
CS	Company Secretary
CS & CO	Company Secretary & Compliance Officer
CFO	Chief Financial Officer
CSR	Corporate Social Responsibility
C.P.C.	Code of Civil Procedure, 1908
CrPC	Code of Criminal Procedure, 1973
CENVAT	Central Value Added Tax
CST	Central Sales Tax
CMD	Chairman and Managing Director
DIN	Director Identification Number
DIPP	Department of Industrial Policy and Promotion, Ministry of Commerce, Government of India
DP	Depository Participant

<b>Abbreviation</b>	<b>Full Form</b>
DP ID	Depository Participant's Identification Number
EBITDA	Earnings Before Interest, Taxes, Depreciation & Amortization
ECS	Electronic Clearing System
ESIC	Employee's State Insurance Corporation
EPFA	Employee's Provident Funds and Miscellaneous Provisions Act, 1952
EMI	Equated Monthly Instalment
EPS	Earnings Per Share
EGM /EOGM	Extraordinary General Meeting
ESOP	Employee Stock Option Plan
EXIM/ EXIM Policy	Export – Import Policy
FCNR Account	Foreign Currency Non-Resident Account
FIPB	Foreign Investment Promotion Board
FY/ Fiscal/ Financial Year	Period of twelve months ended March 31 of that particular year, unless otherwise stated
FEMA	Foreign Exchange Management Act, 1999 as amended from time to time, and the regulations framed there under.
FCNR Account	Foreign Currency Non-Resident Account
FBT	Fringe Benefit Tax
FDI	Foreign Direct Investment
FIs	Financial Institutions
FIIIs	Foreign Institutional Investors (as defined under Foreign Exchange Management (Transfer or Issue of Security by a Person Resident outside India) Regulations, 2000) registered with SEBI under applicable laws in India
FPIs	“Foreign Portfolio Investor” means a person who satisfies the eligibility criteria prescribed under regulation 4 and has been registered under Chapter II of Securities and Exchange Board of India (Foreign Portfolio Investors) Regulations, 2014, which shall be deemed to be an intermediary in terms of the provisions of the SEBI Act, 1992
FTA	Foreign Trade Agreement
FVCI	Foreign Venture Capital Investors registered with SEBI under the Securities and Exchange Board of India (Foreign Venture Capital Investors) Regulations, 2000.
FEMA	Foreign Exchange Management Act, 1999, including the rules and regulations thereunder
FEMA Rules	Foreign Exchange Management (Non-debt Instruments) Rules, 2019
Finance Act	Finance Act, 1994
Fraudulent Borrower	A fraudulent borrower as defined in Regulation 2(1) (111) of the SEBI ICDR Regulations, 2018.
FV	Face Value
Fugitive Economic Offender	An individual who is declared a fugitive economic offender under Section 12 of the Fugitive Economic Offenders Act, 2018
GoI/ Government	Government of India
GDP	Gross Domestic Product
GIR Number	General Index Registry Number
GST	Goods and Services Tax
GVA	Gross Value Added
HUF	Hindu Undivided Family
HNI	High Net Worth Individual
IBC	The Insolvency and Bankruptcy Code, 2016
ICAI	The Institute of Chartered Accountants of India
ISIN	International Securities Identification Number
IST	Indian Standard Time
ICWAI	The Institute of Cost Accountants of India
IMF	International Monetary Fund
IIP	Index of Industrial Production

<b>Abbreviation</b>	<b>Full Form</b>
IPO	Initial Public Offer
ICSI	The Institute of Company Secretaries of India
IT	Information Technology
IFRS	International Financial Reporting Standards
INR/ ₹/ Rupees	Indian Rupees, the legal currency of the Republic of India
I.T. Act	Income Tax Act, 1961, as amended from time to time
IT Authorities	Income Tax Authorities
IT Rules	Income Tax Rules, 1962, as amended, except as stated otherwise
Indian GAAP	Generally Accepted Accounting Principles in India
Ind AS	Indian Accounting Standards as referred to in and notified by the Ind AS Rules
Ind AS Rules	The Companies (Indian Accounting Standard) Rules, 2015
IRDA	Insurance Regulatory and Development Authority
JV/ Joint Venture	A commercial enterprise undertaken jointly by two or more parties which otherwise retain their distinct identities.
KMP	Key Managerial Personnel
BRLM	Book Running Lead Manager
Ltd.	Limited
LLP	Limited Liability Partnership
MAT	Minimum Alternate Tax
MoF	Ministry of Finance, Government of India
MoU	Memorandum of Understanding
MCA	Ministry of Corporate Affairs, Government of India
MAT	Minimum Alternate Tax
Merchant Banker	Merchant Banker as defined under the Securities and Exchange Board of India (Merchant Bankers) Regulations, 1992
MSME	Micro, Small and Medium Enterprises
NA	Not Applicable
NCLT	National Company Law Tribunal
Net worth	The aggregate of paid-up Share Capital and Share Premium account and Reserves and Surplus (Excluding revaluation reserves) as reduced by aggregate of Miscellaneous Expenditure (to the extent not written off) and debit balance of Profit & Loss Account
NACH	National Automated Clearing House
NEFT	National Electronic Funds Transfer
NECS	National Electronic Clearing System
NAV	Net Asset Value
NCT	National Capital Territory
NPV	Net Present Value
NRIs	Non-Resident Indians
NRE Account	Non-Resident External Account
NRO Account	Non-Resident Ordinary Account
NSE	National Stock Exchange of India Limited
NOC	No Objection Certificate
NSDL	National Securities Depository Limited
P.A.	Per Annum
PF	Provident Fund
PG	Post Graduate
PGDBA	Post Graduate Diploma in Business Administration
PLR	Prime Lending Rate
PAC	Persons Acting in Concert
P/E Ratio	Price/ Earnings Ratio

<b>Abbreviation</b>	<b>Full Form</b>
PAN	Permanent Account Number
PAT	Profit After Tax
P.O.	Purchase Order
PBT	Profit Before Tax
PLI	Postal Life Insurance
POA	Power of Attorney
PSU	Public Sector Undertaking(s)
Pvt.	Private
Q.C.	Quality Control
RoC	Registrar of Companies
RBI	The Reserve Bank of India
Registration Act	Registration Act, 1908
ROE	Return on Equity
R&D	Research & Development
RONW	Return on Net Worth
RTGS	Real Time Gross Settlement
SCRA	Securities Contracts (Regulation) Act, 1956, as amended from time to time
SCRR	Securities Contracts (Regulation) Rules, 1957, as amended from time to time
SME	Small and Medium Enterprises
SCSB	Self-Certified syndicate Banks
STT	Securities Transaction Tax
Sub-Account	Sub-accounts registered with SEBI under the SEBI (Foreign Institutional Investor) Regulations, 1995, other than sub-accounts which are foreign corporate or foreign individuals.
Sec.	Section
SPV	Special Purpose Vehicle
TAN	Tax Deduction Account Number
TRS	Transaction Registration Slip
Trade Marks Act	Trade Marks Act, 1999
TIN	Taxpayers Identification Number
UIN	Unique identification number
U.N.	United Nations
US/ United States	United States of America
USD/ US\$/ \$	United States Dollar, the official currency of the United States of America
U.S. GAAP	Generally Accepted Accounting Principles in the United States of America
VAT	Value Added Tax
VCF/ Venture Capital Fund	Venture Capital Funds (as defined under the Securities and Exchange Board of India (Venture Capital Funds) Regulations, 1996) registered with SEBI under applicable laws in India.
Wilful Defaulter(s)	Company or person categorized 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 Reserve Bank of India and includes any company whose director or promoter is categorized as such and as defined under Regulation 2(1) (111) of the SEBI (ICDR) Regulations, 2018.
WDV	Written Down Value
WTD	Whole Time Director
w.e.f.	With effect from
-, (₹)	Represent Outflow

The words and expressions used but not defined in this Draft Red Herring Prospectus will have the same meaning as assigned to such terms under the Companies Act, 2013, the Securities and Exchange Board of India Act, 1992 (the “SEBI Act”), the SCRA,

SEBI (Issue of Capital and Disclosure Requirements) Regulations, 2018 the Depositories Act and the rules and regulations made thereunder.

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

### Certain Conventions

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

In this Draft Red Herring Prospectus, unless the context otherwise requires, all references to one gender also refers to another gender and the word “Lac/ Lakhs” means “one hundred thousand”, the word “million (mn)” means “Ten Lac/ Lakhs”, the word “Crore” means “ten million” and the word “billion (bn)” means “one hundred crores”. In this Draft Red Herring Prospectus, any discrepancies in any table between total and the sum of the amounts listed are due to rounding-off. All figures in decimals have been rounded off to the second decimal and all percentage figures have been rounded off to two decimal places. In certain instances, (i) the sum or percentage change of such numbers may not conform exactly to the total figure given; and (ii) the sum of the numbers in a column or row in certain tables may not conform exactly to the total figure given for that column or row.

### Use of Financial Data

Unless stated otherwise, throughout this Draft Red Herring Prospectus, all figures have been expressed in Rupees and Lakh. Unless stated otherwise, the financial data in the Draft Red Herring Prospectus is derived from our restated financial information prepared for financial year ended March 31, 2024, March 31, 2023 and March 31, 2022 in accordance with Indian GAAP, the Companies Act and SEBI (ICDR) Regulations, 2018 included under Section titled “*Financial Information of the Company*” beginning on page 161 of this Draft Red Herring Prospectus.

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

Any percentage amounts, as set forth in “*Risk Factors*”, “*Our Business*”, “*Management’s Discussion and Analysis of Financial Condition and Results of Operations*” and elsewhere in the Draft Red Herring Prospectus unless otherwise indicated, have been calculated on the basis of the Company’s restated financial statements prepared in accordance with the applicable provisions of the Companies Act, Indian GAAP and restated in accordance with SEBI (ICDR) Regulations, 2018, as stated in the report of our Peer Review Auditor, set out in section titled “*Financial Information of the Company*” beginning on page 161 of this Draft Red Herring Prospectus. Our fiscal year commences on April 1 of every year and ends on March 31st of every next year.

For additional definitions used in this Draft Red Herring Prospectus, see the section “*Definitions and Abbreviations*” on page 7 of this Draft Red Herring Prospectus. In the section titled “*Main Provisions of the Articles of Association*”, on page 275 of the Draft Red Herring Prospectus defined terms have the meaning given to such terms in the Articles of Association of our Company.

### Use of Industry & Market Data

Unless stated otherwise, industry and market data and forecast used throughout the Draft Red Herring Prospectus was obtained from internal Company reports, data, websites, industry publications report as well as government publications. Industry publication data and website data generally state that the information contained therein has been obtained from sources believed to be reliable, but that their accuracy and completeness and underlying assumptions are not guaranteed and their reliability cannot be assured.

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



In accordance with the SEBI (ICDR) Regulations, 2018 the section titled ***“Basis for Issue Price”*** on page 85 of the Draft Red Herring Prospectus includes information relating to our peer group companies. Such information has been derived from publicly available sources, and neither we, nor the BRLM, have independently verified such information.

#### **Currency of Financial Presentation**

All references to “Rupees” or “INR” or “₹” or “₹” are to Indian Rupees, the official currency of the Republic of India. Except where specified, including in the section titled ***“Industry Overview”*** throughout the Draft Red Herring Prospectus all figures have been expressed in Lakhs.

Any percentage amounts, as set forth in ***“Risk Factors”***, ***“Our Business”***, ***“Management's Discussion and Analysis of Financial Conditions and Results of Operations”*** on page 33, 102 and 194 respectively of this Draft Red Herring Prospectus, unless otherwise indicated, have been calculated based on our restated financial statements prepared in accordance with Indian GAAP.

The Draft Red Herring Prospectus contains conversion of certain US Dollar and other currency amounts into Indian Rupees that have been presented solely to comply with the requirements of the SEBI (ICDR) Regulations, 2018. These conversions should not be construed as a representation that those US Dollar or other currency amounts could have been, or can be converted into Indian Rupees, at any particular rate.

## FORWARD LOOKING STATEMENTS

This Draft Red Herring Prospectus includes certain forward-looking statements. We have included statements in the Draft Red Herring Prospectus which contain words or phrases such as “will”, “aim”, “is likely to result”, “believe”, “expect”, “will continue”, “anticipate”, “estimate”, “intend”, “plan”, “contemplate”, “seek to”, “future”, “objective”, “goal”, “project”, “should”, “will pursue” and similar expressions or variations of such expressions, that are forward-looking statements. Also, statements which describe our strategies, objectives, plans or goals are also forward-looking statements.

All forward looking statements are subject to risks, uncertainties and assumptions about us that could cause actual results to differ materially from those contemplated by the relevant forward-looking statement. Forward-looking statements reflect our current views with respect to future events and are not a guarantee of future performance. These statements are based on our management’s beliefs and assumptions, which in turn are based on currently available information. Although we believe the assumptions upon which these forward-looking statements are based are reasonable, any of these assumptions could prove to be inaccurate, and the forward-looking statements based on these assumptions could be incorrect. Important factors that could cause actual results to differ materially from our expectations include but are not limited to:

1. Our business heavily depends on our brand's strength and reputation. Any failure to sustain and improve our brand and reputation, along with negative media publicity and accusations, could significantly harm market recognition and trust in our services, adversely affecting our business, financial health, operational outcomes, and future prospects.
2. Our primary marketing channel is our dealer network. Failure to effectively manage or expand this network, pursue our growth strategies, or maintain strong relationships with our existing dealers could negatively impact our sales and profitability.
3. Successfully managing the introduction of new products is crucial for our success.
4. Economic slowdowns in India or other countries where we operate could negatively affect our business.
5. Our operations depend on our ability to obtain or renew registrations related selling the said products.
6. Changes in government regulations and policies affecting the agri-input industry could negatively impact our operations.
7. The general economic and business conditions in the markets we operate, as well as local, regional, national, and international economies, can influence our business.
8. Global crises, such as pandemics or wars, could negatively impact our operations.

For further discussion of factors that could cause our actual results to differ, see the Section titled “**Risk Factors**”, “**Our Business**” and “**Management’s Discussion and Analysis of Financial Condition and Results of Operations**” beginning on page 33, 102 and 194 respectively of the Draft Red Herring Prospectus. By their nature, certain market risk disclosures are only estimates and could be materially different from what actually occurs in the future. As a result, actual future gains or losses could materially differ from those that have been estimated.

There can be no assurance to investors that the expectations reflected in these forward-looking statements will prove to be correct. Given these uncertainties, investors are cautioned not to place undue reliance on such forward-looking statements and not to regard such statements to be a guarantee of our future performance.

Neither our Company or our Directors or our Officers or Book Running Lead Manager or Underwriter nor any of their respective affiliates have any obligation to update or otherwise revise any statements reflecting circumstances arising after the date hereof or to reflect the occurrence of underlying events, even if the underlying assumptions do not come to fruition. In accordance with SEBI requirements, our Company and the BRLM will ensure that investors in India are informed of material developments until such time as the grant of listing and trading permission by the Stock Exchange for the Equity Shares allotted pursuant to this Issue.

## SECTION II – SUMMARY OF DRAFT RED HERRING PROSPECTUS

This section is a general summary of the terms of the issue, certain disclosures included in this Draft Red Herring Prospectus and is not exhaustive, nor does it purport to contain a summary of all the disclosures in this Draft Red Herring Prospectus or all details relevant to prospective investors. This summary should be read in conjunction with, and is qualified in its entirety by, the more detailed information appearing elsewhere in this Draft Red Herring Prospectus, including the sections titled “*Risk Factors*”, “*The Issue*”, “*Capital Structure*”, “*Industry Overview*”, “*Our Business*”, “*Objects of the Issue*”, “*Our Promoters and Promoter Group*”, “*Financial Statements*”, “*Outstanding Litigation and Material Developments*”, “*Offer Structure*”, “*Management’s Discussions and Analysis of Financial Position and Results of Operations*” on pages 33, 52, 67, 93, 102, 76, 152, 161, 203, 237, and 194 respectively

### OVERVIEW OF BUSINESS

Our company was founded in 2016 as a partnership firm in Vadodara, Gujarat, with an initial focus on micronutrient solutions. We are an agri input Company that supplies soil health management, crop nutrients, bio stimulant products and bio pesticide products. Our transition from a local collaboration to a nationally known entity demonstrates our commitment to innovation and excellence in agriculture solutions.

### OVERVIEW OF THE INDUSTRY

The Indian agricultural sector is projected to reach US\$ 24 billion by 2025. The food and grocery market, the world’s sixth largest, sees 70% of sales from retail. The fertilizer industry is expected to grow from US\$ 11.32 billion in 2023 to US\$ 16.58 billion by 2032, with a CAGR of 4.2%. Increased agricultural demands, strategic governmental interventions, and a shift towards biopesticides drive this growth. For further details please refer to the chapter titled “*Industry Overview*” beginning on page 93 of this Draft Red Herring Prospectus.

### PROMOTERS

Narendra Laljibhai Ghelani and Prafullaben Narendrakumar Ghelani are the Promoters of our Company. For further details please refer to the chapter titled “*Our Promoters Our Promoters & Promoter Group*” beginning on page 152 of this Draft Red Herring Prospectus.

### DETAILS OF THE ISSUE

This is an Initial Public Issue of upto 40,00,000 Equity Shares of face value of ₹ 10/- Each of our Company for cash at a price of ₹ [●] per Equity Share (including a share premium of ₹ [●] per Equity Share) aggregating to ₹ [●] lakhs (“The Issue”), out of which [●] Equity Shares of face value of ₹ 10/- Each for cash at a price of ₹ [●] per Equity Share aggregating up to ₹ [●] lakhs will be reserved for subscription by the market maker to the issue (the “Market Maker Reservation Portion”). The Issue less Market Maker Reservation Portion i.e., Issue of [●] Equity Shares of face value of ₹ 10/- Each, at an issue price of ₹ [●] per Equity Share for cash, aggregating to ₹ [●] lakhs is hereinafter referred to as the “Net Issue”. The Public Issue and Net Issue will constitute [●] and [●] respectively of the post-issue paid-up Equity Share capital of our Company.

### OBJECTS OF THE ISSUE

Our Company intends to utilize the Proceeds of the Issue to meet the following objects:

S. No.	Particulars	Amount
1	Funding of capital expenditure towards civil construction work for setting up of new manufacturing facility	503.57
2	Funding of capital expenditure towards installation of new plant & machineries	304.43
3	To meet working capital requirements	1115.76
4	General Corporate Purpose	[●]
	<b>Total</b>	<b>[●]</b>

For further details please refer to the chapter titled “*Object to the Issue*” beginning on page 76 of this Draft Red Herring Prospectus.

## PRE-ISSUE SHAREHOLDING OF PROMOTERS, PROMOTER GROUP AND PUBLIC

Our Promoters and Promoter Group collectively holds 1,03,44,419 Equity shares of our Company aggregating to 99.968% of the pre-issue paid-up Share Capital of our Company. Following are the details of the shareholding of the Promoters and Promoter Group, as on date of this Draft Red Herring Prospectus:

Sr. No.	Names	Pre IPO		Post IPO	
		Shares Held	% Shares Held	Shares Held	% Shares Held
	<b>Promoters (A)</b>				
1.	Narendra Laljibhai Ghelani	76,30,034	73.736	76,30,034	[●]
2.	Prafullaben Narendrakumar Ghelani	27,14,385	26.232	27,14,385	[●]
	<b>Sub Total (A)</b>	<b>1,03,44,419</b>	<b>99.968</b>	<b>1,03,44,419</b>	<b>[●]</b>
	<b>Promoter Group (B)</b>				<b>[●]</b>
-	-	-	-	-	-
	<b>Sub Total (B)</b>	-	-	-	-
	<b>Public (C)</b>				
3.	Mukesh Prahladbhai Parmar	663	0.006	663	[●]
4.	Jatin Dhirajlal Ukani	664	0.006	664	[●]
5.	Krishna Baburao Salve	663	0.006	663	[●]
6.	Narsinhbhai Ratnabhai Koladia	663	0.006	663	[●]
7.	Mohan Lal Kumawat	663	0.006	663	[●]
	<b>Sub Total (C)</b>	<b>3,316</b>	<b>0.032</b>	<b>3,316</b>	<b>[●]</b>
	<b>Total (A) + (B) + (C)</b>	<b>1,03,47,735</b>	<b>100.000</b>	<b>1,03,47,735</b>	<b>[●]</b>

## SUMMARY OF FINANCIAL INFORMATION

Following are the details as per the restated financial statements for the financial year ended March 31, 2024, March 31, 2023 and March 31, 2022

(₹ in lakhs)

Particulars	March 31, 2024	March 31, 2023	March 31, 2022
Equity Share Capital	778.95	377.63	280.70
Total Equity	778.95	377.63	280.70
Total Income	2,991.38	2,600.89	2,023.47
Profit after tax	371.73	30.01	24.09
Earnings per Share (based on weighted average number of shares)	3.59	0.29	0.23
Net Asset Value per Share (based on weighted average number of shares)	7.53	3.65	2.71

## AUDITOR QUALIFICATIONS NOT GIVEN EFFECT IN THE RESTATED FINANCIAL STATEMENTS

There are no audit qualifications which have not been given effect in the restated financial information.

## SUMMARY OF OUTSTANDING LITIGATIONS

Our Company, Promoters and Directors are involved in certain legal proceedings. A brief detail of such outstanding litigations as on the date of this Draft Red Herring Prospectus are as follows:

Name of Entity	Criminal Proceedings	Tax Proceedings	Statutory or Regulatory Proceedings	Disciplinary actions by the SEBI or Stock Exchanges against Our Promoters	Material Civil Litigations	Aggregate amount involved (₹ in Lakhs)
<b>Company</b>						
By the Company	11					5.92
Against the Company	1	1				75.58
<b>Directors</b>						
By our Directors						

Name of Entity	Criminal Proceedings	Tax Proceedings	Statutory or Regulatory Proceedings	Disciplinary actions by the SEBI or Stock Exchanges against Our Promoters	Material Civil Litigations	Aggregate amount involved (₹ in Lakhs)
Against the Directors						
<b>Promoters</b>						
By Promoters*	6					18.12
Against Promoters						
<b>Subsidiaries</b>						
By Subsidiaries						
Against Subsidiaries						
<b>Group Companies</b>						
By Group Companies						
Against Group Companies						99.62

\*Our Promoters are also our Directors, hence litigation against him has not been included under the heading directors to avoid repetition.

Amount mentioned to the extent quantifiable. The amount may be subject to additional interest/ other charges being levied by the concerned authorities which are unascertainable as on date of this Draft Red Herring Prospectus. For further details, please refer to the chapter titled “*Outstanding Litigations and Material Developments*” on page 203 of this Draft Red Herring Prospectus.

## RISK FACTORS

An investment in equity involves a high degree of risk. Investors should carefully consider all the information in this Offer Document, including the risks and uncertainties described below, before making an investment in our Equity Shares. Any of the following risks as well as other risks and uncertainties discussed in this Offer Document could have a material adverse effect on our business, financial condition and results of operations and could cause the trading price of our Equity Shares to decline, which could result in the loss of all or part of your investment. In addition, the risks set out in this Offer Document may not be exhaustive and additional risks and uncertainties, not presently known to us, or which we currently deem immaterial, may arise or become material in the future. Unless otherwise stated in the relevant risk factors set forth below, we are not in a position to specify or quantify the financial or other risks mentioned herein. For details on the risks involved in our business, please see the Chapter titled “*Risk Factors*” beginning on page 33 of this Draft Red Herring Prospectus.

## SUMMARY OF CONTINGENT LIABILITIES

Following is the summary of the Contingent Liabilities and Commitments of the Company:

(₹ in lakhs)

Particulars	For the year ended 31 March, 2024	For the year ended 31 March, 2023	For the year ended 31 March, 2022
Cases pending before Commissioner Income Tax (Appeals)			
Cases pending before ITAT*			

For further details, please refer to Note-V Contingent Liabilities of the chapter titled “*Financial Information of the Company*” on page 151 of this Draft Red Herring Prospectus.

## SUMMARY OF RELATED PARTY TRANSACTIONS

Following is the summary of the related party transactions entered by the Company (based on Restated Financial Statements) for the financial year ended March 31, 2024, March 31, 2023 and March 31, 2022:

## RELATED PARTY DISCLOSURE

### List of related party and related party relationship

Sr. No	Name of the Related Party	Relationship
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1	Narendra bhai Ghelani	Promoter
2	Prafullaben Narendrabhai Ghelani	Promoter
3	Shreeji Ghelani	Son of Promoter
4	Rujavi Ghelani	Daughter of Promoter
5	Ghelani Agricon Limited	Promoter Having Substantial Interest
6	Agricon Chemical	Promoter's brother's Proprietorship concern
7	Agricon International	Promoter Having Substantial Interest
8	Curative Microbes Private Limited	Promoter Having Substantial Interest
9	Narendra Laljibhai Ghelani(HUF)	Partner is Promoter
10	Ranjanben Pethani	Sister of Promoter
11	Agricon Chemicals& Fertilizers Co	Promoter's HUF's Proprietorship concern

### Related party transactions

(₹ in lakhs)

Transactions during the year:	For the Period / Year Ended on		
	March 31, 2024	March 31, 2023	March 31, 2022
<b>Capital Addition/(withdrawal):</b>			
Narendra bhai Ghelani	28.45	-3.67	-75.83
Prafullaben Narendrabhai Ghelani	1.14	-3.00	-46.12
<b>Remuneration paid:</b>			
Narendra bhai Ghelani		28.00	28.00
Prafullaben Narendrabhai Ghelani		12.00	12.00
Shreeji Ghelani		6.00	6.00
Rujavi Ghelani		6.50	6.00
<b>Interest Paid</b>			
Narendra bhai Ghelani		27.81	19.74
Prafullaben Narendrabhai Ghelani		5.80	4.07
<b>Share in profit</b>			
Narendra bhai Ghelani	260.21	21.00	16.86
Prafullaben Narendrabhai Ghelani	111.52	9.00	7.23
<b>Purchase of Goods</b>			
Ghelani Agricon Limited	16.90	1.99	10.76
Agricon Chemical	368.87	293.30	201.19
Agricon Chemicals& Fertilizers Co	0.96	0.51	8.72
Agricon International	443.24	581.95	455.55
Curative Microbes Private Limited	150.04	139.76	139.50
<b>Sale of Goods</b>			
Ghelani Agricon Limited	327.66	51.97	25.58
Agricon Chemical	6.75	2.21	2.73
Agricon International	5.67	21.16	17.80
Agricon Chemicals& Fertilizers Co	317.71	254.66	220.31
Curative Microbes Private Limited	8.09	1.61	1.04
<b>Advances Given</b>			
Shreeji Ghelani	14.00	10.00	
Rujavi Ghelani	38.00		
<b>Advances Received</b>			

Shreeji Ghelani	14.00	10.00	
Rujavi Ghelani	38.00	20.00	

**Related party balance at the end of the year**

(₹ in lakhs)

<b>Outstanding Balance</b>	<b>March 31, 2024</b>	<b>March 31, 2023</b>	<b>March 31, 2022</b>
<b>Outstanding Trade Receivables</b>			
Ghelani Agricon Limited-MH	96.97	19.20	
Agricon Chemical -RJ	209.99	170.59	138.72
Agricon International	3.73	39.03	-
Agricon Chemicals& Fertilizers Co		0.51	
<b>Outstanding Loan (liability)</b>			
Narendra Laljibhai Ghelani(HUF)	30.00	30.00	30.00
Rujavi Ghelani	-	20.00	-
			-
<b>Outstanding Partners capital</b>			
Narendra Ghelani	693.16	318.89	235.39
Prafullaben Ghelani	242.04	79.55	57.31
<b>Outstanding Loan (Assets)</b>			
Ranjanben Pethani	10.00	10.00	10.00
			-
<b>Outstanding Trade Payable</b>			
Ghelani Agricon Limited	5.40	11.20	
Agricon Chemical	-	100.54	30.38
Agricon International	-	-	16.32
Agricon Chemicals& Fertilizers Co-MP		0.71	0.71
Curative Microbes Private Limited	-	7.13	9.97

For further details, please refer to the Note 30 – Related Party Disclosures of chapter titled “*Financial Information of the Company*” on page 161 of this Draft Red Herring Prospectus.

**DETAILS OF FINANCING ARRANGEMENTS**

There are no financing arrangements whereby the promoters, members of the Promoter Group, the directors of the issuer and their relatives have financed the purchase by any other person of securities of the issuer 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.

**WEIGHTED AVERAGE PRICE OF THE SHARES ACQUIRED BY PROMOTERS IN LAST ONE YEAR**

<b>Sr. No.</b>	<b>Name of Promoter</b>	<b>No. of Shares acquired in last one year</b>	<b>Weighted Average Price (in ₹)</b>
1	Narendra Laljibhai Ghelani	76,30,034	10
2	Prafullaben Narendrakumar Ghelani	27,14,385	10
	<b>Total</b>	<b>1,03,44,419</b>	<b>10</b>

**AVERAGE COST OF ACQUISITION OF SHARES**

The average cost of acquisition of Equity Shares by our Promoter is set forth in the table below:

<b>Sr. No.</b>	<b>Name of Promoter</b>	<b>No. of Shares held</b>	<b>Average Cost of Acquisition (in ₹)</b>
1	Narendra Laljibhai Ghelani	76,30,034	10
2	Prafullaben Narendrakumar Ghelani	27,14,385	10
	<b>Total</b>	<b>1,03,44,419</b>	<b>10</b>

#### **PRE-IPO PLACEMENT**

Our Company may consider Pre-IPO placement of equity shares of the Company.

#### **EQUITY SHARES ISSUED FOR CONSIDERATION OTHER THAN CASH**

Our Company has not issued Equity Shares for consideration other than cash in the last one year.

#### **SPLIT/ CONSOLIDATION OF EQUITY SHARES**

Our company has not undergone any split, consolidation, or subdivision of equity shares since its incorporation,

#### **EXEMPTION FROM COMPLYING WITH ANY PROVISIONS OF SECURITIES LAWS, IF ANY, GRANTED BY SEBI**

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



## SECTION III: RISK FACTORS

An investment in our Equity Shares involves a high degree of financial risk. Prospective investors should carefully consider all the information in the Draft Red Herring Prospectus, particularly the “**Financial Information of the Company**” and the related notes, “**Our Business**” and “**Management’s Discussion and Analysis of Financial Condition and Results of Operations**” on page 151, 104 and 200 respectively of this Draft Red Herring Prospectus and the risks and uncertainties described below, before making a decision to invest in our Equity Shares.

The risk factors set forth below are not exhaustive and do not imply to complete or comprehensive in terms of all the risk factors that may arise in connection with our business or any decision to purchase, own or dispose of the Equity Shares. This section addresses general risks associated with the industry in which we operate and specific risks associated with our Company. Any of the following risks, individually or together, could adversely affect our business, financial condition, results of operations or prospects, which could result in a decline in the value of our Equity Shares and the loss of all or part of your investment in our Equity Shares. While we have described the risks and uncertainties that our management believes are material, these risks and uncertainties may not be the only risks and uncertainties we face. Additional risks and uncertainties, including those we currently are not aware of or deemed immaterial, may also have an adverse effect on our business, results of operations, financial condition and prospects.

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

Note:

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

In this Draft Red Herring Prospectus, any discrepancies in any table between total and the sums of the amount listed are due to rounding off. Any percentage amounts, as set forth in “**Risk Factors**” on page 33 and “**Management Discussion and Analysis of Financial Condition and Results of Operations**” on page 194 of this Draft Red Herring Prospectus unless otherwise indicated, has been calculated on the basis of the amount disclosed in the “Restated Financial Statements”.

### **INTERNAL RISK FACTORS**

#### **1. We are required to obtain and maintain various licenses and permits for our business.**

Our operations are subject to various state and central laws, and we need specific approvals, licenses, registrations, and permissions to operate in different states. These permits and licenses come with numerous terms and conditions, and obtaining them can be time-consuming and expensive. Additionally, we must secure specific registrations from authorities in each area where we market and distribute our soil health management, crop nutrition, bio stimulants and crop protection products, with requirements varying by location.

Agricon Nutritech Limited is licensed to trade in our product line but not for manufacturing. Moreover, our company holds a trading license only for Gujarat and Maharashtra. As a result, until we obtain licenses to trade in any other states, our operations will be confined to Gujarat and Maharashtra, which can significantly affect our profits.


To grow our business, we may expand into new jurisdictions beyond the one state where Agricon products are in trade. This expansion will require compliance with various state laws and regulations. We cannot guarantee that we will always meet these requirements or prove our compliance with the authorities, leading to the cancellation, revocation, or suspension of our permits, licenses, registrations, and approvals. There is no assurance that the permits, licenses, registrations, and approvals we apply for or currently hold will be issued, approved, or renewed promptly or at all under applicable laws.


Furthermore, applications for approvals, licenses, registrations, and permissions must be made within specific timeframes and are often subject to the discretion of the relevant authorities. If we cannot apply for, renew, or obtain the necessary permits, licenses, and approvals on acceptable terms, promptly, at a reasonable cost, or at all, or if we fail to comply with their terms and conditions,

we could face severe consequences. This could include the cancellation, revocation, or suspension of these permits, licenses, registrations, and approvals with penalties from the authorities. Such outcomes could significantly and negatively impact our financial condition and operational results. For more details, see “Government and Other Approvals” on page 209.

**2. The strength of our brands, built on quality, reach, and results, is crucial to our growth and success, and we may face challenges in maintaining and developing them.**

Our brands are vital to our business, especially given our focus on rural customers. The strength of our brands, built on product quality, market reach, and results, plays a crucial role in our operations and success. Maintaining consumer recognition and trust is key to our growth and depends on factors such as product quality, materials, packaging, and meeting customer expectations. Additionally, our marketing efforts, promotions, and business reputation shape brand perception. Any failure to manage these aspects or differentiate our brands could negatively impact customer loyalty, brand value, and overall business performance.

Our logo  is currently under the process of registration vide application no 11059885 for class 1 and application no. 11059959 for class 5. The status of the applications as on date is at formality check pass. Previously, we were trading under the

logo  which is registered under class 1 and 5. However, our company is not the owner of the logo and it is registered in the name of the brother of the promoter, Mr. Rameshbhai Laljibhai Patel, who does not hold any interest whatsoever in our business. At present our company, associated companies, any of its public officer or any key personnel do not hold ownership on the logo of the company. None of our product earns revenue under a logo or trademark owned by company. The registration of intellectual property including trademarks is a time-consuming process and there can be no assurance that any registration applications we may pursue will be successful and that such registration will be granted to us. If we fail to register the appropriate intellectual property, or our efforts to protect relevant intellectual property prove to be inadequate, the value attached to our brand and proprietary rights could deteriorate, which could have a material adverse effect on our business growth and prospects, financial condition, results of operations, and cash flows.

Further, if any of our unregistered trademarks are registered in favour of a third party, we may not be able to claim registered ownership of such trademarks and consequently, we may be unable to seek remedies for infringement of those trademarks by third parties other than relief against passing off by other entities. If our application is objected to, we will not have the right to use this trademark or prevent others from using this trademark or its variations. Our inability to obtain or maintain this trademark in our business thus could adversely affect our reputation, goodwill, business, prospectus and results of operations

Infringement on our brand name or trademarks could severely impact our growth, viability, and profitability. Our business relies on the trust our customers have in our brand, its visibility, and the quality of our products. Negative publicity about our brand or products could harm our reputation and operations. Our brand could also be affected by negative publicity or claims related to other businesses using the “Agricon” name or similar names, which can be misleading and detrimental to our brand. Although we hold various trademarks, we cannot ensure that third parties will not use these names, as we may have no control over such usage. We may face negative publicity and brand dilution if we fail to effectively develop, promote, and position our brands in the competitive market, whether for new or existing products. However, there is no guarantee that our advertising and marketing efforts will always be successful.

**3. Our Company uses trademark registered under the name of predecessor, M/s Agricon Fertilizers and not in the name of our company, Agricon Nutritech Limited**

Our company uses Trademarks bearing No. 4041529, for class 1 and no. 4041537, 4041541, 4680739 for class 5 which are under the name of our predecessor Agricon Fertilizer and not in the name of Agricon Nutritech Limited. We have applied for the name change process for these trademarks. We cannot guarantee if the application for the name changed will be accepted. However, in case the application is rejected by the registrar, the ownership remains under the name of Agricon Fertilizers.

**4. Our company may lose business to group entities due to competing interests, as no non-compete agreement exists with them**

Our promoter, Narendra Laljibhai Ghelani, holds significant interests in other entities that operate within the micronutrient and agricultural input sectors, similar to Agricon Nutritech Limited. These entities are as given below:

Group Entities	Interest
Agricon Chemicals	Karta
Agricon International	Sole Proprietorship
Ghelani Agricon Limited	45.5 % shareholding
Curative Microbes Private Limited	35.5% shareholding

These entities offer products that compete directly with our own products. Further, they are also engaged as suppliers and contract

manufacturers for our Company. This situation creates a potential conflict of interest, as Mr. Ghelani, who also serves as our Managing Director, may face competing priorities between his interests in these other entities and his role at Agricon Nutritech Limited. There is a risk that he might prioritize the needs of these entities over the interests of our Company, which could negatively impact our operations and business strategy.

To address this conflict of interest risk, we are in the process of implementing robust corporate governance measures. We will establish a comprehensive conflict of interest policy to identify, disclose, and manage any potential conflicts that may arise. Transparency will be ensured through regular monitoring and disclosure of related party transactions. Additionally, we have appointed independent directors to our board to provide unbiased oversight and ensure that decisions are made in the best interests of Agricon Nutritech Limited. These measures are intended to mitigate the impact of potential conflicts on our business.

Despite these measures, we cannot guarantee the complete elimination of the conflict of interest risk. The dependency on entities with overlapping interests for key supplies or contract manufacturing may still lead to situations where the promoter prioritizes the needs of these entities. This could result in supply chain disruptions or pricing conflicts that disadvantage our Company. There is also a risk that sensitive information may be shared between entities, potentially compromising our competitive position and harming our market standing.

**5. If we are unable to effectively manage or expand our dealer network and operations or pursue our growth strategy and maintain healthy relations with existing dealers, our sales may be affected and we may not achieve our expected levels of profitability which may adversely affect our business prospects, financial condition and operational results**

Our business strategy relies on expanding our dealer network into new jurisdictions and maintaining strong relationships with our existing dealers. By increasing the number of dealers in new areas, we can market and supply our products to a broader range of farmers, who are the end users of our products. Our success is contingent upon our ability to serve farmers effectively through our dealers, ensuring they receive the appropriate selection and mix of products to meet their needs.

Over the years, our company has significantly expanded its operations, building a network of over 1,100+ active dealers across Gujarat. This extensive network has been instrumental in distributing and selling our products. However, dealership agreements in new jurisdictions may involve terms and conditions that differ from those in our established agreements. We may not guarantee that all these active dealers are engaged with our Company by the virtue of any written agreement. Failure to expand our dealer network or maintain robust relationships with our current dealers could adversely affect our business growth and profitability.

**6. Lack of shop and establishment registration may expose us to regulatory and legal risks**

We currently do not hold a Shop and Establishment registration for our operations in Gujarat. This registration is mandatory for commercial establishments under state-specific laws and ensures compliance with various regulations related to working hours, employee benefits, and workplace conditions. The absence of this registration may expose us to potential regulatory scrutiny, penalties, or legal action, which could negatively impact our business operations, reputation, and financial condition. Additionally, non-compliance could lead to penalties, interruptions in our business activities, affecting our ability to operate smoothly in the region.

**7. Failure to file form LD-1 with the inspector of the office of the comptroller legal measurement and regulatory consumer affairs may lead to regulatory penalties**

We have not yet filed Form LD-1 with the Inspector of the Office of the Comptroller Legal Measurement and Regulatory Consumer Affairs, as required under the Legal Metrology Act. This form is essential for compliance with regulations related to the standardization and accuracy of measurements used in our products. Failure to submit this form may result in regulatory scrutiny, potential penalties, or legal action, which could adversely affect our business operations, financial stability, and reputation. Additionally, non-compliance could lead to interruptions in product sales, impacting our ability to serve customers effectively.

**8. Our Company had negative cash flow during certain fiscal years; details of which are given below. Sustained negative cash flow could adversely impact our business, financial condition and results of operations**

Our Company had negative cash flows in the previous year(s) as per the Restated Financial Statements and the same are summarized as under: (Amt. in lakhs)

Particulars	March 31, 2024	March 31, 2023	March 31, 2022
Cash Flow from / (used in) Operating Activities	(74.15)	67.97	64.26
Cash Flow from / (used in) Investing Activities	(5.04)	(2.03)	5.32

Cash Flow from / (used in) Financing Activities	<b>13.11</b>	<b>36.67</b>	<b>(76.34)</b>
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Cash flow of a company is a key indicator to show the extent of cash generated from operations to meet capital expenditure, pay dividends, repay loans and make new investments without raising finance from external resources. If we are not able to generate sufficient cash flows in future, it may adversely affect our business and financial operations.

**9. Any change in Government policies towards the agriculture sector or a reduction in subsidies and incentives provided to farmers could adversely affect our business and results of operations.**

We anticipate that state and central government policies will continue to influence farmers' income and their ability to purchase agricultural input products aimed at enhancing crop yields. Consequently, any alterations in government policies affecting the agriculture sector—such as changes to incentives and subsidies, fluctuations in commodity prices, or adjustments to minimum support prices—could impact farmers' spending on crop protection products. This, in turn, could adversely affect our business and operational results.

Government policies play a crucial role in shaping the agricultural input market. Policies affecting subsidy structures, taxation, or regulatory requirements can directly influence the cost and availability of agricultural inputs. For instance, reductions in subsidies or changes in tax regulations can increase the cost of these inputs for farmers, potentially reducing their purchasing power. Additionally, fluctuations in minimum support prices can affect crop profitability, influencing farmers' investment in crop protection products and other agricultural inputs.

The recent upheaval surrounding changes in farm laws exemplifies how policy shifts can provoke significant debate and division, potentially impacting the sector's dynamics. We cannot guarantee that future changes to legislation, regulations, or policies will not have a negative impact on our business, financial condition, or results of operations. Such changes could introduce uncertainty, affect market demand, and alter competitive dynamics within the agricultural input sector.

**10. We are subject to strict technical specifications, quality requirements, and regular inspections and audits by various authorities and regulators. If we fail to meet these quality standards and technical specifications, we could lose business and damage our reputation, negatively impacting our business prospects and operational results.**

We do not have a dedicated in-house Research and Development (R&D) facility and a Quality Control/ Quality Assurance facility to support new product development and process improvements. Our outsourced laboratories and institutes are equipped with state-of-the-art facilities to ensure product quality. However, there is no guarantee that our quality control measures will always be effective or that our products will always meet the highest quality standards. Negative publicity about our product quality due to ineffective quality control could adversely affect our business, brand, operational results, and financial condition.

Given the nature of our products and the sector we operate in, we must adhere to stringent product quality standards. Failure to maintain these standards and produce products according to prescribed specifications could result in business and reputation loss, product rejection, and additional costs to replace rejected products. This could adversely affect our reputation, business, and financial condition. We operate in a highly regulated sector and must adhere to extensive regulations and strict registration conditions. We need specific registrations from authorities in each jurisdiction where we market and distribute soil health management, crop nutrition, bio stimulants, and crop protection products. The procedural and regulatory requirements for these registrations vary by location. These regulations are stringent and may become stricter in the future. Penalties for non-compliance can range from registration revocation or suspension to fines or product confiscation.

Failing to comply with statutory, regulatory, or procedural requirements for obtaining registrations in different jurisdictions could delay registration and, consequently, the distribution of our products, causing us to miss business opportunities. Additionally, non-compliance with conditions attached to these registrations and permissions could lead to the suspension, curtailment, or revocation of our distribution rights. Failing to obtain or comply with registration conditions and other approvals in a timely manner, or at all, could adversely affect our business, operational results, cash flows, and financial condition.

**11. Excessive dependence on HDFC Bank in respect of Loan facilities obtained by our Company.**

Our company has been sanctioned term loan and cash credit facilities by HDFC Bank. The Company is dependent on such facilities and any default under such arrangement with such lender may create problem for operation of the Company, which may affect the financial stability of the Company. At the same time this may result into difficulty in arranging for funds for re-payment and may also adversely affect the financial position of the Company.

**12. Any default in payment by the dealers or delay in realising the receivables may have an adverse effect on our business and financial operation**

Our business is driven by continuous chain of supply of our products to the various dealers that we have a relation with. It is imperative that the payment cycle extended to our dealers be maintained to ensure that we collect all our due receivables on time, to ensure that the same do not affect our financial operations or profitability. We follow a practice of extending certain credit period to our dealers to maintain a healthy relationship with them and ensure that a fixed regime is followed with respect to the collections of all receivables, to ensure that a set mechanism for the healthy financial position of the Company is maintained. There are generally 3 to 6 stages in most crops in each cropping season. Our Company has several formulation products for each of these stages which are sold at the appropriate time, resulting in an extended credit period for a crop and funds are realised generally after the harvest. Due to this reason, debtor days in agri input business especially dealing in retail sales are high. With our widespread dealer network across Gujarat, and realisation of funds at times based on the harvest, it may be impossible at times to ensure that all payments made by the dealers are on time or that there are no defaults in payment.

**13. We depend on very few suppliers for delivery of material. Any disruptions with these may disrupt our ability to provide finished product to the customer, timely and effectively.**

Our company procure its products from a few contract manufacturers over the years. Our business operations may get affected severely if there are any disruption in supply of the products from these suppliers. Following is the tale suggesting the share of our top 5 suppliers in entire purchase in FY23-24:

Particulars	Amount
Percentage to the total purchase	75%
Total purchase of top 5 supplier	1334.62 lacs

These suppliers include our contract manufacturers on whom we rely to deliver goods. Any disruption in our relationship with these suppliers could significantly affect our ability to provide finished products to our customers in a timely and effective manner. We cannot guarantee that we will continue to work with these suppliers in the future. Business relations with these suppliers may be affected by internal policy changes, strategic decisions, or any other actions deemed necessary and in the best interest of the company.

Additionally, our suppliers may face their operational challenges, such as financial difficulties, production issues, regulatory changes, or other unforeseen events that could disrupt the supply chain. Any interruption in the supply of materials from these key suppliers could result in delays, increased costs, or the inability to fulfil customer orders, thereby adversely affecting our business operations, financial condition, and reputation.

Our dependence on a few suppliers also exposes us to the risk of price fluctuations and changes in terms of supply, which could increase our production costs and reduce our profitability. If we are unable to negotiate favourable terms with our suppliers or if they are unable to meet our demand for materials, we may be forced to seek alternative suppliers. Finding and qualifying new suppliers can be time-consuming and costly, potentially leading to further disruptions in our operations.

In summary, our reliance on a limited number of suppliers presents a significant risk to our business. Any adverse changes in our relationships with these suppliers or disruptions in their ability to deliver materials could have a material negative impact on our ability to provide finished products to our customers, affecting our overall business performance and financial health.

**14. Our insurance coverage may not be adequate to protect us against all potential losses to which we may be subject and this may have a material effect on our business and financial condition.**

While we maintain insurance coverage for all our business vehicles, we lack coverage for several critical areas, including fire insurance policy, key managerial personnel insurance, employee compensation insurance, group personal accident insurance, and Cash in Transit insurance. Furthermore, these insurance policies are under the name of M/s Agricon Fertilizers but not in the name of Agricon Nutritech Limited.

It is important to note that all vehicles, as listed in our company's balance sheet, are insured under the name of M/s Agricon Fertilizers (our predecessor) rather than in the name of our company. Consequently, in unforeseen circumstances, we may not have sufficient insurance coverage to cover all potential economic losses, particularly when such losses are not easily quantifiable. Even if we file a claim under an existing insurance policy, there is no guarantee that we will be able to successfully assert our claim for any liability or loss.

The occurrence of an event for which we are inadequately or insufficiently insured could adversely affect our business operations, financial condition, results, and cash flows.

For further details on our Insurance Policies, please refer to the section titled “*Our Business*” beginning on page 102 of this Draft Red Herring Prospectus.

**15. Our business is working capital intensive. If we experience insufficient cash flows to meet required payments on our**

**working capital requirements, there may be an adverse effect on the results of our operations.**

We have experienced significant working capital requirements and may continue to experience them in the future. If we experience insufficient cash flows from our operations or cannot borrow to meet our working capital requirements, it may materially and adversely affect our business, cash flows, and results of operations.

We operate as an important intermediary in the agriculture input market. As a crucial middleman in the paper product supply chain, we procure micronutrients, bio-fertilizers, and pesticides from different contract manufacturers and resell them to clients in the packaging products industry. The business of our Company is working capital intensive. The successful operation of our business heavily relies on significant working capital, which is essential for various aspects, including financing project operations, inventory management, and the purchase of raw materials for proposed processing Units. However, changes in credit terms and payment delays can adversely impact our working capital, resulting in lower cash flows and increased funding requirements. Inadequate financing of our working capital needs may arise due to several factors, such as delays in disbursements under financing arrangements, higher interest rates, increased insurance costs, or borrowing and lending restrictions. Such circumstances could have a material adverse effect on our overall business, financial condition, and prospects. As such, we continually strive to enhance our financial management practices to address working capital challenges effectively. By closely monitoring credit terms, payment schedules, and contract agreements, we aim to mitigate risks associated with fluctuations in working capital requirements. Additionally, prudent financial planning, exploring diverse financing options, and maintaining strong relationships with financial institutions are key factors in managing our working capital efficiently. Despite our proactive measures, there can be no assurance that working capital fluctuations will not impact our business operations or financial performance. For details related to working capital requirements, please refer to the chapter titled "*Object of the Issue*" on page 76.

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

We regularly engage in various transactions with related parties, such as sales, purchase, loans, and advances. While these transactions are conducted at arm's length and are legitimate business dealings, we cannot guarantee that we would receive similar terms if these transactions were with unrelated parties. There is a possibility that more favourable terms could have been achieved in such cases. Any future related party transactions may involve conflicts of interest, and we cannot guarantee that these transactions, whether individually or collectively, will not adversely affect our business and financial results due to such conflicts or other reasons.

Under the Companies Act, 2013, significant changes have been implemented in the Indian company law framework, including specific compliance requirements for certain related party transactions, necessitating approval from the audit committee, board of directors, and shareholders. All our related party transactions comply with applicable accounting standards, provisions of the Companies Act, 2013, Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015, and other relevant laws. However, we cannot assure that future related party transactions will not adversely impact our business, financial condition, operational results, and cash flows due to potential conflicts of interest or other factors. For further details on our related party transactions, please refer to "**Other Financial Information – Related Party Transactions**" on page 192

**17. Any adverse decision in such proceedings may render us/them liable to liabilities/penalties and may adversely affect our business and results of operations.**

Except as disclosed below, there are no outstanding (i) criminal proceedings involving our Company, Subsidiaries, Directors, or Promoters ("Relevant Parties"); (ii) actions by statutory or regulatory authorities involving the Relevant Parties; (iii) outstanding claims relating to direct and indirect taxes involving the Relevant Parties; and (iv) other pending litigation as determined to be material by our Board pursuant to the Materiality Policy. There are no disciplinary actions including penalties imposed by SEBI or stock exchanges against our Promoters in the last five Financial Years including any outstanding action.

Please refer to "*legal and other information outstanding litigation and material developments*" at page number 203.

**18. Our business faces significant risks in effectively managing growth initiatives and expanding into new market**

We face risks associated with managing growth and expanding into new markets, which could materially and adversely affect our business, financial performance, and operational results. The success of our business hinges on our ability to effectively execute our growth strategies, including expanding into more end-use industries, reducing operating costs, improving operational efficiencies, increasing our geographical reach, and expanding our customer base.

As we pursue growth and enter new markets, we encounter challenges such as acquiring new customers, understanding and meeting market-specific requirements and preferences, obtaining necessary approvals and certifications, accurately assessing resource needs, maintaining a cohesive organizational culture, enhancing administrative infrastructure, recruiting and retaining skilled personnel, ensuring high customer satisfaction, and adhering to performance and quality standards.

Our growth strategy requires significant capital investments and cash outlays, which could impact our cash flows and operational results. Increased operating expenses and capital requirements associated with expansion could strain our financial resources. Effectively managing growth necessitates accurate forecasting of sales, investment in operational, financial, and management

controls. Failure to implement our business plans effectively, manage growth, expand into new markets, or secure funding on favourable terms could significantly affect our business operations, financial condition, and results of operations adversely.

**19. Our business relies heavily on our Promoters, senior management, and our ability to attract and retain key personnel. High turnover rates among our senior management could hinder our business growth.**

Our promoters hold most of the company's shares, creating a concentrated ownership structure. In addition to their financial investment, we rely on their expertise to effectively manage and operate the business. As the company's founders, their knowledge of the agri-input sector is essential, and any loss of their involvement or confidence could significantly impact our operations.

The success and growth of our business are the result of the vision, experience, and market knowledge of our promoters, Narendra Laljibhai Ghelani and Prafullaben Narendrakumar Ghelani. Their deep understanding of market dynamics and business operations, along with the leadership of our senior management and directors, has been critical to our progress. There's immense significance to Narendra Laljibhai Ghelani, who leads our research and development (R&D). His expertise in product innovation and market insights drives our sales. If he is unavailable for an extended period, it could disrupt our R&D efforts, making it difficult to meet customer demands and potentially leading to lower sales.

The departure of any of our promoters or senior management could have a significant negative impact on our business, financial stability, and operations. Given their specialized knowledge and experience, finding suitable replacements would be challenging and time-consuming. Prolonged vacancies could increase operational costs and negatively affect our financial condition. If we cannot retain our senior management, it will hinder our business growth and overall performance.

**20. Our operations are subject to environmental and workers' health and safety laws and regulations.**

We may incur material costs to comply with these regulations or suffer material liabilities or damages in the event of an incidence or non-compliance of environment and other similar laws and regulations which may have a material adverse effect on our reputation, business, financial condition and results of operations. Our operations are subject to extensive environmental and hazardous waste management laws and regulations in India, including the Environmental Protection Act, 1986, as amended (the "Environment Act"), the Air Act, the Water Act, the Hazardous and Other Wastes (Management and Trans boundary Movement) Rules, 2016, as amended, and other regulations promulgated by the Ministry of Environment, Forest and Climate Change, Government of India ("MoEF") and various statutory and regulatory authorities and agencies in India. For details of the key regulations applicable to our business in India, see "*Key Regulations and Policies*" on page 126.

Environmental laws and regulations in India have become and continue to be more stringent, and the scope and extent of new environmental regulations, including their effect on our operations, cannot be predicted with any certainty. In case of any change in environmental or pollution regulations, we may be required to invest in, among other things, environmental monitoring, pollution control equipment, and emissions management and other expenditure to comply with environmental standards. Any failure on our part to comply with any existing or future regulations applicable to us may result in legal proceedings, third party claims or the levy of regulatory fines. Further, any violation of the environmental laws and regulations may result in fines, criminal sanctions, revocation of operating permits, or shutdown of our manufacturing facility which may adversely affect our business, profitability and result of operations.

**21. Disruptions in supply chain due to engagement of logistics, third party manufacturers and R&D team, could potentially impact the delivery of the product to our customers**

Our business relies heavily on third-party manufacturers, research and development (R&D) partners, and logistics providers for critical aspects of our operations. This dependence makes our business operations vulnerable to disruptions, which could adversely affect product delivery, cash flows, and overall performance.

We have experienced delays in the past due to challenges such as obtaining permits and authorizations, changes in project scope, logistical issues, and unforeseen events like natural disasters or the COVID-19 pandemic. Although we have not defaulted on any projects, such disruptions have the potential to cause delays and increased costs.

To mitigate these risks, we actively manage key business functions such as procurement, quality control, and logistics coordination. However, any future disruptions caused by third-party failures could significantly impact our ability to meet customer demands and harm our financial stability and business operations.

**22. Our products are used in critical applications across various industries. Any defects or failures in our products could lead to product liability claims, legal proceedings, and significant financial and reputational damage.**

Our company faces significant product liability risks associated with its micronutrients, fertilizers, and related products. These products often contain chemicals, including pesticides, which protect crops but can pose health risks to humans. Exposure to these chemicals can lead to health issues such as cancer, respiratory problems, and neurological disorders. Inadequate safety warnings, improper testing, or non-compliance with regulatory standards may result in legal claims against our company. Our company

ensures that all products are thoroughly tested and carry clear, comprehensive safety warnings to mitigate these risks. We adhere to safety protocols and regulatory compliance to manage these inherent risks in the industry. Despite implementing quality control measures, the potential for product liability claims remains. These claims lead to financial liabilities, damage to our company's reputation, and loss of consumer trust.

**23. Our Company Faces the Risk of Losing Trademark Usage Rights Due to Ownership in the Promoter's Name**

Our Company currently operates under various trademarks that are registered having registration nos. 4045373, 4045462, 4045521, 4672040, 4685212, 4813328, 4889929, 4942123, 4949725, 4978578, 4988872, 5130017, 5160556, 5553128, 5553098, 5667037, 5667068, 5747668, 5925696, 6034604, 6034620 which is registered in the name of Narendra Laljibhai Ghelani, our promoter, rather than in the Company's name. This arrangement presents a risk that the Company may lose the right to use these marks if any conflict, disagreement, or other issues arise that could affect the ownership or control of the trademarks. Such a loss could adversely affect our brand identity and disrupt our business operations.

To mitigate this risk, the Company has obtained NOC from Narendrabhai Laljibhai Ghelani, which will grant the Company the right to use these trademarks. The NOC would only grant the Company the right to use the trademarks, without transferring full ownership. As a result, we cannot ensure that the Company will be protected from potential ownership disputes or other challenges that could arise, which may affect our ability to safeguard our brand and maintain our market position.

**24. The Promoters (also Directors) hold 99.9% of the Equity Shares of Our Company and are therefore interested in the Company's performance in addition to their remuneration and reimbursement of expenses.**

Our Promoters (also Directors) are interested in our Company, in addition to regular remuneration or benefits and reimbursement of expenses, to the extent of their shareholding in our Company or their relatives, dividend entitlement, or loans advanced by them to the Company, and benefits deriving from the directorship in our Company. There can be no assurance that our Promoters will exercise their rights as shareholders to the benefit and best interest of our Company. Our Promoters will continue to exercise significant control over us, including being able to control the composition of our Board of Directors and determine decisions requiring simple or special majority voting of shareholders, and our other shareholders may be unable to affect the outcome of such voting. Any instance of disinvestments of equity shares by our Promoters or by other significant shareholder(s) may significantly affect the trading price of our Equity Shares. Further, our market price may also be adversely affected even if there is a perception or belief that such sales of Equity Shares might occur. For further information, please refer to the chapters/section titled "*Our Business*", "*Our Promoter and Promoter Group*" and "*Annexure Related Party Transactions*" under Chapter Restated Financial Information, beginning on pages no. 102, 152 and 161 respectively of this Draft Prospectus.

**25. If we are unable to protect the personal information data of the farmers that we collect, our reputation could be significantly harmed.**

We carry detailed data of our distributors and clients including their personal information. We receive and process personal information of the farmers along with the information of their agricultural produce and land, which is sensitive and critical. The Data Protection framework in India is yet to be notified, however we ensure that we maintain adequate level of security and protection for all such information regarding the various farmers.

The Company does not maintain any cyber-crime insurance policy and if our security and information systems are compromised as a result of data corruption or loss, cyberattack or a network security incident or our employees, or suppliers fail to comply with these laws and regulations, and this information is obtained by unauthorized persons or used inappropriately, it could subject us to litigation and government enforcement actions, damage our reputation, cause us to incur substantial costs, liabilities and penalties and/or result in a loss of customer confidence, any and all of which could adversely affect our business, financial condition and results of operations.

**26. If we fail to convert existing customers into repeat consumers or to acquire new consumers, our business, financial condition, and results of operations would be harmed.**

Our business continuity and profitability is dependent on ensuring that our existing consumer base is converted to repeat consumers and simultaneously we continue to add new consumers. This is mainly dependent on our products, brand value, goodwill, quality of products, price point, promotions, marketing, word of mouth and various other factors. It is imperative for our business to ensure that we have repeat customers and also reach out to new consumers and end user. We cannot ensure that steps taken by us for our business and the brand will attract repeat customers or new customers. Our failure to achieve this will have an impact on our business, profitability and results of operations.

**27. We may be unable to respond to the constant changes in consumer demands and market trends in a timely manner.**

Our success depends on our ability to identify, innovate, originate and create products to cater to the changing farmer demands and the changes in market in a timely manner due to the continuous evolving nature of the industry. The trend in the market where we operate, keeps changing due to the extensive amount of research and development involved to enhance yield, productivity and quality of products and therefore it is imperative that our product must also appeal to a broad range of customers whose preferences



may vary significantly across regions due to change in demography, topography and climate and cannot be predicted with certainty and will be completely dependent on the progress and change in the trend of the market. We cannot assure you that the demand for our products with end-consumers will continue to grow or that we will be able to continue to develop products to meet rapidly changing consumer demands and market trends in the future. Any inability to respond to changes in consumer demands and market trends in a timely manner could have a material adverse effect on our business, financial condition and results of operations.

**28. We operate in a competitive market and face competition from other agri-input companies. Any increase competition may adversely affect our business and financial condition.**

The markets in which we operate are highly competitive. Our competitors include both local based agri-input companies and also pan India based Agri-input Companies. See “*Industry Overview*” on page 93 Some of our competitors have achieved significant recognition for their brand names, product quality, size and diversified form of products due to their presence over the years and use of advanced technology for their products. Industry consolidation, either by virtue of mergers and acquisitions or by a shift in market power among competitors, may accentuate these trends and give our competitors an upper hand. In addition, some of our competitors in smaller local markets have advantages of having good reputations and established trust with the local distributors due to various factors and presence over the years, which could be difficult for us to challenge or replicate in a sustained manner in the future. Our Company faces competition from existing agri-input based companies that may adversely affect our competitive position and our profitability. We expect competition could increase with new entrants coming into the same market, who may have more flexibility in responding to changing business and economic conditions, and existing players consolidating their positions. Some of our competitors may have access to significantly greater resources, including the ability to spend more on advertising and marketing and hence the ability to compete more effectively. We face competition across our business activities from varied peers.

Some of our competitors are larger and have greater financial resources or a more experienced management team than us. They may also benefit from greater economies of scale and operating efficiencies. Competitors may, whether through consolidation or growth, or through new products or technologies which are out-of-reach of smaller companies due to high costs for registration and networking, present more credible integrated or lower cost solutions than we do, which may have a negative effect on our sales. We cannot assure you that we can continue to compete effectively with our competitors. Our failure to compete effectively, including any delay in responding to changes in the industry and market, together with increased spending on advertising will affect our business, results of operations and financial condition.

We are positioned to compete with the competitors due to our wide range of products, the innovations that we bring into our products. We have established our presence in Gujarat with our brand recognition and quality assurance of the products we offer and are expanding to pan India markets. Our principal competitive factors include brand name, quality of product, type of product, ease of availability, product range, innovation, multiple choice and price transparency. We cannot give any assurances that we will be able to compete successfully on all of these factors against existing or future competitors in the future.

**29. Our registered office is rented from our promoter, and any conflict over the agreement may result in losing the office space.**

The company does not have the title or legal possession of the registered office. We are licensed to use this property under a leave and license agreement with our Promoter. This agreement grants us the right to use the property for a specific purpose but does not create a landlord-tenant relationship, which facilitates the eviction process for the licensor. Consequently, the licensor retains the better right to evict us than a traditional rent agreement.

As a licensee, any breach or conflict on our part, regarding this agreement may result in the loss of our office space. Additionally, we cannot guarantee that our Promoter will maintain the current relationship in the future. To mitigate this risk, we are exploring alternative office spaces to ensure business continuity in case of an eviction. We are also considering renegotiating the terms of the current agreement to secure a longer-term arrangement that provides more stability.

However, unresolved conflicts with our Promoter or any changes in their intentions or priorities could still result in the termination of the leave and license agreement. These cases could lead to the sudden loss of our registered office space, causing substantial disruption to our operations. Such a disruption may result in increased operational costs, potential relocation expenses, and temporary inefficiencies as we transition to a new office. Additionally, it could impact our ability to communicate effectively with stakeholders, including clients, investors, and regulatory authorities, potentially harming our business reputation and financial stability. Thus, while we are actively working to mitigate this risk, it remains a critical consideration for our ongoing and future operations.

**30. We lack experience of handling a sophisticated and formally registered entity.**

Agricon began its operations at an early stage and later transitioned into a partnership firm with the deed signed between our Promoters, Narendra Laljibhai Ghelani and Prafullaben Narendrakumar Ghelani and other partners. This partnership firm was not formally registered until [Year]. Although we consistently complied with all tax regulations and legal obligations, we did not operate as a structured firm with a defined organizational chart. Furthermore, the business was primarily family-run, which influenced its management style and operational approach.

Our transition from an informal, family-run business to a sophisticated and formally registered entity presents several challenges. We lack experience in managing the complexities associated with a more structured organizational framework, including formal governance, compliance requirements, and the establishment of internal controls. This lack of experience may hinder our ability to effectively navigate the demands of a larger, more regulated business environment.

To address this risk, we are implementing a series of initiatives to strengthen our organizational structure. These include hiring experienced professionals in key roles, developing and formalizing internal policies and procedures, and investing in training programs to enhance the skills of our existing team members. Additionally, we are seeking guidance from external consultants to ensure compliance with all regulatory requirements and to establish best practices in corporate governance.

However, despite these efforts, the risk remains that our limited experience in handling a sophisticated and formally registered entity could lead to operational inefficiencies, compliance issues, or other challenges that may adversely affect our business performance. This transition period is crucial, and any missteps during this phase could impact our growth trajectory and financial stability.

**31. Fraud, theft, employee negligence or similar incidents may adversely affect our results of operations and financial condition**

Our company faces potential risks related to incidents of theft or damage to inventory located at respective sites or storage unit. While we have not encountered such situations in the past, we acknowledge that there is a possibility of experiencing inventory losses due to various factors such as employee theft, vendor fraud, and general administrative errors. These incidents could have a negative impact on our results of operations and financial condition. During the execution of the contract and up to defect liability period we are generally fully liable to compensate all concerned for any loss, damage, or destruction of work, structure, property etc. including third party risk arising due to causes attributable to us. Despite implementing security measures and internal controls, there is no guarantee that we will completely avoid instances of fraud, theft, employee negligence, or security lapses in the future. Any such occurrence could lead to significant financial losses and affect our overall business performance. In some cases, the losses incurred may exceed the insurance coverage, resulting in additional financial strain for the company. Though, there had been no of such instances in past, we may not able to assure such incident will not happen in the future.

**32. Our Company has been recently formed by conversion of the erstwhile partnership firm into the Company, thus we have limited operating history as a Company which may make it difficult for investors to evaluate our historical performance or future prospects.**

Our Company was incorporated as a limited Company under the Companies Act, 2013 with Registrar of Companies, dated June 19, 2024. The Company has been incorporated by conversion of the erstwhile partnership firm; thus, we have limited operating history as a Company from which one can evaluate our business, future prospects and viability. Our future business operation and financial position may not comparable with that of the partnership firm and difficult to estimate and could fluctuate significantly and as a result the price of our Equity Shares may remain volatile. Despite having been in the business of supplying soil health solutions through micronutrients for approximately 8 years, our initial partnership firm has now successfully transitioned into a publicly company on a going consent basis but, there can be no assurance that we will be able to successfully pursue our growth strategies, or that pursuing these strategies will provide us the anticipated benefits post conversion of the partnership firm to company. Any inability to pursue our growth strategies successfully or at all, or an inability to manage our growth, may adversely affect our prospects. For further details, see the chapter titled “**History and Corporate Structure**” and “**Restated Financial Statements**” on page 136 and 161, respectively of the Draft Red Herring Prospectus.

**33. Our proposed branch(es) may not have adequate registrations of licenses, GST Registration, Profit tax registration and any other government approval.**

We have filed Pesticides Registration Application No. IS/2024-25/29269 with the Joint Director Agriculture (Extension), Zila Parishad, Jaipur, for properties located at Ward no. 8, Badi Bodi ki Dhani, Anapura, Neem ka Thana, P.O Ajitgarh, Amarsar, Dist. Sikar, Rajasthan, and Plot No. G-842 (Phase-6), Road no. 14, VKI Area, Dist. Jaipur, Rajasthan. As on the date of this draft offer, the application is still pending and awaited for acceptance. Further, we do not have GST Registration for the property situated at Indira Complex, Raipura Chowk, Ring Road, Changora Bhata, Raipur, Chhattisgarh.

Any delay in securing the requisite approvals or cancellation of already approved license may adversely impact the establishment and operations of our proposed branches in Rajasthan, Orissa, Maharashtra, and Chhattisgarh. We are actively following up with the relevant authorities to expedite the approval process for the pending registration. Despite these efforts, the timelines for obtaining regulatory approvals are uncertain, and prolonged delays could hinder our ability to expand operations as planned. We cannot guarantee the successful completion or approval of the application, and delays may affect our business and future growth.

For details on licenses obtained by our company, please refer “**Government Approvals**” at page number 209.

**34. QIBs and Non-Institutional Bidders are not permitted to withdraw or lower their Bids (in terms of quantity of Equity Shares or the Bid Amount) at any stage after submitting a Bid and Retail Individual Investors are not permitted to withdraw their Bids after Bid/Issue Closing Date.**

Pursuant to the SEBI ICDR Regulations, QIBs and Non-Institutional Bidders are not permitted to withdraw or lower their Bids (in terms of quantity of Equity Shares or the Bid Amount) at any stage after submitting a Bid. Retail Individual Bidders can revise their Bids during the Bid/Issue Period and withdraw their Bids until Bid/Issue Closing Date. While we are required to complete Allotment, listing and commencement of trading pursuant to the Issue within six (6) Working Days from the Bid/ Issue Closing Date, events affecting the Bidders' decision to invest in our Equity Shares, including adverse changes in international or national monetary policy, financial, political or economic conditions, our business, results of operations, cash flows and financial condition may arise between the date of submission of the Bid and Allotment, listing and commencement of trading. We may complete the Allotment, listing and commencement of trading of our Equity Shares even if such events occur and such events may limit the Bidders' ability to sell our Equity Shares Allotted pursuant to the Issue or may cause the trading price of our Equity Shares to decline on listing. Retail Individual Investors can revise their Bids during the Bid/Issue Period and withdraw their Bids until Bid/Issue Closing Date. While our Company is required to complete all necessary formalities for listing and commencement of trading of the Equity Shares on all Stock Exchanges where such Equity Shares are proposed to be listed including Allotment pursuant to the Issue within six Working Days from the Bid/Issue Closing Date, events affecting the Bidders' decision to invest in the Equity Shares, including material adverse changes in international or national monetary policy, financial, political or economic conditions, our business, results of operations or financial condition may arise between the date of submission of the Bid and Allotment. Our Company may complete the Allotment of the Equity Shares even if such events occur, and such events limit the Bidders' ability to sell the Equity Shares Allotted pursuant to the Issue or cause the trading price of the Equity Shares to decline on listing.

**35. We cannot assure you that our equity shares will be listed on the NSE Emerge in a timely manner or at all, which may restrict your ability to dispose of the equity shares.**

Though we shall make best of our efforts to comply with all applicable regulatory, financial and operational requirements for getting the equity shares proposed to be offered through this Draft Red Herring Prospectus listed on NSE Emerge platform in a time bound manner, yet on account of any change in applicable laws, economic conditions and/or any other reason/s beyond our control, the said shares may not get listed on the Emerge platform of NSE Limited in a timely manner or at all, which may restrict your ability to dispose of the equity shares. However, even in such circumstances, the Company shall stay fully committed to pay such interest and/or refund the full application amount, as may be required in accordance with the applicable regulatory directives.

**External Risks**

**36. Our business is seasonal in nature, and adverse weather conditions or other force majeure events could significantly impact our profitability.**

The demand for our products, which include fertilizers and pesticides, is closely tied to the agricultural cycles followed by our end-users, who are primarily farmers. As a result, our sales and revenue generation are subject to seasonal fluctuations. A poor monsoon, drought, excessive rainfall, or other unfavourable weather conditions during key planting and harvesting seasons can lead to reduced demand for our products, which could adversely affect our operating performance and profitability.

Additionally, force majeure events such as natural disasters, pandemics, or other unforeseen circumstances may disrupt our supply chain or distribution network, limiting our ability to meet customer demands. These disruptions could further exacerbate the seasonal nature of our business, resulting in a material adverse effect on our financial condition and results of operations. This revision clearly addresses the seasonal and force majeure risks while maintaining a formal tone appropriate for a DRHP.

**37. Natural disasters, fires, epidemics, pandemics, acts of war, terrorist attacks, civil unrest and other events could materially and adversely affect our business.**

Natural disasters (such as typhoons, flooding and earthquakes), epidemics, pandemics such as COVID-19, acts of war, terrorist attacks and other events, many of which are beyond our control, may lead to economic instability, including in India or globally, which may in turn materially and adversely affect our business, financial condition and results of operations. Our operations may be adversely affected by fires, natural disasters and/or severe weather, which can result in damage to our property or inventory and generally reduce our productivity and may require us to evacuate personnel and suspend operations.

Any terrorist attacks or civil unrest as well as other adverse social, economic and political events in India could have a negative effect on us. Such incidents could also create a greater perception that investment in Indian companies involves a higher degree of risk and could have an adverse effect on our business and the price of the Equity Shares.

A number of countries in Asia, including India, as well as countries in other parts of the world, are susceptible to contagious diseases and, for example, have had confirmed cases of diseases such as the highly pathogenic H7N9, H5N1 and H1N1 strains of influenza in birds and swine and more recently, the COVID-19 virus. Certain countries in Southeast Asia have reported cases of bird-to-human transmission of avian and swine influenza, resulting in numerous human deaths. A worsening of the current outbreak of COVID-19 virus or future outbreaks of COVID-19 virus, avian or swine influenza or a similar contagious disease could adversely affect the Indian economy and economic activity in the region. As a result, any present or future outbreak of avian or swine influenza or other contagious disease could have a material adverse effect on our business and the trading price of the

Equity Shares.

**38. Changing laws, rules and regulations and legal uncertainties, including tax laws and regulations, may adversely affect our business and financial performance.**

The governmental and regulatory bodies in India and other jurisdictions where we operate may notify new regulations and/or policies, which may require us to obtain approvals and licenses from the government and other regulatory bodies, or impose onerous requirements and conditions on our operations, in addition to those which we are undertaking currently. Any such changes and the related uncertainties with respect to the implementation of new regulations may have a material adverse effect on our business, financial condition, results of operations and cash flows.

In addition, unfavorable changes in or interpretations of existing, or the promulgation of new, laws, rules and regulations including foreign investment laws governing our business, operations and investments in our Company by non-residents, could result in us being deemed to be in contravention of such laws and/or may require us to apply for additional approvals.

Tax and other levies imposed by the central and state governments in India that affect our tax liability include custom duty, central and state taxes and other levies, income tax, turnover tax, goods and services tax, stamp duty and other special taxes and surcharges which are introduced on a temporary or permanent basis from time to time. The final determination of our tax liabilities involves the interpretation of local tax laws and related regulations in each jurisdiction as well as the significant use of estimates and assumptions regarding the scope of future operations and results achieved and the timing and nature of income earned and expenditures incurred. Moreover, the central and state tax scheme in India is extensive and subject to change from time to time.

Any change in Indian tax laws could have an effect on our operations. For instance, the Taxation Laws (Amendment) Ordinance, 2019, a new tax ordinance issued by India's Ministry of Finance on September 20, 2019, prescribes a number of changes to the income tax rate applicable to companies in India. According to this new ordinance, companies can henceforth voluntarily opt for a concessional tax regime (subject to no other special benefits/exemptions being claimed), which would ultimately reduce the effective tax rate for Indian companies from 34.94% to approximately 25.17%. We have opted for the concessional tax regime and continue to be subject to other benefits and exemptions. Any such future amendments may affect our other benefits such as an exemption for income earned by way of dividend from investments in other domestic companies and units of mutual funds, exemption for interest received in respect of tax free bonds, and long-term capital gains on equity shares if withdrawn by the statute in the future, and the same may no longer be available to us. Any adverse order passed by the appellate authorities/ tribunals/ courts would influence our profitability.

The Finance Act, 2022 (“**Finance Act**”), has, amongst others things, provided a number of amendments to the direct and indirect tax regime, including, without limitation, a simplified alternate direct tax regime and that dividend distribution tax (“**DDT**”), will not be payable in respect of dividends declared, distributed or paid by a domestic company after March 31, 2020, and accordingly, such dividends would not be exempt in the hands of the shareholders, both resident as well as non-resident and are likely to be subject to tax deduction at source. The Company may or may not grant the benefit of a tax treaty (where applicable) to a non-resident shareholder for the purposes of deducting tax at source from such dividend. Investors should consult their own tax advisors about the consequences of investing or trading in the Equity Shares. Further, the Government of India has notified the Finance Act, 2023, which has introduced various amendments to taxation laws in India. There is no certainty on the impact that the Finance Act may have on our business and operations or on the industry in which we operate. Uncertainty in the applicability, interpretation or implementation of any amendment to, or change in, governing law, regulation or policy, including by reason of an absence, or a limited body, of administrative or judicial precedent may be time consuming as well as costly for us to resolve and may impact the viability of our current business or restrict our ability to grow our business in the future.

**39. A downgrade in ratings of India, may affect the trading price of the Equity Shares.**

On May 29, 2024, S&P Global Ratings changed its outlook on India from stable to positive and confirmed the 'BBB-' long-term and 'A-3' short-term unsolicited sovereign credit ratings for both foreign and local currencies. The transfer and convertibility assessment continues to be rated 'BBB+'.

Nevertheless, any unfavorable adjustments to India's credit ratings by global agencies could impact our ability to obtain additional financing from abroad. Such adjustments might also affect the interest rates and commercial conditions for this financing. Consequently, our ability to support growth under favorable terms—or potentially secure financing at all—could be compromised, which may adversely affect our business operations, financial performance, and the value of our Equity Shares.

**40. Our business is dependent on the Indian economy. Any adverse development or slowdown in Indian economy may have an adverse impact on our business, results of operations and financial condition.**

The performance and growth of our business are necessarily dependent on economic conditions prevalent in India, which may be materially and adversely affected by central or state political instability or regional conflicts, a general rise in interest rates,

inflation, and economic slowdown elsewhere in the world or otherwise.

There have been periods of slowdown in the economic growth of India. India's economic growth is affected by various factors including domestic consumption and savings, balance of trade movements, namely export demand and movements in key imports (oil and oil products), global economic uncertainty and liquidity crisis, volatility in currency exchange rates and annual rainfall which affects agricultural production. Any continued or future slowdown in the Indian economy or a further increase in inflation could have a material adverse effect on the price of our medical equipment for our services and, as a result, on our business and financial results.

The Indian financial market and the Indian economy are influenced by economic and market conditions in other countries, particularly in the emerging market in Asian countries. Financial turmoil in Asia, Europe, the U.S. and elsewhere in the world have affected the Indian economy in the past. Although economic conditions are different in each country, investors' reactions to developments in one country can have adverse effects on the securities of companies in other countries, including India. A loss in investor confidence in the financial systems of other emerging markets may cause increased volatility in Indian financial markets and, indirectly, in the Indian economy in general. Any worldwide financial instability, including the financial crisis and fluctuations in the stock markets in China and further deterioration of credit conditions in the U.S. or European markets, could also have a negative impact on the Indian economy. Financial disruptions may occur again and could harm our business and financial results.

**41. Our company is exposed to risks associated with local economies, regional downturns, and severe weather or other catastrophic events in the various geographies where we operate.**

Our business is affected by the political, economic, and social situation of the different geographies where we operate. We have distributors and trade in different geographies of Gujarat, as a result, we are vulnerable to economic fluctuations and regional conditions that can significantly impact our business. Any unforeseen events or adverse circumstances in these areas could materially affect our sales and profitability. These factors include, but are not limited to, changes in demographics, population shifts, and income levels.

Additionally, our business is susceptible to regional natural disasters and other catastrophic events such as telecommunications failures, cyber-attacks, fires, riots, political unrest, terrorist attacks, and other natural calamities. Disruptions to our operations caused by such events—whether affecting our facilities or other critical locations—could adversely impact our business, financial condition, and results of operations. We face the risk that these regional and catastrophic factors could lead to operational challenges and financial losses, emphasizing the need for robust risk management and contingency planning to mitigate these potential impacts.

**42. Changes or a downturn in economic conditions, in particular in our principal markets, may affect consumer spending, including on our products.**

Our revenues and results of operations are impacted by global economic conditions at regular interval, as well as the specific economic conditions of the market. Such conditions include levels of employment, cost, revenue, inflation or deflation, real disposable income, interest rates, taxation, currency exchange rates, stock market performance, supply and demand chain, value of raw materials, the availability of consumer credit, levels of consumer debt, consumer confidence, consumer perception of economic conditions and consumer willingness to spend, all of which are beyond our control at all times. An economic downturn or an otherwise uncertain economic outlook in our principal markets, in any other markets in which, we may operate in the future, or on a global scale could adversely affect our consumer spending habits and traffic, which could have a material adverse effect on our business, results of operations and financial condition.

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

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

In terms of Press Note 3 of 2020, dated April 17, 2020, issued by the Department for Promotion of Industry and Internal Trade (“DPIIT”), the foreign direct investment policy has been recently amended to state that all investments under the foreign direct investment route by entities of a country which shares land border with India or where the beneficial owner of an investment into India is situated in or is a citizen of any such country will require prior approval of the GoI. Further, in the event of a transfer of

ownership of any existing or future foreign direct investment in an entity in India, directly or indirectly, resulting in the beneficial ownership falling within the aforesaid restriction/ purview, such subsequent change in the beneficial ownership will also require approval of the GoI. Furthermore, on April 22, 2020, the Ministry of Finance, GoI has also made a similar amendment to the FEMA Rules. While the term “beneficial owner” is defined under the Prevention of Money-Laundering (Maintenance of Records) Rules, 2005 and the General Financial Rules, 2017, neither the foreign direct investment policy nor the FEMA Rules provide a definition of the term “beneficial owner”. The interpretation of “beneficial owner” and enforcement of this regulatory change involves certain uncertainties, which may have an adverse effect on our ability to raise foreign capital. Further, there is uncertainty regarding the timeline within which the said approval from the GoI may be obtained, if at all.

#### **44. We may be subject to Indian taxes arising out of capital gains on the sale of our Equity Shares.**

Under the current Indian tax laws and regulations, capital gains arising from the sale of equity shares in an Indian company are generally taxable in India. A securities transaction tax (“STT”) is levied both at the time of transfer and acquisition of the equity shares (unless exempted under a prescribed notification), and the STT is collected by an Indian stock exchange on which equity shares are sold. Any gain realized on the sale of equity shares held for more than 12 months, which are sold using any other platform other than on a recognized stock exchange and on which no STT has been paid, are subject to long term capital gains tax in India. Such long term capital gains exceeding ₹ 1.00 lakhs arising from the sale of listed equity shares on the stock exchange are subject to tax at the rate of 10% (plus applicable surcharge and cess). Unrealized capital gains earned on listed equity shares up to January 31, 2018 continue to be tax-exempted in such cases. Further, STT will be levied and collected by an Indian stock exchange if the equity shares are sold on a stock exchange. With respect to capital gains arising in an off market sale, long term capital gains are subject to tax at the rate of 10% (plus applicable surcharge and cess) without the exemption of ₹ 1.00 lakhs. Short-term capital gains, arising from the sale of such equity shares on a stock exchange would be subject to tax at the rate of 15% (plus applicable surcharge and cess), while short term capital gains arising in an off-market sale would be subject to tax at a higher rate of 40% (plus applicable surcharge and cess) in the case of foreign companies and 30% (plus applicable surcharge and cess) in the case of other non-resident taxpayers.

The Finance Act, 2019 amended the Indian Stamp Act, 1899 with effect from July 1, 2020. It clarified that, in the absence of a specific provision under an agreement, the liability to pay stamp duty in case of sale of securities through stock exchanges will be on the buyer, while in other cases of transfer for consideration through a depository, the onus will be on the transferor. The stamp duty for transfer of securities other than debentures, on a delivery basis is specified at 0.015% and on a non-delivery basis is specified at 0.003% of the consideration amount. As such, there is no certainty on the impact that the Finance Act, 2019 may have on our Company’s business and operations.

Further, any gain realized on the sale of listed equity shares held for a period of 12 months or less will be subject to short term capital gains tax in India. In cases where the seller is a non-resident, capital gains arising from the sale of the equity shares will be partially or wholly exempt from taxation in India in cases where the exemption from taxation in India is provided under a treaty between India and the country of which the seller is resident. Additionally, the Finance Act, 2020 does not require dividend distribution tax to be payable in respect of dividends declared, distributed or paid by a domestic company after March 31, 2020, and accordingly, such dividends would not be exempt in the hands of the shareholders, both resident as well as non-resident. Historically, Indian tax treaties do not limit India’s ability to impose tax on capital gains. As a result, residents of other countries may be liable for tax in India as well as in their own jurisdiction on a gain upon the sale of the equity shares.

#### **45. Political changes could adversely affect economic conditions in India.**

Our Company is incorporated in India and derives the majority of its revenue from operations in India and the majority of its assets are located in India. Consequently, our performance and the market price of the Equity Shares may be affected by interest rates, government policies, taxation, social and ethnic instability and other political and economic developments affecting India. Factors that may adversely affect the Indian economy, and hence our results of operations, may include:

- (a) the macroeconomic climate, including any increase in Indian interest rates or inflation;
- (b) any exchange rate fluctuations, the imposition of currency controls and restrictions on the right to convert or repatriate currency or export assets;
- (c) any scarcity of credit or other financing in India, resulting in an adverse effect on economic conditions in India and scarcity of financing for our expansions;
- (d) prevailing income conditions among Indian customers and Indian corporations;
- (e) epidemic, pandemic or any other public health in India or in countries in the region or globally, including in India’s various neighbouring countries;
- (f) volatility in, and actual or perceived trends in trading activity on, India’s principal stock exchanges;
- (g) changes in India’s tax, trade, fiscal or monetary policies;
- (h) political instability, terrorism or military conflict in India or in countries in the region or globally, including in India’s various neighbouring countries;
- (i) occurrence of natural or man-made disasters;

- (j) prevailing regional or global economic conditions, including in India's principal export markets;
- (k) other significant regulatory or economic developments in or affecting India or its consumption sector;
- (l) international business practices that may conflict with other customs or legal requirements to which we are subject, including anti-bribery and anti-corruption laws;
- (m) protectionist and other adverse public policies, including local content requirements, import/export tariffs, increased regulations or capital investment requirements;
- (n) logistical and communications challenges;
- (o) downgrading of India's sovereign debt rating by rating agencies;
- (p) difficulty in developing any necessary partnerships with local businesses on commercially acceptable terms or on a timely basis; and
- (q) being subject to the jurisdiction of foreign courts, including uncertainty of judicial processes and difficulty enforcing contractual agreements or judgments in foreign legal systems or incurring additional costs to do so. Any slowdown or perceived slowdown in the Indian economy, or in specific sectors of the Indian economy, could adversely affect our business, results of operations and financial condition and the price of the Equity Shares.

#### **46. Our Business Could Be Adversely Affected by Increased Volatility in Indian Financial Markets Due to Global Financial Instability**

The Indian financial markets and economy are influenced by global economic conditions, including those in major economies such as the United States, Europe, and emerging markets in Asia. Financial instability in these regions can lead to heightened volatility in Indian markets, which may negatively affect investor confidence and economic stability in India. Historical global financial disruptions have demonstrated how interconnected markets can impact economic performance and financial conditions in India.

Although we keep track of global economic developments, we do not have specific measures in place to address the impact of such global financial instability. This leaves us exposed to potential adverse effects arising from increased market volatility and financial disruptions. The absence of targeted measures to handle these external risks means our business might face challenges in maintaining financial performance and operational stability.

Given our current approach, we cannot guarantee that we will effectively manage or mitigate the impact of global financial instability. Significant volatility in international financial markets could still adversely affect our operations, financial results, and the value of our Equity Shares.

#### **47. Global Economic Developments, Such as Trade Tensions and Geopolitical Events, Could Negatively Impact Our Business**

Global economic developments, including trade tensions, geopolitical events such as Brexit, and potential economic slowdowns in key trading partners like China, can have significant repercussions on our business. These events may lead to increased risk aversion and volatility in global capital markets, affecting the Indian economy and our principal markets in the Middle East. Issues such as trade conflicts and geopolitical uncertainties can disrupt economic stability, impacting exchange rates and investment values.

We monitor these global economic developments, but we do not have specific mechanisms to address the potential impact of such external factors on our business. This lack of focused measures means we are vulnerable to adverse effects resulting from global economic disruptions. Our exposure to these risks may affect our business operations, financial condition, and the value of our Equity Shares.

Given the current situation, we cannot ensure that we will effectively manage the potential impact of global economic developments. Events such as trade tensions and geopolitical uncertainties could still lead to significant challenges, affecting our financial performance and market stability.

#### **48. If inflation rises in India, increased costs may result in a decline in profits.**

The annual consumer inflation rate in India rose to 5.08% in June 2024 from 4.75% in the previous month, exceeding market expectations of 4.80% and marking the fastest pace of price growth since February. This increase, marking the tenth consecutive month that inflation has remained within the Reserve Bank of India's (RBI) tolerance band of 2 percentage points from 4%, has heightened expectations that the RBI will delay any interest rate cuts. The increased prices were driven primarily by food inflation, which rose to 9.36% from 8.69% in May, accounting for nearly half of the Indian consumer basket. Higher energy prices and uncertain weather conditions have increased the costs of maintaining crops. (Source: Ministry of Statistics and Programme Implementation, Reserve Bank of India, National Statistical Office (NSO), livemint)

Inflation rates in India have been volatile in recent years, and the volatility is likely to continue. For Agricon, which operates in the agri-input market without its manufacturing unit, increasing inflation poses several risks. The increasing price may significantly affect the demand for our products by farmers, who contribute significantly to our sales. Rising costs for rent, salaries, raw materials, and other essential expenses could impact our operational efficiency and profit margins. Higher energy prices and

uncertain weather conditions particularly affect the costs of procuring agricultural products from our suppliers. If we cannot pass over these increased costs to our customers through higher prices, our profit margins may be adversely affected. The price sensitivity of our customer base may limit our ability to increase prices without reducing demand.

To mitigate these risks, we are exploring several strategies, including implementing strict cost control measures to manage and reduce operational expenses, adjusting our pricing strategies to reflect increased costs without significantly impacting demand, strengthening our supply chain to minimize disruptions and secure better pricing for raw materials, and enhancing our financial planning to respond to inflationary trends. However, despite these measures, the risk remains that continued high inflation in India could adversely affect our business operations and financial stability. This risk underscores the importance of ongoing vigilance and adaptability in our business strategy to navigate the challenges posed by inflation.

**49. Significant differences exist between AS and other accounting principles, such as Ind AS GAAP, IFRS and U.S. GAAP, which may be material to investors' assessments of our financial condition, result of operations and cash flows.**

Our restated financial information for the Fiscals 2023, 2022 and 2024 included in this Draft Red Herring Prospectus are presented in conformity with AS, in each case restated in accordance with the requirements of Section 26 of part I of the Companies Act, 2013, the SEBI ICDR Regulations and the Guidance Note on "Reports in Company Prospectus (Revised 2019)" issued by the ICAI. AS differs from accounting principles with which prospective investors may be familiar, such as Ind AS GAAP, IFRS and U.S. GAAP. Accordingly, the degree to which the Restated Financial Information and Special Purpose Restated Financial Information included in this Draft Red Herring Prospectus will provide meaningful information is entirely dependent on the reader's level of familiarity with AS. Persons not familiar with AS should limit their reliance on the financial disclosures presented in this Draft Red Herring Prospectus.

**50. Our business and activities may be regulated by the Competition Act, 2002 and proceedings may be enforced against us.**

The Competition Act, 2002, or the Competition Act seeks to prevent business practices that have a material adverse effect on competition in India. Under the Competition Act, any arrangement, understanding or action in concert between enterprises, whether formal or informal, which causes or is likely to cause a material adverse effect on competition in India is void and attracts substantial monetary penalties. Any agreement that directly or indirectly determines purchase or sale prices, limits or controls production, shares the market by way of geographical area, market or number of customers in the market is presumed to have a material adverse effect on competition in the relevant market in India and shall be void.

The Competition Act also prohibits abuse of a dominant position by any enterprise. On March 4, 2011, the GoI notified and brought into force the combination regulation (merger control) provisions under the Competition Act with effect from June 1, 2011. These provisions require acquisitions of shares, voting rights, assets or control or mergers or amalgamations that cross the prescribed asset and turnover based thresholds to be mandatorily notified to, and pre-approved by, the Competition Commission of India, or CCI. Additionally, on May 11, 2011, the CCI issued the Competition Commission of India (Procedure for Transaction of Business Relating to Combinations) Regulations, 2011, as amended, which sets out the mechanism for implementation of the merger control regime in India.

The Competition Act aims to, among other things, prohibit all agreements and transactions, which may have an appreciable adverse effect in India. Consequently, all agreements entered into by us could be within the purview of the Competition Act. Further, the CCI has extra-territorial powers and can investigate any agreements, abusive conduct or combination occurring outside of India if such agreement, conduct or combination has an appreciable adverse effect in India. However, the effect of the provisions of the Competition Act on the agreements entered into by us cannot be predicted with certainty at this stage. We are not currently party to any outstanding proceedings, nor have we received notice in relation to non-compliance with the Competition Act or the agreements entered into by us. However, if we are affected, directly or indirectly, by the application or interpretation of any provision of the Competition Act, or any enforcement proceedings initiated by the CCI, or any adverse publicity that may be generated due to scrutiny or prosecution by the CCI or if any prohibition or substantial penalties are levied under the Competition Act, it would adversely affect our business, financial condition, results of operations and prospects.

**51. We cannot guarantee the accuracy or completeness of facts and other statistics with respect to India, the Indian economy and industry in which we operate contained in the Draft Red Herring Prospectus.**

While facts and other statistics in the Draft Red Herring Prospectus relating to India, the Indian economy and the industry in which we operate has been based on various web site data and IBEF that we believe are reliable, we cannot guarantee the quality or reliability of such materials. While we have taken reasonable care in the reproduction of such information, industry facts and other statistics have not been prepared or independently verified by us or any of our respective affiliates or advisors and, therefore we make no representation as to their accuracy or completeness. These facts and other statistics include the facts and statistics included in the chapter titled "Industry Overview" beginning on page 93 of this Draft Red Herring Prospectus. Due to possibly flawed or ineffective data collection methods or discrepancies between published information and market practice and other problems, the statistics herein may be inaccurate or may not be comparable to statistics produced elsewhere and should not be unduly relied upon. Further, there is no assurance that they are stated or compiled on the same basis or with the same degree of accuracy, as the



case may be, elsewhere.

**52. Certain data mentioned in this Draft Red Herring Prospectus has not been independently verified.**

We have not independently verified data from industry publications contained herein and although we believe these sources to be reliable, we cannot assure that they are complete or reliable. Such data may also be produced on a different basis from comparable information compiled with regard to other countries. Therefore, discussions of matters relating to India and its economy are subject to the limitation that the statistical and other data upon which such discussions are based have not been verified by us and may be incomplete or unreliable.

**Risks Related to the Offer**

**53. After the Offer, the price of the Equity Shares may become highly volatile, or an active trading market for the Equity Shares may not develop.**

The price of the Equity Shares may fluctuate after the Offer as a result of several factors, including: volatility in the Indian and global securities market; our operations and performance; performance of our competitors; adverse media reports about us or the industry we operate in generally; changes in the estimates of our performance or recommendations by financial analysts; significant developments in India's economic liberalization and deregulation policies; and significant developments in India's fiscal regulations. There has been no public market for the Equity Shares of our Company and the price of the Equity Shares may fluctuate after the Offer.

If the stock price of the Equity Shares fluctuates after the Offer, investors could lose a significant part of their investment. As of the date of this Draft Red Herring Prospectus, there is no market for the Equity Shares. Following the Offer, the Equity Shares are expected to trade on the Stock Exchanges. There can be no assurance that active trading in the Equity Shares will develop after the Offer or, if such trading develops, that it will continue. Investors might not be able to sell the Equity Shares rapidly at the quoted price if there is no active trading in the Equity Shares.

**54. The Offer Price of the Equity Shares may not be indicative of the market price of the Equity Shares after the Offer.**

The initial public offering price will be determined by the Book Building Process and may not be indicative of prices that will prevail in the open market following the Offer. The market price of the Equity Shares may be influenced by many factors, some of which are beyond our control, including:

- a. the failure of security analysts to cover the Equity Shares after this Offer, or changes in the estimates of our performance by analysts;
- b. the activities of competitors and suppliers;
- c. future sales of the Equity Shares by our Company or our shareholders;
- d. investor perception of us and the industry in which we operate;
- e. our quarterly or annual earnings or those of our competitors;
- f. developments affecting fiscal, industrial or environmental regulations;
- g. the public's reaction to our press releases and adverse media reports; and
- h. general economic conditions.

As a result of these factors, investors may not be able to resell their Equity Shares at or above the initial public offering price. In addition, the stock market often experiences price and volume fluctuations that are unrelated or disproportionate to the operating performance of a particular company. These broad market fluctuations and industry factors may materially reduce the market price of the Equity Shares, regardless of our Company's performance. There can be no assurance that the investor will be able to resell their Equity Shares at or above the Offer Price.

**55. Investors may have difficulty enforcing foreign judgments against our Company or our management.**

Our Company is a limited liability company incorporated under the laws of India. Our directors and executive officers are residents of India. Additionally, our Company's assets and the assets of our Directors and executive officers' resident in India are located in India. As a result, it may be difficult for investors to effect service of process upon us or such persons outside India or to enforce judgments obtained against our Company or such parties outside India.

Recognition and enforcement of foreign judgments is provided for under Section 13 of the Code of Civil Procedure, 1908 ("CPC"), on a statutory basis. Section 13 of the CPC provides that foreign judgments shall be conclusive regarding any matter directly adjudicated upon, except: (i) where the judgment has not been pronounced by a court of competent jurisdiction; (ii) where the judgment has not been given on the merits of the case; (iii) where it appears on the face of the proceedings that the judgment is founded on an incorrect view of international law or a refusal to recognise the law of India in cases to which such law is applicable; (iv) where the proceedings in which the judgment was obtained were opposed to natural justice; (v) where the judgment has been

obtained by fraud; and (vi) where the judgment sustains a claim founded on a breach of any law then in force in India. Under the CPC, a court in India shall, upon the production of any document purporting to be a certified copy of a foreign judgment, presume that the judgment was pronounced by a court of competent jurisdiction, unless the contrary appears on record. However, under the CPC, such presumption may be displaced by proving that the court did not have jurisdiction.

India is not a party to any international treaty in relation to the recognition or enforcement of foreign judgments. Section 44A of the CPC provides that where a foreign judgment has been rendered by a superior court, within the meaning of that Section, in any country or territory outside of India which the GoI has by notification declared to be in a reciprocating territory, it may be enforced in India by proceedings in execution as if the judgment had been rendered by the relevant court in India. However, Section 44A of the CPC is applicable only to monetary decrees not being of the same nature as amount payable in respect of taxes, other charges of a like nature or of a fine or other penalty. Some jurisdictions including the United Kingdom, UAE, Singapore and Hong Kong have been declared by the GoI to be reciprocating countries for the purposes of Section 44A of the CPC.

The United States and India do not currently have a treaty providing for reciprocal recognition and enforcement of judgments, other than arbitration awards, in civil and commercial matters. Therefore, a final judgment for the payment of money rendered by any federal or state court in the United States on civil liability, whether or not predicated solely upon the federal securities laws of the United States, would not be enforceable in India. However, the party in whose favour such final judgment is rendered may bring a new suit in a competent court in India based on a final judgment that has been obtained in the United States. The suit must be brought in India within three years from the date of the judgment in the same manner as any other suit filed to enforce a civil liability in India. Further, there may be considerable delays in the disposal of suits by Indian courts. It is unlikely that a court in India would award damages on the same basis as a foreign court if an action was brought in India.

Furthermore, it is unlikely that an Indian court would enforce a foreign judgment if that court were of the view that the amount of damages awarded was excessive or inconsistent with public policy or Indian practice. It is uncertain as to whether an Indian court would enforce foreign judgments that would contravene or violate Indian law. However, a party seeking to enforce a foreign judgment in India is required to obtain approval from the RBI under the FEMA to execute such a judgment or to repatriate any amount recovered.

**56. Holders of Equity Shares could be restricted in their ability to exercise pre-emptive rights under Indian law and could thereby suffer future dilution of their ownership position.**

Under the Companies Act, 2013 a company incorporated in India must offer holders of its Equity Shares pre-emptive rights to subscribe and pay for a proportionate number of Equity Shares to maintain their existing ownership percentages prior to the issuance of any new Equity Shares, unless the pre-emptive rights have been waived by the adoption of a special resolution by holders of three-fourths of the Equity Shares who have voted on such resolution. However, if the law of the jurisdiction that you are in does not permit the exercise of such pre-emptive rights without us filing an offering document or registration statement with the applicable authority in such jurisdiction, you will be unable to exercise such pre-emptive rights unless we make such a filing. We may elect not to file a registration statement in relation to pre-emptive rights otherwise available by Indian law to you. To the extent that you are unable to exercise pre-emptive rights granted in respect of the Equity Shares, you may suffer future dilution of your ownership position and your proportional interests in us would be reduced.

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

We are not a listed company and have not been subjected to the increased scrutiny of our affairs by shareholders, regulators and the public at large that is associated by the virtue of being a listed company. As a listed company, we will incur considerable legal, accounting, corporate governance and other expenses that we did not incur as an unlisted company. We will be subject to the listing compliances and reporting requirements to the Stock Exchanges on which equity shares of our Company will be listed, which require us to file audited annual and unaudited half yearly reports with respect to our business and financial condition. If we experience any delays, we may fail to satisfy our reporting obligations and/or we may not be able to readily

**58. There is no guarantee that our Equity Shares will be listed on the EMERGE platform of NSE Limited in a timely manner or at all.**

In accordance with Indian law and practice, permission for listing and trading of our Equity Shares will not be granted until after certain actions have been completed in relation to this Offer and until Allotment of Equity Shares pursuant to this Offer. In accordance with current regulations and circulars issued by SEBI, our Equity Shares are required to be listed on the stock exchange within such time as mandated, subject to any change in the prescribed timeline in this regard. However, we cannot assure you that the trading in our Equity Shares will commence in a timely manner or at all. Any failure or delay in obtaining final listing and trading approvals may restrict your ability to dispose of your Equity Shares.

**59. Objects of the Issue for which funds are being raised, are based on our management estimates and any bank or financial institution or any independent agency has not appraised the same.**

The objects of the Issue have not been appraised by any bank or financial institution. These are based on management estimates and current conditions and are subject to changes in external circumstances or costs, or in other financial condition, business or strategy. Based on the competitive nature of the industry, we may have to revise our management estimates and consequently our funding requirements may also change. The deployment of the funds towards the objects of the issue is entirely at the discretion of the Board of Directors/Management and is not subject to monitoring by external independent agency. However, the deployment

of funds is subject to monitoring by our Audit Committee. Any inability on our part to effectively utilize the Issue proceeds could adversely affect our financials.

## SECTION IV – INTRODUCTION

### THE ISSUE

<b>PRESENT ISSUE IN TERMS OF THIS DRAFT RED HERRING PROSPECTUS</b>	
Equity Shares Offered through Public Issue (1) (2)	Issue of up to 40,00,000* Equity Shares of ₹ 10/- Each fully paid-up of our Company.
<b>Out of which:</b>	
Issue Reserved for the Market Makers	Up to [●] Equity Shares aggregating to ₹ [●] Lakhs.
Net Issue to the Public	Up to [●] Equity Shares aggregating to ₹ [●] Lakhs.
<b>Out of which*</b>	
QIB Portion (3)(4)	Not more than [●] Equity Shares aggregating up to ₹ [●] lakhs.
<b>Of Which</b>	
Anchor Investor	Up to [●] Equity Shares aggregating up to ₹ [●] lakhs
Net QIB Portion (assuming Anchor Investor Portion is fully subscribed)	Up to [●] Equity Shares aggregating up to ₹ [●] lakhs
<b>Of Which</b>	
Available for allocation to Mutual Funds only (5% of the Net QIB Portion)	Up to [●] Equity Shares aggregating up to ₹ [●] lakhs
Balance of QIB Portion for all QIBs including Mutual Funds	Up to [●] Equity Shares aggregating up to ₹ [●] lakhs
Non-Institutional Portion	Not less than [●] Equity Shares aggregating up to ₹ [●] lakhs
Retail Portion	Not less than [●] Equity Shares aggregating up to ₹ [●] lakhs
<b>Pre and Post – Issue Equity Shares</b>	
Equity Shares outstanding prior to the Issue	1,03,47,735 Equity Shares of face value of ₹ 10/- Each
Equity Shares outstanding after the Issue	Upto [●] Equity Shares of face value ₹ 10/- Each
Use of Net Proceeds by our Company	Please see the chapter titled “ <i>Objects of the Issue</i> ” on page 76 of this Draft Red Herring Prospectus.

\*Subject to finalization of the Basis of Allotment. Number of shares may need to be adjusted for lot size upon determination of issue price.

#### Notes:

- The Issue is being made in terms of Chapter IX of the SEBI (ICDR) Regulations, 2018, as amended from time to time. This Issue is being made by our company in terms of Regulation of 229(2) of SEBI (ICDR) Regulations read with Rule 19(2)(b)(i) of SCRR wherein not less than 25% of the Post – Issue paid up equity share capital of our company are being offered to the public for subscription.
- The present Issue has been authorized by our Board pursuant to a resolution passed at its meeting held on August 20, 2024 and by our Shareholders pursuant to a special resolution passed pursuant to Section 62(1)(c) of the Companies Act, 2013 at the Extra Ordinary General meeting held on August 21, 2024
- The SEBI (ICDR) Regulations permit the Issue of securities to the public through the Book Building Process, which states that, not less than 15% of the Net Issue shall be available for allocation on a proportionate basis to Non-Institutional Bidders and not less than 35% of the Net Issue shall be available for allocation on a proportionate basis to Retail Individual Bidders and not more than 50% of the Net Issue shall be allotted on a proportionate basis to QIBs, subject to valid Bids being received at or above the Issue Price. Accordingly, we have allocated the Net Issue i.e. not more than 50% of the Net Issue to QIB and not less than 35% of the Net Issue shall be available for allocation to Retail Individual Investors and not less than 15% of the Net Issue shall be available for allocation to non-institutional bidders.
- Subject to valid Bids being received at or above the Issue Price, under subscription, if any, in any category, except in the QIB Portion, would be allowed to be met with spill-over from any other category or combination of categories of Bidders at the discretion of our Company in consultation with the Book Running Lead Manager and the Designated Stock Exchange, subject to applicable laws.

Our Company, in consultation with the Book Running Lead Manager, allocate up to 60% of the QIB Portion to Anchor Investors on a discretionary basis in accordance with the SEBI ICDR Regulations, 2018. One-third of the Anchor Investor Portion shall be

reserved for domestic Mutual Funds, subject to valid Bids being received from domestic Mutual Funds at or above the Anchor Investor Allocation Price. In the event of under-subscription in the Anchor Investor Portion, the remaining Equity Shares shall be added to the QIB Portion. Further, 5% of the Net QIB Portion shall be available for allocation on a proportionate basis to Mutual Funds only, and the remainder of the QIB Portion shall be available for allocation on a proportionate basis to all QIB Bidders (other than Anchor Investors), including Mutual Funds, subject to valid Bids being received at or above the Issue Price. However, if the aggregate demand from Mutual Funds is less than 5% of the Net QIB Portion, the balance Equity Shares available for allotment in the Mutual Fund Portion will be added to the Net QIB Portion and allocated proportionately to the QIB Bidders (other than Anchor Investors) in proportion to their Bids. For further details, please refer section titled “*Issue Procedure*” beginning on page 241 of this Draft Red Herring Prospectus.

**SUMMARY OF OUR FINANCIALS**  
**ANNEXURE - I**  
**RESTATED STATEMENT OF ASSETS AND LIABILITIES**

<i>(Amount in lacs)</i>					
Sr. No.	Particulars	Note	As at March 31, 2024	As at March 31, 2023	As at March 31, 2022
<b>I</b>	<b>EQUITY AND LIABILITIES</b>				
1.	Shareholders' funds				
	(a) Share Capital	I.1	778.95	377.63	280.70
	(b) Reserves and surplus	I.2			
	(c) Money received against share Warrants				
2.	Share application money pending allotment				
	<b>Sub Total Shareholders' Funds (A)</b>		<b>778.95</b>	<b>377.63</b>	<b>280.70</b>
3.	Non-current liabilities				
	(a) Long-term borrowings	I.3	30.00	50.00	30.00
	(b) Other Long term Liabilities	I.4	-	-	-
	(c) Deferred Tax liability	I.5	(0.74)	(0.77)	(0.99)
	(d) Long-term provisions	I.6	9.84	7.06	4.23
	<b>Sub Total Non Current Liabilities (B)</b>		<b>39.11</b>	<b>56.29</b>	<b>33.24</b>
4.	Current liabilities				
	(a) Short-term borrowings	I.7	173.00	158.85	165.59
	(b) Trade payables	I.8			
	i) Due to MSME		-	-	-
	ii) Due to Others		65.98	176.54	99.82
	(c) Other current liabilities	I.9	-	-	-
	(d) Short-term provisions	I.10	238.95	425.58	283.39
	<b>Sub Total Current Liabilities (C)</b>		<b>477.94</b>	<b>760.97</b>	<b>548.80</b>
	<b>TOTAL (A+B+C)</b>		<b>1,296.00</b>	<b>1,194.88</b>	<b>862.74</b>
<b>II.</b>	<b>ASSETS</b>				
1.	<b>Non-current assets</b>				
	(a) Property, Plant and Equipment and Intangible assets				
	(i) Property, Plant and Equipment	I.11	32.38	31.71	34.09
	(ii) Capital work-in-progress		-	-	-
	(b) Non-current investments	I.12	-	-	-
	(c) Long-term loans and advances	I.13	-	-	-
	(d) Deferred Tax Assets				
	(e) Long-term loans and advances				
	(f) Other Non Current Assets	I.14	1.20	1.20	1.20
	<b>Total Non Current Assets (A)</b>		<b>33.58</b>	<b>32.91</b>	<b>35.29</b>
2.	<b>Current assets</b>				
	(a) Current investments				
	(b) Inventories	I.15	136.42	92.87	97.22
	(c) Trade receivables	I.16	1,000.38	822.61	673.87
	(d) Cash and Bank Balances	I.17	37.38	103.47	0.85
	(e) Short-term loans and advances	I.18	54.43	107.56	41.68
	(f) Other Current Assets	I.19	33.81	35.46	13.82
	<b>Total Current Assets (B)</b>		<b>1,262.42</b>	<b>1,161.97</b>	<b>827.45</b>
	<b>TOTAL (A+B)</b>		<b>1,296.00</b>	<b>1,194.88</b>	<b>862.74</b>

**ANNEXURE II**  
**RESTATED STATEMENT OF PROFIT AND LOSS**

*(Amount in Lacs)*

	Particulars	Note	For the Year Ended On		
			March 31, 2024	March 31, 2023	March 31, 2022
<b>I</b>	Revenue from operations	II.1	2,991.38	2,600.89	2,023.47
<b>II</b>	Other Income	II.2	0.11	6.70	25.16
<b>III</b>	<b>Total Income (I+II)</b>		<b>2,991.48</b>	<b>2,607.59</b>	<b>2,048.63</b>
	<b>Expenses:</b>				
	(a) Cost of materials consumed	II.3	1,953.71	1,677.09	1,282.25
	(b) Purchases of stock-in-trade	II.4	-	-	-
	(c) Changes in inventories of finished goods and work-in-progress	II.5	(43.55)	4.35	(26.78)
	(d) Employee benefits expense	II.6	188.34	323.16	286.06
	(e) Finance costs	II.7	10.64	43.51	35.40
	(f) Depreciation and amortisation expense		4.48	4.59	4.22
	(g) Other expenses	II.8	380.07	513.47	435.29
<b>IV</b>	<b>Total expenses</b>		<b>2,493.70</b>	<b>2,566.17</b>	<b>2,016.44</b>
<b>V</b>	<b>Profit /(Loss) before tax and Exceptional Items (III-IV)</b>		<b>497.79</b>	<b>41.42</b>	<b>32.19</b>
<b>VI</b>	<b>Exceptional Items</b>	II.9	-	-	-
<b>VII</b>	<b>Profit /(Loss) before tax (V-VI)</b>		<b>497.79</b>	<b>41.42</b>	<b>32.19</b>
<b>VIII</b>	<b>Tax expense:</b>				
	(a) Current tax expense		126.02	11.20	9.09
	Less: MAT credit setoff		-	-	-
	(b) Short/(Excess) provision of tax for earlier years		-	-	-
	(c) Deferred tax charge/(credit)		0.04	0.22	(0.99)
			<b>126.06</b>	<b>11.41</b>	<b>8.10</b>
<b>IX</b>	<b>Profit after tax for the year (VII-VIII)</b>		<b>371.73</b>	<b>30.01</b>	<b>24.09</b>
<b>XII</b>	<b>Earnings per share (face value of ₹ 10/- each):</b>	II.10			
	(a) Basic (in ₹)		3.59	0.29	0.23
	(b) Diluted (in ₹)		3.59	0.29	0.23

## ANNEXURE - III

## STATEMENT OF CASH FLOW, AS RESTATED

(₹ in Lakhs)

Particulars	For the Year Ended On		
	March 31, 2024	March 31, 2023	March 31, 2022
<b>A. CASH FLOW FROM OPERATING ACTIVITIES</b>			
Net Profit before Extraordinary items	497.79	41.42	32.19
Adjustment For:			
(a) Depreciation and Amortization	4.48	4.59	4.22
(b) Finance Charges	10.64	43.51	35.40
(c) (Gain)/Loss on Sale of Assets	-	-	-
(d) Provision for Gratuity	2.95	3.22	4.73
(e) Interest & Other income	(0.11)	(0.18)	(0.03)
(f) Preliminary Expenses written off	-	-	-
Operating Profit before Working Capital Changes	<b>515.75</b>	<b>92.56</b>	<b>76.51</b>
Adjustment For :			
(a) (Increase)/Decrease in Inventories	(43.55)	4.35	(26.77)
(b) (Increase)/Decrease in Trade Receivables	(177.77)	(148.74)	(17.33)
(c) (Increase)/Decrease in Loans & Advances	53.13	(65.88)	23.72
(d) (Increase)/Decrease in Other Assets	1.65	(21.64)	(1.06)
(e) Increase /(Decrease) in Trade Payables	(110.55)	76.71	(10.68)
(f) Increase /(Decrease) in Other Liabilities and short term provisions	(312.82)	130.61	19.87
<b>CASH GENERATED FROM OPERATIONS</b>	<b>(74.15)</b>	<b>67.97</b>	<b>64.26</b>
Less : Direct Taxes paid (Net of Refund)			
<b>CASH FLOW BEFORE EXTRAORDINARY ITEMS</b>	<b>(74.15)</b>	<b>67.97</b>	<b>64.26</b>
<b>NET CASH FROM OPERATING ACTIVITIES (A)</b>	<b>(74.15)</b>	<b>67.97</b>	<b>64.26</b>
<b>B. CASH FLOW FROM INVESTING ACTIVITIES</b>			
(a) Purchase of Fixed Assets	(9.07)	(2.21)	(2.44)
(b) Sale of Fixed Assets	3.93	-	8.71
(c) (Increase) / Decrease in Investment	-	-	-
(d) (Increase ) / Decrease in Long term loans and advances	-	-	-
(e) (Increase ) / Decrease in Non Current Assets	-	-	(0.98)
(f) Interest and other income	0.11	0.18	0.03
<b>NET CASH FROM INVESTING ACTIVITIES (B)</b>	<b>(5.04)</b>	<b>(2.03)</b>	<b>5.32</b>
<b>C. CASH FLOW FROM FINANCING ACTIVITIES</b>			
(a) Increase/(Decrease) in Long Term Borrowing	(20.00)	20.00	-
(b) Increase/(Decrease) in Short Term Borrowing	14.16	(6.75)	25.30
(c) Increase / ( Decrease ) in Long Term Provisions	-	-	-
(d) Transfer of reserves due to demerger	-	-	-
(e) Interest Paid	(10.64)	(43.51)	(35.40)
(f) Withdrwal/Infusion	29.59	66.93	(66.24)
<b>NET CASH FLOW IN FINANCING ACTIVITIES (C)</b>	<b>13.11</b>	<b>36.67</b>	<b>(76.34)</b>
<b>NET INCREASE IN CASH &amp; CASH EQUIVALENTS (A)+(B)+(C)</b>	<b>(66.09)</b>	<b>102.62</b>	<b>(6.77)</b>
<b>OPENING BALANCE – CASH &amp; CASH EQUIVALENT</b>	<b>103.47</b>	<b>0.85</b>	<b>7.64</b>
<b>CLOSING BALANCE - CASH &amp; CASH EQUIVALENT</b>	<b>37.38</b>	<b>103.47</b>	<b>0.85</b>



## GENERAL INFORMATION

### Brief Summary:

Our Company was initially established as a partnership firm under the name of “M/s. Agricon Fertilizers” vide partnership deed dated April 1, 2016. Thereafter, our firm was converted from partnership firm to public limited, and the name of our firm was changed from “M/s. Agricon Fertilizers” to “Agricon Nutritech Limited” vide fresh certificate of incorporation dated June 19, 2024 issued by the Registrar of Companies, Central Registration Centre. The registration number and corporate identification number of our company is as follows:

Particulars	Number
<b>Company Registration number (CRN)</b>	152600
<b>Corporate Identification Number (CIN)</b>	U20120GJ2024PLC152600

For further details please refer to chapter titled “*History and Corporate Structure*” beginning on page 136 of this Draft Red Herring Prospectus.

<b>Registered Office</b>	508, Ananta Stallion, Nr., Sears Tower, Sevasi, Sevasi, Vadodara, Vadodara, Gujarat, India, 391101. Tel. No.: +91 94266 35147 Email: <a href="mailto:compliance@agriconnutritech.com">compliance@agriconnutritech.com</a>
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### Registrar of Companies:

ROC, Ahmedabad

**Address of the RoC:** Registrar of Companies, Ahmedabad ROC Bhavan, Opp Rupal Park Society, Behind Ankur Bus Stop, Naranpura, Ahmedabad – 380 013, Gujarat

**Phone:** 079- 27438531

**Email:** [roc.ahmedabad@mca.gov.in](mailto:roc.ahmedabad@mca.gov.in)

**Website:** [www.mca.gov.in](http://www.mca.gov.in)

### Board of Directors:

The Board of Directors of our Company as on the date of filing of this Draft Red Herring Prospectus consists of:

Name of Director	Designation	Address	DIN
Narendra Laljibhai Ghelani	Managing Director and Chairman	26, Taksh Bunglow, Vasna Road, Vadodara Racecourse, Vadodara, Gujarat – 390007	02246080
Prafullaben Narendrakumar Ghelani	Whole Time Director	26, Taksh Bunglow, Vasna Road, Vadodara Racecourse, Vadodara, Gujarat - 390007	09114476
Bhaveshkumar Popatlal Upadhyay	Non-Executive Director	S/O Upadhyay Popatlal, Vijayshankar, 22, Shivam Monreve, Behind Rajpath Club, Bodakdev, Ahmedabad City, Ahmedabad, Gujarat, 380054	08384922
Vinod Kanubhai Rana	Independent Director	1-526-1, Gandhiwada, Near Khodiyer Mandir, Dholka, Ahmedabad, Gujarat – 387810	08160972
Shivani Pathak	Independent Director	5/B, Padmavati Society, Near Vitrang Flats, Paldi, Ahmedabad, Gujarat - 380007	10481354

For further details in relation to our directors, please refer to chapter titled “*Our Management*” on page 139 of this Draft Red Herring Prospectus.

Chief Financial Officer	Company Secretary and Compliance Officer
Narsinhbhai Ratnabhai Koladia	Hitesh Singh Parihar
Address: A-126, Sun City Society, Manjalpur, Opp Ambe School, Vadodara, Gujarat - 390011 Tel. No.: +91 82008 99163	Address: Kaitha, Satna, Itmanaditeer, Itma, Madhya Pradesh - 485001 Tel. No.: +91 94266 35147

<b>Chief Financial Officer</b>	<b>Company Secretary and Compliance Officer</b>
Email: <a href="mailto:cfo@agriconnutritech.com">cfo@agriconnutritech.com</a>	Email: <a href="mailto:compliance@agriconnutritech.com">compliance@agriconnutritech.com</a>

#### Investor Grievances:

Investors can contact the Company Secretary and Compliance Officer, the BRLM or the Registrar to the Issue in case of any pre-Issue or post-Issue related problems, such as non-receipt of letters of Allotment, non-credit of Allotted Equity Shares in the respective beneficiary account, non-receipt of refund orders and non-receipt of funds by electronic mode.

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

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

All grievances relating to the Anchor Investors may be addressed to the BRLM, giving full details such as name of the sole or first Bidder, bid cum Application Form number, Bidders DP ID, Client ID, PAN, date of the Anchor Investor Application Form, address of the Bidder, number of Equity Shares applied for, Bid Amount paid on submission of the Anchor Investor Application Form.

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

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

<b>Book Running Lead Manager to the Issue</b>	<b>Legal Advisor to the Issue</b>
<b>Getfive Advisors Private Limited</b> <b>Address:</b> 502, Abhishree Avenue, Nehru Nagar, Manekbag, Ahmedabad – 380015, Gujarat <b>Tel No.:</b> +91 9978912211/ +91 79907 29901 <b>Email:</b> <a href="mailto:compliance.officer@getfive.in">compliance.officer@getfive.in</a> <b>Investor Grievance Email:</b> <a href="mailto:investor.grievance@getfive.in">investor.grievance@getfive.in</a> <b>Website:</b> <a href="http://www.getfive.in">www.getfive.in</a> <b>Contact Person:</b> Shrikant Goyal <b>SEBI Reg. No.:</b> INM000013147	<b>Vedanta Law Chambers</b> <b>Address:</b> 1st Floor, SSK House, B-62, Sahkar Marg, Lal Kothi, Jaipur, Rajasthan - 302015 <b>Tel No.:</b> 0141 4014091 <b>Email:</b> <a href="mailto:vedantalawchambers@gmail.com">vedantalawchambers@gmail.com</a> <b>Contact Person:</b> Adv. Nivedita Ravindra Sarda <b>Website:</b> <a href="http://www.vedantalawchambers.com">www.vedantalawchambers.com</a>
<b>Registrar to the Issue</b>	<b>Peer Reviewed Auditor of the Company</b>
<b>Maashitla Securities Private Limited</b> <b>Address:</b> 451, Krishna Apra Business Square, Netaji Subhash Place, Pitampura, New Delhi-110034 <b>Tel No.:</b> +91 99582 79163 <b>Email:</b> <a href="mailto:ipo@maashitla.com">ipo@maashitla.com</a> <b>Investor Grievance Email:</b> <a href="mailto:investor.ipo@maashitla.com">investor.ipo@maashitla.com</a> <b>Website:</b> <a href="http://www.maashitla.com">www.maashitla.com</a> <b>Contact Person:</b> Mukul Agrawal <b>SEBI Reg. No.:</b> INR000004370 <b>CIN:</b> U67100DL2010PTC208725	<b>M/s VRAJM &amp; Associates</b> Chartered Accountants, <b>Address:</b> 504, Citadel, Windsor Plaza, R C Dutt Road, Alkapuri, Vadodara - 390007 <b>Tel No.:</b> +91 98259 80214 <b>Email:</b> <a href="mailto:vipuldalal2013@gmail.com">vipuldalal2013@gmail.com</a> <b>Firm Registration No.:</b> 121458W <b>Contact Person:</b> Vipul Dala <b>Peer Review Certificate No.:</b> 016128
<b>Bankers to the Company</b>	<b>Bankers to the Issue/Refund Banker/ Sponsor Bank*</b>
<b>HDFC Bank Limited</b> <b>Address:</b> Kalpatru Enterprise, Opp. Devdeep Nagar, Old Padra Road, Vadodara, Gujarat - 390020 <b>Tel No.:</b> +91 98240 94286 <b>Email:</b> <a href="mailto:Prashi.sharma@hdfchank.com">Prashi.sharma@hdfchank.com</a>	[•]

<b>Website:</b> <a href="http://www.hdfcbank.com">www.hdfcbank.com</a> <b>Contact Person:</b> Prashi Patel <b>CIN:</b> L65920MH1994PLC080618	
<b>Syndicate Member*</b>	
[•]	

*\*The Banker to the Issue (Sponsor Bank) and Syndicate Members shall be appointed prior to filing of the Red Herring Prospectus with the RoC*

#### **Designated Intermediaries:**

##### **Self-Certified Syndicate Banks (SCSB's)**

The list of SCSBs, as updated till date, is available on website of Securities and Exchange Board of India at below link.

<https://www.sebi.gov.in/sebiweb/other/OtherAction.do?doRecognisedFpi=yes&intmId=34>;

<https://www.sebi.gov.in/sebiweb/other/OtherAction.do?doRecognisedFpi=yes&intmId=35>

Investors are requested to refer the SEBI website for updated list of SCSBs and their 33 designated branches.

##### **Self-Certified Syndicate Banks eligible as Sponsor Banks for UPI**

The list of Self Certified Syndicate Banks that have been notified by SEBI to act as Investors Bank or Issuer Bank for UPI mechanism are provide on the website of SEBI on

<https://www.sebi.gov.in/sebiweb/other/OtherAction.do?doRecognisedFpi=yes&intmId=41>

##### **Syndicate SCSB Branches**

In accordance with SEBI Circular No. SEBI/HO/CFD/DIL2/CIR/P/2019/76 dated June 28, 2019 and SEBI Circular No. SEBI/HO/CFD/DIL2/CIR/P/2019/85 dated July 26, 2019, Retail Individual Investors Applying using the UPI Mechanism may apply through the SCSBs and mobile applications whose names appears on the website of the SEBI (<https://www.sebi.gov.in/sebiweb/other/OtherAction.do?doRecognisedFpi=yes&intmId=40>) and updated from time to time. A list of SCSBs and mobile applications, which are live for applying in public issues using UPI mechanism is provided as 'Annexure A' for the SEBI circular number SEBI/HO/CFD/DIL2/CIR/P/2019/85 dated July 26, 2019, as amended.

##### **Registered Brokers**

The list of the Registered Brokers eligible to accept ASBA forms, including details such as postal address, telephone number and e-mail address, is provided on the website of the SEBI at

(<https://www.sebi.gov.in/sebiweb/other/OtherAction.do?doRecognised=yes>), respectively, as updated from time to time.

##### **Registrar and Share Transfer Agents**

The list of the Registrar to Issue and Share Transfer Agents (RTAs) eligible to accept Applications forms at the Designated RTA Locations, including details such as address, telephone number and e-mail address, are provided at

<https://www.sebi.gov.in/sebiweb/other/OtherAction.do?doRecognisedFpi=yes&intmId=10> , as updated from time to time.

##### **Collecting Depository Participants**

The list of the Collecting Depository Participants (CDPs) eligible to accept Bid-cum-Application Forms at the Designated CDP Locations, including details such as name and contact details, are provided at <https://www.sebi.gov.in/sebiweb/other/OtherAction.do?doRecognisedFpi=yes&intmId=19> for NSDL CDPs and at <https://www.sebi.gov.in/sebiweb/other/OtherAction.do?doRecognisedFpi=yes&intmId=18> for CDSL CDPs, as updated from time to time. The list of branches of the SCSBs named by the respective SCSBs to receive deposits of the Bid cum Application Forms from the Designated Intermediaries will be available on the website of the SEBI ([www.sebi.gov.in](http://www.sebi.gov.in)) and updated from time to time.

##### **Brokers to the Issue**

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

##### **Expert Opinion**

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

Our Company has received written consent dated September 17, 2024 from M/s. VRAJM & Associates, Chartered Accountants to include their name as required under Section 26 of the Companies Act, 2013 read with SEBI ICDR Regulations SEBI (ICDR) Regulations, 2018, in this Draft Red Herring Prospectus and as an “expert” as defined under Section 2(38) of the Companies Act, 2013 to the extent and in their capacity as our Auditor, and in respect of their (i) examination report on our Restated Financial Statements dated September 14, 2024 on our Restated Financial Statements, and (ii) the statement of special tax benefits available to the Company and its shareholders dated September 14, 2024 included in this Draft Red Herring Prospectus and such consent has not been withdrawn as on the date of this Draft Red Herring Prospectus.

#### **Inter-se Allocation of Responsibilities**

Since, Getfive Advisors Private Limited is the sole Book Running Lead Manager to this Issue, a statement of inter se allocation of responsibilities among Book Running Lead Manager is not applicable.

#### **Appraisal and Monitoring Agency**

As per regulation 262(1) of SEBI ICDR Regulations, 2018, the requirement of monitoring agency is not mandatory if the Issue size is up to ₹ 10,000 Lakh. Since the Issue size is below ₹ 10,000 Lakh, our Company has not appointed any monitoring agency for this Issue. However, as per section 177 of the Companies Act, the Audit Committee of our Company, would be monitoring the utilization of the proceeds of the Issue.

#### **Green Shoe Option**

No Green Shoe Option is applicable for this Issue.

#### **Credit Rating**

As this is an Issue of Equity Shares, there is no credit rating for the Issue.

#### **IPO Grading**

No credit rating agency registered with SEBI has been appointed for grading the Issue.

#### **Trustees**

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

#### **Debenture Trustees**

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

#### **Filing of Issue Documents with the Designated Stock Exchange/ SEBI/ ROC**

The Draft Red Herring Prospectus shall be filed with National Stock Exchange of India Limited, Exchange Plaza, C-1, Block G, Bandra Kurla Complex, Bandra (East), Mumbai 400051, Maharashtra, India.

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

A copy of the Red Herring Prospectus along with the material contracts and documents required to be filed under Section 32 of the Companies Act, 2013 would be filed with the RoC at its office through the electronic portal at <http://www.mca.gov.in> and a copy of the Prospectus to be filed under Section 26 of the Companies Act, 2013 would be filed with the RoC at its office and through the electronic portal at <http://www.mca.gov.in>

#### **Book Building Process**

Book Building, with reference to the Issue, refers to the process of collection of Bids on the basis of the Draft Red Herring Prospectus within the Price Band. The Price Band shall be determined by our Company and the Selling Shareholders in consultation with the Book Running Lead Manager in accordance with the Book Building Process, and advertised in all editions of the English national newspaper [●], all editions of Hindi national newspaper [●] and a Regional Gujarati newspaper [●] where our registered office is situated at least two working days prior to the Bid/ Issue Opening date. The Issue Price shall

be determined by our Company and the Selling Shareholders, in consultation with the Book Running Lead Manager in accordance with the Book Building Process after the Bid/ Issue Closing Date. Principal parties involved in the Book Building Process are:

- Our Company
- The Book Running Lead Manager in this case being Getfive Advisors Private Limited,
- The Syndicate Member(s) who are intermediaries registered with SEBI/ registered as brokers with NSE and eligible to act as Underwriters. The Syndicate Member(s) will be appointed by the Book Running Lead Manager;
- The Registrar to the Issue in this case being Maashitla Securities Private Limited
- The Designated Intermediaries and Sponsor bank

The SEBI (ICDR) Regulations have permitted the Issue of securities to the public through the Book Building Process, wherein allocation to the public shall be made as per Regulation 253 of the SEBI ICDR Regulations, 2018.

The Issue is being made through the Book Building Process wherein not more than 50% of the Net Issue shall be available for allocation on a proportionate basis to QIBs, provided that our Company, in consultation with the BRLM allocate upto 60% of the QIB Portion to Anchor Investors on a discretionary basis in accordance with the SEBI (ICDR) Regulations (the “Anchor Investor Portion”), out of which one third shall be reserved for domestic Mutual Funds, subject to valid Bids being received from domestic Mutual Funds at or above the Anchor Investor Issue Price. 5% of the QIB Portion shall be available for allocation on a proportionate basis to Mutual Funds only, and the remainder of the QIB Portion shall be available for allocation on a proportionate basis to all QIB Bidders, including Mutual Funds, subject to valid Bids being received at or above the Issue Price. Further, not less than 15% of the Net Issue shall be available for allocation on a proportionate basis to Non-Institutional Bidders and not less than 35% of the Net Issue shall be available for allocation to Retail Individual Bidders, in accordance with the SEBI Regulations, subject to valid Bids being received at or above the Issue Price. All potential Bidders may participate in the Issue through an ASBA process by providing details of their respective bank account which will be blocked by the SCSBs. All Bidders are mandatorily required to utilize the ASBA process to participate in the Issue. Under-subscription if any, in any category, except in the QIB Category, would be allowed to be met with spill over from any other category or a combination of categories at the discretion of our Company and the Selling Shareholders in consultation with the BRLM and the Designated Stock Exchange.

All Bidders, except Anchor Investors, are mandatorily required to use the ASBA process for participating in the Issue. In accordance with the SEBI ICDR Regulations, 2018, QIBs bidding in the QIB Portion and Non-Institutional Bidders bidding in the Non-Institutional Portion are not allowed to withdraw or lower the size of their Bids (in terms of the quantity of the Equity Shares or the Bid Amount) at any stage. Retail Individual Bidders can revise their Bids during the Bid/ Issue Period and withdraw their Bids until the Bid/ Issue Closing Date. Further, Anchor Investors cannot withdraw their Bids after the Anchor Investor Bid/ Issue Period. Allocation to the Anchor Investors will be on a discretionary basis.

Subject to valid bids being received at or above the Issue Price, allocation to all categories in the Net Issue, shall be made on a proportionate basis, except for Retail Portion where allotment to each Retail Individual Bidders shall not be less than the minimum bid lot, subject to availability of Equity Shares in Retail Portion, and the remaining available Equity Shares, if any, shall be allotted on a proportionate basis. Under subscription, if any, in any category, would be allowed to be met with spill over from any other category or a combination of categories at the discretion of our Company and the Selling Shareholders in consultation with the Book Running Lead Manager and the Stock Exchange. However, under-subscription, if any, in the QIB Portion will not be allowed to be met with spill over from other categories or a combination of categories.

In terms of SEBI Circular No. CIR/CFD/POLICYCELL/11/2015 dated November 10, 2015 and the SEBI (Issue of Capital and Disclosure Requirements) Regulations, 2018, all the investors (except Anchor Investors) applying in a public Issue shall use only Application Supported by Blocked Amount (ASBA) process for application providing details of the bank account which will be blocked by the Self Certified Syndicate Banks (SCSBs) for the same. Further, pursuant to SEBI Circular No. SEBI/HO/CFD/DIL2/CIR/P/2018/138 dated November 01, 2018, Retail Individual Investors applying in public Issue may use either Application Supported by Blocked Amount (ASBA) facility for making application or also can use UPI as a payment mechanism with Application Supported by Blocked Amount for making application. For details in this regards, specific attention is invited to the chapter titled “*Issue Procedure*” beginning on page 241 of the Draft Red Herring Prospectus.

The process of Book Building under the SEBI ICDR Regulations, 2018 is subject to change from time to time and the investors are advised to make their own judgment about investment through this process prior to making a Bid or application in the Issue.

For further details on the method and procedure for Bidding, please see section entitled “*Issue Procedure*” on page 241 of this Draft Red Herring Prospectus.

**Steps to be taken by the Bidders for Bidding:**

- Check eligibility for making a Bid (see section titled “*Issue Procedure*” on page 241 of this Draft Red Herring Prospectus);
- Ensure that you have a demat account and the demat account details are correctly mentioned in the Bid cum Application Form;
- Ensure correctness of your PAN, DP ID and Client ID mentioned in the Bid cum Application Form. Based on these parameters, the Registrar to the Issue will obtain the Demographic Details of the Bidders from the Depositories.
- Except for Bids on behalf of the Central or State Government officials, residents of Sikkim and the officials appointed by the courts, who may be exempt from specifying their PAN for transacting in the securities market, for Bids of all values ensure that you have mentioned your PAN allotted under the Income Tax Act in the Bid cum Application Form. The exemption for Central or State Governments and officials appointed by the courts and for investors residing in Sikkim is subject to the Depository Participant’s verification of the veracity of such claims of the investors by collecting sufficient documentary evidence in support of their claims.
- Ensure that the Bid cum Application Form is duly completed as per instructions given in this Draft Red Herring Prospectus and in the Bid cum Application Form;

**Bid/Issue Program:**

Event	Indicative Dates
Bid/ Issue Opening Date <sup>(1)</sup>	[•]
Bid/ Issue Closing Date <sup>(2)</sup>	[•]
Finalization of Basis of Allotment with the Designated Stock Exchange(T+1)	[•]
Initiation of Allotment/ Refunds/ Unblocking of Funds from ASBA Account or UPI Id Linked Bank Account*(T+2)	[•]
Credit of Equity Shares to Demat Accounts of Allottees(T+2)	[•]
Commencement of Trading of The Equity Shares on the Stock Exchange(T+3)	[•]

<sup>(1)</sup> Our Company in consultation with the Book Running Lead Manager may consider participation by Anchor Investors in accordance with the SEBI (ICDR) Regulations. The Anchor Investor Bid/ Issue Period shall be one Working Day prior to the Bid/ Issue Opening Date in accordance with the SEBI (ICDR) Regulations.

<sup>(2)</sup> Our Company in consultation with the BRLM, may decide to close the Bid/ Issue Period for QIBs one Working Day prior to the Bid/Issue Closing Date, in accordance with the SEBI (ICDR) Regulations.

The above timetable is indicative and does not constitute any obligation on our Company or the Book Running Lead Manager. Whilst our Company shall ensure that all steps for the completion of the necessary formalities for the listing and the commencement of trading of the Equity Shares on the Stock Exchange are taken within 3 Working Days of the Bid/ Issue Closing Date, the timetable may change due to various factors, such as extension of the Bid/ Issue Period by our Company, revision of the Price Band or any delays in receiving the final listing and trading approval from the Stock Exchange. The Commencement of trading of the Equity Shares will be entirely at the discretion of the Stock Exchange and in accordance with the applicable laws.

Bid Cum Application Forms and any revisions to the same will be accepted only between 10.00 A.M. to 5.00 P.M. (IST) during the Issue Period (except for the Bid/ Issue Closing Date). On the Bid/ Issue Closing Date, the Bid Cum Application Forms will be accepted only between 10.00 A.M. to 3.00 P.M. (IST) for retail and non-retail Bidders. The time for applying for Retail Individual Bidder on Bid/Issue Closing Date maybe extended in consultation with the BRLM, RTA and NSE taking into account the total number of applications received up to the closure of timings.

Due to the limitation of time available for uploading the Bid Cum Application Forms on the Bid/Issue Closing Date, Bidders are advised to submit their applications one (1) day prior to the Bid/ Issue Closing Date and, in any case, not later than 3.00 P.M.

(IST) on the Bid/ Issue Closing Date. Any time mentioned in this Draft Red Herring Prospectus is IST. Bidders are cautioned that, in the event a large number of Bid Cum Application Forms are received on the Bid/ Issue Closing Date, as is typically experienced in public Issue, some Bid Cum Application Forms may not get uploaded due to the lack of sufficient time. Such Bid Cum Application Forms that cannot be uploaded will not be considered for allocation under this Issue. Applications will be accepted only on Working Days, i.e., Monday to Friday (excluding any public holidays). Neither our Company nor the BRLM is liable for any failure in uploading the Bid Cum Application Forms due to faults in any software/ hardware system or otherwise.

In accordance with SEBI (ICDR) Regulations, QIBs and Non-Institutional Bidders are not allowed to withdraw or lower the size of their application (in terms of the quantity of the Equity Shares or the Application amount) at any stage. Retail Individual Bidders can revise or withdraw their Bid Cum Application Forms prior to the Bid/Issue Closing Date. Allocation to Retail Individual Bidders, in this Issue will be on a proportionate basis.

In case of discrepancy in the data entered in the electronic book vis-à-vis the data contained in the physical Bid Cum Application Form, for a particular Bidder, the details as per the file received from Stock Exchange may be taken as the final data for the purpose of Allotment. In case of discrepancy in the data entered in the electronic book vis-à-vis the data contained in the physical or electronic Bid Cum Application Form, for a particular ASBA Bidder, the Registrar to the Issue shall ask the relevant SCSBs/ RTAs/ DPs/ stock brokers, as the case may be, for the rectified data.

#### **Withdrawal of the Issue**

Our Company in consultation with the BRLM, reserve the right to not to proceed with the Issue at any time before the Bid/ Issue Opening Date without assigning any reason thereof.

If our Company withdraws the Issue any time after the Bid/ Issue Opening Date but before the allotment of Equity Shares, a public notice within 2 (two) working days of the Bid/ Issue Closing Date, providing reasons for not proceeding with the Issue shall be issued by our Company. The notice of withdrawal will be issued in the same newspapers where the pre-Issue advertisements have appeared and the Stock Exchange will also be informed promptly. The BRLM, through the Registrar to the Issue, will instruct the SCSBs to unblock the ASBA Accounts within 1 (one) working Day from the day of receipt of such instruction.

If our Company withdraws the Issue after the Bid/ Issue Closing Date and subsequently decides to proceed with an Issue of the Equity Shares, our Company will have to file a fresh Draft Red Herring Prospectus with the stock exchange where the Equity Shares may be proposed to be listed.

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

#### **Underwriting**

The Company and the Book Running Lead Manager to the Issue hereby confirm that the Issue will be 100% Underwritten.

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

<b>Details of the Underwriter</b>	<b>No. of shares underwritten</b>	<b>Amount Underwritten (₹ in Lakhs)</b>	<b>% of Total Issue Size Underwritten</b>
[●] Address: - [●] Tel No.: [●] Email: [●] Investor Grievance Email: [●] Website: [●] Contact Person: [●] SEBI Registration Number: [●]	[●]	[●]	[●]

\*Includes [●] Equity Shares of the Market Maker\*\* Reservation Portion which are to be subscribed by the Market Maker, [●] in its own account in order to claim compliance with the requirements of Regulation 261 of the SEBI (ICDR) Regulations, 2018, as amended.

\*\*The market maker shall be appointed prior to filing of Red Herring Prospectus with the RoC

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

#### Change in Auditors during the last three (3) years

There has been no change in our Company's auditors in the last three (3) years except as mentioned below:

Details of Auditor	Date of Change	Reason
<b>V.J. Amin &amp; Co.</b> <b>Chartered Accountant,</b> Address: 506 Gayatri Chambers, Near Railway Underbridge, R. C. Dutt Road, Alkapuri, Vadodara Gujarat 390007 <b>Phone:</b> +91 98240 52558 <b>Email:</b> <a href="mailto:v.j.amin@hotmail.com">v.j.amin@hotmail.com</a> <b>Firm Registration Number:</b> 0100335W <b>Contact Person:</b> CA Vipul M. Dalal	June 29, 2024	Due to the expiry of peer review certificate
<b>VRAJM &amp; Associates</b> <b>Chartered Accountant,</b> Address: 504, Citadel, Windsor Plaza, RC Dutt Road, Alkapuri, Vadodara - 390007 <b>Phone:</b> +91 98259 80214 <b>Email:</b> <a href="mailto:vipuldalal2013@gmail.com">vipuldalal2013@gmail.com</a> <b>Firm Registration Number:</b> 121458W <b>Contact Person:</b> CA Vipul M. Dalal	June 29, 2024	Appointment

#### Details of the Market Making arrangement for this Issue

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

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

\*The Market Maker shall be appointed prior to filing of the Red Herring Prospectus with the RoC.

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

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

The Market Maker shall fulfil the applicable obligations and conditions as specified in the SEBI ICDR Regulations, 2018, as amended from time to time and the circulars issued by NSE and SEBI in this matter from time to time.



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

- The Market Maker(s) (individually or jointly) shall be required to provide a 2-way quote for 75% of the time in a day. The same shall be monitored by the stock exchange. Further, the Market Maker(s) shall inform the exchange in advance for each and every black out period when the quotes are not being offered by the Market Maker(s).
- The prices quoted by Market Maker shall be in compliance with the Market Maker Spread Requirements and other particulars as specified or as per the requirements of the NSE EMERGE and SEBI from time to time.
- The minimum depth of the quote shall be ₹ 1,00,000/-. However, the investors with holdings of value less than ₹ 1,00,000/- shall be allowed to Issue their holding to the Market Maker(s) (individually or jointly) in that scrip provided that he sells his entire holding in that scrip in one lot along with a declaration to the effect to the selling broker.
- The Market Maker shall not sell in lots less than the minimum contract size allowed for trading on the SME platform of NSE (in this case currently the minimum trading lot size is [●] equity shares; however, the same may be changed by the SME platform of NSE from time to time).
- After a period of three (3) months from the market making period, the Market Maker would be exempted to provide quote if the Shares of Market Maker in our company reaches to 25% of Issue Size. Any Equity Shares allotted to Market Maker under this Issue over and above 25% of Issue Size would not be taken in to consideration of computing the threshold of 25% of Issue Size. As soon as the Shares of Market Maker in our Company reduces to 24% of Issue Size, the Market Maker will resume providing 2-way quotes.
- There shall be no exemption/ threshold on downside. However, in the event the Market Maker exhausts his inventory through market making process, NSE may intimate the same to SEBI after due verification.
- Execution of the order at the quoted price and quantity must be guaranteed by the Market Maker(s), for the quotes given by him.
- There would not be more than five Market Makers for a script at any point of time and the Market Makers may compete with other Market Makers for better quotes to the investors.
- On the first day of the listing, there will be pre-opening session (call auction) and there after the trading will happen as per the equity market hours. The circuits will apply from the first day of the listing on the discovered price during the pre-open call auction.
- The Market maker may also be present in the opening call auction, but there is no obligation on him to do so.
- There will be special circumstances under which the Market Maker may be allowed to withdraw temporarily/ fully from the market-for instance due to system problems, any other problems. All controllable reasons require prior approval from the Exchange, while force-majeure will be applicable for non-controllable reasons. The decision of the Exchange for deciding controllable and non-controllable reasons would be final.
- The Market Maker(s) shall have the right to terminate said arrangement by giving a six months' notice or on mutually acceptable terms to the Merchant Banker, who shall then be responsible to appoint a replacement Market Maker(s) and execute a fresh arrangement.

In case of termination of the above-mentioned Market Making agreement prior to the completion of the compulsory Market Making period, it shall be the responsibility of the BRLM to arrange for another Market Maker in replacement during the term of the notice period being served by the Market Maker but prior to the date of releasing the existing Market Maker from its duties in order to ensure compliance with the requirements of regulation 261 of the SEBI (ICDR) Regulations, 2018, as amended. Further our Company and the BRLM reserve the right to appoint other Market Makers either as a replacement of the current Market Maker or as an additional Market Maker subject to the total number of Designated Market Makers does not exceed five or as specified by the relevant laws and regulations applicable at that particulars point of time. The Market Making Agreement is available for inspection at our office from 10.00 a.m. to 5.00 p.m. on working days.

- **Risk containment measures and monitoring for Market Makers:** NSE EMERGE will have all margins, which are applicable on NSE main board viz., Mark-to-Market, Value-At-Risk (VAR) Margin, Extreme Loss Margin, Special Margins and Base Minimum Capital etc. NSE can impose any other margins as deemed necessary from time-to-time.
- **Punitive Action in case of default by Market Makers:** NSE will monitor the obligations on a real time basis and punitive action will be initiated for any exceptions and/ or non-compliances. Penalties/ fines may be imposed by the Exchange on the Market Maker, in case he is not able to provide the desired liquidity in a particular security as per the specified guidelines. These penalties/ fines will be set by the Exchange from time to time. The Exchange will impose a penalty on the Market Maker in case he is not present in the market (offering two-way quotes) for at least 75% of the time. The nature of the penalty will be monetary as well as suspension in market making activities/ trading membership. The

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

- **Price Band and Spreads:** The SEBI Circular bearing reference no: CIR/MRD/DP/ 02/2012 dated January 20, 2012, has laid down that for Issue size up to Rs. 250 crores, the applicable price bands for the first day shall be:
  - In case equilibrium price is discovered in the Call Auction, the price band in the normal trading session shall be 5% of the equilibrium price.
  - In case equilibrium price is not discovered in the Call Auction, the price band in the normal trading session shall be 5% of the Issue price.
  - Additionally, the securities of the Company will be placed in SPOS and would remain in Trade for Trade settlement for first 10 days from commencement of trading. The following spread will be applicable on the SME platform:

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

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

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

The Market Making arrangement, trading and other related aspects including all those specified above shall be subject to the applicable provisions of law and/or norms issued by SEBI/ NSE from time to time.

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

## CAPITAL STRUCTURE

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

*(Amount ₹ in lakhs except share data)*

Particulars		Aggregate Face value	Aggregate Value at Offer Price
<b>A</b>	<b>Authorised Share Capital</b>		
	1,50,00,000 Equity Shares of face value of ₹ 10/- each	1,500.00	[●]
<b>B</b>	<b>Issued, Subscribed and paid-up Share Capital before the Issue</b>		
	1,03,47,735 Equity Shares of face value of ₹ 10/- each	1,034.77	[●]
<b>C</b>	<b>Present Offer in terms of this Draft Red Herring Prospectus</b>		
	Offer upto 40,00,000 Equity Shares of face value of ₹ 10/- each at a price of ₹ [●] per Equity Share aggregating upto ₹ [●] lakhs	400.00	[●]
	<i>Which comprises:</i>		
<b>D</b>	<b>Market maker reservation portion</b> - upto [●] equity shares of face value of ₹ 10/- each at a price of ₹ [●] per Equity Share aggregating up to ₹ [●] lakhs	[●]	[●]
<b>E</b>	<b>Net Offer to Public</b> of up to [●] Equity Shares of face value of ₹ 10/- each at a price of ₹ [●] per Equity Share aggregating up to ₹ [●] lakhs	[●]	[●]
	<i>Of which:</i>		
	QIB Portion being not more than 50% of the Net Issue aggregating up to [●] Equity Shares	[●]	[●]
	Non-Institutional Portion of not less than 15% of the Net Issue aggregating to not less than [●] Equity Share	[●]	[●]
	Retail Portion of not less than 35% of the Net Issue aggregating to not less than [●] Equity Shares	[●]	[●]
<b>F</b>	<b>Issued, Subscribed and Paid-Up Share Capital after the issue</b>		
	Up to [●] Equity Shares of face value of ₹ 10/- each		[●]
<b>G</b>	<b>Securities Premium Account</b>		
	Before the issue		Nil
	After the issue		[●]

<sup>(1)</sup> The issue has been authorized by the Board of Directors of our Company vide a resolution passed at its meeting held on August 20, 2024 and by the shareholders of our Company vide special resolution passed at its General meeting held on August 21, 2024 pursuant to Section 62(1)(c) of Companies Act, 2013.

### Classes of Shares:

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

### NOTES TO THE CAPITAL STRUCTURE

#### 1. Details of changes in Authorized Share Capital:

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

Particulars of change		Date of shareholder's Meeting	AGM/ EGM
Increased/ Reclassified from	Increased/ Reclassified to		
The authorized share capital of our Company on incorporation comprised of ₹10,50,00,000 divided into 1,05,00,000 Equity Shares of ₹10/- Each		On incorporation	NA

₹10,50,00,000 consisting of 1,05,00,000 Equity Shares of ₹10/- Each	₹15,00,00,000 consisting of 1,50,00,000 Equity Shares of ₹10/- Each	August 2, 2024	EGM
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## 2. History of Equity Share Capital of our Company

Date of allotment /fully paid up	No. of Equity Shares allotted	Face value (₹)	Issue price (₹)	Nature of consideration*	Nature of allotment	Cumulative no. of Equity Shares	Cumulative Paid-up capital (₹)
On Incorporation	1,03,47,735	10	10	Cash	Subscription to MOA	1,03,47,735	10,34,77,350

\*Our firm was converted from partnership firm to public limited, and the name of our Company was changed from "M/s. Agricon Fertilizers" to "Agricon Nutritech Limited" vide fresh certificate of incorporation dated June 19, 2024 issued by the Registrar of Companies, Central Registration Centre. Equity Shares allotted against outstanding capital accounts of the partners of the erstwhile partnership firm namely, M/s. Agricon Fertilizers, pursuant to conversion thereof to a public limited company.

Initial Subscribers to Memorandum of Association subscribed 1,03,47,735 Equity Shares of face value of ₹ 10/- Each fully paid at par as per the details given below:

Sr. No.	Name of Allottees	No. of Shares Subscribed
1	Narendrabhai Laljibhai Ghelani	76,30,034
2	Prafullaben Narendrakumar Ghelani	27,14,385
3	Narsinhbhai Ratnaben Koladia	663
4	Mohan Lal Kumawat	663
5	Krishna Baburao Salve	663
6	Mukeshbhai Prahladbhai Parmar	663
7	Ukani Jatin Dhirajlal	664
<b>Total</b>		<b>1,03,47,735</b>

- As on the date of this Draft Red Herring Prospectus, our Company has not allotted any Equity Shares pursuant to any scheme approved under sections 391-394 of the Companies Act, 1956 or sections 230-240 of the Companies Act, 2013.
- Our Company has not issued any shares pursuant to an Employee Stock Option Scheme.
- Our Company has not revalued its assets since incorporation and have not issued any Equity Shares (including bonus shares) by capitalizing any revaluation reserves.
- Except as mentioned below, we have not issued any shares at price below Offer price within last one year from the date of this Draft Red Herring Prospectus except as given below
- As on the date of this Draft Red Herring Prospectus, our Company does not have any preference Share Capital.

### 8. Built up of Promoter's shareholdings:

As on the date of this Draft Red Herring Prospectus, Our Promoters, Mr Narendra Laljibhai Ghelani and Mrs. Prafullaben Narendrakumar Ghelani hold 1,03,44,419 Equity Shares of our Company which is 99.968% of our pre-Offer paid-up capital. None of the Equity shares held by Our Promoters are subject to any pledge.

Mr. Narendra Laljibhai Ghelani

Date of Allotment/ Transfer	No. of Equity Shares	Face value per share (₹)	Issue/ Acquisition/ Transfer price (₹)	Nature of consideration	Nature of transaction	% Pre-offer shareholding	% Post-offer shareholding	Pledged shares	Pledged shares as a % of post offer shareholding
On incorporation	76,30,034	10	10	Cash	Subscription to MOA	73.736%	[•]	NA	NA

Date of Allotment/ Transfer	No. of Equity Shares	Face value per share (₹)	Issue/ Acquisition/ Transfer price (₹)	Nature of consideration	Nature of transaction	% Pre-offer shareholding	% Post-offer shareholding	Pledged shares	Pledged shares as a % of post offer shareholding
<b>Total</b>	<b>76,30,034</b>					<b>73.736%</b>	<b>[●]</b>	<b>NA</b>	<b>NA</b>

Mrs. Prafullaben Narendrakumar Ghelani

Date of Allotment/ Transfer	No. of Equity Shares	Face value per share (₹)	Issue/ Acquisition/ Transfer price (₹)	Nature of consideration	Nature of transaction	% Pre-offer shareholding	% Post-offer shareholding	Pledged shares	Pledged shares as a % of post offer shareholding
On incorporation	27,14,385	10	10	Cash	Subscription to MOA	26.231%	[●]	NA	NA
<b>Total</b>	<b>27,14,385</b>					<b>26.231%</b>	<b>[●]</b>	<b>NA</b>	<b>NA</b>

### 9. Details of Promoters Contribution locked in for three years

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

As on the date of this Draft Red Herring Prospectus, Our Promoters collectively hold 1,03,44,419 Equity Shares (including Equity Shares held through its nominees) constituting [●] % of the post-offer issued, subscribed and paid-up Equity Share capital of our Company, which are eligible for the Promoters' Contribution.

Our Promoters have given written consent to include such number of Equity Shares held by them and subscribed by them as a part of Promoters' Contribution constituting 20% of the post offer Equity Shares of our Company and have agreed not to sell or transfer or pledge or otherwise dispose of in any manner, the Promoters Contribution, for a period of three years from the date of allotment in the issue.

Date of Allotment/ transfer/ made fully paid up	No. of Equity shares locked-in*	Face Value	Issue Price	Nature of transaction	% of Post offer shareholding	Lock in Period
<b>Mr. Narendra Laljibhai Ghelani</b>						
On Incorporation	28,69,547	10	10	Subscription to MOA	[●]	3 Years
<b>Total</b>			<b>[●]</b>	<b>[●]</b>	<b>[●]</b>	<b>[●]</b>

\*Assuming full subscription to the issue

The Minimum Promoters' Contribution has been brought in to the extent of not less than the specified minimum lot and from the persons defined as 'promoter' under the SEBI ICDR Regulations, 2018. The Equity Shares that are being locked in are not ineligible for computation of Promoters' Contribution in terms of Regulation 237 of the SEBI ICDR Regulations, 2018. In connection, we confirm the following:

- The Equity Shares offered for minimum 20% Promoters' Contribution have not been acquired in the three years preceding the date of this Draft Red Herring Prospectus for consideration other than cash and revaluation of assets or capitalization of intangible assets nor resulted from a bonus issue out of the revaluation reserves or unrealized profits of the Company or against Equity Shares which are otherwise ineligible for computation of Promoters' contribution;
- The minimum Promoters' Contribution does not include Equity Shares acquired during the one year preceding the date of this Draft Red Herring Prospectus at a price lower than the issue Price;
- No equity shares have been issued to our promoter upon conversion of a partnership firm during the preceding one year at a price less than the issue price.

- The Equity Shares held by the Promoters and offered for minimum Promoters' contribution are not subject to any pledge;
- All the Equity Shares of our Company held by the Promoters are in the process of being dematerialized; and
- The Equity Shares offered for Promoter's Contribution do not consist of Equity Shares for which specific written consent has not been obtained from the Promoter for inclusion of its subscription in the Promoter's Contribution subject to lock-in.

Eligibility of Share for Minimum Promoters Contribution in terms of clauses of Regulation 237(1) of SEBI (ICDR) Regulations, 2018

Reg. No.	Promoters' Minimum Contribution Conditions	Eligibility Status of Equity Shares forming part of Promoters' Contribution
237(1)(a) (i)	Specified securities acquired during the preceding three years, if they are acquired for consideration other than cash and revaluation of assets or capitalization of intangible assets is involved in such transaction	The minimum Promoters contribution does not consist of such Equity Shares. <b>Hence Eligible</b>
237(1)(a) (ii)	Specified securities acquired during the preceding three years, resulting from a bonus issue by utilization of revaluation reserves or unrealized profits of the issuer or from bonus issue against Equity Shares which are ineligible for minimum promoters' contribution	The minimum Promoters contribution does not consist of such Equity Shares. <b>Hence Eligible</b>
237(1)(b)	Specified securities acquired by promoters during the preceding one year at a price lower than the price at which specified securities are being offered to public in the initial public offer	The minimum Promoters contribution does not consist of such Equity Shares. <b>Hence Eligible</b>
237(1)(c)	Specified securities allotted to promoters during the preceding one year at a price less than the issue price, against funds brought in by them during that period, in case of an issuer formed by conversion of one or more partnership firms, where the partners of the erstwhile partnership firms are the promoters of the issuer and there is no change in the management: Provided that specified securities, allotted to promoters against capital existing in such firms for a period of more than one year on a continuous basis, shall be eligible	The minimum Promoters contribution does not consist of such Equity Shares. <b>Hence Eligible</b>
237(1)(d)	Specified securities pledged with any creditor	Our Promoters have not Pledged any shares with any creditors. Accordingly, the minimum Promoters contribution does not consist of such Equity Shares. <b>Hence Eligible</b>

#### 10. Details of Share Capital locked in for one year

Pursuant to regulation 238(b) and 239 of the SEBI (ICDR) Regulations, 2018, other than the above Equity Shares that are locked in for three years, the entire pre-offer Equity Share capital of our Company shall be locked-in for a period of one year from the date of allotment in the public offer. In terms of Regulation 241 of the SEBI (ICDR) Regulations, 2018, the Equity Shares which are subject to lock-in shall carry inscription 'non-transferable' along with the duration of specified non-transferable period mentioned in the face of the security certificate. The shares which are in dematerialized form, if any, shall be locked-in by the respective depositories. The details of lock-in of the Equity Shares shall also be provided to the Designated Stock Exchange before the listing of the Equity Shares.

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

Pursuant to Regulation 242 of the SEBI ICDR Regulations, 2018, the locked-in Equity Shares held by the Promoters, as specified above, can be pledged only with scheduled commercial banks or public financial institutions as collateral security for loans granted by such scheduled commercial banks or public financial institution, provided that the pledge of the Equity Shares is one of the terms of the sanction of the loan.

Provided those securities locked in as Promoters' Contribution for 3 years under Regulation 242(a) of the SEBI ICDR Regulations, 2018 may be pledged only if, in addition to fulfilling the above requirement, the loan has been granted by such scheduled commercial bank or public financial institution for the purpose of financing one or more of the objects of the issue.

Provided that such lock-in shall continue pursuant to the invocation of the pledge and such transferee shall not be eligible to transfer the specified securities till the lock-in period stipulated in these regulations has expired.

The Equity Shares held by Our Promoters which are locked-in may be transferred to and amongst the Promoter Group entities or to any new promoter or persons in control of our Company, subject to continuation of the lock-in in the hands of the transferees for the remaining period and compliance with the Takeover Regulations, as applicable.

Further, pursuant to Regulation 243 of the SEBI ICDR Regulations, 2018, the Equity Shares held by persons other than the Promoters prior to the issue may be transferred to any other person holding the equity shares which are locked-in as per Regulation 239 of the SEBI ICDR Regulations, 2018, along with the equity shares proposed to be transferred, provided that lock-in on such equity shares will continue for the remaining period with the transferee and such transferee shall not be eligible to transfer such Equity Shares till the lock-in period stipulated under the SEBI ICDR Regulations, 2018 has ended and in compliance with the Takeover Code, as applicable.

We further confirm that Our Promoters' Contribution of 20% of the post offer Equity Share capital does not include any contribution from Alternative Investment Fund, foreign venture capital investors, scheduled commercial banks, public financial institutions or insurance companies registered with Insurance Regulatory and Development Authority of India.

## **12. Lock-in of the Equity Shares to be allotted to the Anchor Investors**

Any Equity Shares Allotted to Anchor Investors under the Anchor Investor Portion shall be locked-in for a period of 30 days from the date of Allotment.

There were no shares purchased/ sold by the Promoter(s) and Promoter Group, directors of our Company and their relatives during last six months

13. Neither, we nor Our Promoters, Directors and the Book Running Lead Manager to this Issue have entered into any buyback and / or standby arrangements and / or similar arrangements for the purchase of our Equity Shares from any person.
14. As on the date of this Draft Red Herring Prospectus, the entire Issued, Subscribed and Paid-up Share Capital of our Company is fully paid up. Since the entire Issue price in respect of the issue is payable on application, all the successful applicants will be allotted fully paid-up Equity Shares.
15. The Book Running Lead Manager and their associates do not hold any Equity Shares in our Company as on the date of filing of this Draft Red Herring Prospectus.
16. As on the date of this Draft Red Herring Prospectus, we do not have any Employees Stock Option Scheme/ Employees Stock Purchase Scheme and we do not intend to allot any shares to our employees under Employee Stock Option Scheme/ Employee Stock Purchase Plan from the proposed Issue. As and when, options are granted to our employees under the Employee Stock Option Scheme, our Company shall comply with the SEBI (Share Based Employee Benefits) Regulations, 2014.
17. We have 7 (Seven) shareholders as on the date of filing of this Draft Red Herring Prospectus.
18. As on the date of filing of this Draft Red Herring Prospectus, there are no outstanding warrants, options or rights to convert debentures, loans or other instruments which would entitle Promoters or any shareholders or any other person any option to acquire our Equity Shares after this Initial Public Offer.
19. Our Company has not raised any bridge loan against the proceeds of the Issue.

20. As on the date of this Draft Red Herring Prospectus, none of the shares held by Our Promoters/ Promoter Group are subject to any pledge.
21. We here by confirm that there will be no further issue of capital whether by way of issue of bonus shares, preferential allotment, rights issue or in any other manner during the period commencing from the date of filing of the Draft Red Herring Prospectus until the Equity Shares offered have been listed or application money unblocked on account of failure of Issue.
22. An over-subscription to the extent of 1% of the Issue, subject to the maximum post Issue paid up capital of Rs. 25 Crore can be retained for the purpose of rounding off to the nearest integer during finalizing the allotment, subject to minimum allotment, which is the minimum application size in this Issue. Consequently, the actual allotment may go up by a maximum of 1% of the Issue, as a result of which, the post-issue paid up capital after the Issue would also increase by the excess amount of allotment so made. In such an event, the Equity Shares held by the Promoters and subject to 3-year lock- in shall be suitably increased; so as to ensure that 20% of the post issue paid-up capital is locked in.
23. At any given point of time there shall be only one denomination of the Equity Shares, unless otherwise permitted by law.
24. Our Company shall comply with such disclosure and accounting norms as may be specified by NSE, SEBI and other regulatory authorities from time to time.
25. There are no Equity Shares against which depository receipts have been issued.
26. Other than the Equity Shares, there is no other class of securities issued by our Company.
27. There are no safety net arrangements for this public issue.
28. As per RBI regulations, OCBs are not allowed to participate in this issue.
29. Our Promoters and Promoter Group will not participate in this issue.
30. This Issue is being made through Book Building process.
31. Our Company has not made any public issue or rights issue of any kind or class of securities since its incorporation
32. In terms of Rule 19(2)(b)(i) of the Securities Contracts (Regulation) Rules, 1957, as amended, (the SCRR) the Issue is being made for at least 25% of the post-issue paid-up Equity Shares Share capital of our Company. Further, this Issue is being made in terms of Chapter IX of the SEBI (ICDR) Regulations, 2018, as amended from time to time.
33. No person connected with the Issue shall offer any incentive, whether direct or indirect, in the nature of discount, commission, and allowance, or otherwise, whether in cash, kind, services or otherwise, to any Bidder/Applicant.

**34. Our Shareholding Pattern**

The table below presents the shareholding pattern of our company as per regulation 31 of the SEBI (LODR) Regulations, 2015:

Summary of shareholding pattern as on the date of this Draft Red Herring Prospectus:



Category (I)	Category of Shareholder (II)	Nos. of shareholders (III)	No. of fully paid-up equity shares held (IV)	No. of Partly paid-up equity shares held (V)	No. of shares underlying Depository Receipts (VI)	Total nos. shares held (VII = IV + V+ VI)	Shareholding as a % of total no. of shares (calculated as per SCRR, 1957) As a % of (A+B+C2) (VIII)	Number of Voting Rights held in each class of securities* (IX)		No. of Shares Underlying Outstanding	Shareholding, as a % assuming full conversion of convertible securities (as a percentage of	Number of Locked in shares (XII)		Number of Shares pledged or otherwise encumbered (XIII)		Number of equity shares held in dematerialized
								No of Voting	Total as a % of (A+B+C)			No. (a)	As a % of total Shares held (b)	No. (a)	As a % of total Shares held (b)	
A	Promoter and Promoter Group	2	1,03,44,419	-	-	1,03,44,419	99.968	1,03,44,419	99.968	-	-	-	-	-	-	1,03,44,419
B	Public	5	3,316	-	-	3,316	0.032	3,316	0.032	-	-	-	-	-	-	3,316
C	Non-Promoter-Non-Public	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
1	Shares underlying DRs	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
2	Shares held by Employee Trusts	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
	<b>Total</b>	<b>7</b>	<b>1,03,47,735</b>	<b>-</b>	<b>-</b>	<b>1,03,47,735</b>	<b>100</b>	<b>1,03,47,735</b>	<b>100</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>1,03,47,735</b>

Note:

- As on the date of filing of this Draft Red Herring Prospectus one equity Share holds one vote.
- All Pre-IPO Equity Shares of our Company will be locked in as mentioned above prior to listing of Equity Shares on [●]
- PAN of shareholders will be provided to the Stock Exchange by our Company prior to listing of its Equity Shares on the Stock Exchange.
- Our Company will file the shareholding pattern of our Company, in the form prescribed under Regulation 31 of the SEBI Listing Regulations, one day prior to the listing of the Equity shares. The Shareholding pattern will be uploaded on the website of the Company before commencement of trading of such Equity Shares.
- In terms of SEBI Listing Regulations, our Company shall ensure that the Equity Shares held by the Promoters/ members of the Promoter Group shall be dematerialized prior to listing of Equity shares.

**35. The details of the holding of securities (including shares, warrants, convertible securities) of persons belonging to the category Promoter and Promoter Group and Public are as under:**

Sr. No.	Name of Shareholders	Pre-offer		Post offer	
		No of Equity Shares	% of Pre-offer Capital	No of Equity Shares	% of Pre-offer Capital
<b>A</b>	<b>Promoter</b>				
1	Narendrabhai Laljibhai Ghelani	76,30,034	73.736%	76,30,034	[●]
2	Prafullaben Narendrakumar Ghelani	27,14,385	26.231%	27,14,385	[●]
	<b>Subtotal (A)</b>	<b>1,03,44,419</b>	<b>99.968%</b>	<b>1,03,44,419</b>	<b>[●]</b>
<b>B</b>	<b>Promoter Group</b>				
-	-	-	-	-	-
	<b>Subtotal (B)</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>
<b>C</b>	<b>Public</b>				
3	Narsinhbhai Ratnaben Koladia	663	0.006%	663	[●]
4	Mohan Lal Kumawat	663	0.006%	663	[●]
5	Krishna Baburao Salve	663	0.006%	663	[●]
6	Mukeshbhai Prahladbhai Parmar	663	0.006%	663	[●]
7	Ukani Jatin Dhirajlal	664	0.006%	664	[●]
	<b>Subtotal (C)</b>	<b>3,316</b>	<b>0.032%</b>	<b>3,316</b>	<b>[●]</b>
	<b>Total (A+B+C)</b>	<b>1,03,47,735</b>	<b>100.000%</b>	<b>1,03,47,735</b>	<b>[●]</b>

**36. The average cost of acquisition of Equity Shares transactions accrued in last one year, by Our Promoter(s) is set forth in the table below:**

Name of promoter	No. of Shares held	Average Cost of Acquisition (In ₹) *
Narendrabhai Laljibhai Ghelani	76,30,034	10
Prafullaben Narendrakumar Ghelani	27,14,385	10
<b>TOTAL</b>	<b>1,03,44,419</b>	<b>10</b>

\*The Company was converted and incorporated on June 19, 2024 and other than mentioned above, the promoter has not accrued any equity shares in the company

**37. The list of the shareholders of the company holding 1% or more of the paid-up share capital of the company:**

- as on the date of this Draft Red Herring Prospectus:

Sr. No.	Name of Shareholders	Number of Equity Shares	% of the then existing Paid-up Share Capital
1.	Narendrabhai Laljibhai Ghelani	76,30,034	73.736%
2.	Prafullaben Narendrakumar Ghelani	27,14,385	26.231%
	<b>Total</b>	<b>1,03,44,419</b>	<b>99.968%</b>

- Ten days prior to the date of the Draft Red Herring Prospectus:

<b>Sr. No.</b>	<b>Name of Shareholders</b>	<b>Number of Equity Shares</b>	<b>% of the then existing Paid-up Share Capital</b>
1.	Narendrabhai Laljibhai Ghelani	76,30,034	73.736%
2.	Prafullaben Narendrakumar Ghelani	27,14,385	26.231%
	<b>Total</b>	<b>1,03,44,419</b>	<b>99.968%</b>

- One year prior to the date of the Draft Red Herring Prospectus:  
Not applicable since the Company was incorporated on June 19, 2024
- Two years prior to the date of the Draft Red Herring Prospectus:  
Not applicable since the Company was incorporated on June 19, 2024

- 38.** Neither the Book Running Lead Manager viz. Getfive Advisors Private Limited, nor their associates hold any Equity Shares of our Company as on the date of this Draft Red Herring Prospectus.
- 39.** The BRLM, Syndicate Members and any persons related to the BRLM and Syndicate Members (other than Mutual Funds sponsored by entities related to the BRLM) cannot apply in the issue under the Anchor Investor Portion. However, the associates and affiliates of the BRLM and the Syndicate Members, if any, may subscribe the Equity Shares in the issue, either in the Net QIB Category or in the Non-Institutional Category as may be applicable to such Bidders, where the allocation is on a proportionate basis and such subscription may be on their own account or on behalf of their clients.
- 40.** There are no Equity Shares against which depository receipts have been issued.

## OBJECTS OF THE ISSUE

The Issue includes a fresh Issue of up to 40,00,000 Equity Shares of our Company at an Issue Price of ₹ [●] per Equity Share. We intend to utilize the proceeds of the net issue to meet the following objects:

1. Funding of capital expenditure towards civil construction work for setting up of new manufacturing facility
2. Funding of capital expenditure towards installation of new plant & machineries
3. To meet working capital requirements
4. General Corporate Purpose

(Collectively referred as the “Objects”)

In addition, we believe that listing will enhance our corporate image and visibility of brand name of our Company. We also believe that our Company will receive the benefits from listing of Equity Shares on the NSE EMERGE platform. It will also provide liquidity to the existing shareholders and will also create a public trading market for the Equity Shares of our Company. The main objects clause of our Memorandum enables our Company to undertake its existing activities.

The main objects clause of our Memorandum of Association enables us to undertake the activities for which the funds are being raised by us in the Fresh Issue. Further, the activities we have been carrying out until now are in accordance with the main objects’ clause of our Memorandum of Association.

### Net Proceeds

The details of the Net Proceeds are set forth below:

(₹ in Lakhs)

Particulars	Amount
Gross Proceeds of the Issue	[●]
Less: Issue related expenses in relation to Issue	[●]
Net Proceeds	[●]

### Requirement of Funds and Utilization of Net Proceeds

The Net Proceeds are proposed to be used in accordance with the details as set forth below:

(₹ in Lakhs)

S. No.	Particulars	Amount
1	Funding of capital expenditure towards civil construction work for setting up of new manufacturing facility	503.57
2	Funding of capital expenditure towards installation of new plant & machineries	304.43
3	To meet working capital requirements	1115.76
4	General Corporate Purpose	[●]
	<b>Total</b>	[●]

### Means of Finance

We intend to finance our Objects of Issue through Net Issue Proceeds which is as follows:

(₹ in Lakhs)

Particulars	FY 25
Net Issue Proceeds	[●]
<b>Total</b>	[●]

Since, the entire fund requirement is to be funded from the proceeds of the Issue, there is no requirement to make firm arrangements of finance under Regulation 230(1)(e) of the SEBI ICDR Regulations, 2018 through verifiable means towards at least 75% of the stated means of finance, excluding the amounts to be raised through the proposed Issue.

In case of any increase in the actual utilization of funds earmarked for the Objects, such additional funds for a particular activity will be met by way of means available to our Company, including from internal accruals. If the actual utilization towards any of the Objects is lower than the proposed deployment such balance will be used for future growth opportunities including funding existing objects, if required. In case of delays in raising funds from the Issue, our Company may deploy certain amounts towards any of the above-mentioned Objects through a combination of Internal Accruals or Unsecured Loans (Bridge Financing) and in such case the Funds raised shall be utilized towards repayment of such unsecured Loans or recouping of Internal Accruals. However, we confirm that no bridge financing has been availed as on date, which is subject to being repaid from the Issue Proceeds.

As we operate in competitive environment, our Company may have to revise its business plan from time to time and consequently our fund requirements may also change. Our Company's historical expenditure may not be reflective of our future expenditure plans. Our Company may have to revise its estimated costs, fund allocation and fund requirements owing to various factors such as economic and business conditions, increased competition and other external factors which may not be within the control of our management. This may entail rescheduling or revising the planned expenditure and funding requirements, including the expenditure for a particular purpose at the discretion of the Company's management.

For further details on the risks involved in our business plans and executing our business strategies, please see the section titled **"Risk Factors"** beginning on page 33 of this Draft Red Herring Prospectus.

#### **Details of Utilization of Net Proceeds**

The details of utilization of the Net Proceeds are set forth herein below:

##### **1. Funding of capital expenditure towards civil construction work for setting up of new manufacturing facility**

Our company specializes in supplying a range of agricultural products including soil health management, crop nutrients, bio stimulant products and bio pesticide products. To meet market demand, we source raw materials from our suppliers, collaborate with partners for manufacturing, and then distribute the products. To further penetrate the agricultural input industry and improve our operational profitability and efficiency, we plan to establish our own manufacturing unit. The net proceeds will be allocated for capital expenditure on civil and structural works.

##### **Location of the new manufacturing facility**

The new manufacturing facility will be set up at Madhav Industrial Hub, NH 48, opposite Inter-retail textile Park, At Kanera, Taluka & Dist. Kanera, Gujarat, 387540, India which covers an area of 15,000 Sq. Ft.

##### **Ownership of the land**

For the new manufacturing facility at Madhav Industrial Hub, NH 48, opposite Inter-retail textile Park, At Kanera, Taluka & Dist. Kanera, Gujarat, 387540, India, our company has executed a leave and license agreement on 09/09/2024 between the Company and Our Promoters, Narendra Laljibhai Ghelani and Prafullaben Narendrakumar Ghelani, the absolute owner of the property. This agreement allows the Company to lease the premises for setting up a new manufacturing unit at a total cost of ₹ 1,20,000 per month.

The tentative capital expenditure for the above Project/ Manufacturing facility are as follows:

<b>Sr. No.</b>	<b>Particulars</b>	<b>Total estimated cost (Amt in Lakhs)</b>
1	Civil and Structural Works	338.37
2	Layout Designing Interior Designing Services Furniture	165.20
<b>Total Estimated Cost</b>		<b>503.57</b>

#### **Notes:**

a) We have considered the above quotations for the budgetary estimate purpose and have not placed orders for them. The actual cost of procurement and actual supplier/dealer may vary.

b) All quotations received from the vendors mentioned above are valid as on the date of this Draft Red Herring Prospectus. However, we have not entered into any definitive agreements with any of these vendors and there can be no assurance that the same vendors would be engaged to eventually supply the machineries/ equipment or at the same costs.

Our company undertakes to file necessary applications with the relevant authorities to obtain all approvals, as applicable at the relevant stages, including but not limited to those mentioned below:

Sr. No.	Nature of License/ Approval	Applicable Law	Name of Authority
1	Factory License	The Factories Act 1948	Concerned District Officer Directorate of Industrial Safety and Health, Gujarat
2	Shop and Establishment	The Gujarat Shops & Establishment Act	Municipal Corporation
3	Registration of Principal Employer's Establishment	The Contract Labour (Regulation and Abolition) Act 1970	Commissionerate of Labour, Gujarat
4	License for Contractors	The Contract Labour (Regulation and Abolition) Act 1970	Public Works Department
5	Consent	Hazardous Waste (Management and Handling) Rules, 1989 Water (Prevention and Control of Pollution) Act, 1974 The Air (Prevention and Control of Pollution) Act	Gujarat Pollution Control Board
6	Factory Plan Approval	Factories Act 1948	Concerned District Officer Directorate of Industrial Safety and Health, Gujarat

## 2. Funding of capital expenditure towards installation of new plant & machineries

Our Company intends to enhance its manufacturing capabilities through investment in plant & machineries in the proposed manufacturing unit located at Madhav Industrial Hub, NH 48, opposite Inter-retail textile Park, At Kanera, Taluka & Dist. Kanera, Gujarat, 387540, India. Our Company proposes to use part of net proceeds to the extent to Rs. 304.43 lakhs to meet capital expenditure in relation to below mentioned machines.

A detailed breakup of estimated cost which are proposed to be funded from the net issue proceeds is set forth below:

Sr. No.	Machinery Details	Qty	Quotation Details	Quotation Amount*
1	Complete Liquid Syrup Manufacturing Plant (Steam Heated) – PLC Operated for 4000 Liter Capacity	1	Quotation dated August 20, 2024 from NPM Process Equipment	105.90
2	2000 Ltrs. Liquid Syrup Manufacturing Plant (Steam Heated) - PLC Operated	1	Quotation dated August 17, 2024 from NPM Process Equipment	70.74
3	Multi Mill (5 HP) GMP model with Contact parts SS316 with one screen	1	Quotation dated August 17, 2024 from NPM Process Equipment	4.44
4	Fluid Bed Dryer 120kg GMP model	1	Quotation dated August 17, 2024 from NPM Process Equipment	28.67
5	RMG-300 Ltrs, All Contact Parts SS316 with ACVFD for Impeller and Chopper Motors.	1	Quotation dated August 17, 2024 from NPM Process Equipment	23.72

6	Automatic Eight Head ROPP Cap Sealing Machine, Model: NARCS 200	1	Quotation dated August 17, 2024 from NPM Process Equipment	10.20
7	Automatic Eight Head Volumetric Liquid Bottle Filling Machine, Model: NALF 200 with 50 ml. to 250 ml. Syringe (SS 316) set	1	Quotation dated August 17, 2024 from NPM Process Equipment	8.92
8	Automatic linear Measuring/ Dosing Cup Placement & Pressing Machine, Model: NMCPP 150 with A/C Frequency Drive	1	Quotation dated August 17, 2024 from NPM Process Equipment	6.73
9	Automatic Rotary Washing Machine, Model: NARWM 20H with one set of Change Parts	1	Quotation dated August 17, 2024 from NPM Process Equipment	26.19
10	Automatic Self-Adhesive Vertical Labelling Machine Model: NASAL 250 (For Round Container)	1	Quotation dated August 17, 2024 from NPM Process Equipment	8.14
11	Online Bottle Inspection Belt with Acrylic Magnifying Dome, Model: NVBID 150	1	Quotation dated August 17, 2024 from NPM Process Equipment	2.19
12	Packing conveyor belt 9" Width Endless Sandwich belt (12 feet Length)	1	Quotation dated August 17, 2024 from NPM Process Equipment	1.71
13	Turn Table, GMP Model 42 Dia., Model: NTT 42	2	Quotation dated August 17, 2024 from NPM Process Equipment	2.97
14	NPM, VIBRO SIFTER-36" Single deck GMP model. Basic machine with 316 contact parts with one silicon moulded lead-free Sieve & PU wheel	1	Quotation dated August 17, 2024 from NPM Process Equipment	4.44
<b>TOTAL</b>				<b>304.43</b>

*\*Including GST*

Notes:

- We have considered the above quotations for the budgetary estimate purpose and have not placed orders for them. The actual cost of procurement and actual supplier/ dealer may vary.
- All quotations received from the vendors mentioned above are valid as on the date of this Draft Red Herring Prospectus. However, we have not entered into any definitive agreements with any of these vendors and there can be no assurance that the same vendors would be engaged to eventually supply the machineries/ equipment or at the same costs.
- The machinery/ equipment models and quantity to be purchased are based on the present estimates of our management. The Management shall have the flexibility to revise such estimates (including but not limited to change of vendor or any modification/ addition/ deletion of machineries or equipment) at the time of actual placement of the order. In such case, the Management can utilize the surplus of proceeds, if any, arising at the time of actual placement of the order, to meet the cost of such other machinery, equipment or utilities, as required. Furthermore, if any surplus from the proceeds remains after meeting the total cost of machineries, equipment and utilities for the aforesaid purpose, the same will be used for our general corporate purposes, subject to limit of 25% of the amount raised by our Company through this Issue.
- We are not acquiring any second-hand machinery.
- The quotations relied upon by us in arriving at the above cost are valid for a specific period of time and may lapse after the expiry of the said period. Consequent upon which, there could be a possible escalation in the cost of machineries proposed to be acquired by us at the actual time of purchase, resulting in increase in the estimated cost. Further, cost will be escalated on account of Packing & Forwarding, Transportation, Transit Insurance, Octroi/ Entry tax if any etc. Such cost escalation would be met out of our internal accruals.

Other confirmations related to the proposed manufacturing unit:

- The total cost involved in setting up of manufacturing unit has been estimated by our management and is based on the quotations received from third party suppliers/ contractors and certified by M/s. Patel Calibration and Services, Chartered Engineer dated 09/09/2024
- Our Promoters, Directors and Key Managerial Personnel do not have any interest in the proposed construction of building civil works, acquisition of the machinery or in the entities from whom we have obtained quotation in relation to such activities. Our Company has confirmed that such entities do not form part of our Promoter Group or Group Company.
- The proposed Schedule of Implementation for setting up of a new factory unit is as follows:

Sr. No.	Particulars	Timeline
1	Funds Received	December 2024
2	Final Quotation received	January 2025
3	Construction work started	January 2025
4	Machinery order	March 2025
5	Construction work ended	July 2025
6	Machinery Arrival	August 2025
7	Machinery Installation and trial	August - September 2025
8	Commercial Production Start	October 2025

### 3. To Meet Working Capital Requirement

Our business requires working capital majorly for investment in inventories, trade receivables and payment to trade payables and funding day to day operations. The Company will meet the requirement to the extent of ₹ 1,115.76 lakhs from the Net Proceeds of the Issue and balance from internal accruals/borrowings at an appropriate time.

(₹ in Lakhs)

Sr. No.	Particulars	Restated			Provisional	Estimated
		31 March 2022	31 March 2023	31 March 2024	31 March 2025	31 March 2026
<b>I</b>	<b>Current Assets</b>					
	Inventories	97.22	92.87	136.42	492.52	629.96
	Trade receivables	673.87	822.61	1,000.38	2,125.00	2,762.50
	Short Term Loans & Advances	41.68	107.56	54.42	751.88	1,006.49
	Other Current Assets	13.82	35.45	33.81	37.19	40.91
	<b>Total(A)</b>	<b>826.59</b>	<b>1,058.49</b>	<b>1,225.03</b>	<b>3,406.59</b>	<b>4,439.86</b>
<b>II</b>	<b>Current Liabilities</b>					
	Trade payables	99.82	176.54	65.98	30.25	35.75
	Other current liabilities	275.34	405.29	92.65	83.39	75.05
	Short-term provisions	13.32	27.35	156.15	276.85	394.56
	<b>Total (B)</b>	<b>388.47</b>	<b>609.18</b>	<b>314.78</b>	<b>390.49</b>	<b>505.35</b>
<b>III</b>	<b>Total Working Capital Gap (A-B)</b>	<b>438.12</b>	<b>449.31</b>	<b>910.24</b>	<b>3,016.11</b>	<b>3,934.51</b>
<b>IV</b>	<b>Funding Pattern</b>					
	Short Term Borrowings & Internal accruals	<b>438.12</b>	<b>449.31</b>	<b>910.24</b>	<b>1,900.35</b>	<b>3,934.51</b>
	<b>IPO Proceeds</b>				<b>1,115.76</b>	-

#### Assumptions for working capital requirements

The following table sets forth the details of the holding period (with days rounded to the nearest whole number) considered for, March 31, 2024, March 31, 2023 and March 31, 2022, as well as projections for financial year ended March 31, 2025 and March 31, 2026



Particulars	March 31, 2022	March 31, 2023	March 31, 2024	March 31, 2025	March 31, 2026
Debtors (Days)	120	94	120	128	128
Creditors (Days)	28	25	8	3	3
Inventories (Days)	18	13	20	45	45

Reasons for considering the above-mentioned days:

<b>Debtors</b>	The historical holding days of trade receivables has been ranging from 100 days to 120 days during FY 2022 to FY 2024. As per the current credit terms, the holding level for debtors is anticipated to be maintained at around 128 days of total revenue from operations during FY 2025 and 2026. The company is planning to expand in different states like Maharashtra, Rajasthan, Orissa, etc. To enter into this market the company needs to provides credit to its dealer and distributor, who further extends credit to farmers till the time of harvesting. Hence, we are anticipating that the credit cycle will remain around 128 days.
<b>Creditors</b>	The past trend of trade payables payment days has been in the range of 10 days to 30 days approximately during FY 2022 to Fiscal 2024. However, with additional working capital funding, the Company intends to reduce trade payable to 3 days during FY 2025 and 2026 to avail cash discount as well as competitive purchase price, which will increase overall profitability of the Company. By reducing the time, it takes to settle the payables, Company aim to negotiate more favourable terms and conditions with the suppliers, enabling us to access competitive pricing for the goods Company procure.
<b>Inventories</b>	The Company's inventory holding period ranged from 10 to 20 days between FY 2022 and FY 2024. However, for FY 2025 and 2026, the Company anticipates an increase in inventory holding days to 45. This significant rise is attributed to the Company's expansion plans, which include opening branch offices in other states. As a result, the Company will need to maintain higher stock levels to ensure timely deliveries to these branches and capitalize on sales opportunities.

### General Corporate Purpose

Our management, following the policies established by our Board, has the flexibility to allocate the proceeds designated for general corporate purposes. We plan to use the remaining Fresh Issue proceeds, totalling ₹ [●] Lakhs, for general corporate purposes to support business growth. In line with our Board's policies, we have the discretion to apply the remaining Net Proceeds for various general corporate purposes, including but not limited to covering operating expenses, initial development costs for non-identified projects, strengthening our business development and marketing efforts, addressing unforeseen contingencies in the normal course of business, or any other purposes approved by the Board of Directors, in accordance with the Companies Act, 2013.

We confirm that any issue related expenses shall not be considered as a part of General Corporate Purpose. Further in case, our actual issue expenses turn to be lesser than the estimated issue expenses of ₹ [●] lakhs, such surplus amount shall be utilized for General Corporate Purpose in such a manner that the amount for general corporate purposes, as mentioned in the Draft Red Herring Prospectus/ Prospectus, shall not exceed 25% of the amount raised by our Company through this Issue.

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

Activity	(₹ in Lakh)	As a % of Estimates Issue Expenses	As a % of Issue Size
Book Running Lead Manger Fees	[●]	[●]	[●]
Underwriting Commission	[●]	[●]	[●]
Brokerage and selling commission	[●]	[●]	[●]

Total issue expenditure of Rs. 11.59 lacs has been incurred till date

Activity	(₹ in Lakh)	Aa a % of Estimates Issue Expenses	As a % of Issue Size
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Fees Payable to Registrar to the Issue	[●]	[●]	[●]
Fees Payable for Advertising and Publishing Expenses	[●]	[●]	[●]
Fees Payable to Regulators including Stock Exchanges	[●]	[●]	[●]
Payment for Printing & Stationery, Postage, etc.	[●]	[●]	[●]
Fees Payable to Statutory Auditor, Legal Advisors and other Professionals	[●]	[●]	[●]
Others (Commission/processing fee for SCSBs, Sponsor Bank and Banker(s) to the Issue and brokerage and selling commission and bidding charges for Members of the Syndicate, Registered Brokers, RTAs and CDP sand Miscellaneous Expenses)	[●]	[●]	[●]
<b>Total</b>	[●]	[●]	[●]

<sup>(1)</sup> Amounts will be finalized and incorporated in the Prospectus on determination of Issue Price. Issue expenses include applicable taxes, where applicable. Issue expenses are estimates and are subject to change.

<sup>(2)</sup> Selling commission payable to the SCSBs on the portion for Retail Individual Bidders. Non-Institutional Bidders, which are directly procured by the SCSBs, would be as follows:

Portion for Retail Individual Bidders*	[●] % of the Amount Allotted* (plus applicable taxes)
Portion for Non-Institutional Bidders*	[●] % of the Amount Allotted* (plus applicable taxes)

\*Amount allotted is the product of the number of Equity Shares Allotted and the Issue Price. The selling commission payable to the SCSBs will be determined on the basis of the bidding terminal ID as captured in the Bid Book of BSE.

<sup>(3)</sup> No uploading/ processing fees shall be payable by our Company to the SCSBs on the applications directly procured by them. Processing fees payable to the SCSBs on the portion for Retail Individual Bidders and Non-Institutional Bidders which are procured by the members of the Syndicate/ sub-Syndicate/ Registered Broker/ CRTAs/ CDPs and submitted to SCSB for blocking, would be as follows:

Portion for Retail Individual Bidders	₹ [●] per valid Bid cum Application Form (plus applicable taxes)
Portion for Non-Institutional Bidders	₹ [●] per valid Bid cum Application Form (plus applicable taxes)

Notwithstanding anything contained above the total processing fee payable under this clause will not exceed ₹1 lakh (plus applicable taxes) and in case if the total processing fees exceeds ₹ 1 lakh (plus applicable taxes) then processing fees will be paid on pro-rata basis.

<sup>(4)</sup>The processing fees for applications made by Retail Individual Bidders using the UPI Mechanism would be as follows:

Members of the Syndicate/ RTAs/ CDPs (uploading charges)	₹ [●] per valid application (plus applicable taxes)
Sponsor Limited Bank – HDFC 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, NPCI and such other parties as required in connection with the performance of its duties under the SEBI circulars, other agreements and other applicable laws.

\*For each valid application by respective Sponsor Bank

Notwithstanding anything contained above in this clause the total Uploading charges/ Processing fees payable to Members of the Syndicate/ RTAs/ CDPs for applications made by RIBs (up to ₹200,000), Non-Institutional Bidders (for an amount more than ₹200,000 and up to ₹500,000) using the UPI Mechanism and in case if the total uploading charges/ processing fees exceeds ₹ 1 lakh (plus applicable taxes) then uploading charges/ processing fees using UPI Mechanism will be paid on pro-rata basis.

<sup>(5)</sup> Selling commission on the portion for Retail Individual Bidders and Non-Institutional Bidders which are procured by members of the Syndicate (including their sub-Syndicate Members), Registered Brokers, CRTAs and CDPs or for using 3-in-1 type accounts- linked online trading, demat & bank account provided by some of the Registered Brokers which are Members of the Syndicate (including their Sub-Syndicate Members) would be as follows:

Portion for Retail Individual Bidders	1.0% of the Amount Allotted* (plus applicable taxes)
Portion for Non-Institutional Bidders	1.0% of the Amount Allotted* (plus applicable taxes)

\*Amount Allotted is the product of the number of Equity Shares Allotted and the Issue Price

Uploading charges payable to Members of the Syndicate (including their sub-Syndicate Members), CRTAs and CDPs on the applications made by RIBs using 3-in-1 accounts and Non-Institutional Bidders which are procured by them and submitted to SCSB for blocking or using 3-in-1 accounts, would be as follows: ₹10 plus applicable taxes, per valid application bid by the Syndicate (including their sub-Syndicate Members), CRTAs and CDPs.

Bidding charges payable to the Registered Brokers, CRTAs/ CDPs on the portion for RIBs and Non-Institutional Bidders which are directly procured by the Registered Brokers or CRTAs or CDPs and submitted to SCSB for processing, would be as follows:

Portion for Retail Individual Bidders*	₹ 1.0 per valid application (plus applicable taxes)
Portion for Non-Institutional Bidders*	₹ 1.0 per valid application (plus applicable taxes)

\* Based on valid applications

Notwithstanding anything contained above the total uploading/ bidding charges payable under this clause will not exceed ₹ 1 lakh (plus applicable taxes) and in case if the total uploading/ bidding charges exceeds ₹ 1 lakh (plus applicable taxes) then uploading charges will be paid on pro-rata basis.

The Selling Commission payable to the Syndicate/ Sub-Syndicate Members will be determined on the basis of the application form number/ series, provided that the application is also bid by the respective Syndicate/ Sub-Syndicate Member. For clarification, if a Syndicate ASBA application on the application form number/ series of a Syndicate/ Sub-Syndicate Member, is bid by an SCSB, the Selling Commission will be payable to the SCSB and not the Syndicate/ Sub-Syndicate Member. Bidding Charges payable to members of the Syndicate (including their sub-Syndicate Members), CRTAs and CDPs on the portion for RIBs and Non-Institutional Bidders which are procured by them and submitted to SCSB for blocking, would be as follows: ₹ 10 plus applicable taxes, per valid application bid by the Syndicate (including their sub-Syndicate Members), CRTAs and CDPs.

The selling commission and bidding charges payable to Registered Brokers the CRTAs and CDPs will be determined on the basis of the bidding terminal ID as captured in the Bid Book of BSE.

All such commissions and processing fees set out above shall be paid as per the timelines in terms of the Syndicate Agreement and Escrow and Sponsor Bank Agreement. Further, 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.

### Appraisal

The fund requirements, deployment of funds and the intended use of the Net Proceeds as described in the DRHP, Draft Red Herring Prospectus and the Prospectus are based on our current business plan, management estimates, prevailing market conditions and other commercial considerations. However, such fund requirements and deployment of funds have not been appraised by any external agency or any bank or financial institution or any other independent agency.

We may have to revise our funding requirements and deployment on account of a variety of factors such as our financial and market condition, our business and growth strategies, competitive landscape, general factors affecting our results of operations, financial condition and access to capital and other external factors such as changes in the business environment or regulatory climate and interest or exchange rate fluctuations, which may not be within the control of our management. This may entail reviewing the proposed utilization of the Net Proceeds and changing the allocation of funds from its planned allocation at the discretion of our management, subject to compliance with applicable law.

### Shortfall of Funds

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

### **Bridge Financing Facilities**

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

### **Monitoring Utilization of Funds**

As this is a Fresh Issue for less than ₹10,000 lakhs, we are not required to appoint a monitoring agency for the purpose of the Issue in terms of the SEBI ICDR Regulations 2018.

Our Board and Audit committee shall monitor the utilization of the net proceeds of the Issue. Our Company will disclose the utilization of the Net Proceeds under a separate head in our balance sheet along with the relevant details, for all such amounts that have not been utilized. Our Company will indicate investments, if any, of unutilized Net Proceeds in the balance sheet of our Company for the relevant financial years subsequent to the completion of the Issue.

Pursuant to SEBI LODR Regulations 2018, our Company shall disclose to the Audit Committee of the Board of Directors the uses and applications of the Net Proceeds. Our Company shall prepare a statement of funds utilized for purposes other than those stated in this Draft Red Herring Prospectus and place it before the Audit Committee of the Board of Directors, as required under applicable law. Such disclosure shall be made only until such time that all the Net Proceeds have been utilized in full. The statement shall be certified by the statutory auditor of our Company.

Furthermore, in accordance with the Regulation 32 of the SEBI LODR Regulations 2018, our Company shall furnish to the Stock Exchange on a half yearly basis, a statement indicating (i) deviations, if any, in the utilization of the proceeds of the Issue from the Objects; and (ii) details of category wise variations in the utilization of the proceeds from the Issue from the Objects. This information will also be published in newspapers simultaneously with the interim or annual financial results, after placing the same before the Audit Committee of the Board of Directors.

### **Interim Use of Proceeds**

Pending utilization of the Net Proceeds for the purposes described above, our Company will deposit the Net Proceeds only with scheduled commercial banks included in the Second Schedule of the Reserve Bank of India Act, 1934, as amended, as may be approved by our Board. In accordance with Section 27 of the Companies Act, 2013, our company confirms that it shall not use the Net Proceeds for buying, trading or otherwise dealing in shares of any other listed company or for any investment in the equity markets or investing in any real estate product or real estate linked products

### **Variation in Objects**

In accordance with Sections 13(8) and 27 of the Companies Act and applicable rules, our Company shall not vary the Objects without our Company being authorized to do so by the Shareholders by way of a special resolution through a postal ballot. In addition, the notice issued to the Shareholders in relation to the passing of such special resolution (the "Postal Ballot Notice") shall specify the prescribed details as required under the Companies Act and applicable rules. The Postal Ballot Notice shall simultaneously be published in the newspapers, one in English and one in the vernacular language of the jurisdiction where our Registered Office is situated. Our Promoters or controlling Shareholders will be required to provide an exit opportunity to such shareholders who do not agree to the above stated proposal, at a price as may be prescribed by SEBI, in this regard

### **Other confirmations**

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

## BASIS FOR ISSUE PRICE

Investors should read the following summary with the section titled **“Risk Factors”**, the details about our Company under the section titled **“Our Business”** and its financial statements under the section titled **“Financial Information of the Company”** beginning on page 33, 102 and 161 respectively of the Draft Red Herring Prospectus. The trading price of the Equity Shares of Our Company could decline due to these risks and the investor may lose all or part of his investment.

The Issue Price will be determined by our Company in consultation with the BRLM on the basis of the quantitative and qualitative factors as described below. The face value of the Equity Shares is ₹ 10.00 each and the Issue Price is ₹ [●] times of the face value.

### QUALITATIVE FACTORS

We believe the following business strengths allow us to successfully compete in the industry:

- Diversified product base
- Cost-effective products and timely order fulfilment
- Establishing a comprehensive distribution network;

For a detailed discussion on the qualitative factors which form the basis for computing the price, please refer to sections titled **“Our Business”** beginning on page 102 of this Draft Red Herring Prospectus.

### QUANTITATIVE FACTORS

The information presented below relating to our Company is based on the Restated Consolidated Financial Statements. For details, please refer section titled **“Financial Information of the Company”** on page 161 of this Draft Red Herring Prospectus.

Some of the quantitative factors which may form the basis for calculating the Issue Price are as follows:

#### 1. Basic & Diluted Earnings per share (EPS) (Face value of ₹ 10/- Each):

As per the Restated Financial Statements:

Sr. No	F.Y.	Basic & Diluted (₹)	Weights
1.	Financial Year ending March 31, 2024	3.59	3
2.	Financial Year ending March 31, 2023	0.29	2
3.	Financial Year ending March 31, 2022	0.23	1
	<b>Weighted Average</b>	<b>1.93</b>	<b>6</b>

Notes:

- The figures disclosed above are based on the Restated Financial Statements of the Company.
- The face value of each Equity Share is ₹10.00.
- Earnings per Share has been calculated in accordance with Accounting Standard 20 – “Earnings per Share” issued by the Institute of Chartered Accountants of India.
- The above statement should be read with Significant Accounting Policies and the Notes to the Restated Financial Statements as appearing in Annexure IV.
- Basic Earnings per Share = Net Profit/ (Loss) after tax, as restated attributable to equity shareholders/ Weighted average number of equity shares outstanding during the year/ period
- Diluted Earnings per Share = Net Profit/ (Loss) after tax, as restated attributable to equity shareholders/ Weighted average number of diluted potential equity shares outstanding during the year/ period.

#### 2. Price Earning (P/E) Ratio in relation to the Price Band of ₹ [●] to ₹ [●] per Equity Share of Face Value of ₹ 10/- each fully paid up:

Particulars	(P/E) Ratio at the Floor Price	(P/E) Ratio at the Cap Price
-------------	--------------------------------	------------------------------

P/E ratio based on the Basic & Diluted EPS, as restated for period ending March 31, 2024	[●]	[●]
P/E ratio based on the Weighted Average EPS, as restated.	[●]	[●]

Industry P/E Ratio*	(P/E) Ratio
Highest	42.48
Lowest	14.44
Industry Average	28.46

\*We have mentioned those peers which falls in the fertilizer industry for broad comparison purpose, however there is a distinction in the product portfolio between our company and those of our peers.

Note:

The P/E ratio of peers has been computed by dividing Market price as on September 12, 2024 with EPS for the F.Y. 2023-24.

### 3. Return on Net worth (RoNW)

Sr. No	Period	RONW (%)	Weights
1	Period ending March 31, 2024	47.72%	3
2	Period ending March 31, 2023	7.95%	2
3	Period ending March 31, 2022	8.58%	1
	<b>Weighted Average</b>	<b>27.94%</b>	<b>6</b>

Note:

- The figures disclosed above are based on the Restated Financial Statements of the Company.
- The RoNW has been computed by dividing restated net profit after tax (excluding exceptional items) with restated Net worth as at the end of the year
- Weighted average = Aggregate of year-wise weighted RoNW divided by the aggregate of weights i.e. (RoNW x Weight) for each year/ Total of weights.

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

Sr. No.	NAV per Equity Share	(Amount in ₹)
1.	As at March 31, 2022	2.71
2.	As at March 31, 2023	3.65
3.	As at March 31, 2024	7.53
4.	NAV per Equity Share after the Issue	[●]
5.	Issue Price	[●]

\*The above NAV has been calculated based on weighted number of shares outstanding at the end of the respective year.

Notes:

- The figures disclosed above are based on the Restated Financial Statements of the Company.
- NAV per share=Restated Net worth at the end of the year divided by weighted average number of equity shares outstanding at the end of the year
- Net worth is computed as the sum of the aggregate of paid-up equity share capital, all reserves created out of the profits, securities premium account received in respect of equity shares and debit or credit balance of profit and loss account.
- Issue Price per Equity Share will be determined by our Company in consultation with the Book Running Lead Manager.

### 5. Comparison of Accounting Ratios with Industry

Name of Company	Current Market Price (₹)	Face Value	EPS (Basic/ Diluted)	PE	RONW	Book Value	Total Income (₹ in lakhs)
Agricon Nutritech Limited	[●]	10.00	3.59	[●]	47.72%	7.53	2991.38
<b>Peer Group</b>							

Aries Agro Limited	279.25	10.00	16.77	14.44	9.18	190.54	51,406.18
Basant Agro Tech (India) Limited	21.27	10.00	0.43	42.48	2.27	19.22	40,698.77

Notes:

Source – All the financial information for listed industry peers mentioned above is sourced from the Financial Results of the aforesaid companies for the year ended March 31, 2024. For our Company, we have taken Current Market Price as the issue price of equity share. Further, P/E Ratio is based on the current market price of the respective scrips

- The EPS, NAV, RoNW and total Income of our Company are taken as per Restated Financial Statement for the F.Y. 2023-24. NAV per share is computed as the closing net worth divided by the weighted average number of paid-up equity shares as on March 31, 2024.
- RoNW has been computed as net profit after tax divided by closing net worth.
- Net worth has been computed in the manner as specifies in Regulation 2(1) (hh) of SEBI (ICDR) Regulations, 2018.
- The face value of Equity Shares of our Company is ₹ 10/- per Equity Share and the Issue price is [●] times the face value of equity share.

## 6. Key Performance Indicators

The KPIs disclosed below have been used historically by our Company to understand and analyze the business performance, which in result, help us in analysing the growth of our company.

The KPIs disclosed below have been approved by M/s VRAJM & Associates dated September 16, 2024. Further, the firm has 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 years period prior to the date of filing of this Draft Red Herring Prospectus.

The KPIs of our Company have been disclosed in the sections titled “**Our Business**” and “**Management’s Discussion and Analysis of Financial Condition and Results of Operations – Key Performance Indicators**” on pages 102 and 194, respectively. We have described and defined the KPIs as applicable in “**Definitions and Abbreviations**” on page 7.

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 Issue, whichever is later or for such other duration as may be required under the SEBI ICDR Regulations, 2018. Further, the ongoing KPIs will continue to be certified by a member of an expert body as required under the SEBI ICDR Regulations, 2018.

### Key Performance Indicators of our Company

(₹ In Lakhs except percentages and ratios)

Key Financial Performance	FY 2024	FY 2023	FY 2022
Revenue from operations <sup>(1)</sup>	2,991.38	2,600.89	2,023.47
EBITDA <sup>(2)</sup>	512.80	82.82	46.65
EBITDA Margin <sup>(3)</sup>	17.14%	3.18%	2.31%
PAT <sup>(4)</sup>	371.73	30.01	24.09
PAT Margin <sup>(5)</sup>	12.43%	1.15%	1.19%
RoE (%) <sup>(6)</sup>	64.28%	9.12%	8.58%
RoCE (%) <sup>(7)</sup>	52.22%	14.12%	9.79%

Notes:

- <sup>(1)</sup> Revenue from operation means revenue from sales, service and other operating revenues
- <sup>(2)</sup> EBITDA is calculated as Profit before tax + Depreciation + Finance Cost - Other Income
- <sup>(3)</sup> EBITDA Margin is calculated as EBITDA divided by Revenue from Operations
- <sup>(4)</sup> PAT is calculated as Profit before tax – Tax Expenses
- <sup>(5)</sup> PAT Margin is calculated as PAT for the period/year divided by revenue from operations.
- <sup>(6)</sup> Return on Equity is ratio of Profit after Tax and Average Shareholder Equity

(7) Return on Capital Employed is calculated as EBIT divided by capital employed, which is defined as shareholders' equity plus Long term borrowings plus short-term borrowings.

Explanation for KPI metrics:

KPI	Explanations
Revenue from Operations	Revenue from Operations is used by our management to track the revenue profile of the business and in turn helps to assess the overall financial performance of our Company and volume of our business
EBITDA	EBITDA provides information regarding the operational efficiency of the business
EBITDA Margin (%)	EBITDA Margin (%) is an indicator of the operational profitability and financial performance of our business
PAT	Profit after tax provides information regarding the overall profitability of the business.
PAT Margin (%)	PAT Margin (%) is an indicator of the overall profitability and financial performance of our business.
RoE(%)	RoE provides how efficiently our Company generates profits from shareholders' funds.
RoCE (%)	RoCE provides how efficiently our Company generates earnings from the capital employed in the business.

7. Set forth below are the details of comparison of key performance of indicators with our listed industry peer:

(₹ In Lakhs except percentages and ratios)

Key Financial Performance	Agricon Nutritech Limited			Aries Agro Limited			Basant Agro Tech (India) Limited		
	FY 2024	FY 2023	FY 2022	FY 2024	FY 2023	FY 2022	FY 2024	FY 2023	FY 2022
Revenue from operations <sup>(1)</sup>	2,991.38	2,600.89	2,023.47	50,771.82	46,988.20	43,180.54	40,475.17	54,926.03	44,815.63
EBITDA <sup>(2)</sup>	512.80	82.82	46.65	6,122.66	4,683.15	4,768.09	2,476.91	3,592.57	3,033.31
EBITDA Margin (%) <sup>(3)</sup>	17.14%	3.18%	2.31%	12.06%	9.97%	11.04%	6.12%	6.54%	6.77%
PAT <sup>(4)</sup>	371.73	30.01	24.09	2,181.26	2,023.48	1,902.38	395.72	1,838.49	1,899.36
PAT Margin (%) <sup>(5)</sup>	12.43%	1.15%	1.19%	4.30%	4.31%	4.41%	0.98%	3.35%	4.24%
RoE (%) <sup>(6)</sup>	64.28%	9.12%	8.58%	9.18%	8.90%	9.12%	2.27%	10.76%	12.39%
RoCE (%) <sup>(7)</sup>	52.22%	14.12%	9.79%	16.69%	6.30%	6.09%	1.21%	6.24%	8.43%

Notes:

<sup>(1)</sup> Revenue from operation means revenue from sales, service and other operating revenues

<sup>(2)</sup> EBITDA is calculated as Profit before tax + Depreciation + Finance cost - Other Income

<sup>(3)</sup> EBITDA Margin is calculated as EBITDA divided by Revenue from Operations

<sup>(4)</sup> PAT is calculated as Profit before tax – Tax Expenses

<sup>(5)</sup> PAT Margin is calculated as PAT for the period/year divided by revenue from operations.

<sup>(6)</sup> Return on Equity is ratio of Profit after Tax and Average Shareholder Equity

<sup>(7)</sup> Return on Capital Employed is calculated as EBIT divided by capital employed, which is defined as shareholders' equity plus long term borrowings and Short term borrowings.

## 8. Weighted average cost of acquisition

a. The price per share of our Company based on the primary/ new issue of shares (equity/ convertible securities):

There has been no issuance of Equity Shares during the 18 months preceding the date of this Draft Red Herring Prospectus, except 10347735 Equity Shares allotted against outstanding capital accounts of the partners of the erstwhile partnership firm namely, M/s. Agricon Fertilizers, pursuant to conversion thereof to a public limited company where such issuance is equal to or more than 5% of the fully diluted paid-up share capital of the Company (calculated based on the pre-issue capital before such transaction(s) and excluding employee stock options granted but not vested), in a single transaction or multiple transactions combined together over a span of 30 days.

b. The price per share of our Company based on the secondary sale/ acquisition of shares (equity shares)



There have been no secondary sale/ acquisitions of Equity Shares, where the promoters, members of the promoter group or shareholder(s) having the right to nominate director(s) in the board of directors of the Company are a party to the transaction (excluding gifts of shares), during the 18 months preceding the date of this certificate, where either acquisition or sale is equal to or more than 5% of the fully diluted paid up share capital of the Company (calculated based on the pre-issue capital before such transaction/s and excluding employee stock options granted but not vested), in a single transaction or multiple transactions combined together over a span of rolling 30 days.

- c. Since there are no such transactions to report to under (a) and (b) therefore, information based on last 5 primary or secondary transactions (secondary transactions where Promoter/ Promoter Group entities or shareholder(s) having the right to nominate director(s) in the Board of our Company, are a party to the transaction), not older than 3 years prior to the date of this certificate irrespective of the size of transactions, is as below:

There have been no primary or secondary transactions by the Promoters, members of the Promoter Group or shareholder(s) having the right to nominate director(s) in the Board of Directors of our Company are a party to the transaction, in the last three years preceding the date of this Prospectus.

#### 9. Weighted average cost of acquisition & Issue price:

Types of transactions	Weighted average cost of acquisition (₹ per Equity Shares)	Floor Price* (i.e. ₹ [●])	Issue price* (i.e. ₹ [●])
Weighted average cost of acquisition of primary/ new issue as per paragraph 8(a) above.	10.00	NA <sup>^</sup>	NA <sup>^</sup>
Weighted average cost of acquisition for secondary sale/ acquisition as per paragraph 8(b) above.	NA <sup>^^</sup>	NA <sup>^^</sup>	NA <sup>^^</sup>
Weighted average cost of acquisition of primary issuances/ secondary transactions as per paragraph 8(c) above	10.00	NA <sup>^^^</sup>	NA <sup>^^^</sup>

Note:

<sup>^</sup>There were no primary/ new issue of shares (equity/ convertible securities) as mentioned in paragraph 8(a) above, in last 18 months from the date of this Draft Red Herring Prospectus.

<sup>^^</sup>There were no secondary sale/ acquisitions as mentioned in paragraph 8(b) above, in last 18 months from the date of this Draft Red Herring Prospectus.

<sup>^^^</sup>There were no primary or secondary transactions as mentioned in paragraph 8(c) above, in the last three years preceding the date of this Prospectus.

This is a Book Built Issue and the price band for the same shall be published 2 working days before opening of the Issue in all editions of the English national daily newspaper [●] and all editions a Hindi national daily newspaper [●] and a Regional Gujarati newspaper [●] each with wide circulation where the registered office of the company is situated.

The Price Band/ Floor Price/ Issue Price shall be determined by our Company in consultation with the BRLM and will be justified by us in consultation with the BRLM on the basis of the above information. Investors should read the above-mentioned information along with “*Our Business*”, “*Risk Factors*” and “*Restated Financial Statements*” on pages 102, 33 and 161 respectively, to have a more informed view. The trading price of the Equity Shares of our Company could decline due to the factors mentioned in “*Risk Factors*” or any other factors that may arise in the future and you may lose all or part of your investments.

## STATEMENT OF SPECIAL TAX BENEFITS

To,  
**The Board of Directors,**  
Agricon Nutritech Limited  
508, Ananta Stallion, Nr.  
Sears Tower, Sevasi,  
Vadodara, Gujarat – 391101

Dear sir,

**SUB: - Statement of Special tax benefits (“The Statement”) available to Agricon Nutritech Limited (“the company”), its shareholder prepared in accordance with the requirement in Point No. 9 (L) of Part A of Schedule VI to the Securities Exchange Board of India (Issue of Capital Disclosure Requirements) Regulations, 2018.**

Ref: Proposed Public Issue of upto 40,00,000 equity shares of Agricon Nutritech Limited Face value ₹ 10 each (the “Equity Shares”) of Agricon Nutritech Limited (the “Company”).

1. We hereby confirm that the enclosed Annexure I, prepared by Agricon Nutritech Limited ('the Company'), which provides the Special tax benefits under direct tax and indirect tax laws presently in force in India, including the Income-tax Act, 1961, the Central Goods and Services Tax Act, 2017, the Integrated Goods and Services Tax Act, 2017, the Union Territory Goods and Services Tax Act, 2017, respective State Goods and Services Tax Act, 2017, Customs Act, 1962 and the Customs Tariff Act, 1975 (collectively the “Taxation Laws”), the rules, regulations, circulars and notifications issued thereon, as applicable to assessment year 2025-26 and relevant to the financial year 2024-25, available to the Company and its shareholders. Several of these benefits are dependent on the Company or its shareholders fulfilling the conditions prescribed under the relevant provisions of the Taxation Laws. Therefore, the ability of the Company and or its shareholders to derive the tax benefits is dependent upon their fulfilling such conditions which, based on business imperatives the Company faces in the future, the Company or its shareholders may or may not choose to fulfil.
2. This statement of possible special tax benefits is required as per Schedule VI (Part A)(9)(L) of the Securities and Exchange Board of India (Issue of Capital and Disclosure Requirements) Regulations, 2018 as amended (‘SEBI ICDR Regulations’). While the term ‘special tax benefits’ has not been defined under the SEBI ICDR Regulations, it is assumed that with respect to special tax benefits available to the Company, its shareholders and its Associate Company and the same would include those benefits as enumerated in the statement. The benefits discussed in the enclosed statement cover the possible special tax benefits available to the Company, its Shareholders and its Associate Company and do not cover any general tax benefits available to them. Any benefits under the Taxation Laws other than those specified in the statement are considered to be general tax benefits and therefore not covered within the ambit of this statement. Further, any benefits available under any other laws within or outside India, except for those specifically mentioned in the statement, have not been examined and covered by this statement.
3. The benefits discussed in the enclosed Annexures are not exhaustive and the preparation of the contents stated is the responsibility of the Company's management. We are informed that these Annexures are only intended to provide information to the investors and are neither designed nor intended to be a substitute for professional tax advice. In view of the individual nature of the tax consequences and the changing tax laws, each investor is advised to consult his or her own tax consultant with respect to the specific tax implications arising out of their participation in the proposed initial public offering.
4. In respect of non-residents, the tax rates and the consequent taxation shall be further subject to any benefits available under the applicable Double Taxation Avoidance Agreement, if any, between India and the country in which the non-resident has fiscal domicile.
5. We do not express any opinion or provide any assurance as to whether
  - a. the Company or its shareholders will continue to obtain these benefits in future;
  - b. the conditions prescribed for availing the benefits have been met with; and
  - c. the revenue authorities courts will concur with the views expressed herein.

6. The Content of the enclosed Annexures are based on information, explanations and representations obtained from the company and on the basis of their understanding of the business activities and operations of the company.
7. No assurance is given that the revenue authorities/ Courts will concur with the view expressed herein. Our views are based on existing provisions of law and its implementation, which are subject to change from time to time. We do not assume any responsibility to updates the views consequent to such changes.
8. We shall not be liable to any claims, liabilities or expenses relating to this assignment except to the extent of fees relating to this assignment, as finally judicially determined to have resulted primarily from bad faith or intentional misconduct. We will not be liable to any other person in respect of this statement.
9. This certificate is provided solely for the purpose of assisting the addressee Company in discharging its responsibility under the Securities and Exchange Board of India (Issue of Capital and Disclosure Requirements) Regulations, 2018 for inclusion in the Draft Red Herring Prospectus/Red Herring Prospectus/Prospectus in connection with the proposed offer of equity shares and is not be used, referred to or distributed for any other purpose without our written consent.

**For V R A J M & Associates**  
**Chartered Accountants**  
**Firm Registration No.: 121458W**

**CA. Vipul M. Dalal**  
**Partner**  
**Membership No.: 103667**  
**Place: Vadodara**  
**Date: September 14, 2024**  
**UDIN: 24103667BKAOBY7728**

## ANNEXURE I TO THE STATEMENT OF TAX BENEFITS

The information provided below sets out the possible special tax benefits available to the Company, the Shareholders and its Associate Company under the Taxation Laws presently in force in India. It is not exhaustive or comprehensive and is not intended to be a substitute for professional advice. Investors are advised to consult their own tax consultant with respect to the tax implications of an investment in the Equity Shares particularly in view of the certain recently enacted legislation may not have a direct legal precedent or may have a different interpretation on the benefits, which an investor can avail.

YOU SHOULD CONSULT YOUR OWN TAX ADVISORS CONCERNING THE INDIAN TAX IMPLICATIONS AND CONSEQUENCES OF PURCHASING, OWNING AND DISPOSING OF EQUITY SHARES IN YOUR PARTICULAR SITUATION

### A. SPECIAL TAX BENEFITS TO THE COMPANY

The Company is not entitled to any special tax benefits under the Taxation Laws.

### B. SPECIAL TAX BENEFITS TO THE SHAREHOLDER

The Shareholders of the Company are not entitled to any special tax benefits under the Taxation Laws.

### C. SPECIAL TAX BENEFITS TO THE SUBSIDIARY COMPANY- NOT APPLICABLE

#### Note:

1. All the above benefits are as per the current tax laws and will be available only to the sole / first name holder where the shares are held by joint holders.
2. This certificate may be relied on by the company, the Book Running Lead Manager and the Legal Counsel to the offer. We hereby consent to the extracts of this certificate being used in the Draft Red Herring Prospectus/ Red Herring Prospectus/ Prospectus of the company in connection with the offer and/or in any other documents in connection with the offer and/or for submission to the Securities Exchange Board of India, relevant Stock Exchanges and any other authority as may be required. We further consent to the extracts of this certificate being used for the records to be maintained by the Book Running Lead Manager in connection with the offer and in accordance with applicable laws.
3. We undertake to inform you promptly, in writing of any changes, to the above information until the equity shares commence trading on the relevant stock exchanges, pursuant to the offer. In the absence of any such communication from us, the above information should be considered as updated information until the equity shares commence trading on the stock exchanges, pursuant to the Issue.

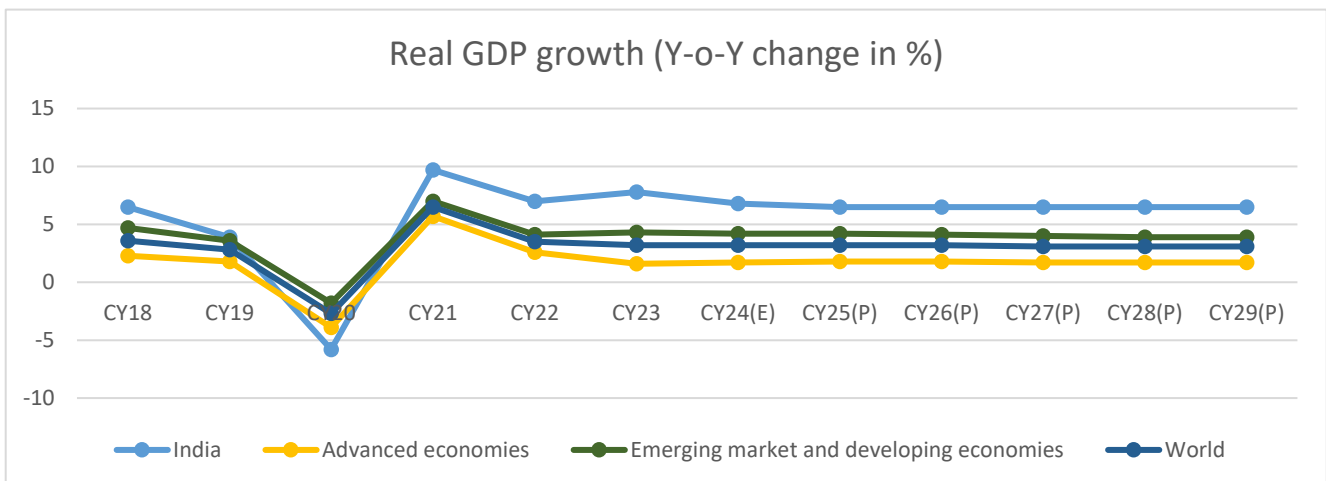
## SECTION V – ABOUT THE COMPANY

### INDUSTRY OVERVIEW

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

#### Global Economic Outlook:

Global growth is estimated to be 3.2 percent in 2023 and is projected to maintain this pace in 2024 and 2025. This projection marks an increase of 0.1 percentage point from the January 2024 World Economic Outlook (WEO) Update and 0.3 percentage point from the October 2023 WEO forecast. However, the projected growth for 2024 and 2025 remains below the historical annual average of 3.8 percent from 2000 to 2019. The current expansion rate is low due to a combination of near-term factors like high borrowing costs and the withdrawal of fiscal support, as well as longer-term impacts from the COVID-19 pandemic, Russia's invasion of Ukraine, weak productivity growth, and increasing geo-economic fragmentation. Advanced economies are expected to see a slight rise in growth, mainly due to a recovery in the euro area from low growth in 2023. In contrast, emerging market and developing economies are anticipated to experience stable growth through 2024 and 2025, with variations across different regions



	Real GDP growth (Y-o-Y change in %)											
	CY 18	CY 19	CY 20	CY 21	CY 22	CY 23	CY24 (E)	CY25 (P)	CY26 (P)	CY27 (P)	CY28 (P)	CY29 (P)
India	6.5	3.9	-5.8	9.7	7.0	7.8	6.8	6.5	6.5	6.5	6.5	6.5
Advanced economies	2.3	1.8	-3.9	5.7	2.6	1.6	1.7	1.8	1.8	1.7	1.7	1.7
Emerging market and developing economies	4.7	3.6	-1.8	7.0	4.1	4.3	4.2	4.2	4.1	4.0	3.9	3.9
World	3.6	2.8	-2.7	6.5	3.5	3.2	3.2	3.2	3.2	3.1	3.1	3.1

Source: World Economic outlook Report April 2024

[https://www.imf.org/external/datamapper/NGDP\\_RPCH@WEO/OEMDC/ADVEC/WEOWORLD/IND?year=2029](https://www.imf.org/external/datamapper/NGDP_RPCH@WEO/OEMDC/ADVEC/WEOWORLD/IND?year=2029)

Growth in developed economies slowed to 1.5 percent in 2023, with notable variations. Growth in the United States increased to 2.5 percent last year, driven primarily by robust consumption, government spending, and a significant reduction in imports of goods and services. Consumption was supported by continued spending from savings accumulated during the pandemic and a healthy expansion of household balance sheets, as equity prices rose rapidly last year. Additionally, a substantial widening of the U.S. budget deficit in the 2023 fiscal year, exceeding 6 percent of GDP at the federal level, also contributed to boosting growth. In contrast, the euro area experienced a sharp slowdown in growth last year, mainly due to weak consumption growth, which was impacted by high energy prices affecting household budgets.

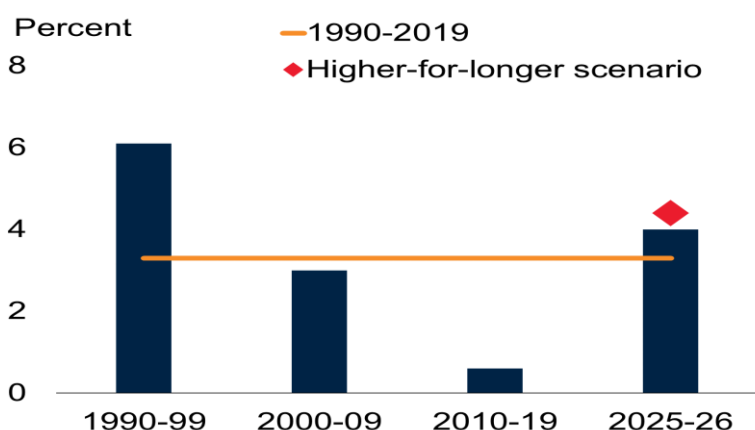
*Source: Global Economic prospectus June 24 World Bank Report*

Growth in the Euro area is projected to recover from an estimated low of 0.4 percent in 2023, which was influenced by relatively high exposure to the war in Ukraine, to 0.8 percent in 2024 and 1.5 percent in 2025. This recovery is expected to be driven by stronger household consumption as the impact of the energy price shock diminishes and a decrease in inflation boosts real income growth. However, the pace of recovery has been revised downward by 0.3 percentage points for Germany for both 2024 and 2025 due to persistently weak consumer sentiment. This adjustment is largely offset by upgrades for several smaller economies, including Belgium and Portugal.

Growth in the United States is projected to increase to 2.7 percent in 2024, before slowing to 1.9 percent in 2025, as gradual fiscal tightening and a softening in labor markets slow aggregate demand. For 2024, an upward revision of 0.6 percentage point since the January 2024 WEO Update reflects largely statistical carryover effects from a stronger-than-expected growth outcome in the fourth quarter of 2023, with, in addition, some of the stronger momentum expected to persist into 2024.

*Source: World Economic outlook Report April 2024*

Global inflation is projected to moderate, though at a slower pace than previously anticipated, averaging 3.5 percent this year. Due to ongoing inflationary pressures, central banks in both advanced economies and emerging market and developing economies (EMDEs) are likely to remain cautious about easing monetary policy. As global inflation is expected to steadily moderate over the forecast horizon, central banks are assumed to gradually ease monetary policies throughout the remainder of 2024 and 2025 to prevent real interest rates from becoming excessively restrictive. Nevertheless, policy rates in advanced economies are expected to remain significantly higher in 2025-26 compared to recent decades, exceeding double the average rates from 2000-19.



*Source: Global Economic prospectus June 24 World Bank Report*

Growth in Emerging Market and Developing Economies (EMDEs) is projected to decline slightly from 4.2 percent in 2023 to 4 percent in 2024, and then remain broadly stable over the forecast horizon. While China's economic activity is expected to slow, this will be offset by strengthening growth in other EMDEs due to improvements in domestic demand and a recovery in trade. However, overall EMDE output is projected to remain significantly below its pre-pandemic trajectory, indicating substantial long-term scarring from the crises of the past four years. After experiencing a sharp slowdown last year, growth in Low-Income

Countries (LICs) is projected to increase over the forecast horizon, although to a significantly lesser extent than previously expected.

Source: *Global Economic prospectus June 24 World Bank Report*

### Indian Economy Outlook:

#### Gross Domestic Product (GDP):

In the first half of 2023-24, India's real GDP grew by 7.7% year-on-year, while in the third quarter of 2023-24, it registered an 8.4% growth, showcasing the sustained growth momentum for the financial year. These figures highlight the Indian economy's strength in maintaining robust domestic demand despite rising global uncertainties that have slowed global output. India's real GDP growth in FY23 was 7.2%, the highest among major economies. In the fiscal year 2024-25 (Interim Budget Estimate), there has been a 11.1% increase in the allocation for capital expenditure, rising from Rs. 10 lakh crores (US\$ 120.6 billion) in the previous year (2023-24) to Rs. 11.11 lakh crore (US\$ 134 billion). The strong growth of the Indian economy in the first half of FY24 has surpassed that of major economies, contributing to the reinforcement of macroeconomic stability.

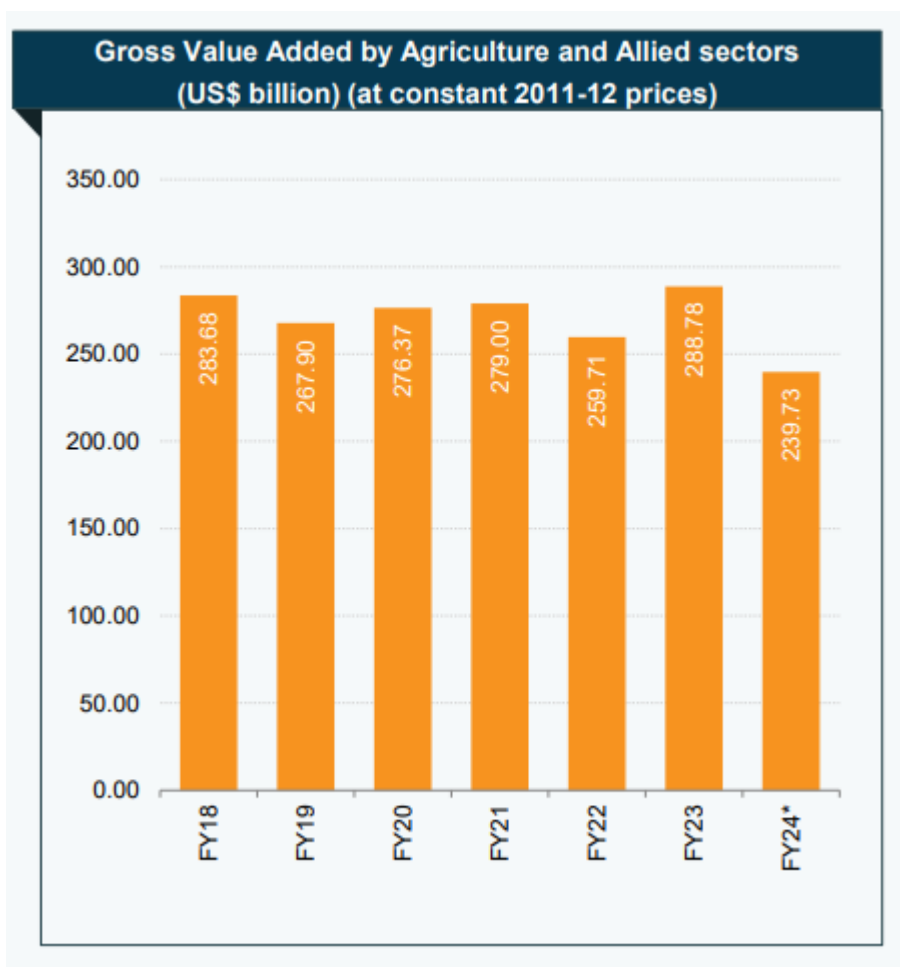
India's economy outpaced other economies during the first half of FY24, propelled by robust demand and increased investment. As of April 2024, the annual retail price inflation in India eased to 4.83%, a modest drop from the previous month, staying within the tolerance band set by the Reserve Bank of India (RBI). The real investment rate during Q2 of FY23, prevailing at a high level of 34.6%, demonstrates the Government's continued commitment towards asset creation.



Source: [https://www.imf.org/external/datamapper/NGDP\\_RPCH@WEO/IND](https://www.imf.org/external/datamapper/NGDP_RPCH@WEO/IND)  
<https://www.ibef.org/economy/monthly-economic-report>

#### Gross Value Added (GVA):

In India, agriculture serves as the primary source of livelihood for approximately 55% of the population and, at current prices, contributes 18.3% to the nation's GDP for the fiscal year 2022-23. The First Advance Estimates indicate a growth rate of 3.5-4% for the agriculture and allied activities sector in 2021-22, while the Second Advance Estimates report a 3.3% growth rate and a 18.3% share of GVA in the total economy for fiscal year 2022-23. For the fiscal year 2022-23, the export target for agricultural and processed food products was set at US\$ 23.56 billion, with US\$ 17.435 billion already achieved in the first eight months. From April 2000 to December 2023, Foreign Direct Investment (FDI) in agriculture services amounted to US\$ 4.78 billion.



Source: IBEF Agriculture and Allied Industries March 2024 Report

Source: IBEF Agriculture March 2024 report

According to Bain & Co., the Indian agricultural sector is projected to increase to US\$ 30-35 billion by 2025. In December 2023, NBCC signed an MoU with the National Cooperative Development Cooperation (NCDC) and NABARD to construct 1,469 grain storage units, marking the world's largest grain storage plan in the cooperative sector.

Recent Developments: India's economy, primarily driven by domestic demand, relies heavily on consumption and investments, which together account for 70% of economic activity. As the economy recovers from the Covid-19 pandemic, significant investments and developments have been made across various sectors. The World Bank emphasizes the importance of continuing growth-oriented policies to reduce inequality and boost the economy.

- According to the HSBC Flash India PMI report, which highlighted a surge in business activity in April 2024, reaching its highest level in approximately 14 years. The composite index hit 62.2, marking continuous expansion since August 2021, with positive job growth and decreased input inflation, solidifying India's status as the fastest-growing major economy.
- As of April 12, 2024, India's foreign exchange reserves stood at US\$ 643.162 billion.
- In 2023, private equity and venture capital investments in India totalled US\$ 49.8 billion.
- Merchandise exports in March 2024 amounted to US\$ 41.68 billion, with total merchandise exports reaching US\$ 437.06 billion from April 2023 to March 2024.
- India was ranked the 48th most innovative country among the top 50 nations, achieving the 40th position out of 132 economies in the Global Innovation Index 2023. This marks a significant rise from the 81st position in 2015. Additionally, India holds the third position globally in the number of scientific publications.
- The wheat procurement during RMS 2023-24 (up to May) was estimated at 262 lakh metric tonnes (LMT), and the rice procured during KMS 2023-24 was 385 LMT. The combined stock of wheat and rice in the Central Pool is over 579 LMT (312 LMT of wheat and 267 LMT of rice).



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

*Indian economy growth rate & statistics report*

#### Government Initiatives:

Over the years, the Indian government has introduced numerous initiatives to strengthen the nation's economy. These initiatives aim to enhance financial stability for citizens and foster overall economic growth. India's rapid economic growth has significantly increased its demand for exports, supported by flagship programmes such as Make in India, Start-up India, Digital India, the Smart City Mission, and the Atal Mission for Rejuvenation and Urban Transformation, which create substantial opportunities within the country. Some recent government initiatives aimed at improving India's economic condition include:

- Interim Budget 2024-25: In February 2024, the Finance Ministry announced a total expenditure estimate of Rs. 47,65,768 crores (US\$ 571.64 billion), including Rs. 11,11,111 crores (US\$ 133.27 billion) allocated for capital expenditure.
- Pradhan Mantri Suryodaya Yojana: Launched on January 22, 2024, by Prime Minister Narendra Modi, this scheme aims to install rooftop solar panels for 1 crore households.
- PM-VISHWAKARMA Scheme: Introduced on September 17, 2023, this Central Sector Scheme provides recognition and comprehensive support to traditional artisans and craftsmen, enhancing the quality, scale, and reach of their products and integrating them with MSME value chains.
- Amrit Bharat Station Scheme: Launched on August 6, 2023, this initiative aims to transform and revitalize 1309 railway stations across India, with continuous development and a long-term vision.
- Draft Carbon Credit Trading Scheme, 2023: Introduced on June 28, 2023, by the Ministry of Environment, Forests, and Climate Change, this scheme aims to establish a carbon credit trading system.
- Foreign Trade Policy 2023: Effective from April 1, 2023, this policy supports the philosophy of 'AtmaNirbhar Bharat' and promotes the idea of 'Local goes Global'.
- Production Linked Incentive Scheme (PLI) for Pharmaceuticals: This scheme aims to enhance India's manufacturing capabilities by increasing investment and production in the pharmaceutical sector.

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

*Indian economy growth rate & statistics report*

#### Agriculture Industry Outlook:

The agriculture sector in India holds the record for second-largest agricultural land in the world generating employment for about half of the country's population. India is one of the major players in the global agriculture sector and serves as the primary source of livelihood for approximately 55% of its population. The country boasts the world's largest cattle herd (buffaloes) and has the most extensive area planted for wheat, rice, and cotton. India is also the largest producer of milk, pulses, and spices worldwide. Additionally, it ranks as the second-largest producer of fruit, vegetables, tea, farmed fish, cotton, sugarcane, wheat, rice, and sugar.

The Indian food processing industry accounts for 32% of the country's total food market, making it one of the largest industries in India. It ranks fifth in terms of production, consumption, export, and expected growth. Food grain production in India reached 330.5 million metric tonnes (MT) in 2022-23, according to the 3rd Advance Estimate. India is the world's second-largest producer of food grains, fruits, and vegetables, as well as the second-largest exporter of sugar. A total of 521.27 lakh metric tonnes (LMT) of rice is anticipated for procurement for the upcoming Kharif Marketing Season (KMS) 2023-24, an increase from the 496 LMT produced during the previous KMS 2022-23.

At current prices, agriculture and allied sectors account for 18.3% of India's GDP (2022-23). The First Advance Estimates recorded a growth rate of 3.5-4% in agriculture and allied activities for 2021-22. According to the Second Advance Estimates of National Income, the share of Gross Value Added (GVA) of agriculture and allied sectors in the total economy was 18.3% in 2022-23, with a growth rate of 3.3%.

In December 2023, NBCC signed a Memorandum of Understanding (MoU) with the National Cooperative Development Corporation (NCDC) and the National Bank for Agriculture and Rural Development (NABARD) for the construction of 1,469 grain storage units, the world's largest grain storage plan in the cooperative sector.

For 2022-23, an export target of US\$ 23.56 billion has been set for the agricultural and processed food products sector, with US\$ 17.435 billion already achieved in the first eight months of the current fiscal year. Between April 2000 and December 2023, Foreign Direct Investment (FDI) in agriculture services stood at US\$ 4.78 billion. According to Bain & Co., the Indian agricultural sector is predicted to increase to US\$ 30-35 billion by 2025.

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

#### Market Size:

The Indian agricultural sector is predicted to increase to US\$ 24 billion by 2025. The Indian food and grocery market are the world's sixth largest, with retail contributing 70% of the sales. As per the First Advance Estimates for 2023-24 (Kharif only), total food grain production in the country is estimated at 148.5 million tonnes.

The area under Rabi crops has increased by 3.25%, from 697.98 lakh hectares in 2021-22 to 720.68 lakh hectares in 2022-23, marking a 22.71 lakh hectare or 13.71% increase over the average sown area in 2021-22. According to the First Advance Estimates for 2023-24, rice production during the Kharif season is estimated at 1,063.13 lakh tonnes.

In 2022-23 (as per the Second Advance Estimate), India's horticulture output is expected to reach a record 351.92 million tonnes (MT), an increase of about 4.74 million tonnes (1.37%) compared to 2021-22. The Agriculture and Allied industry sector have witnessed significant developments, investments, and support from the Government in recent times. Between April 2000 and December 2023, FDI in agriculture services stood at US\$ 4.78 billion.

According to the Department for Promotion of Industry and Internal Trade (DPIIT), the Indian food processing industry has cumulatively attracted a Foreign Direct Investment (FDI) equity inflow of about US\$ 12.35 billion between April 2000 and September 2023. This accounts for 1.89% of the total FDI inflows received across industries. During 2023-24 (April-December), processed vegetables accounted for US\$ 454 million, miscellaneous processed items accounted for US\$ 1,216 million, and processed fruits and juices accounted for US\$ 696 million.

The rapid population expansion in India is the main factor driving the industry. Rising income levels in rural and urban areas have contributed to an increase in the demand for agricultural products across the nation. Additionally, the market is being stimulated by the growing adoption of advanced techniques, including blockchain, artificial intelligence (AI), geographic information systems (GIS), drones, and remote sensing technologies, as well as the release of various e-farming applications.

In terms of exports, the sector has seen significant growth in the past year. India's agricultural and processed food products exports stood at US\$ 35.18 billion in 2023-24 (April-December). The exports for principal commodities in 2023-24 (April-December) were as follows:

- Marine Products: US\$ 5.85 billion
- Basmati and non-Basmati Rice: US\$ 7.32 billion
- Spices: US\$ 2.91 billion
- Buffalo Meat: US\$ 2.76 billion
- Sugar: US\$ 1.99 billion
- Miscellaneous processed items: US\$ 1.22 billion
- Oil Meal: US\$ 1.23 billion

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

#### Recent Development:

1. In the Union Budget 2023-24, Rs. 1.24 lakh crore (US\$ 15.9 billion) has been allocated to the Department of Agriculture, Cooperation and Farmers' Welfare, and Rs. 8,514 crore (US\$ 1.1 billion) has been allocated to the Department of Agricultural Research and Education.

2. The Soil Health Card site has been updated and integrated with a Geographic Information System (GIS), enabling all test results to be captured and displayed on a map. As of April 2023, samples are now being gathered using a mobile application under the new system.
3. The Agricultural Technology Management Agency (ATMA) Scheme has been implemented in 704 districts across 28 states and 5 Union Territories (UTs) to educate farmers. Grants-in-aid are released to state governments under this scheme to support their efforts in making the latest agricultural technologies and good agricultural practices available in various thematic areas of agriculture and allied sectors.
4. The Centre has granted permission to five private companies to conduct cluster farming of specified horticulture crops on approximately 50,000 hectares on a trial basis, with a total investment of Rs. 750 crores (US\$ 91.75 million). The five companies chosen through a bidding process for the pilot cluster farming program are Prasad Seeds, FIL Industries, Sahyadri Farms, and Meghalaya Basin Management Agency.
5. Additionally, 27,003 loans have been sanctioned in the country under the credit-linked subsidy component of the PM Formalisation of Micro Food Processing Enterprises Scheme (PMFME).
6. To enhance the income of farmers, the government has taken initiatives across several focus areas. Income support is provided to farmers through PM KISAN Scheme, crop insurance is assured through the Pradhan Mantri Fasal Bima Yojana, and irrigation facilities are ensured under Pradhan Mantri Krishi Sinchai Yojana. Access to institutional credit is being provided through Kisan Credit Card and other channels.
7. Under the e-NAM initiative, markets across the length and breadth of the nation are now open to farmers, to enable them to get more remunerative prices for their produce. Online, Competitive, Transparent Bidding System with 1.74 crore farmers and 2.39 lakh traders put in place under the National Agriculture Market (e-NAM) Scheme.
8. The umbrella scheme Pradhan Mantri Annadata Aay SanraksHan Abhiyan (PM-AASHA) ensures Minimum Support Price (MSP) to farmers for various Kharif and Rabi crops while also keeping a robust procurement mechanism in place

Source: <https://www.ibef.org/industry/agriculture-india>  
 IBEF March 2024 report

#### India fertilizer Market Outlook:

The Indian fertilizer industry is on a robust growth trajectory, projected to reach US\$ 16.58 billion (Rs. 1.38 lakh crore) by 2032, with a CAGR of 4.2% from 2024 to 2032. In 2023, the market size was US\$ 11.32 billion (Rs. 94,210 crore), driven by increased agricultural demands and strategic governmental interventions. FY24 saw fertilizer production reach 45.2 million tonnes, reflecting the success of government policies. As the world's second-largest producer of fruits and vegetables, India benefits from initiatives like PM-KISAN and PM-Garib Kalyan Yojana, which enhance farmer liquidity and fertilizer investment, supported by the United Nations Development Programme for their contributions to food security.

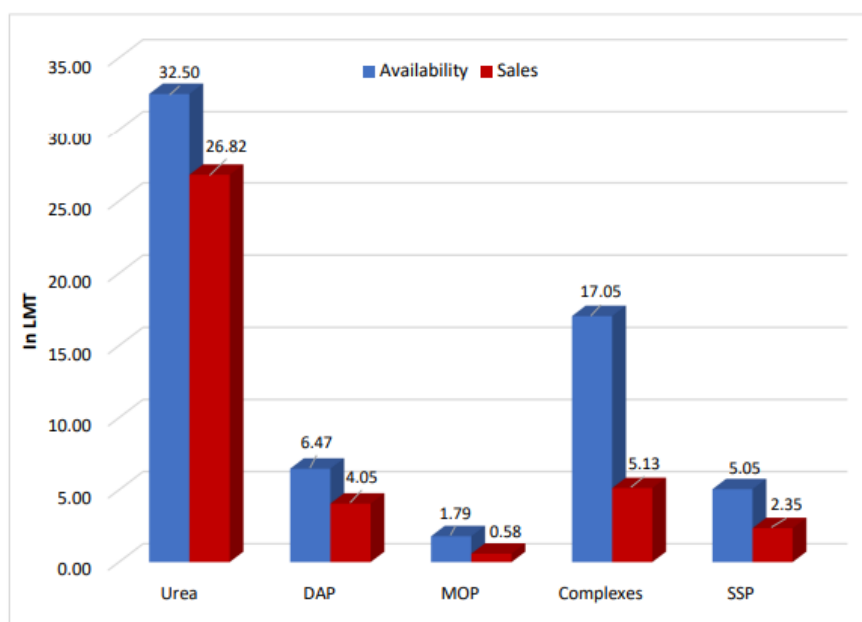
The geopolitical landscape and a domestic production focus, particularly on nano-liquid urea, have significantly influenced India's fertilizer market. Union Minister of Health and Family Welfare, Mr. Mansukh Mandaviya, announced plans to increase the number of nano-liquid urea plants to 13 by 2025, with a production target of 44 crore bottles of 500 ml nano urea and DAP. Aligning with AtmaNirbhar Bharat, urea imports declined by 7%, DAP by 22%, and NPKs by 21% in FY24. The government mandates 100% Neem coating on subsidized urea to enhance efficiency and prevent misuse. Climate change challenges are being addressed by the National Mission for Sustainable Agriculture (NMSA) and initiatives like PKVY, which promote organic farming and continuous innovation in fertilizers.

Source: <https://www.ibef.org/news/indian-fertilizer-industry-on-track-to-reach-us-16-58-billion-rs-1-38-lakh-crore-by-2032-amidst-robust-growth-and-strategic-innovations#:~:text=Indian%20fertilizer%20industry%20on%20track,growth%20and%20strategic%20innovations%20%7C%20IBEF>

The domestic sales volume of complex fertilizers, including Diammonium Phosphate (DAP) and NPK (Nitrogen, Phosphorus, and Potassium), is expected to grow by 4-5% in fiscal 2025, supported by the anticipation of a normal monsoon and stable retail prices, according to a report by CRISIL. Despite a strong 7-8% growth in fiscal year 2024, the operating profitability of complex fertilizer manufacturers is projected to decline by 30-35% in the current fiscal year. The report highlights that lower volatility in raw material costs will facilitate a commensurate nutrient-based subsidy (NBS) by the government, aiming to improve the operating profitability of manufacturers to a normalized level of about US\$ 48.28 – 54.32 (Rs. 4,000 - 4,500) per tonne in the next fiscal year, after a decline in the current fiscal.

The growth in the current fiscal is attributed to improved availability and record pre-buying by farmers in the first half, anticipating retail price hikes in the second half. While profitability is expected to experience a sharp decline in the current fiscal year, a rebound is anticipated in the next fiscal year, supported by expectations of adequate NBS rates and a normal monsoon. CRISIL emphasizes the positive medium-term growth outlook for complex fertilizers, considering the imperative role of balanced soil nutrition for enhanced productivity and yields, coupled with the availability of subsidized rates. The report underscores the typical dependency of profitability for complex fertilizer manufacturers on raw material input prices, NBS rates, and retail sales prices, with expectations of normalization in profitability to US\$ 48.28 – 54.32 (Rs. 4,000 - 4,500) per tonne in the next fiscal year.

Diagram-3: Availability and Sales of Fertilizers in India during April, 2024



Source: <https://www.ibef.org/news/volume-for-complex-fertilisers-to-grow-4-5-next-fiscal-crisil>

Source: Ministry of Chemical and fertilizer and department of fertilizer monthly bulletin April, 2024

#### India Agro-chemical industry:

As published on IBEF a NITI Aayog Member, India's agrochemical industry has the potential to expand beyond the current 9%. He emphasized that Indian businesses should take note that many western nations are shifting from agrochemicals to biopesticides. To facilitate easier business operations with agrochemicals, he urged the Agro Chem Federation of India (ACFI) to publish a comprehensive document.

While addressing a panel discussion at the sixth annual general meeting of the ACFI in the national capital, the NITI Aayog member highlighted the remarkable 9% growth in the agrochemical industry, much of which occurred during the COVID-19 pandemic when production activities were disrupted.

Further in the IBEF it was stated that the domestic agrochemical sector demonstrated outstanding growth between 2017-18 and 2022-23, despite economic and production challenges. He noted that various data sources indicate that India's exports have surpassed those of China, exceeding the US\$ 5 billion mark.

At last, it was concluded by stating that the competition from China is not as intense as it once was, and that India can maintain a 9% growth rate even without a favorable China factor.

*Source: <https://www.ibef.org/news/indian-agro-chemical-industry-tends-to-grow-over-9-says-niti-aayog>*

## OUR BUSINESS

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

All financial information included herein is based on our **“Financial information of the Company”** included on page 161 of this Draft Red Herring Prospectus.

### OVERVIEW

We originally formed as a Partnership Firm under the name ‘M/s. Agricon Fertilizers’ pursuant to a partnership deed dated April 01, 2016. As our business grew, we registered under the Partnership Act of 1932 on May 5, 2024. Subsequently, our firm was converted into a public limited company, and our name was changed from ‘M/s. Agricon Fertilizers’ to ‘Agricon Nutritech Limited.’ A fresh certificate of incorporation was issued by the Registrar of Companies, Central Registration Centre, on June 19, 2024, having Corporate Identification Number of our Company is U20120GJ2024PLC152600. Our registered office situated at 508, Ananta Stallion, Nr. Sears Tower, Sevasi, Vadodara, Gujarat – 391101, India.

We specialize in supplying micronutrients for soil health solutions. We initially focused on providing micronutrients to sugar mills for sugarcane production, which helped avoid a variety of soil-borne diseases, including wilt disease. Under the leadership of Our Promoter, Narendra Laljibhai Ghelani, we have broadened our product portfolio which include micronutrients, soluble fertilisers, biofertilizers, and advanced biopesticides. Looking ahead, as we engage in the Nutritech farming approach, our commitment to producing organic, nutrient-rich superfoods and fortified foods for the future of sustainable agriculture. We have the advantage as one of the early mover in organic solutions and speciality plant nutrients allow us to providing value to our stakeholders.

Agricon Nutritech Limited offers a diverse range of products to support various aspects of agriculture. These include soil health management solutions, crop nutrition products, biostimulants, and bio-pesticides. Agricon Nutritech Limited offers an extensive range of 30+ products. These include solutions for soil health management, crop nutrition, bio-stimulants, and bio-pesticides, all designed to support sustainable and productive farming practices with low pesticides residue. Emphasizing eco-friendly practices, we promote sustainable agriculture by reducing chemical runoff and preserving soil fertility in the long term for next generation.

Our supply chain integrates contract manufacturers, R&D institutes, and distributors. We intend to distribute the products to the farmers across India to boost the growth of agriculture sector in India in the near future. Our company has entered into the Distribution Agreement with various distributors. As of today, we have 1100+ distributors in Gujarat, a number steadily increasing. Our dedication to consumer satisfaction and responsiveness to distributor feedback underscores our commitment to delivering quality assurance.

### Key Performance Indicators of our Company

*(₹ In Lakhs except percentages and ratios)*

Key Financial Performance	FY 2023-24	FY 2022-23	FY 2021-22
Revenue from operations <sup>(1)</sup>	2,991.38	2,600.89	2,023.47
EBITDA <sup>(2)</sup>	512.80	82.82	46.65
EBITDA Margin <sup>(3)</sup>	17.14%	3.18%	2.31%
PAT <sup>(4)</sup>	371.73	30.01	24.09
PAT Margin <sup>(5)</sup>	12.43%	1.15%	1.19%
RoE (%) <sup>(6)</sup>	64.28%	9.12%	8.58%

RoCE (%) (7)	52.22%	14.12%	9.79%
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**Notes:**

- (1) Revenue from operation means revenue from sales, service and other operating revenues*
- (2) EBITDA is calculated as Profit before tax + Depreciation + Finance Cost - Other Income*
- (3) EBITDA Margin is calculated as EBITDA divided by Revenue from Operations*
- (4) PAT is calculated as Profit before tax – Tax Expenses*
- (5) PAT Margin is calculated as PAT for the period/year divided by revenue from operations.*
- (6) Return on Equity is ratio of Profit after Tax and Average Shareholder Equity*
- (7) Return on Capital Employed is calculated as EBIT divided by capital employed, which is defined as shareholders' equity plus long term borrowings plus short-term borrowings.*

**Our Competitive Strengths**

We stand at the forefront of agricultural in sustainability, and efficacy. With a deep-rooted commitment to enhancing farmer productivity and promoting eco-friendly practices, Agricon is poised to continue the way in Specialty Plant Nutrients and Organic Solutions, delivering value to our stakeholders. Our company offers a diverse range of products to support various aspects of agriculture. These include soil health management solutions, crop nutrition products, biostimulants, and bio-pesticides. We promote sustainable agriculture by reducing chemical runoff and preserving soil fertility in the long term. Our company’s goal is to promote biological farming as done by the rest of the western world and significantly reduce pesticide use. Our strength comprises:

- We have a strong product base, covering solutions for soil health management, crop nutrition, bio stimulant, bio pesticide, etc.
- Established Distribution Network
- Experienced Management Team consists of Experts in the field with decades of experience.
- Our products are results of extensive research and production facilities by third parties/manufacturers we engage.

**We have a wide product-base for soil and crop related issues.**

Agricon Nutritech Limited is a solution provider for soil health management, crop nutrition, bio-stimulants, bio-pesticides and crop protection. Our diversified branded product portfolio makes us as one of the one-stop solution for farmers' needs. Our range of products spans the agri-value chain, enabling diversification of revenue risk. Initially focused solely on crop protection products, we have significantly expanded our offerings to include a wide array of agri-input products. Our portfolio now includes crop nutrient products, crop protection products, and veterinary feed supplements. We have registered 100+ formulations for crop protection products with 11 grades of water-soluble fertilizers, micronutrients, and bio-products under crop nutrient products.

Our continued engagement with dealers and our broad reach to farmers have provided us with insights into the specific product requirements of end customers. This understanding allows us to identify new product opportunities and adapt to the evolving needs of the agricultural sector. Our objective of being present across the agri-value chain has enabled us to expand our product portfolio, thereby reducing our revenue risk

**Established Distribution Network**

We market, sell, and distribute our wide range of products to farmers across Gujrat through a distribution channel of dealers spread Gujarat. Our dealer network comprises approximately 1,100+ dealers actively operating in Gujarat, which is one of the contributors to the agriculture sector in India.

Due to our widespread dealer network, we can supply soil health management, crop nutrition, and crop protection products to farmers within the required time, given the seasonal nature of agriculture. We follow a defined process of identifying dealers based on a systematic assessment to ensure we reach the geographical limits of the country. Our products are beneficial to all different farming method like organic farming, Gau aadharit farming, conventional farming, chemical farming, scientific farming etc.

We have a dedicated sales team responsible for managing branded sales, establishing and managing the distribution channel, product promotion and farming support. Our team continuously engages with farmers and dealers to increase our brand value. We offer flexible credit terms to our dealers, easing the payment process and fostering stronger business relationships. Our officials ensure our dealers stay updated on current trends in global and domestic agriculture and our new products through regular training sessions and seminars, driving higher sales and visibility. These initiatives enhance the knowledge and capabilities of our dealers, allowing them to serve the farming community better.

Our direct presence in major markets with our distribution channels, sales force, and marketing managers has contributed significantly to the overall growth of our business. Our marketing team plays a crucial role in developing new products based on market trends, farmer requirements, and diversification. We conduct regular training sessions and seminars for dealers to keep them informed about current global and domestic agricultural trends, as well as new product introductions. These initiatives enhance their knowledge and capabilities, enabling better service to the farming community for better yield.

#### **Experienced Management Team consists of Experts in the field with decades of experience.**

We are led by a management team with extensive experience in the agricultural sector. Our team comprises individuals with professional, technical, and commercial experience in agriculture, responsible for the growth of our operations. Our management team's stability and industry experience, coupled with long-lasting client relationships, enable us to continue taking advantage of future market opportunities and expand into new markets.

Narendra Laljibhai Ghelani, the founder of Agricon Nutritech Limited, holds a doctorate in Plant Nutrient Management and is associated with reputed agricultural institutes and research centres in Canada. Narendra Laljibhai Ghelani is behind driving our company's growth.

Beyond product offerings, we provide comprehensive agronomic support and expertise to help farmers maximize the benefits of biological fertilizers, fostering strong customer relationships. We have an extensive team of consultants who range from BSc to MSc in Agriculture visiting farmer to farmer to help them understand our products and guide them on what the correct treatments are for their crops.

#### **Our products are results of extensive research and production facilities by third parties/ manufacturers we engage.**

Our company leverages biological formulations that enhance soil health and crop productivity through natural microbial interactions, setting it apart from chemical-based fertilizers. We demonstrate consistent crop yields, offering farmers a reliable solution for optimizing production.. We outsource research from laboratories of third party like ARIA Bio-Life Sciences Ltd, which are equipped with state-of-the-art facilities conforming to global standards to ensure product quality. In alignment with the findings and recommendations from R&D institutes, our contract manufacturers will produce our specialized products. The primary goal is to foster healthy soil and eliminate iron deficiency, ensuring crops that are nutritious and free from pesticides. Our products are carefully formulated to deliver both multi-nutrient and single-nutrient solutions tailored to the diverse requirements of farmers.

Our comprehensive approach is designed to meet the varying demands of modern agriculture, providing farmers with the tools they need to cultivate nutrient-rich soil. By enhancing the nutrient profile of the soil, we aim to support a healthy crop lifecycle, from planting to harvest. This method ensures that the crops grown are healthier and yield better, contributing to an increase in the production of superfoods.

At Agricon, we are committed to advancing sustainable agricultural practices through biological innovation and proven efficacy. Our customizable solutions are developed with an understanding of the agricultural challenges faced by farmers, and we offer solid support and expertise to help them succeed. Key advantages of our approach include increased productivity, as our innovative solutions lead to higher crop yields and more efficient agricultural production. Additionally, our eco-friendly solutions promote sustainable farming practices, helping preserve soil fertility and reduce environmental impact, thus ensuring long-term agricultural viability.

#### **Farmers who use our products benefit from our guidance and customized solutions, which ensure they achieve the good yield for their crops.**



Our company offers complimentary consultancy services to farmers using our products. In addition to our after-sales customer service, we are committed to assisting our customers with any concerns related to product usage, addressing any defects, ensuring product supply, and providing soil treatment advice. We strive to help farmers understand the adequate solution for their crops. Our team is readily available to provide support over the phone, ensuring convenience and timely assistance for our consumers.

### **Our Business Strategies**

- Our strategy is to expand our business to newer geographies including establishing our foot in domestic as well as international market
- Our strategy is to deepen farmer interface by providing holistic solutions and improve our operational parameters.
- Our strategy is to make our business more sophisticated by including in-house R&D and manufacturing facilities which will help us make our operational activities more efficient

### **Our strategy is to expand our business to newer geographies including establishing our foot in international market**

Today, Indian agri-input market is contributing significant stake in country's economic growth. The micronutrient market grew at a Compound Annual Growth Rate (CAGR) of 6.62%, increasing from 98.5 MT in 2017 to 107.6 MT in 2020. In 2022, the Indian agricultural micronutrient market was valued at USD 571.6 million, with an expected CAGR of 9.19% by 2029. Water-soluble fertilizer consumption also rose significantly, growing at a CAGR of 13.6% from 180,000 tonnes in FY17 to 300,000 tonnes in FY21.

(Source: Indian Fertilizer Association of India)

The India bio-fertilizers market is projected to grow from \$110.07 million in 2022 to \$243.61 million by 2029, with a CAGR of 12.02%. This growth is driven by increased awareness of health and environmental benefits, a shift to organic farming, greater adoption for soil fertility management, the expanding organic food industry, and rising costs of chemical fertilizers and pesticides. Key factors include increased agricultural penetration, higher demand for organic produce, and the availability of affordable bio-fertilizer products.

(Source: *The Meghalaya Farmers' (Empowerment) Commission*)

The Indian fertilizer industry is on a robust growth trajectory, expected to reach a market size of Rs 1.38 lakh crore by 2032, with a Compound Annual Growth Rate (CAGR) of 4.2% from 2024 to 2032. This growth underscores the sector's vital role in supporting India's agricultural productivity and food security. In 2023, the Indian fertilizer market size stood at Rs 94,210 crore, driven by increased agricultural demands and strategic governmental interventions

(Source: *IMARC Group, Economic Times*)

In line with AtmaNirbhar Bharat, urea imports dropped by 7%, DAP by 22%, and NPKs by 21% in FY24. Domestic sales of complex fertilizers, including DAP and NPK, are expected to grow by 4-5% in FY25, driven by anticipated normal monsoon conditions and stable prices, according to CRISIL. Despite a robust 7-8% growth in FY24, the operating profitability of complex fertilizer manufacturers is projected to decline by 30-35% in the current fiscal year. Reduced raw material cost volatility will support a nutrient-based subsidy (NBS) by the government, aiming to improve profitability to USD 48.28 – 54.32 (Rs. 4,000 - 4,500) per tonne in the next fiscal year.

(Source: Indian Brand Equity Foundation, Indian, Ministry of Economic Affairs)

Currently, our company offers a diverse range of over 100 agri-input products and maintains a strong distribution network with more than 1100+ distributors solely in Gujarat. Looking ahead, we plan to expand our reach into pan India, aiming to serve a broader base of farmers and enhance productivity through education and support.

We also focus on acquiring export registrations in key markets per regulatory guidelines, to facilitate our entry into international markets. Our network of agri-input dealers plays a crucial role in delivering our products directly to farmers, which is essential for meeting their daily farming needs. By strengthening these relationships and expanding our dealer base, we aim to increase our market presence and boost sales.

Additionally, we are enhancing our institutional sales efforts through new product registrations and geographical expansion. Alongside regular bulk transactions, we prioritize branded sales to solidify our market position. We aim to establish a strong presence in each state where we are registered, ensuring effective market penetration and sustained growth.

**Our strategy is to deepen farmer interface by providing holistic solutions and improve our operational parameters.**

India experiences a wide range of weather conditions throughout the year, which affects the agricultural sector and the variety of crops grown. To enhance agricultural productivity, it is crucial to invest in infrastructure and educate farmers regarding crop nutrients, including the optimal use of our products—specifically when, what, and how to apply them

Our goal is to engage with farmers at the grassroots level, understand their issues, and offer comprehensive solutions through our integrated crop advisory platform. This platform will provide valuable information and insights on evolving trends and new methods to boost yields.

We plan to introduce a subscription model for our program and soil-nurturing products, offering farmers access to essential data and modern solutions at affordable rates. This approach aims to enhance user loyalty by ensuring farmers rely on our solutions and remain loyal customers. By delivering these holistic solutions, we seek to improve our scalability and operational efficiency, ultimately benefiting the farming community.

**Our strategy is to make our business more sophisticated by including in-house R&D and manufacturing facilities which will help us make our operational activities more efficient.**

We plan to enhance our business operations by incorporating in-house R&D and manufacturing facilities. This move is to streamline our operational processes and improve efficiency. Our service partners, chosen through a rigorous selection process by our top management, have consistently demonstrated their expertise and reliability. Despite this, we know the inherent risks of dependency on third parties for critical functions.

One significant risk we face is the potential disruption in supply chains caused by third-party issues, which can lead to delays and increased costs. Additionally, the *Risk Factor* chapter of this DRHP on page 33 highlights the related risks in detail. To address these risks, we are committed to developing our own manufacturing facility and R&D division. This initiative is not a reflection of doubt in our current partners but a strategic decision to reduce reliance on external entities and to better control our production and innovation processes. We believe having in-house capabilities will provide greater flexibility, improved quality control, and quicker response times to market changes.

We have already secured land through leave and licence license for our greenfield project, and further details can be found in *“Object of the Issue”* on 76. This project represents a significant step in our journey toward operational efficiency and sustainable growth.

## **OUR PRODUCTS**

We procure, distribute, and market a wide range of product categories consisting of (a) soil health management products like Organic Potash, Biological-Microbial inoculums, Soil Conditioners, Soil organic carbon, and humic acid-based products; (b) crop nutrition products like Primary Nutrient (NPK), Secondary Nutrients (Ca-Mg-S), Soil Application Mix micronutrients, Nutri kits, Single Micronutrient; (c) bio stimulant products; (d) bio pesticide products.

### **Crop Nutrition Products**

Crop nutrition involves the study of the uptake and utilization of essential elements for the growth and development of crop plants. Our third party equipped research labs develop products that enhance plant growth and production. The primary nutrients include nitrogen (N), phosphorus (P), and potassium (K), which are vital for plant nutrient content, enzyme function, biochemical processes, and cell integrity. We produce MAP, MKP, potassium schoenite, Ca N, and various grades of NPK 19-19-19, among

others. These are often referred to as “secondary” nutrients because they are required in smaller quantities than nitrogen, phosphorus, and potassium but in larger quantities than “micronutrients” like boron and molybdenum and others minerals.

Micronutrients, though needed in smaller amounts, are essential for plant growth and development. Key micronutrients include iron (Fe), manganese (Mn), zinc (Zn), copper (Cu), boron (B), molybdenum (Mo), and chlorine (Cl). We offer specialized mix kits tailored for individual crops, as well as comprehensive all-in-one solutions. Our major brands include Energy 3G, Axis range of chelated micronutrient, Amino chelated micronutrients, Kala-Kit, and Star Kit. Besides mixed micronutrient products, we also provide single micronutrients. Agricultural micronutrients play a crucial role in enhancing plant growth, nutrient uptake, and overall crop quality, contributing to higher yields and better nutritional content in crops.

Crop Nutrition Products typically includes Soil Health Management products, Crop Nutrition Products, Bio Stimulants and Bio Pesticides

**Soil Health Management:** Our Soil Health Management division is dedicated to enhancing soil fertility and promoting sustainable agricultural practices. We provide a wide array of products aimed at improving soil structure, nutrient availability, and overall soil health. Our offerings include soil conditioners and organic carbon-based solutions such as Microcel Organic and PDM. These products help in maintaining soil organic matter and enhancing its water-holding capacity. and nutrient holding capacity as well as microbial activity in soil.

We also offer organic potash and humic acid-based products like Vigor+3 Gr, Vigor+3 Liquid, Black Dimond, and Humin. These products enrich the soil with essential nutrients and improve its physical and chemical properties. To further support soil health, we provide biological-microbial inoculums, including Tricon, Sudon, Vamcon, and the Nutricon series. These inoculums enhance nutrient cycling, reduce soil born diseases, pest attack and availability, promoting robust plant growth.

Our solutions focus on enhancing nutrient storage, availability, and delivery, optimizing soil pH and electrical conductivity (EC) levels. Products like Microcel and Vigor+3 Gr (Humic Acid Granules) are designed to ensure that plants receive a steady supply of essential nutrients, leading to healthier crops and higher yields.




By integrating advanced soil health management practices, we aim to support farmers in achieving sustainable and productive farming systems. Our comprehensive range of products is tailored to meet the diverse needs of modern agriculture, ensuring long-term soil fertility and crop success.

**Bio Fertilizers:** Bio fertilizer is a substance which contains living microorganisms which when applied to seeds, plant surfaces or soil, colonize the rhizosphere or the interior of the plant and promotes growth by increasing the supply or availability of nutrients to the host plant. Some of our star products Bio fertilizer include Vamcon Gr, Nutricon NPK (Azotobacter spp. bio-fertilizer, Potash mobilize bacteria, phosphate solubilise bacteria, bio-fertilizer), Humin, etc..





**Soil Conditioners:** A soil conditioner is a product added to soil to enhance its physical properties, such as structure and fertility. Various materials are classified as soil conditioners due to their capability to improve soil quality. Our flagship products in this category are Microcel and Microcel Organic.



**Bio Stimulants:** Bio Stimulant means a substance or micro-organism or a combination of both whose primary function when applied to plants, seeds or rhizosphere is to stimulate physiological process in plants and to enhance its nutrient uptake, growth, yield, nutrition efficiency, crop quality and tolerance to stress regardless of its nutrient content, but does not include pesticides which are regulated under the Insecticide Act, 1968. Bio Stimulant may be classified as botanical extracts including seaweed extracts, bio-chemicals, protein hydrolysates and amino acids, vitamins, cell-free microbial products, anti- oxidants, anti-transpirants, humic and fulvic acid and their derivatives.





**Bio Pesticides:** A Bio Pesticide is a biological substance or organism that damages, kills or repels organisms seen as pests. Bio Pesticides pose minimal danger to individuals and the environment making them a relatively safer alternative to chemical or chemical-derived pesticides. We have bio pesticides like Tricon, Beveria and Verticillium. Our Company has not availed tax rebates with respect to any of the products manufactured and distributed across various states.

S.no.	Image	Products
1.		<p style="text-align: center;"><b>Microcel Organic</b></p> <p>Microcel Organic revolutionizes farming with a blend of Bentonite, Dolomite, Silicate, Calcium Peroxide, and Calcium Sulphate. Enhances soil fertility, boosts microbial activity, and supports high-quality crop yield</p>
2.		<p style="text-align: center;"><b>Tricon</b></p> <p>Tricon Bio Fungicide, containing <i>Trichoderma viride</i> (<math>20 \times 10^7</math> CFU/g), is a water-soluble powder with biotic food. It effectively controls soil-borne and seed-borne diseases such as Fusarium wilt, Rhizoctonia, and Phytophthora. Suitable for all crops, it enhances plant immunity and promotes growth. For nursery treatment, mix 1 kg in 50 liters of water; for land preparation, use 1 kg per acre with compost or castor cake; for drenching, dissolve 50 grams in 10 liters of water.</p>
3.		<p style="text-align: center;"><b>Sudon</b></p> <p>It contains <i>Pseudomonas fluorescens</i>. Suppresses pathogenic microorganisms, synthesizes plant hormones, and boosts plant disease resistance. Dosage: 5 gm/kg seed for seed treatment; 1 kg/acre for soil application</p>

4.		<p style="text-align: center;">Vamcon</p> <p>This is vesicular arbuscular mycorrhiza. Enhances root growth, phosphate uptake, plant immunity, and crop productivity. Dosage: 100-200 gm/acre.</p>
5.		<p style="text-align: center;">Vamcon Gr.</p> <p>A bio-fertilizer containing vesicular arbuscular mycorrhiza that promotes root development, nutrient uptake, and plant stress resistance. It enhances soil fertility and supports long-term crop health. It increases root number, nutrient uptake, plant immunity, and productivity. Dosage: 4 kg/acre for both short and long-period crops</p>
6.		<p style="text-align: center;">Nutricon N</p> <p>Azotobacter spp. bio-fertilizer. Improves seed germination, enhances shoot and root growth, fixes atmospheric nitrogen, reduces disease incidence, and increases yield. Dosage: 4-5 ml/kg seed for seed treatment; 1 litre/acre for soil application.</p>
7.		<p style="text-align: center;">Nutricon-P</p> <p>Phosphate-solubilizing bacteria. Enhances micronutrient availability, root growth, and disease resistance. Produces organic acids for rapid nutrient uptake and increased yield. Dosage: 10 ml/kg seed for seed treatment; 1 litre/acre for soil application.</p>

8.		<p style="text-align: center;">Nutricon-K</p> <p>Potash-mobilizing bacteria. Increases disease and stress resistance, crop growth, yield, and soil health. Suitable for all crops. Dosage: 1 litre/acre for soil application.</p>
9.		<p style="text-align: center;">Nutricon Zn</p> <p>Zinc-solubilizing bacteria. Improves crop yield, soil health, root growth, and photosynthetic activity. Suitable for crops grown in pH 5-8. Dosage: 1 litre/acre for soil application.</p>
10.		<p style="text-align: center;">WSF Range 19-19-19</p> <p>Agricon 19-19-19 is a completely water-soluble NPK nutrient ideal for micro irrigation. It is agricultural grade, chlorine-free, and imported from top manufacturers. It ensures better crop growth within 3 days, with slow soil distribution and rapid plant uptake. Use 2 to 5 kg per acre per week, adjusting for crop type and growth stages</p>
11.		<p style="text-align: center;">WSF Range 20-20-20</p> <p>Agricon 20-20-20 offers fully water-soluble NPK nutrients for micro irrigation. This agricultural-grade, chlorine-free fertilizer, sourced from premium manufacturers, promotes rapid crop growth within 3 days. Its formula supports efficient soil distribution and quick plant absorption. Recommended application is 2 to 5 kg per acre per week</p>

12.	 <p>The image shows a brown and white bag of Agricon fertilizer. The bag features the Agricon logo at the top, followed by the N:P:K ratio '00:52:34' and '100% Water Soluble Fertilizers'. A green seal on the left indicates 'Chlorine Free'. A green box at the bottom right specifies '25Kg Net Weight'. Additional text on the bag includes 'Fast Soil Distribution' and 'No Chlorine'.</p>	<p>WSF Range 00-52-34</p> <p>Agricon 00-52-34 is a water-soluble NPK nutrient for micro irrigation. Imported from top manufacturers, this agricultural-grade, chlorine-free fertilizer enhances crop growth within 3 days. It features slow soil distribution and fast plant uptake. Use 2 to 5 kg per acre per week, adjusting for crop stage.</p>
13.	 <p>The image shows a blue and white bag of Agricon fertilizer. The bag features the Agricon logo at the top, followed by the N:P:K ratio '12:61:00' and '100% Water Soluble Fertilizers'. A green seal on the left indicates 'Chlorine Free'. A green box at the bottom right specifies '25Kg Net Weight'. Additional text on the bag includes 'Fast Soil Distribution' and 'No Chlorine'.</p>	<p>WSF Range 12-61-00</p> <p>Agricon 12-61-00 provides water-soluble NPK nutrients for micro irrigation. This chlorine-free, agricultural-grade fertilizer promotes significant crop growth response in 3 days. With a slow soil release and rapid plant uptake, it is applied at 2 to 5 kg per acre per week, depending on crop requirements.</p>
14.		<p>WSF Range 13-00-45</p> <p>Agricon 13-00-45 is a water-soluble NPK nutrient used for micro irrigation. It is an agricultural-grade, chlorine-free product that promotes rapid crop growth within 3 days. Its formulation ensures slow soil release and quick plant uptake. Apply 2 to 5 kg per acre per week according to crop needs.</p>
15.	 <p>The image shows a teal and white bag of Agricon fertilizer. The bag features the Agricon logo at the top, followed by the N:P:K ratio '13:40:13' and '100% Water Soluble Fertilizers'. A green seal on the left indicates 'Chlorine Free'. A green box at the bottom right specifies '25Kg Net Weight'. Additional text on the bag includes 'Fast Soil Distribution' and 'No Chlorine'.</p>	<p>WSF Range 13-40-13</p> <p>Agricon 13-40-13 is a water-soluble NPK fertilizer designed for micro irrigation. It is agricultural-grade and chlorine-free, with a formula that ensures improved crop growth in just 3 days. It features slow soil release and rapid uptake by plants. Apply 2 to 5 kg per acre weekly based on crop needs.</p>

16.		<p>WSF Range 00-00-50</p> <p>Agricon 00-00-50 is a water-soluble NPK fertilizer suitable for micro irrigation. This chlorine-free, agricultural-grade nutrient enhances crop growth in 3 days with its slow distribution and rapid plant absorption. Recommended application is 2 to 5 kg per acre per week, tailored to crop requirements.</p>
17.		<p>WSF Range calcium nitrate</p> <p>Agricon Calcium Nitrate is a completely water-soluble NPK fertilizer used for micro irrigation. It is agricultural-grade and chlorine-free, promoting rapid crop growth within 3 days. Its slow distribution in soil and rapid plant uptake make it efficient. Use 2 to 5 kg per acre weekly, adjusted by crop type.</p>
18.		<p>WSF Range potassium schonite</p> <p>Agricon Potassium Schoenite is a water-soluble NPK nutrient for micro irrigation. This agricultural-grade, chlorine-free fertilizer ensures improved crop growth in 3 days with its slow soil release and rapid plant uptake. Apply 2 to 5 kg per acre per week, considering the specific needs of the crop.</p>
19.		<p>WSF Range Agrocil cistal</p> <p>This product contains ammonium polyphosphate 10-34-00. Enhances root development, nutrient uptake, and crop uniformity while reducing pH sensitivity. Dosage: 1-2 ml/litre water.</p>



20.



### Nimcon


**Nimcon** is a botanical insecticide containing 1500 ppm Azadirachtin, used at 1 liter per acre to control caterpillars and sucking pests such as aphids, jassids, thrips, and mealybugs in all crops. It acts as an anti-feedant, causing pests to starve to death. Nimcon is non-toxic, safe for the environment, humans, and animals, effective against insecticide-resistant pests, can be mixed with pesticides, and does not harm beneficial organisms.





21.



### Nimcon Red Plus

**Nimcon Red Plus** is a botanical insecticide containing 10,000 ppm (1%) Azadirachtin, used at 500-700 ml per acre to control caterpillars and sucking pests like aphids, jassids, thrips, and mealybugs in all crops. It functions as an anti-feedant, causing pests to starve to death. Nimcon Red Plus is non-toxic, safe for the environment, humans, and animals, effective against insecticide-resistant pests, can be mixed with pesticides, and does not harm beneficial organisms.

22.		<p style="text-align: center;"><b>Jumanjo</b></p> <p><b>Jumanjo</b> is a botanical insecticide containing concentrated Karanj extracts, specifically targeting sucking insects like aphids. Used at 250-500 ml per acre, it effectively controls various stages of aphids, jassids, and whiteflies, preventing gradual damage. Jumanjo ensures toxic residue-free crop production and can be mixed with safer chemical insecticides for enhanced, long-lasting results.</p>
23.		<p style="text-align: center;">Bivera, ,</p> <p>Bivera is a bio-insecticide containing 1% Beauveria bassiana (CFU: <math>20 \times 10^7</math>/gm min.) in a water-soluble powder form. It provides effective control of soil pests like white grubs and termites at 1 kg per acre and controls caterpillars and sucking insects with a foliar spray at 5 g per liter of water. Bivera offers slow but long-term pest control, especially for those resistant to chemical insecticides. It is cost-effective, environmentally friendly, and safe for beneficial organisms and natural friendly animals.</p> <p style="text-align: center;">Bivera Gold</p> <p>Bivera Gold is a bio insecticide utilizing LF Technology with 1% Beauveria bassiana (CFU <math>20 \times 10^7</math>/gm min.). This liquid product offers effective soil pest control, including white grubs and termites, with a recommended dose of 500 ml/acre. For foliar spray, use 2-3 ml per liter of water to manage caterpillars and sucking insects. Bivera Gold provides slow but long-term pest control, is cost-effective compared to chemicals, and is safe for beneficial animals and the environment.</p>

24.		<p style="text-align: center;"><b>Agrimet</b></p> <p>Agrimet is a bio-insecticide containing <i>Metarhizium anisopliae</i> (CFU: <math>2 \times 10^7</math> - <math>10 \times 10^6</math> minimum) in a water-soluble powder form. Suitable for all crops, it controls soil pests like white grubs and termites, and sucking pests like aphids, thrips, mealybugs, whiteflies, jassids, scale insects, and leafhoppers. Applied at 1 kg per acre, either before pest emergence or as a foliar spray (1 kg per acre in 5 g per liter of water, twice at 20-day intervals), Agrimet offers slow but long-term pest control, is cost-effective, and is safe for beneficial organisms and the environment.</p>	
25.		Bio name ticide	<p style="text-align: center;"><b>Pochoniya</b></p> <p>"Pochoniya" tackles Root-knot nematodes in Tomato, Brinjal, and Carrot crops with <i>Pochonia chlamydosporia</i>. It enhances soil health for diverse crops like Pomegranate, Wheat, and Coffee, ensuring robust yields with minimal nematode impact</p>
26.		<p>A clear liquid calcium and boron solution that prevents fruit cracking, reduces flower drop, and promotes healthy fruit and flower development. It supports robust growth and enhances pollination, ensuring higher yields.</p>	
27.		<p>This NPK liquid fertilizer boosts fruit size, color, and shelf life. It enhances crop quality and yield while increasing disease resistance. Use during fruit setting and growth stages for optimal results.</p>	

28.		<p>A liquid bio-fertilizer that fixes atmospheric nitrogen, reduces the need for chemical fertilizers, and improves soil fertility. It accelerates seed germination and enhances plant growth.</p>
29.		<p>A bio-fertilizer and growth promoter with VAM, NPK bacteria, seaweed, and humic acid. It improves root development, increases soil fertility, and boosts plant growth while reducing chemical fertilizer use.</p>
30.		<p>A bio-seed care product that accelerates seed germination, protects against soil-borne diseases, and ensures uniform plant growth. It enhances root development and makes nutrients more available.</p>

### CONTRACT MANUFACTURING

Our company is engaging manufacturers on contract basis for various crop protection chemicals and crop nutrient like micronutrients, soil conditioner, water soluble fertilizers, organic fertilizers. Bio stimulants and various other agri-solution products. Contract manufacturing process help us enjoy following benefits:

1. **Higher Quality Products:** Our contract manufacturers are equipped with tools and experience necessary to create specialized products.
2. **Not required to hire large manufacturing workforce:** By not having an inhouse factory set up, our company leverages the benefit of working without hiring workers, manage payroll or schedule shifts.
3. **Scalability:** We negotiate competitive prices with contract manufacturers for bulk raw materials, keeping costs low even as production scales. They maintain detailed logs of manufacturing preferences, allowing for quick adjustments in production volume without significantly higher costs. This enables smooth scaling from small to large production runs.
4. **Sharpen Risk Managements:** Our manufacturers aim for the success of our products as we are one of the long term customer for them. Also, they are equipped with the facilities like product testing, regulatory standards, market standards and compliance proper balance collaboration and oversight decrease the likelihood of product malfunctions.

### SALES AND MARKETING:

Our sales and marketing strategy is primarily focused on farmers engagement along with seeking to establish new relationships with farmers through our dealers. Our sales and marketing division is headed by Prashantkumar Champaklal

Gandhi, who is responsible for business development and customer relationship management. As on March 31, 2024, our sales & marketing team comprised of 50+ employees managing the designated regions within Gujarat.

As an organization, we aim to establish our brand across India, including Gujarat, where customers recognize us for trust, quality, and transparency.

Our branding strategy focuses on maintaining consistent messaging across all communication channels and our target market. We have developed a solid brand presence with the help of our trained employees, word of mouth, and various advertising formats such as digital, print, and social media, along with ongoing communication with customers.

We have a team dedicated to marketing through various social media platforms, maintaining Facebook and Instagram pages that showcase our products, their usage, and their benefits.

We have made consistent investments in promoting our brand over the years. These efforts in marketing and building brand value have played a role in raising awareness, expanding our reach to different locations, gaining customer trust, and supporting profitability and scalability. To meet regulatory and business requirements, we have obtained marketing licenses for our products in all the states where our dealers are.

Our marketing investments include promotions and advertisements in both print and digital media. We have a marketing team that supports our dealer network and farmers. Our sales team is responsible for branded sales, the distribution channel, and promoting products at the farmer and dealer levels. Additionally, we have employees for consistent promotion to enhance our brand value with dealers and farmers.

#### **Marketing Strategy:**

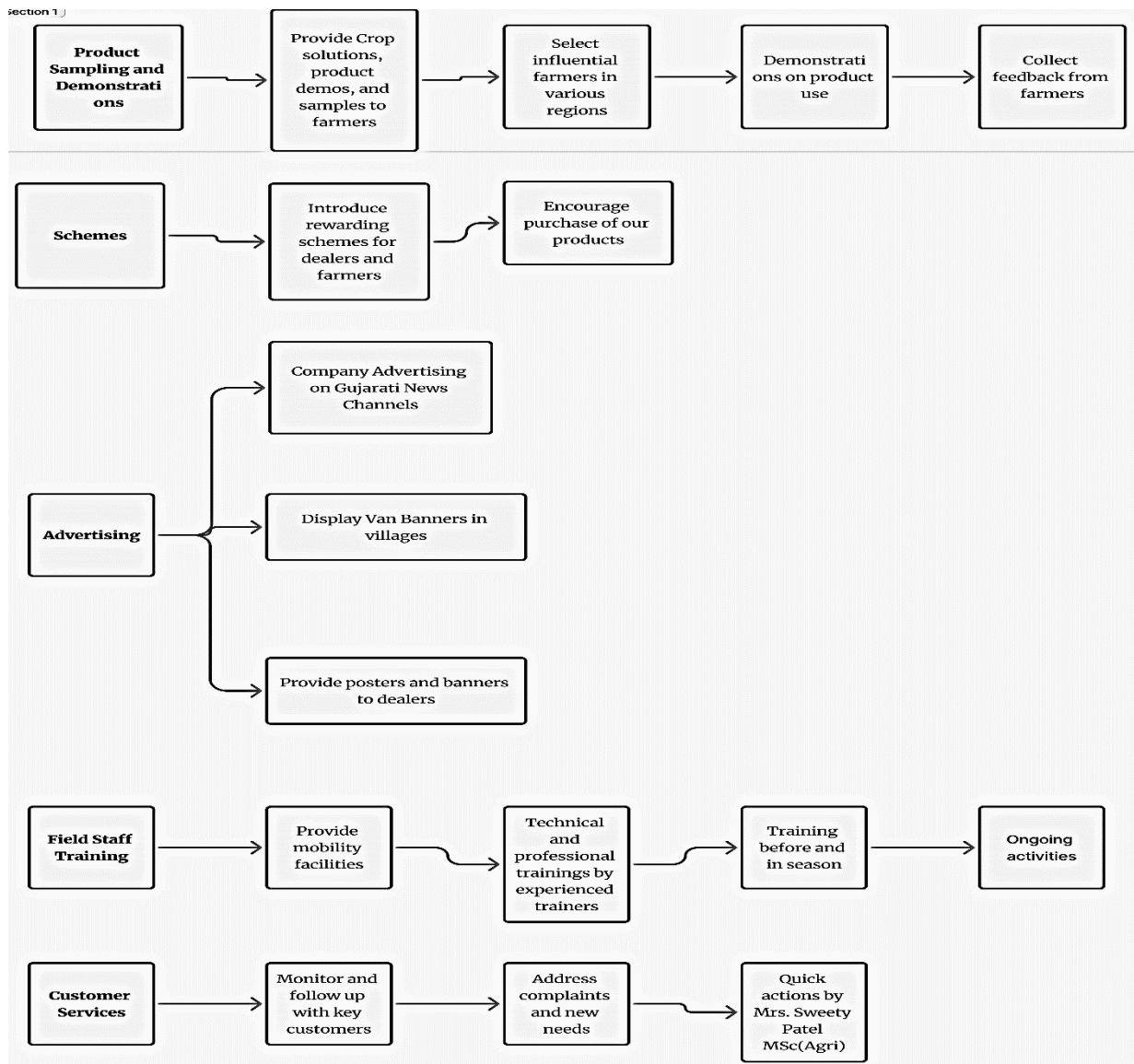
**Product Sampling and Demonstrations:** Agricon Nutritech Limited actively engages with select influential farmers across various regions by providing crop solutions and product demonstrations. To ensure these farmers experience the effectiveness of our offerings, we also supply product samples as part of our targeted outreach efforts.

**Schemes:** To encourage and motivate our dealers and farmers, we periodically introduce schemes that are specifically designed to be rewarding. These schemes aim to create additional incentives for purchasing our products, thereby strengthening our market presence and fostering long-term relationships with our stakeholders.

**Advertising:** Our advertising strategy includes focused campaigns on Gujarati news channels to reach our target audience effectively. Additionally, we utilize display vans that travel through villages, prominently featuring company banners. To further support local engagement, we provide posters and banners to dealers for display in their shops, ensuring consistent brand visibility at the grassroots level.

**Field Staff Training:** Agricon Nutritech is committed to the continuous development of our field staff. We provide comprehensive mobility facilities and conduct rigorous training sessions, both technical and professional, before and during the agricultural season. These trainings, led by experienced trainers, are supported by materials such as POP content, crop detailing pads, flip charts, and presentations. Our staff is also well-trained in APP operations and reporting to maintain operational efficiency.

**Customer Services:** We place a strong emphasis on customer service, regularly monitoring and following up with key customers to address any complaints related to product accounting or other issues. We respond promptly to evolving customer needs, with Mrs. Sweety Patel, MSc (Agri), fully dedicated to these activities, ensuring that our customers receive timely and effective support



## COMPETITION:

We face competition from various players in the agri input sector. We are positioned to compete with the competitors due to our wide range of products, the innovations that we bring into our products and with our expansion plans. We have established our presence in Gujarat with a brand recognition and quality assurance of the products we offer. We operate in a competitive industry that includes well-established players as well as many unorganized companies in the same sector. We compete primarily on the basis of product quality, cost, delivery and service, as well as quality and depth of senior level relationships. Further, some of our current and potential competitors include large international companies that have longer operating histories, better name recognition, greater ability to influence industry standards, access to larger customer bases and significantly greater financial, sales and marketing, manufacturing, distribution, technical and other resources than we have. Some of our listed competitors in the organized segment includes Aries Agro Ltd and Basant Agro Tech (India) Limited.

## RESEARCH & DEVELOPMENT

We rely on our associate companies and third-party institutes for research and development, along with the in-house facilities at our contract manufacturers. These centers are dedicated government-approved microbiology laboratories for conducting tests towards our R&D requirements. The R&D labs have been working consistently to improve and upgrade the existing

range of products and continuously working toward product efficacy to ensure that we provide a more enhanced and better range of products. We rely on our R&D associates to help us manufacture products more efficiently and cater to the demand of the customers across the agri industry. Our focus is to ensure that we develop newer technologies and manufacturing processes for existing and new products, which will help us reduce the cost of production, improve product efficacy, simplify manufacturing processes to improve safety, reduce environmental load, and provide us with other growth opportunities. Our R&D capabilities enable us to support our growth strategy by developing new products and processes that enhance our product range. The focus of our R&D has been to strive for continuous process improvements and achieve manufacturing cost efficiencies for existing as well as new products. We intend to bring a manufacturing unit shortly.

## INSURANCE

The [company](#)<sup>[12]</sup> has taken insurance from following Insurance Companies:

1. Reliance General Insurance Company Limited
2. HDFC ERGO General Insurance Co. Ltd.
3. Iffco Tokio General Insurance Co. Ltd.
4. ICICI Lombard General Insurance Co. Ltd.
5. Royal Sundaram General Insurance Co. Limited
6. The New India Assurance Co. Limited

The Company has insurance policies of the following nature:

1. Private Car Package policy covers loss or damage to the insured vehicle and its accessories due to: Fire, explosion, self-ignition or lightning. Burglary, housebreaking or theft. Riot and Strike.
2. Stand-alone Own Damage (Private Vehicle) Policy covers the risk in the nature of own damage to the car.
3. Bundled Motor Policy covers both Own damage as well as third party liability insurance.

The details of the Insurance Policies taken by the company are as follows:

1. **For Registered Office of the company situated at- 508, 5<sup>th</sup> Floor Ananta Stallion, Gotri Road, Sevasi, Vadodara, Gujarat, India, 391101**

S. No.	Policy No.	Insurance Co.	Name of Insurance Policy	Assets covered	Sum Insured (in Rs.)	Premium (in Rs.)	Expiry date
1.	171300/11/2025/380	The Oriental Insurance Company Limited	Oriental Bharat Sookshma Udyam Suraksha Policy	Furniture, Fixtures & Fittings- Rs. 1,00,00,000 Other Contents- Rs. 25,00,000 Building- Rs. 2,00,00,000	Rs. 3,25,00,000/-	Rs. 22,502/-	September 09, 2025

2. **For Godown situated at- 53, Tirupati Estate, Aslali Bye Pass, N.H. no. 8, Aslali, Ta. Dascroi, Dist- Ahmedabad, 380001**

S. No.	Policy No.	Insurance Co.	Name of Insurance Policy	Assets covered	Sum Insured (in Rs.)	Premium (in Rs.)	Expiry date
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1.	171300/11/2 025/379	The Oriental Insurance Company Limited	Oriental Bharat Sookshma Udyam Suraksha Policy	Material stored in Godown and Silos - Storage of Category I hazardous Goods subject to warranty that goods listed in Category II, III, Coir waste, Coir fibre and Caddies are not stored therein	Rs. 2,00,00,000/-	Rs. 34,342	Septe mber 09, 2025
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### 3. VEHICLE INSURANCE:

S. No.	Policy No.	Insurance Co.	Name of Insurance Policy	Assets/Location of Assets	Sum Insured (in Rs.)	Premium (in Rs.)	Expiry date
3.	230220650396 7600000	HDFC ERGO General Insurance Co. Ltd.	Package policy (Private Vehicle)	<b>Make and Model:</b> New Swift VDI/ Maruti Swift VDI <b>Registration No.</b> GJ06PA1793 Year of Mfg. 2019	Rs. 2,90,700/-	Rs. 20,563/-	June 11, 2025
4.	13874499	Iffco Tokio General Insurance Co. Ltd.	Package policy (Private Vehicle)	<b>Make and Model:</b> New Swift LDI/ Maruti Swift LDI <b>Registration No.</b> GJ06LS5519 Year of Mfg. 2018	Rs. 2,69,526/-	Rs. 13,053/-	Octob er 17, 2024
5.	3001/MI- 14091482/00/0 00	ICICI Lombard General Insurance Limited	Private Car Package policy	<b>Make and Model:</b> New Swift LDI/ Maruti Swift LDI <b>Registration No.</b> GJ06PA0349 Year of Mfg. 2019	Rs. 2,63,052/-	Rs. 14,651/-	May 06, 2025

### EMPLOYEES

We have 60 employees working with us as on July 16, 2024. The following table provides a department wise breakdown of our employees in Agricon:



Department	No of Employees
Sales & Marketing Department	51
Finance Department	3
Office Staff	3
Purchase & Procurement Department	1
IT Department	1
Human Resource Department	1
<b>TOTAL</b>	<b>60</b>

### INTELLECTUAL PROPERTY

The following outlines the intellectual properties that are either owned by our Company or assigned to it:

S. No.	Trademark	Class	Owner	Trademark No.	Date of Application	Status
1	VAMCON	1	Agricon Fertilizers*	4041529	30/12/2018	Registered
2	BIVERA	5	Agricon Fertilizers*	4041537	30/12/2018	Registered
3	POCHONIYA	5	Agricon Fertilizers*	4041541	30/12/2018	Registered
4	GOLD SUDON	5	Agricon Fertilizers*	4680739	30/09/2020	Registered
5	NANO CU	1	Narendra Laljibhai Ghelani**	4045373	03/01/2019	Registered
6	NANO CA	1	Narendra Laljibhai Ghelani**	4045462	03/01/2019	Registered
7	NANO NUTRI	1	Narendra Laljibhai Ghelani**	4045521	03/01/2019	Registered
8	CAN-B	1	Narendra Laljibhai Ghelani**	4672040	24/09/2020	Registered
9	SEEDCOAT	1	Narendra Laljibhai Ghelani**	4685212	03/10/2020	Registered
10	STARKIT	1	Narendra Laljibhai Ghelani**	4813328	08/01/2021	Registered
11	TRICODARMA	5	Narendra Laljibhai Ghelani**	4889929	04/03/2021	Registered
12	EMPELO	5	Narendra Laljibhai Ghelani**	4942123	12/04/2021	Registered
13	JAIVIK NITROGEN	1	Narendra Laljibhai Ghelani**	4949725	19/04/2021	Registered
14	MICOZIB	5	Narendra Laljibhai Ghelani**	4978578	20/05/2021	Registered

15	NENO POTASH	1	Narendra Laljibhai Ghelani**	4988872	31/05/2021	Registered
16	ISERIYA	5	Narendra Laljibhai Ghelani**	5130017	14/09/2021	Registered
17	HYDROXI	1	Narendra Laljibhai Ghelani**	5160556	05/10/2021	Registered
18	 AGROCIL	5	Narendra Laljibhai Ghelani**	5553128	01/08/2022	Registered
19	ANGARA	1	Narendra Laljibhai Ghelani**	5667037	02/11/2022	Registered
20	 AGROCIL	1	Narendra Laljibhai Ghelani**	5553128	01/08/2022	Registered
21	COMIDA	1	Narendra Laljibhai Ghelani**	5667068	02/11/2022	Registered
22	STREPTOMITE	5	Narendra Laljibhai Ghelani**	5747668	02/01/2023	Registered
23	VAMROOT	1	Narendra Laljibhai Ghelani**	5925696	06/05/2023	Registered
24	ACTIVIA	5	Narendra Laljibhai Ghelani**	6034604	24/07/2023	Registered
25	LEVEL UP	1	Narendra Laljibhai Ghelani**	6034620	24/07/2023	Registered

\*The trademark of these products is under the process of transfer to the new name "Agricon Nutritech Limited"

\*\*The company has taken and NOC/ assignment from the trademark owner to use it and sell the products under Agricon Nutritech Limited

#### IMMOVABLE PROPERTIES:

The following are the details of the immovable properties owned/ leased/ rented by our Company:

S. No	Details of the Property	Owned/ Leased/ License	Licensor /Lessor / Vendor	Consideration/ Lease Rental/ License Fees
<b>REGISTERED OFFICE</b>				

1.	508, 5 <sup>th</sup> Floor Ananta Stallion, Gotri Road, Sevasi, Vadodara, Gujarat, India, 391101  Admeasuring- 3167 Sq. Ft.	Rented	<b>Licensee-</b>  M/s Agricon Nutritech Limited through its Director Mr. Mukesh Prahladbhai Parmar  <b>Licensor-</b>  Mr. Narendrakumar Laljibhai Ghelani	The company has taken the premise on rent for a period of 11 months starting from June 24, 2024 to May 23, 2025 through a Notarized Leave and License Agreement vide certificate no. IN-GJ13321033130289W dated June 24, 2024 at monthly license fee of Rs. 1,00,000/-. The Licensee also has to pay a sum of Rs. 2,00,000/- as Security Deposit without interest to the Licensor.
<b>GODOWN</b>				
2.	Property no. 5557 & 5555, Tirupati Estate, Aslali Bye Pass, N.H. no. 8, Aslali, Ta. Dascroi, Dist- Ahmedabad, 382427  Admeasuring- 4500 Sq. Ft.	Leased	<b>Licensee-</b>  M/s Agricon fertilizers through its Manager Mr. Mukesh Parmar  <b>Licensor-</b>  1. Mr. Harish B. Patel S/o Bhagubhai M. Patel; and  2. Mr. Bhagubhai M. Patel	The company has taken the premise on for a period for 11 months on leave and license basis dated August 24, 2024 for 01 August,2024 to 30 June,2025. The licensor has to pay ₹25,360/- and 57,060/-
<b>MANUFACTURING INDUSTRIAL LAND</b>				
3.	Plot No. 14,15 Madhav Industrial Hub, Opp. Viraj Intergrated Textile Park, National Highway No. 8 at Kanera, Ta. Dist. Kheda, Gujarat- 387540  Total Land Admeasuring- 15,000 Sq. Ft.	Rented	<b>Licensee</b>  M/s Agricon Nutritech Limited through its Director Mr. Mukesh Prahladbhai Parmar  <b>Licensor-</b>  Mr. Narendrakumar Laljibhai Ghelani  Mrs. Prafullaben Narendrakumar Ghelani	The company has taken the said property on Rent for a period of 11 months starting from September 01, 2024 to July 31, 2025 through Notarized leave and license agreement dated September 03, 2024 at monthly rent of Rs. 60,000/- for plot 14 and Rs. 60,000/- for plot 15.
<b>BRANCH OFFICE</b>				
4.	509, 510, 511, 512, 5 <sup>th</sup> Floor Ananta Stallion, Gotri Road, Sevasi, Vadodara, Gujarat, India, 391101	Rented	<b>Licensee-</b>  M/s Agricon Nutritech Limited through its Director Mr. Mukesh Prahladbhai Parmar	The company has taken the said property on Rent for a period of 11 months starting from June 24, 2024 to May 23, 2025 through Notarized leave and license agreement dated September 09, 2024 at monthly rent of Rs. 1,60,000/-

			<b>Licensor-</b> Mr. Narendrakumar Laljibhai Ghelani	
5.	506, 507, 513, 514, 515, 5 <sup>th</sup> Floor Ananta Stallion, Gotri Road, Sevasi, Vadodara, Gujarat, India, 391101	Rented	<b>Licensee-</b> M/s Agricon Nutritech Limited through its Director Mr. Mukesh Prahladbhai Parmar  <b>Licensor-</b> Mrs. Prafullaben Narendrakumar Ghelani	The company has taken the said property on Rent for a period of 11 months starting from June 24, 2024 to May 23, 2025 through Notarized leave and license agreement dated September 09, 2024 at monthly rent of Rs. 2,00,000/-
3.	Plot No. 2865/6589, Khata No. 1458/1250, Goshalpada, Bhawanipatna, Po-Karlaguda, PS-Sadar, Bhawanipatna, Dist-Kalahandi, Odisha	Rented	<b>Tenant</b>  Agricon Nutritech Limited through authorized signatory Ashok Kumar Sahu  <b>Landlord</b> Chinmaya Mishra having Aadhaar No- 778714648828	The company has taken the said premises on 11 month starting from August 14, 2024 to July 13, 2024 through a notarized rent agreement dated August 14, 2024 at monthly rent of Rs. 20,000/- for first 6 months and Rs. 25,000/- for next 6 months.
4.	Indira Complex, Raipura Chowk, Ring Road, Changora Bhata, Raipur, Chhattisgarh  Property Admeasuring- 170 Sq. Ft.	Rented	<b>Licensee</b>  Agricon Nutritech Limited through Regional Manager Chhattisgarh- Soham Kakde s/o Pumyawan Ji Kakde  <b>Licensor</b> Mr. Dhananjay Bhure s/o Shri Madhukar Rao Bhure	The company has taken the said premises on 11 month starting from July 01, 2024 to May 31, 2025 through a notarized rent agreement dated July 01, 2024 at monthly rent of Rs. 4,500/- pm.
5.	Plot no. G-842 (Phase-6), Road no. 14, VKI Area, Dist. Jaipur, Rajasthan  Property Admeasuring- 1200 Sq. Ft	Rented	<b>Licensee-</b> M/s Agricon Nutritech Limited through its Regional Manager Mr. M.L. Kumawat  <b>Licensor-</b>	The company has taken the said property on rent for 11 months starting from July 24, 2024 to June 24, 2025 through a notarized rent agreement dated July 24, 2024 at monthly rent of Rs. 18,000/- pm.

			M/s Icon seeds Industries	
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### Top 10 Customers

We have observed a consistent contribution percentage from our loyal customers over the years, indicating a stable and reliable customer base. This consistency suggests market stability and strong relationships with key clients. Specifically, the top customer consistently contributes around 5% of total revenue. The top three customers together account for approximately 11-13% of revenue, the top five contribute about 17-18%, and the top ten make up around 22-29%. This stability demonstrates effective management and maintenance of key customer relationships.

We place high importance on our customers by providing regular consultancy to enhance their understanding of our products. Our support extends throughout the entire process, including after-sales service, where we assist with product-related inquiries and address soil and crop issues. While our top customers contribute a substantial portion of sales, maintaining a balanced approach between large and smaller customers helps safeguard against potential losses in operational profit should any key customer be lost. Concentration from top customers over the years is as follows:

Customers	2023-2024		2022-2023		2021-2022	
	Sales	% of Sales	Sales	% of Sales	Sales	% of Sales
<b>Top One</b>	143.22	5%	105.38	4%	118.60	5%
<b>Top Three</b>	340.24	11%	290.97	11%	268.21	12%
<b>Top Five</b>	496.07	17%	445.82	17%	380.98	18%
<b>Top Ten</b>	793.04	27%	689.36	26%	627.19	29%

**Note:** The figures represent the revenue from operations contributed by the top customers across different periods. The percentages indicate the contribution of each customer group to the total revenue from operations. The data highlights a consistent contribution from top customers, reflecting stability in customer relationships and market presence.

## KEY INDUSTRIAL REGULATIONS AND POLICIES

The following description is a summary of the relevant regulations and policies as prescribed by the Government of India, and the respective bye laws framed by the local bodies, and others incorporated under the laws of India. The information detailed in this Chapter has been obtained from the various legislations, including rules and regulations promulgated by the regulatory bodies and the bye laws of the respective local authorities that are available in the public domain. The statements produced below are based on the current provisions of Indian law, and the judicial and administrative interpretations thereof, which are subject to change or modification by subsequent legislative, regulatory, administrative or judicial decisions and may not be exhaustive, and are only intended to provide general information to investors and is neither designed nor intended to be a substitute for professional legal advice. We are subject to a number of Central and State legislations which regulate substantive and procedural aspects of the business. Additionally, the business activities of our Company require sanctions, approval, license, registration etc. from the concerned authorities, under the relevant Central and State legislations and local bye-laws. For details of Government and Other Approvals obtained by the Company in compliance with these regulations, see section titled **“Government and Other Approvals”** beginning on page 209 of this Draft Red Herring Prospectus. The following is an overview of some of the important laws, policies and regulations which are pertinent to our business as a player in the field of real estate developers for commercial purpose.

This chapter has been classified as under:

- A. Industry Specific Regulations
- B. Environmental laws
- C. Labour and Employment Laws
- D. Intellectual Property Laws
- E. Tax Laws
- F. Corporate and Commercial laws

### A. INDUSTRY SPECIFIC REGULATIONS

#### **The Essential Commodities Act, 1955 (“EC Act”)**

The EC Act provides for the regulation and control of production, supply, distribution and pricing of commodities which are declared as essential, for maintaining or increasing supplies or for securing their equitable distribution and availability at fair prices. Under Section 3 of the EC Act, if the Government of India, in the interest of maintaining or increasing supplies of any essential commodity or for securing their equitable distribution and availability at fair prices, it may, by order, provide for regulating or prohibiting the production, supply and distribution thereof and trade and commerce therein. Such orders may provide for, among other things, controlling the price at which essential commodities are sold, requiring any person producing an essential commodity to sell the whole or a part of the produce and so on. Violation of the terms of these orders are punishable under Section 7 of the EC Act. Further, the Schedule of the EC Act provides for a list of essential commodities, including but not limited to drugs, fertilizers (whether inorganic, organic or mixed, foodstuffs and petroleum. Under Section 2A of the EC Act, the Government of India may add or remove any commodity from the Schedule.

#### **The Fertilizer (Inorganic, Organic or Mixed) (Control) Order, 1985 (the “Fertilizer Order”)**

In exercise of the powers conferred on the Government of India by Section 3 of the EC Act, the Government of India notified the Fertilizer Order. As per the Fertilizer Order, no person shall sell or carry on the business of selling fertilizer without obtaining prior permission of the State Government. The State Government has the power to issue license for trading in fertilizers for a period of three years, which may be renewed, suspended or cancelled at its discretion. Further, the State Government also has the power to issue a certificate of manufacture, without which, no person can carry on the business of manufacture of fertilizers. The Fertilizer Order also prescribes certain standards that are required to be followed during the manufacture of fertilizers. No person can manufacture, import or sell any mixture of fertilizers unless such mixture conforms to the standards laid down by the Government of India vide the Fertilizer Order. Further, the Government of India has the power to regulate prices, and to direct manufacturers/importers to sell fertilizers to particular States, in order to ensure fair and equitable access to farmers across India.

#### **Fertiliser (Movement Control) Order, 1973 (the “FM Order”)**

In exercise of the powers conferred on the Government of India by Section 3 of the EC Act, the Government of India notified the FM Order. It prohibits the export of any fertilizer from any state. However, the export of fertilizers is permitted with the authorisation of the Government of India or an officer of the relevant state government, as the case may be. The FM Order also prescribes conditions for the search and seizure of fertilizers.

### **The Seeds Act, 1966 along with rules The Seeds Rules, 1968**

The Seeds Act, 1966 was enacted to regulate the quality of seeds in India. The Act requires all seeds to be properly labelled, and sets standards for seed germination, purity, and other quality criteria. It also establishes a licensing system for seed dealers and requires them to maintain records of their sales. The Act prohibits the sale of misbranded or substandard seeds and provides for penalties for violations. The Seeds Act, 1966 is an important piece of legislation in the Indian agricultural sector, as it ensures that farmers have access to high-quality seeds that are suitable for sowing and produce healthy crops.

### **The Insecticides Act, 1968 (the “Insecticides Act”) and the Insecticides Rules, 1971**

The Insecticides Act, as amended, regulates the (i) registration; (ii) licensing; and (iii) quality-control of insecticides. **Registration:** The definition of insecticides includes fungicides and weedicides. Any person who desires to import or manufacture any insecticide is required to apply to the registration committee under the Insecticides Act, for the registration of such insecticide. The functions of the registration committee include registering insecticides after scrutinizing their formulae and verifying claims made by the importer or the manufacturer, as the case may be, as regards their efficacy and safety to human beings and animals. The registration is granted by a central authority and is effective throughout India. **Licensing:** Any person who desires to manufacture or sell, stock or exhibit for sale or distribute any insecticide, or to undertake commercial pest control operations with the use of any insecticide may make an application to the licensing officer for the grant of a license under the Insecticides Act. Our Company is required to obtain a separate license for each place in which we manufacture, sell or stock for sale our products. The license granted may be revoked or suspended or amended, inter alia, for misrepresentation of an essential fact and failure to comply with the conditions subject to which the license was granted.

**Quality control:** If the use of an insecticide or a batch thereof is likely to lead to such risk to human beings or animals as to render it expedient or necessary to take immediate action, the Central Government or the State Government may prohibit its sale, distribution or use, by notification, for a specified period pending investigation in the matter. If, as a result of its own investigation or on receipt of a report from the State Government, and after consultation with the registration committee, the Central Government is satisfied that the use of the said insecticide or batch is or is not likely to cause any such risk, it may pass such order as it deems fit.

The Insecticides Act makes it punishable to import, manufacture, sell, stock and exhibit for sale or distribution any misbranded insecticides. An insecticide is deemed to be misbranded if: (i) its label contains any statement, design or graphic representation relating thereto which is false or misleading in any material particular, or if its package is otherwise deceptive in respect of its contents; or (ii) it is an imitation of, or is sold under the name of, another insecticide; or (iii) its label does not contain a warning or caution which may be necessary and sufficient, if complied with, to prevent risk to human beings or animals; or (iv) any word, statement or other information required by or under the Insecticides Act to appear on the label is not displayed thereon in such conspicuous manner as the other words, statements, designs or graphic matter have been displayed on the label and in such terms as to render it likely to be read and understood by any ordinary individual under customary conditions of purchase and use; or (v) it is not packed or labelled as required by or under the Insecticides Act; or (vi) it is not registered in the manner required by or under the Insecticides Act; or (vii) the label contains any reference to registration other than the registration number; or (viii) the insecticide has a toxicity which is higher than the level prescribed or is mixed or packed with any substance so as to alter its nature or quality or contains any substance which is not included in the registration.

**Penalties:** Contravention of the Insecticides Act is punishable with imprisonment or fine or both, with enhanced punishment for repeat offences. Similarly, a person may be imprisoned for a period of six months to three years depending upon the nature of the offence. Further, the prescribed officer under the Insecticides Act has the power to stop the distribution, sale or use of an insecticide for a specified period which he has reason to believe is being distributed, sold or used in contravention of the Insecticides Act. Additionally, if any person is convicted under the Insecticides Act, the stock of insecticide in respect of which the contravention has been made is liable to be confiscated.

The Pesticides (Prohibition) Order, 2018 provides a list of 18 pesticides that no person shall manufacture, import, formulate, transport or sell from the date specified in the order. Further, the Government of India had also proposed to introduce the Banning of Insecticides Order, 2020 which provided a list of 27 prohibited insecticides. This Order has not come into effect as of the date of filing of this Prospectus. We are also required to comply with the guidelines issued by the Central Insecticides Board and

Registration Committee (“CIBRC”) and the Insecticides Rules, 1971. The functions of the CIBRC include to advise the Central Government and State Governments on technical matters such as the risk to human beings or animals involved in the use of insecticides and the safety measures necessary to prevent such risk and the manufacture, sale, storage, transport and distribution of insecticides with a view to ensure safety to human beings or animals and to carry out other functions assigned to it by or under the Insecticides Act. 187

### **The Pesticides Management Bill, 2020 (the “Pesticides Management Bill”)**

The Pesticides Management Bill was introduced in the Rajya Sabha on March 23, 2020 and is currently pending approval. It seeks to replace the Insecticides Act, 1968. It seeks to regulate the import, manufacture, storage, sale, distribution, use and disposal of pesticides with a view to ensure availability of safe and effective pesticides and minimize its risk on human beings, animals, living organisms other than pests and the environment. It defines a pest as species, strain or biotype of plant, animal or pathogenic agent that is unwanted or injurious to plants, plant products, human beings, animals, other living creatures and the environment and includes vectors of parasites or pathogens of human and animal diseases and vermin as defined in the Wild Life (Protection) Act, 1972. A pesticide is defined as any substance or mixture of substances, including a formulation of chemical or biological origin intended for preventing, destroying, attracting, repelling, mitigating or controlling any pest in agriculture, industry, pest control operations, public health, storage or for ordinary use, and includes any substance intended for use as a plant growth regulator, defoliant, desiccant, fruit thinning agent, or sprouting inhibitor and any substance applied to crops either before or after harvest to protect them from deterioration during storage and transport.

The Pesticides Management Bill provides that any person seeking to import or manufacture any pesticides for ordinary use, agricultural use, etc. shall have to make an application to the registration committee for a certificate of registration. Further, anyone desiring to manufacture, distribute, sell or stock pesticides would have to obtain a licence for the same. Such a license can be revoked by the Licensing Officer if the holder contravenes any provisions of the Pesticides Management Bill or rules made thereunder. State Governments may also appoint qualified persons for sale of extremely toxic or highly toxic pesticides by prescription. Under the Pesticides Management Bill, manufacturing, importing, distributing, selling, exhibiting for sale, transporting, stocking a pesticide, or undertaking pest control operations, without a licence is punishable with imprisonment of up to three years, or a fine of not less than Rs. 1.00 lakhs and extending up to Rs. 4.00 lakhs, or both. It also contemplates the constitution of the Central Pesticides Board to advise the Central and state governments on scientific and technical matters arising under the Pesticides Management Bill. It also proposes for the Central Pesticides Board to advise the Central government in making or formulating (i) criteria for good manufacturing practices for pesticide manufacturers, standards to be observed by laboratories, and best practices for pest control operators, (ii) standards for working conditions and training of workers, and (iii) procedure for recall and disposal of pesticides. The Board will also frame model protocols to deal with occurrences of poisoning.

### **The Petroleum Act, 1934 (the “Petroleum Act”) and Petroleum Rules, 2002**

The Petroleum Act was passed to consolidate and amend the laws relating to the import, transport, storage, production, refining and blending of petroleum. Petroleum may be any liquid, hydrocarbon, or mixture of hydrocarbons, and inflammable mixture (liquid, viscous or solid containing any hydrocarbon, and includes natural gas and refinery gas. Under the Petroleum Rules, 2002, any person intending to store furnace oil/ petroleum, of such class and in such quantities, otherwise than under a license shall take the approval of the Chief Controller before commencing storage.

### **Electricity Act, 2003 (the “Electricity Act”)**

The Electricity Act was enacted to regulate the generation, transmission, distribution, trading and use of electricity by authorizing a person to carry on the above acts either by availing a license or by seeking an exemption under the Electricity Act. Additionally, the Electricity Act states no person other than Central Transmission Utility or State Transmission Utility, or a licensee shall transmit or use electricity at a rate exceeding 250 watts and 100 volts in any street or place which is a factory within the meaning of the Factories Act, 1948 or a mine within the meaning of the Mines Act, 1952 or any place in which 100 or more persons are ordinarily likely to be assembled. An exception to the said rule is given by stating that the applicant shall apply by giving not less than 7 days’ notice in writing of his intention to the Electrical Inspector and to the District Magistrate or the Commissioner of Police, as the case may be, containing the particulars of electrical installation and plant, if any, the nature and purpose of supply of such electricity. The Electricity Act also lays down the requirement of mandatory use of meters to regulate the use of electricity and authorises the Commission so formed under the Electricity Act, to determine the tariff for such usage. The



Electricity Act also authorises the State Government to grant subsidy to the consumers or class of consumers it deems fit from paying the standard tariff required to be paid.

### **The Legal Metrology Act, 2009 (the “Legal Metrology Act”) and Legal Metrology (Packaged Commodities) Rules, 2011 (the “Packaged Commodities Rules”)**

The Legal Metrology Act seeks to establish and enforce standards of weights and measures, regulate trade and commerce in weights, measures and other goods which are sold or distributed by weight, measure or number and for matters connected therewith or incidental thereto. The Legal Metrology Act provides that for prescribed specifications all weights and measures should be based on metric system only. Further, the Legal Metrology Act lays down penalties for various offences, including but not limited to, use or sale of non-standard weight or measure, contravention of prescribed standards, counterfeiting of seals and tampering with license.

The Packaged Commodities Rules were framed under section 52(2) (j) and (q) of the Legal Metrology Act which lays down specific provisions applicable to packages intended for retail sale, whole sale and for export and import and also regulate pre-packaged commodities in India, inter alia mandating certain labelling requirements prior to sale of such commodities. (2) The Bureau of Indian Standards Act, 2016 (the “BIS Act”) The BIS Act provides for the establishment of bureau for the standardization, marking and quality certification of goods. Functions of the bureau include, inter-alia, (a) recognizing as an Indian standard, any standard established for any article or process by any other institution in India or elsewhere; (b) specifying a standard mark which shall be of such design and contain such particulars as may be prescribed to represent a particular Indian standard; and (c) conducting such inspection and taking such samples of any material or substance as may be necessary to see whether any article or process in relation to which the standard mark has been used conforms to the Indian Standard or whether the standard mark has been improperly used in relation to any article or process with or without a license.

## **B. ENVIRONMENTAL LEGISLATIONS**

### **Environment (Protection) Act, 1986 (the “EP Act”), Environment Protection Rules, 1986 (the “EP Rules”) and Environmental Impact Assessment Notification, 2006 (the “EIA Notification”)**

The EP Act has been enacted for the protection and improvement of the environment. EP Act empowers the government to take all measures to protect and improve the quality of environment, such as by laying down standards for emission and discharge of pollutants, providing for restrictions regarding areas where industries may operate and laying down safeguards for handling hazardous substances, amongst others. It is in the form of an umbrella legislation designed to provide a framework for Central Government to coordinate the activities of various central and state authorities established under previous laws. It is also in the form of an enabling law, which delegates wide powers to the executive to enable bureaucrats to frame necessary rules and regulations. Further, the EP Rules specifies, among other things, the standards for emission or discharge of environmental pollutants, restrictions on the location of industries and restrictions on the handling of hazardous substances in different areas. For contravention of any of the provisions of the EP Act or the rules framed thereunder, the punishment includes either imprisonment or fine or both. Additionally, under the EIA Notification and its subsequent amendments, projects are required to mandatorily obtain environmental clearance from the concerned authorities depending on the potential impact on human health and resources.

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

The Air Act was enacted to provide for the prevention, control and abatement of air pollution in India. It is a specialised piece of legislation which was enacted to take appropriate steps for the preservation of natural resources of the earth, which among other things include the preservation of the quality of air and control of air pollution. Not all provisions of the Air Act apply automatically to all parts of India, and the state pollution control board must notify an area as an “air pollution control area” before the restrictions under the Air Act apply. The Air Act stipulates that no person shall, without prior written consent of the relevant state pollution control board, establish or operate any industrial plant which emits air pollutants in an air pollution control area, as notified by the state pollution control board. Further, such an industrial plant shall not be permitted to emit air pollutants in excess of the standards laid down by the state pollution control board.

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

The Water Act was enacted to control and prevent water pollution and for maintaining or restoring of wholesomeness of water in the country. The objective of this legislation is to ensure that the domestic and industrial pollutants are not discharged into rivers and lakes without adequate treatment. The reason is that such a discharge renders the water unsuitable as a source of drinking water as well as for the purposes of irrigation and support of marine life. In order to achieve its objectives, the Pollution Control Boards at Central and State levels were created to establish and enforce standards for factories discharging pollutants into water bodies. Further, any person intending to establish any industry, operation or process or any treatment and disposal system which is likely to discharge sewage or other pollution into a water body is required to obtain prior consent of the relevant state pollution control board.

#### **Hazardous and Other Wastes (Management and Transboundary Movement) Rules, 2016 (the “Hazardous Waste Rules”)**

The Hazardous Waste Rules, read with the EP Act, ensure resource recovery and disposal of hazardous waste in an environmentally sound manner. A categorical list of hazardous wastes has been provided in the schedules in the Hazardous Waste Rules. The term “hazardous waste” has been defined in the Hazardous Waste Rules and any person who has, control over the affairs of the factory or the premises or any person in possession of the hazardous waste has been defined as an “occupier”. Further, the occupier has been, inter alia, made responsible for safe and environmentally sound handling of hazardous wastes generated in his establishment and shall require authorisation for generation, processing, treatment, package, storage, transportation, use, collection, destruction, conversion, offering for sale, transfer or the like of the hazardous waste from the concerned state pollution control board. The occupier, importer or exporter is liable for damages caused to the environment resulting from the improper handling and disposal of hazardous waste and must pay any financial penalty that may be levied by the respective state pollution control board.

### **C. LABOUR LAW LEGISLATIONS**

#### **Child Labour (Prohibition and Regulation) Act, 1986**

This statute prohibits employment of children below 14 years of age in certain occupations and processes and provides for regulation of employment of children in all other occupations and processes. Under this Act, the employment of child labour in the building and construction industry is prohibited.

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

The Sexual Harassment of Women at Workplace (Prevention, Prohibition and Redressal) Act, 2013 provides for the protection of women at work place and prevention of sexual harassment at work place. The Act also provides for a redressal mechanism to manage complaints in this regard. Sexual harassment includes one or more of the following acts or behaviour namely, physical contact and advances or a demand or request for sexual favours or making sexually coloured remarks, showing pornography or any other unwelcome physical, verbal or non-verbal conduct of sexual nature. The Act makes it mandatory for every employer of a workplace to constitute an Internal Complaints Committee which shall always be presided upon by a woman. It also provides for the manner and time period within which a complaint shall be made to the Internal Complaints Committee i.e. a written complaint is to be made within a period of 3 (three) months from the date of the last incident. If the establishment has less than 10 (ten) employees, then the complaints from employees of such establishments as also complaints made against the employer himself shall be received by the Local Complaints Committee. The penalty for non-compliance with any provision of the SHWW Act shall be punishable with a fine extending to Rs. 50,000/- (Rupees Fifty Thousand Only).

#### **The Employees Provident Fund and Miscellaneous Provisions Act, 1952 (“EPF Act”) and the schemes formulated there under (“schemes”)**

The Employees Provident Funds and Miscellaneous Provisions Act, 1952 ("EPF Act") was introduced with the object to institute compulsory provident fund for the benefit of employees in factories and other establishments. The EPF Act provides for the institution of provident funds and pension funds for employees in establishments where more than 20 (twenty) persons are employed and factories specified in Schedule I of the EPF Act. Under the EPF Act, the Central Government has framed the "Employees Provident Fund Scheme", "Employees Deposit-linked Insurance Scheme" and the "Employees Family Pension Scheme". Liability is imposed on the employer and the employee to contribute to the funds mentioned above, in the manner specified in the statute. There is also a requirement to maintain prescribed records and registers and filing of forms with the concerned authorities. The EPF Act also prescribes penalties for avoiding payments required to be made under the abovementioned schemes.

### **The Employees State Insurance Act, 1948**

All the establishments to which the Employees State Insurance (ESI) Act applies are required to be registered under the Act with the Employees State Insurance Corporation. The Act applies to those establishments where 20 or more persons are employed. The Act requires all the employees of the factories and establishments to which the Act applies to be insured in the manner provided under the Act. Further, employer and employees both are required to make contribution to the fund. The return of the contribution made is required to be filed with the ESI department. The Employees' State Insurance Rules, 1950 ensure implementation of the provisions of the Employees' State Insurance Act, 1948.

### **Occupational Safety, Health and Working Conditions Code, 2020**

The Occupational Safety, Health and Working Conditions Code, 2020 (OSH Code) is one of three new labor codes that will consolidate the bulk of labor legislation in India and streamline labor compliance besides expanding the social security net for workers. This Code received the assent of President of India on September 28, 2020 though the implementation of the same is yet to be notified. Rules to implement the Code are expected to be finalized in the next few weeks.

New establishments covered by the OSH Code must register themselves (within 60 days of commencement of the Code) with registering officers appointed by the appropriate government. Establishments already registered under any other federal law will not be required to register again.

Every employer is directed to undertake the following obligations by the OSH Code:

- Ensure that the workplace is free from hazards can cause injury or occupational disease to the employees and comply with the OSH Code and the government's directions on the same;
- Provide free annual health examination or testing, free of cost, to certain classes of employees;
- Provide and maintain, as reasonably practical, a working environment that is safe and without risk to the health of the employees;
- Issue letters of appointments to employees; and
- Ensure that no charge is levied on any employee for maintenance of safety and health at workplace, including the conduct of medical examination and investigation for the purpose of detecting occupational diseases.

Further, the Code directs employers with respect to factories, mines, dock work, building and other construction work, or plantations to ensure: (i) safety arrangements in the workplace and absence of risk to health in connection with the use, storage, and transport of articles and substances; (ii) provision of such information, instruction, training, and supervision as are necessary to ensure the health and safety of all employees at work, etc. This Code shall subsume more than 10 labour laws including Factories Act 1948, Contract Labour Act 1970 and Mines Act 1952.

### **The other labour laws applicable to the Company are:**

- Minimum Wages Act, 1948
- Payment Of Wages Act, 1936
- Employees' Compensation Act, 1923
- Payment Of Gratuity Act, 1972
- Payment Of Bonus Act, 1965
- Industrial Disputes Act, 1947 and Industrial Disputes (Central) Rules, 1957
- The Maternity Benefit Act, 1961
- The Equal Remuneration Act, 1976 And Equal Remuneration Rules, 1976
- The Child and Adolescent Labour (Prohibition And Regulation) Act, 1986
- Apprentices Act, 1961
- Contract Labour (Regulation and Abolition) Act, 1970 along with rules The Contract Labour (Regulation and Abolition) Central Rules, 1971
- Trade Unions Act, 1926 and the Trade Union (Amendment) Act, 2001

The various labour and employment related legislation that may apply to our operations, from the perspective of protecting the workers' rights and specifying registration, reporting and other compliances, and the requirements that may apply to us as an employer, would include the following:

## **D. INTELLECTUAL PROPERTY LAWS**

### **Trade Marks Act, 1999 (the “Trade Marks Act”)**

The Trade Marks Act provides for the application and registration of trademarks in India. The purpose of the Trade Marks Act is to grant exclusive rights to marks such as a brand, label, heading, ticket, name, signature, word, letter, numeral, or combination of colors or any combination thereof, and to obtain relief in case of infringement and for commercial purposes as a trade description. Application for trademark registry has to be made to Controller-General of Patents, Designs and Trade Marks who is the Registrar of Trademarks for the purposes of the Trade Marks Act. The Trade Marks Act prohibits any registration of deceptively similar trademarks or chemical compound among others. It also provides for penalties for infringement, falsifying and falsely applying trademarks.

Applications for a trademark registration can be made for in one or more international classes. Once granted, trademark registration is valid for ten years unless cancelled. The mark lapses in ten years unless renewed. The Trade Marks Act enables Indian nationals as well as foreign nationals to secure simultaneous protection of trademarks in other jurisdictions.

### **E. TAX RELATED LAWS**

In addition to the aforementioned material legislations which are applicable to our Company, some of the tax legislations that may be applicable to the operations of our Company include:

**1. Income Tax Act 1961, the Income Tax Rules, 1962, as amended by the Finance Act in respective years;**

Income Tax Act is applicable to every company, whether domestic or foreign whose income is taxable under the provisions of this Act or Rules made there under depending upon its ‘Residential Status’ and ‘Type of Income’ involved. Every assessee, under the Income Tax Act, which includes a company, is required to comply with the provisions thereof, including those relating to tax deduction at source, advance tax, minimum alternative tax and like.

**2. Central Goods and Services Tax Act, 2017 (the “CGST Act”), the Central Goods and Services Tax Rules, 2017 and various state-wise legislations made thereunder;**

The CGST Act regulates the levy and collection of tax on the intra-state supply of goods and services by the Central Government or State Governments. The CGST Act amalgamates a large number of Central and State taxes into a single tax. The CGST Act mandates every supplier providing the goods or services to be registered within the State or Union Territory it falls under, within 30 days from the day on which he becomes liable for such registration. Such registrations can be amended, as well as cancelled by the proper office on receipt of application by the registered person or his legal heirs. There would be four tax rates namely 5%, 12%, 18% and 28%. The rates of GST applied are subject to variations based on the goods or services.

**3. The Integrated Goods and Services Tax Act, 2017 (the “IGST Act”) and rules thereof;**

The IGST Act is a Central Act enacted to levy tax on the supply of any goods and/ or services in the course of inter-State trade or commerce. IGST is levied and collected by Centre on interstate supplies. The IGST Act sets out the rules for determination of the place of supply of goods. Where the supply involves movement of goods, the place of supply shall be the location of goods at the time at which the movement of goods terminates for delivery to the recipient. The IGST Act also provides for determination of place of supply of service where both supplier and recipient are located in India or where supplier or recipient is located outside India. The provisions relating to assessment, audit, valuation, time of supply, invoice, accounts, records, adjudication, appeal etc. given under the CGST Act are applicable to IGST Act. Further, the Company is also governed by various State Goods and Service Tax statutes for levy and collection of tax on intra-State supply of goods and services or both.

**4. Professional Tax**

The professional tax slabs in India are applicable to those citizens of India who are either involved in any profession or trade. The State Government of each State is empowered with the responsibility of structuring as well as formulating the respective professional tax criteria and is also required to collect funds through professional tax. The professional taxes are charged on the incomes of individuals, profits of business or gains in vocations. The professional tax is charged as per the List II of the Constitution. The professional taxes are classified under various tax slabs in India. The tax payable under the State Acts by any person earning a salary or wage shall be deducted by his employer from the salary or wages payable

to such person before such salary or wages is paid to him, and such employer shall, irrespective of whether such deduction has been made or not when the salary and wage is paid to such persons, be liable to pay tax on behalf of such person and employer has to obtain the registration from the assessing authority in the prescribed manner. Every person liable to pay tax under these Acts (other than a person earning salary or wages, in respect of whom the tax is payable by the employer), shall obtain a certificate of enrolment from the assessing authority. The Telangana Tax on Professions, Trades, Callings and Employments Act, 1987 is applicable to our Company.

## **F. CORPORATE AND COMMERCIAL LAWS**

### **Companies Act, 2013**

Companies Act primarily regulates the formation, financing, functioning and restructuring of separate legal entity as companies. The Act provides regulatory and compliance mechanism regarding all relevant aspects including organizational, financial and managerial aspects of companies. The provisions of the Act state the eligibility, procedure and execution for various functions of the company, the relation and action of the management and that of the shareholders. The law lays down transparency, corporate governance and protection of shareholders & creditors. The Companies Act plays the balancing role between these two competing factors, namely, management autonomy and investor protection.

### **SEBI REGULATIONS**

Securities and Exchange Board of India is the regulatory body for securities market transactions including regulation of listing and delisting of securities. It forms various rules and regulations for the regulation of listed entities, transactions of securities, exchange platforms, securities market and intermediaries thereto. Apart from the SEBI Act, 1992, SCRA 1956, SCRR 1957 and other rules and regulations, listed entities are mainly regulated by SEBI (Issue of Capital and Disclosure Requirements) Regulations, 2018 and SEBI (Listing Obligations and Disclosure Requirement) Regulations, 2015, SEBI (Substantial Acquisition of Shares and Takeover) Regulations, 2011 and SEBI (Prohibition of Insider Trading) Regulations, 2015.

### **Negotiable Instruments Act, 1881**

In India, any negotiable instruments such as cheques are governed by this Act, Section 138 of the Act, makes dishonour of cheques a criminal offence if the cheque is dishonored on the ground of insufficiency of funds in the account maintained by a person who draws the cheque which is punishable with imprisonment as well as fine.

### **The Registration Act, 1908 (“Registration Act”)**

The Registration Act was passed to consolidate the enactments relating to the registration of documents. The main purpose for which the Registration Act was designed to ensure information about all deals concerning land so that correct land records could be maintained. The Registration Act is used for proper recording of transactions relating to other immovable property also. The Registration Act provides for registration of other documents also, which can give these documents more authenticity. Registering authorities have been provided in all the districts for this purpose.

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

Under the Indian Stamp Act, 1899 (the “Stamp Act”) stamp duty is payable on instruments evidencing a transfer or creation or extinguishment of any right, title or interest in immovable property. Stamp duty must be paid on all instruments specified under the Stamp Act at the rates specified in the schedules to the Stamp Act. The applicable rates for stamp duty on instruments chargeable with duty vary from state to state. Instruments chargeable to duty under the Stamp Act, which are not duly stamped, are incapable of being admitted in court as evidence of the transaction contained therein and it also provides for impounding of instruments that are not sufficiently stamped or not stamped at all.

### **The Arbitration and Conciliation Act, 1996**

This act was enacted by Parliament in the Forty-seventh Year of the Republic of India to consolidate and amend the law relating to domestic arbitration, international commercial arbitration and enforcement of foreign arbitral awards as also to define the law relating to conciliation.

### **The Insolvency and Bankruptcy Code, 2016**

The Insolvency and Bankruptcy Code, 2016 (the “code”) cover Insolvency of individuals, unlimited liability partnerships, Limited Liability partnerships (LLPs) and companies. The Insolvency Regulator (The Insolvency and Bankruptcy Board of India) has been established to exercise regulatory oversight over (a) Insolvency Professionals, (b) Insolvency Professional Agencies and (c) Information Utilities.

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

The IT Act regulates information technology i.e., it governs information storage, processing, and communication. It was enacted with the purpose of providing legal recognition to electronic transactions, electronic records, electronic signatures and their use, retention, attribution, and security. The Act also facilitates electronic filing of documents. The IT Act provides for extraterritorial jurisdiction over any offence or contravention under the IT Act committed outside India by any person, irrespective of their nationality, if the act or conduct constituting the offence or contravention involves a computer, computer system or computer network located in India. The IT Act further provides for civil and criminal liability including fines and imprisonment for various cybercrimes, including unauthorised access to computer system, unauthorised modification to the contents of computer systems, damaging computer systems, unauthorised disclosure of confidential information and computer fraud. Penalties are provided for cybercrimes which include tampering with computer source document and electronic publishing of obscene information, in addition to provision of compensation in certain cases. The IT Act creates liability on a body corporate which is negligent in implementing and maintaining reasonable security practices and procedures, and thereby causing wrongful loss or wrongful gain to any person, while possessing, dealing, or handling any sensitive personal data or information in a computer resource owned, controlled or operated by it but affords protection to intermediaries with respect to third-party information liability.

In April 2011, the Department of Information Technology under the Ministry of Communications and Information Technology (“MeITY”) notified the Information Technology (Reasonable Security Practices and Procedures and Sensitive Personal Data or Information) Rules, 2011 under Section 43A of the IT Act (the “SPDI Rules”) which give directions for the collection, disclosure, transfer, and protection of sensitive personal data by a body corporate or any person acting on behalf of a body corporate. The SPDI Rules also require the body corporate to provide a privacy policy for handling and dealing with personal information, including sensitive personal data. According to the SPDI Rules, the sensitive personal data shall not be disclosed by the body corporate to any third party without obtaining prior permission from the provider.

### **Shops and establishments legislations in various states**

Under the provisions of local shops and establishments legislations applicable in the states in which establishments are set up, establishments are required to be registered. Such legislations regulate the working and employment conditions of the workers employed in shops and establishments including commercial establishments and provide for fixation of opening and closing hours, daily and weekly working hours, rest intervals, overtime, holidays, leave, health and safety measures, termination of service, wages for overtime work, maintenance of shops and establishments and other rights and obligations of the employers and employees. There are penalties prescribed in the form of monetary fine or imprisonment for violation of the legislations.

### **Indian Contract Act, 1872 (the “Indian Contract Act”)**

The Indian Contract Act governs the conditions for validity of contracts formed through electronic means; communication and acceptance of proposals; additionally, revocation, and contract formation between consumers, sellers, and intermediaries. Further, the terms of service, privacy policy, and return policies of any online platform must be legally binding agreements. Additionally, the law is yet to update to deal with the lack of online signatures. Additionally, this will require certain types of contracts and the impossibility of determining the true consumer’s age, with the standard age to enter into contracts set at 18 years.

### **Competition Act, 2002 (the “Competition Act”)**

The Competition Act is an act to prevent practices having adverse effect on competition, to promote and sustain competition in markets, to protect interest of consumer and to ensure freedom of trade in India. The act deals with prohibition of (i) certain agreements such as anti-competitive agreements and (ii) abuse of dominant position and regulation of combinations. No enterprise or group shall abuse its dominant position in various circumstances as mentioned under the Competition Act. The prima facie duty of the Competition Commission of India (“Commission”) is to eliminate practices having adverse effect on competition, promote and sustain competition, protect interest of consumer, and ensure freedom of trade. The Commission shall issue notice to show cause to the parties to combination calling upon them to respond within 30 days in case it is of the opinion

that there has been an appreciable adverse effect on competition in India. In case a person fails to comply with the directions of the Commission and Director General (as appointed under Section 16(1) of the Competition Act), he shall be punishable with a fine which may exceed to ₹0.1 lakhs for each day during such failure subject to maximum of ₹10.00 lakhs, as the Commission may determine.

#### **The Consumer Protection Act, 2019 (the “Consumer Protection Act”) and the rules made thereunder**

The Consumer Protection Act, 2019 which repeals the Consumer Protection Act, 1986, was designed and enacted to provide simpler and quicker access to redress consumer grievances. It seeks, inter alia to promote and protect the interests of consumers against deficiencies and defects in goods or services and secure the rights of a consumer against unfair trade practices, which may be practiced by manufacturers, service providers and traders. The definition of “consumer” has been expanded under the Consumer Protection Act to include persons engaged in offline or online transactions through electronic means or by tele-shopping or direct-selling or multi-level marketing. One of the substantial changes introduced by Consumer Protection Act is inclusion of the e-commerce industry under Consumer Protection Act with “e-commerce” defined to refer to the buying and selling of goods or services over digital or electronic network. Therefore, the Consumer Protection Act aims to cover entities that are involved in the process of selling goods or services online. It provides for the establishment of consumer disputes redressal forums and commissions for the purposes of redressal of consumer grievances. In addition to awarding compensation and/ or passing corrective orders, the forums and commissions under the Consumer Protection Act, in cases of misleading and false advertisements, are empowered to impose imprisonment for a term which may extend to two years and fine which may extend to ten lakhs. In cases of manufacturing for sale or storing, selling or distributing or importing products containing an adulterant, the imprisonment may vary between six months to seven years and fine between one lakh to ten lakh depending upon the nature of injury to the consumer.

#### **The Energy Conservation Act, 2001 (the “Energy Conservation Act”)**

The Energy Conservation Act provides for the efficient use of energy and its conservation. The Energy Conservation Act empowers the Government of India to specify norms and standards of energy efficiency to be followed by the industries specified in the Schedule to the Energy Conservation Act, namely, aluminium, fertilizers, iron and steel, cement and pulp and paper. Section 3 of the Energy Conservation Act also provides for the establishment of the Bureau of Energy Efficiency to, inter alia, specify procedures for energy auditors to audit the use of energy by industries. Under Section 14, the Government of India may, by notification, inter alia, specify the norms and standards of energy efficiency and conservation for appliances and equipment which consume, generate, transmit or supply energy, prohibit sale or purchase of specified appliances unless such equipment conforms to energy consumption standards and prescribe such energy consumption norms and standards for designated customers.

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

The MSMED Act aims to facilitate the promotion, development and enhancement of the competitiveness of Micro, Small and Medium Enterprises (“MSME”) and for matters connected therewith or incidental thereto. The Government, in the Ministry of Micro, Small and Medium Enterprises has issued a notification dated June 1, 2020 revising definition and criterion and the same came into effect from July 1, 2020. The notification revised the definitions as “Micro enterprise”, where the investment in plant and machinery or equipment does not exceed one crore rupees and turnover does not exceed five crore rupees; “Small enterprise”, where the investment in plant and machinery or equipment does not exceed ten crore rupees and turnover does not exceed fifty crore rupees; “Medium enterprise”, where the investment in plant and machinery or equipment does not exceed five crore and turnover does not exceed two hundred and fifty crore rupees. All classes of enterprises, whether proprietorship, Hindu undivided family, association of persons, co-operative society, partnership firm, company or undertaking, by whatever name called can apply for the registration and get qualified for the benefits provided under the MSMED Act.

#### **Other Laws**

In addition to the above, our Company is also required to comply with the provisions of the Companies Act and rules framed thereunder and other applicable statutes imposed by the Centre or the State Government and authorities for our day-to-day business and operations.

## HISTORY AND CORPORATE STRUCTURE

### BRIEF HISTORY OF OUR COMPANY

Our Company was originally established as a partnership firm under the name of “M/s. Agricon Fertilizers” vide partnership deed dated April 01, 2016 which was reconstituted May 05, 2024. Thereafter, our firm was converted from partnership firm to public limited, and the name of our Company was changed from “M/s. Agricon Fertilizers” to “Agricon Nutritech Limited” vide fresh certificate of incorporation dated June 19, 2024 issued by the Registrar of Companies, Central Registration Centre. The Corporate identification number of our Company is U20120GJ2024PLC152600.

We specialize in supplying micronutrients for soil health solutions, initially focusing on sugarcane production to prevent soil-borne diseases. Over time, we have expanded our product portfolio to include soil health management, crop nutrients, bio stimulant products and bio pesticide products. From the beginning, we have promoted the Nutritech farming approach, resulting in a diverse range of over 30 products that support soil health, crop nutrition, bio-stimulants, and bio-pesticides, all while promoting eco-friendly farming practices. Currently, we are engaged with over 1,100 distributors in Gujarat and are planning to enhance our operations in both domestic and international markets. Our focus on consumer satisfaction, quality products, and responsive distribution drives our rapid growth.

Narendra Laljibhai Ghelani, Prafullaben Narendrakumar Ghelani, Narsinhbhai Ratnabhai Koladia, Mohan Lal Kumawat, Krishna Baburao Salve, Mukeshbhai Prahladbhai Parmar, and Ukani Jatin Dhirajlal were the initial subscribers to the Memorandum of Association of our Company. The current promoters of our Company are Narendra Laljibhai Ghelani and Prafullaben Narendrakumar Ghelani

### ADDRESS OF THE REGISTERED OFFICE:

<b>Registered Office</b>	508, Ananta Stallion, Nr., Sears Tower, Sevasi, Sevasi, Vadodara, Vadodara, Gujarat – 391101, India
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### CHANGES IN REGISTERED OFFICE OF THE COMPANY:

There has been no change in our Registered Office since incorporation.

### AMENDMENTS TO THE MEMORANDUM OF ASSOCIATION NAME CLAUSE

There have been no changes in the Name Clause of our company since its inception.

### OBJECT CLAUSE

There have been no changes made in Main Object Clause of our company since its inceptions.

### AUTHORIZED CAPITAL

The following changes have been made in the Authorized Capital of our Company since inception:

Date of Amendment	Particulars
On Incorporation	Authorized Share Capital of ₹10,50,00,000 (ten crore fifty lakhs) divided into 1,05,00,000 (One Crore five lakh) Equity Shares of ₹10/-each.
July 30, 2024	The Authorised Share Capital increased from ₹10,50,00,000 (ten crore fifty lakhs) divided into 1,05,00,000 (One Crore five lakh) Equity Shares of ₹10/- each to ₹15,00,00,000 (fifteen crores) divided into 1,50,00,000 (One crore fifty lakhs) Equity Shares of ₹10/- each.

### MAJOR EVENTS

There are no major events in the company since its incorporation except as mentioned below.

Year	Key Events/Milestone/ Achievement
April 01, 2016	Formation of Partnership Firm via partnership deed in the name and style of “M/s. Agricon Fertilizers”
May 05, 2024	The firm's registration with the "Registrar of Firms."
June 19, 2024	Conversion of the partnership into public limited company vide fresh certificate of Incorporation dated June19, 2024 under the name “Agricon Nutritech Limited”



#### **OTHER DETAILS REGARDING OUR COMPANY**

For information on our activities, services, growth, technology, marketing strategy, our standing with reference to our prominent competitors and customers, please refer to sections titled *“Business Overview”*, *“Industry Overview”* and *“Management’s Discussion and Analysis of Financial Conditions and Results of Operations”* beginning on page no. 102, 93 and 194 respectively of this Draft Red Herring Prospectus. For details of our management and managerial competence and for details of shareholding of Our Promoters, please refer to sections titled *“Our Management”* and *“Capital Structure”* beginning on page nos. 139 and 67 respectively of this Draft Red Herring Prospectus.

#### **RAISING OF CAPITAL IN FORM OF EQUITY OR DEBT**

For details regarding our capital raising activities through equity or debt, please see the section entitled *“Capital Structure”* and *“Restated Financial Information”* on page nos. 67 and 161 respectively of this Draft Red Herring Prospectus.

#### **DEFAULTS OR RESCHEDULING OF BORROWINGS WITH FINANCIAL INSTITUTIONS/ BANKS AND CONVERSION OF LOANS INTO EQUITY**

There have been no defaults or rescheduling of borrowings with financial institutions/ banks in respect of our current borrowings from lenders. Further, none of our outstanding loans have been converted into equity shares.

#### **CHANGES IN ACTIVITIES OF OUR COMPANY DURING THE LAST FIVE (5) YEARS**

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

#### **SUBSIDIARIES/ HOLDINGS AND JOINT VENTURES OF THE COMPANY**

Our company does not have any Subsidiaries/ Holdings and Joint Ventures as on date of filing Draft Red Herring Prospectus.

#### **INJUNCTION AND RESTRAINING ORDER**

Our company is not under any injunction or restraining order, as on date of filing of this Draft Red Herring Prospectus.

#### **MANAGERIAL COMPETENCE**

For managerial Competence, please refer to the section *“Our Management”* on Page no. 131 of this Draft Red Herring Prospectus.

#### **MATERIAL ACQUISITIONS/ AMALGAMATIONS/ MERGERS/ REVALUATION OF ASSETS/ DIVESTMENT OF BUSINESS/ UNDERTAKING IN LAST TEN YEARS**

There has been no Material Acquisitions/ Amalgamations/ Mergers/ Revaluation of Assets/ Divestment of Business/ Undertaking in last ten years.

#### **TOTAL NUMBER OF SHAREHOLDERS OF OUR COMPANY**

As on the date of filing of this Draft Red Herring Prospectus, the total numbers of equity shareholders are 7. For more details on the shareholding of the members, please see the section titled *“Capital Structure”* at page no. 67 of this Draft Red Herring Prospectus.

#### **MAIN OBJECTS AS SET OUT IN THE MEMORANDUM OF ASSOCIATION OF THE COMPANY**

The object clauses of the Memorandum of Association of our Company enable us to undertake the activities for which the funds are being raised in the present Issue. Furthermore, the activities of our Company which we have been carrying out until now are in accordance with the objects of the Memorandum. The objects for which our Company is established are:

To carry in the business of trading, manufacturing, dealing, importing, and exporting various agriculture products n.e.c., including seeds, urea, organic fertilizers, fertilizers, nitrogen compounds, biofertilizers, biocontrol agents, agrochemicals, and providing all types of job work, acting as commission agents, and undertaking any other related activities.

#### **SHAREHOLDERS AGREEMENTS**

Our Company has not entered into any shareholders agreement as on the date of filing this Draft Red Herring Prospectus.

**OTHER AGREEMENTS**

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

## OUR MANAGEMENT

### BOARD OF DIRECTORS:

In accordance with the Articles of Association, unless otherwise determined in a general meeting of the Company and subject to the provisions of the Companies Act, 2013 and other applicable rules, the number of Directors of the Company shall not be less than 3 and not more than 15. Our Company currently has 5 (Five) Directors on our Board, out of which 2 (Two) are Executive Directors, 1 (One) is Non-Executive Director and 2 (Two) are Independent Directors.

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

Name, designation, age, date of birth, address, experience, occupation, qualification, current term, date of appointment and DIN	Other directorships
<p><b>Narendra Laljibhai Ghelani</b>  <b>Designation:</b> Chairman and Managing Director  <b>DIN:</b> 02246080  <b>Date of Birth:</b> November 27, 1963  <b>Age:</b> 60 years  <b>Occupation:</b> Business  <b>Address:</b> 26 Taksh Bunglow, Vasna Road, Vadodara Racecourse, Vadodara, Gujarat - 390007  <b>Nationality:</b> Indian  <b>Original Date of Appointment:</b> June 19, 2024  <b>Change in Designation:</b> August 12, 2024  <b>Period of Directorship:</b> For a period of 3 years with effect from June 19, 2024 shall not be liable to retire by rotation.</p>	<p><b>Public Limited Company:</b> Ghelani Agricon limited</p> <p><b>Private Limited Company:</b> Curative Microbes Private Limited Nigam Beej Private Limited</p>
<p><b>Prafullaben Narendrakumar Ghelani</b>  <b>Designation:</b> Whole Time Director  <b>DIN:</b> 09114476  <b>Date of Birth:</b> February 08, 1964  <b>Age:</b> 60 years  <b>Occupation:</b> Business  <b>Address:</b> 26 Taksh Bunglow, Vasna Road, Vadodara Racecourse, Vadodara, Gujarat - 390007  <b>Nationality:</b> Canadian  <b>Original Date of Appointment:</b> June 19, 2024  <b>Change in Designation:</b> August 12, 2024  <b>Period of Directorship:</b> For a period of 3 years with effect from June 19, 2024 shall not be liable to retire by rotation.</p>	<p><b>Public Limited Company:</b> Ghelani Agricon limited</p> <p><b>Private Limited Company:</b> Nil</p>
<p><b>Bhaveshkumar Popatlal Upadhyay</b>  <b>Designation:</b> Non-executive Director  <b>DIN:</b> 08384922  <b>Date of Birth:</b> June 28, 1971  <b>Age:</b> 53 years  <b>Occupation:</b> Business  <b>Address:</b> S/o Upadhyay Popatlal Vijayshanker, 22 Shivam Montreve, Behind Rajpath club, Bodakdev, Ahmedabad City, Ahmedbada, Gujarat - 380054  <b>Nationality:</b> Indian  <b>Original Date of Appointment:</b> August 12, 2024  <b>Change in Designation:</b> NA</p>	<p><b>Public Limited Company:</b> Nil</p> <p><b>Private Limited Company:</b> Trojan Lifecare Private Limited</p> <p><b>LLPs Name:</b> EI Gennext Consultus LLP Magnet Media Solutions LLP</p>

<p><b>Period of Directorship:</b> For a period of 3 years with effect from August 12, 2024 shall not be liable to retire by rotation.</p>	
<p><b>Shivani Pathak</b>  <b>Designation:</b> Independent Director  <b>DIN:</b> 10481354  <b>Date of Birth:</b> November 2, 1995  <b>Age:</b> 28 years  <b>Occupation:</b> Employment  <b>Address:</b> 5/B Padmavati Society, Near Vitarag Flats, Paldi, Ahmedabad City, Ahmedabad, Gujarat – 380007  <b>Nationality:</b> Indian  <b>Original Date of Appointment:</b> August 12, 2024  <b>Change in Designation:</b> NA  <b>Period of Directorship:</b> For a period of 3 years with effect from August 12, 2024 shall not be liable to retire by rotation.</p>	<p><b>Public Limited Company:</b>  Axita Cotton Limited  Hindprakash Industries Limited  Adline Chem Lab Limited</p>
<p><b>Vinod Kanubhai Rana</b>  <b>Designation:</b> Independent Director  <b>DIN:</b> 08160972  <b>Date of Birth:</b> January 11, 1991  <b>Age:</b> 33years  <b>Occupation:</b> Employment  <b>Address:</b> 1-526-1, Gandhiwada, Near Khodiyar Mandir, Dholka, Ahmedabad, Gujarat - 387810  <b>Nationality:</b> Indian  <b>Original Date of Appointment:</b> August 12, 2024  <b>Change in Designation:</b> NA  <b>Period of Directorship:</b> For a period of 3 years with effect from August 12, 2024 shall not be liable to retire by rotation.</p>	<p><b>Public Limited Company:</b>  Axita Cotton Limited  Yuranus Infrastructure Limited  Aditya Ultrasteel Limited</p>

#### **BRIEF PROFILE OF DIRECTORS:**

1. **Narendra Laljibhai Ghelani**, aged 60 years, is the Chairman and Managing Director of our Company. He has been associated with our Company since its incorporation as a Director and Promoter. He holds a Doctorate of Management from National Institute of Management. He has 35+ years of experience in the field of fertilizers and pesticides industry. He is responsible for looking after all the operations and marketing of our company.
2. **Prafullaben Narendrakumar Ghelani**, aged 60 years is Whole Time Director of our Company. She has been associated with our Company since its incorporation as a Director and Promoter. She holds a Fine arts degree from C N college of Fine Arts. She has over 15+ years of experience in the field of accounting, administration and HR.
3. **Bhaveshkumar Popatlal Upadhyay**, aged 53 years, is the Non-executive Director of our Company. He has been associated with our Company since past 2 years as an advisor. He holds MBA HR, PG Diploma - HR from symbiosis distance learning, PG Diploma - Journalism from Navagurat college institute, B SC - from Gujarat university.
4. **Shivani Pathak**, aged 28 years is an Independent Director of our Company. She has been associated with our Company since August 12, 2024. She holds a Company Secretary degree from The Institute of Company Secretaries of India.

5. **Vinod Kanubhai Rana**, aged 33 years is an Independent Director of our Company. He has been associated with our Company since August 12, 2024. He holds a Company Secretary degree from The Institute of Company Secretaries of India.

**Confirmations:**

- As on the date of this Draft Red Herring Prospectus: None of our Directors is or was a director of any listed company during the last five years preceding the date of this Draft Red Herring Prospectus, whose shares has been or were suspended from being traded on the BSE or the NSE, during the term of their directorship in such company.
- None of our Directors is or was a director of any listed company which has been or was delisted from any stock exchange during the tenure of their directorship in such company.
- None of the Directors are categorized as a wilful defaulter or a fraudulent borrower, as defined under Regulation 2(1) (111) of SEBI (ICDR) Regulations.
- None of our Directors is declared as fugitive economic offender under section 12 of the Fugitive Economic Offenders Act, 2018.

**RELATIONSHIP BETWEEN THE DIRECTORS**

There is no relationship between any of the Directors of our Company except the following:

Sr. No.	Name of Director	Designation	Relation
1	Narendra Laljibhai Ghelani	Chairman and Managing Director	He is spouse of our Whole Time Director Prafullaben Narendrakumar Ghelani
2	Prafullaben Narendrakumar Ghelani	Whole Time Director	She is Spouse of our Managing Director Narendra Laljibhai Ghelani

**ARRANGEMENTS WITH MAJOR SHAREHOLDERS, CUSTOMERS, SUPPLIERS OR OTHERS:**

We have not entered into any arrangement or understanding with our major shareholders, customers, suppliers or others, pursuant to which any of our directors were selected as directors or members of the senior management.

**SERVICE CONTRACTS:**

The directors of our company have not entered into any service contracts with our company which provides for benefits upon termination of their employment.

**DETAILS OF BORROWING POWERS OF DIRECTORS:**

Pursuant to a special resolution passed at an Extra-ordinary General Meeting of our Company held on July 30, 2024 and pursuant to provisions of Section 180(1) (c) and other applicable provisions, if any, of the Companies Act, 2013 and rules made thereunder, the board of directors of the company have authorized to borrow monies from time to time, any sum or sums of money on such security and on such terms and conditions as the board may deem fit, notwithstanding that the money to be borrowed together with the money already borrowed by our company may exceed in the aggregate, its paid up capital and free reserves and security premium (apart from temporary loans obtained/ to be obtained from bankers in the ordinary course of business), provided that the outstanding principal amount of such borrowing at any point of time shall not exceed in the aggregate of ₹200.00 Crore.

**COMPENSATION OF OUR MANAGING DIRECTOR & WHOLE-TIME DIRECTOR:**

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

**THE FOLLOWING COMPENSATION HAS BEEN APPROVED FOR MANAGING DIRECTOR & WHOLE TIME DIRECTOR:**

**Narendra Laljibhai Ghelani: Managing Director and Chairman**

Pursuant to the resolutions passed by our Board and our Shareholders on August 12, 2024, Narendra Laljibhai Ghelani was appointed as Managing director and Chairman for a period of Three years with effect from August 13, 2024 at a remuneration, which is to be given by way of salary, dearness allowance, perquisites and other allowances or any other combination thereof which shall not exceed ₹ 100.00 lakhs per annum.

**Prafullaben Narendrakumar Ghelani: Whole Time Director**

Pursuant to the resolutions passed by our Board and our Shareholders on August 12, 2024, Prafullaben Narendrakumar Ghelani was appointed as Whole Time Director for a period of Three years with effect from August 13, 2024 at a remuneration, which is to be given by way of salary, dearness allowance, perquisites and other allowances or any other combination thereof which shall not exceed ₹ 100.00 lakhs per annum.

**PAYMENTS OR BENEFITS TO DIRECTORS:**

**THE REMUNERATION PAID TO OUR DIRECTORS IN FISCAL 2024 IS AS FOLLOWS:**

*(₹ in lakhs)*

Name of Director	Remuneration paid in F.Y. 2024
Narendra Laljibhai Ghelani	-
Prafullaben Narendrakumar Ghelani	-

**BONUS OR PROFIT-SHARING PLAN FOR OUR DIRECTORS:**

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

**SITTING FEES:**

Our Board of Directors have resolved in their meeting dated August 12, 2024 for payment of sitting fees to Directors (including independent directors) of the Company, Non-Executive Directors including Independent Directors are not entitled to any remuneration except sitting fees for attending meetings of the Board, or of any committee of the Board. They are entitled to a sitting fee for attending the meeting of the Board and the Committee thereof respective.

**SHAREHOLDING OF OUR DIRECTORS AS ON THE DATE OF THIS DRAFT RED HERRING PROSPECTUS:**

Sr. No.	Name of Directors	No. of Shares	Holding % (pre offer)
1	Narendra Laljibhai Ghelani	76,30,034	73.73%
2	Prafullaben Narendrakumar Ghelani	27,14,385	26.23%
3	Bhaveshkumar Popatlal Upadhyay	-	-
4	Shivani Pathak	-	-
5	Vinod Kanubhai Rana	-	-
<b>TOTAL</b>		<b>1,03,44,419</b>	<b>99.968%</b>

As on date of the filing of this Draft Red Herring Prospectus, Company has no Subsidiary as defined under Section 2(6) of the Companies Act, 2013. Our Articles of Association do not require our directors to hold any qualification Equity Shares in the Company.

**INTEREST OF DIRECTORS**

All the Directors may be deemed to be interested to the extent of remuneration and reimbursement of expenses payable to them under the Articles, and to the extent of remuneration paid to them for services rendered as an officer or employee of the Company. For further details, please refer to Chapter titled **“Our Management”** beginning on page 139 of this Draft Red Herring Prospectus.

Our directors may also be regarded as interested to the extent of their shareholding and dividend payable thereon, if any, and to the extent of Equity Shares, if any held by them in our Company or held by their relatives. Further our directors are also interested to the extent of unsecured loans, if any, given by them to our Company or by their relatives or by the companies/ firms in which they are interested as directors/ Members/ Partners. Further our directors are also interested to the extent of loans, if any, taken

by them or their relatives or taken by the companies/ firms in which they are interested as Directors/ Members/ Partners and for the details of Personal Guarantee given by Directors towards Financial facilities of our Company please refer to “**Statement of Financial Indebtedness**” on page 193 of this Draft Red Herring Prospectus.

Except as stated otherwise in this Draft Red Herring Prospectus, our Company has not entered into any Contract, Agreements or Arrangements during the preceding two years from the date of the Draft Red Herring Prospectus in which the Directors are interested directly or indirectly and no payments have been made to them in respect of the contracts, agreements or arrangements which are proposed to be entered into with them.

Except as stated in this section “**Our Management**” or the section titled “**Financial information of the Company - Related Party Disclosure**” beginning on page 139 and 161 respectively of this Draft Red Herring Prospectus, and except to the extent of shareholding in our Company, our Directors do not have any other interest in our business.

#### **INTEREST OF DIRECTORS IN THE PROPERTY OF OUR COMPANY:**

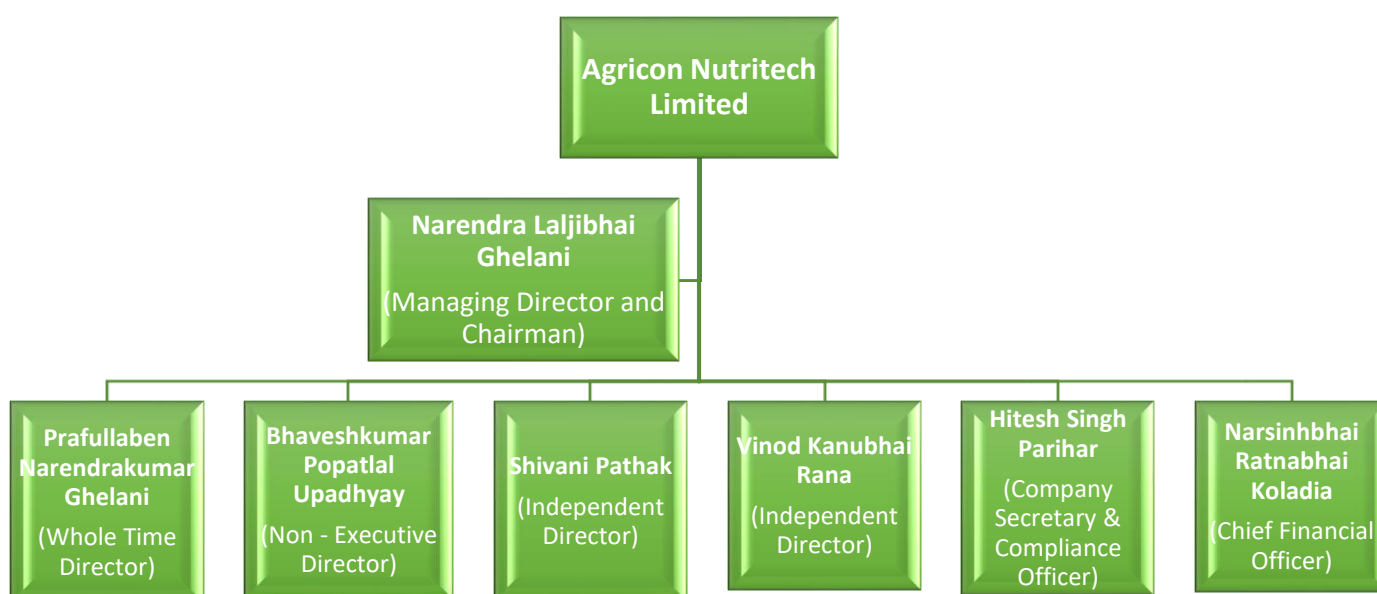
Except as stated in the heading titled “**Properties**” under the section titled “**Our Business**”, beginning on page 102 of this Draft Red Herring Prospectus, none of our directors have interest in any property acquired or proposed to be acquired by our Company, or in any transaction by our Company for acquisition of land, construction of building or supply of machinery.

#### **CHANGES IN BOARD OF DIRECTORS IN LAST 3 YEARS:**

<b>Name</b>	<b>Date</b>	<b>Reason</b>
Narendra Laljibhai Ghelani	12.08.2024	Change in Designation from Executive Director to Chairman and Managing Director
Prafullaben Narendrakumar Ghelani	12.08.2024	Change in Designation from Executive Director to Whole Time Director
Bhaveshkumar Popatlal Upadhyay	12.08.2024	Appointment as Non-Executive Director
Shivani Pathak	12.08.2024	Appointment as Independent Director
Vinod Kanubhai Rana	12.08.2024	Appointment as Independent Director
Mukesh Prahladbhai Parmar	13.09.2024	Cessation as Non - Executive Director

#### **MANAGEMENT ORGANIZATION STRUCTURE**

The following chart depicts our Management Organization Structure:



## COMPLIANCE WITH CORPORATE GOVERNANCE

In addition to the applicable provisions of the Companies Act, 2013 with respect to the Corporate Governance, provisions of the SEBI Listing Regulations will be applicable to our company immediately up on the listing of Equity Shares on the Stock Exchanges.

As on date of this Draft Red Herring Prospectus, as our Company is coming with an issue in terms of Chapter IX of the SEBI (ICDR) Regulations, 2018, the requirements specified in regulations 17, 18, 19, 20, 21, 22, 23, 24, 25, 26, 27 and clauses (b) to (i) of sub-regulation (2) of regulation 46 and para C, D and E of Schedule V of SEBI (Listing Obligations and Disclosures Requirement) Regulations, 2015 are not applicable to our Company, although we require to comply with requirement of the Companies Act, 2013 wherever applicable. In spite of certain regulations and schedules of SEBI (Listing Obligations and Disclosures Requirement) Regulations, 2015 is not applicable to our Company, our Company endeavors to comply with the good Corporate Governance and accordingly certain exempted regulations have been compiled by our Company

Our Company has complied with the corporate governance requirement, particularly in relation to appointment of independent directors including woman director on our Board, constitution of an Audit Committee, Stakeholders Relationship Committee and Nomination and Remuneration Committee. Our Board functions either on its own or through committees constituted thereof, to oversee specific operational areas.

### Our Company has constituted the following committees:

#### 1. Audit Committee

Our Company has formed an Audit Committee, vide Board Resolution dated August 20, 2024 as per the applicable provisions of the Section 177 of the Companies Act, 2013 read with rule 6 of the companies (Meeting of board and its power) Rules, 2014 and Regulation 18 of SEBI Listing Regulations. The Audit Committee comprises following members:

Name of the Director	Status in Committee	Nature of Directorship
Shivani Pathak	Chairman	Independent Director
Vinod Kanubhai Rana	Member	Independent Director
Bhaveshkumar Popatlal Upadhyay	Member	Non – Executive Director

The Company Secretary of our Company shall act as a Secretary to the Audit Committee. The scope and function of the Audit Committee and its terms of reference shall include the following:

#### Tenure of the committee:

The Audit Committee shall continue to be in function as a committee of the Board until otherwise resolved by the Board, to carry out the functions of the Audit Committee as approved by the Board Meetings of the Committee:

The committee shall meet at least four times in a year and not more than one hundred and twenty days shall elapse between any two meetings. The quorum for the meeting shall be either two members or one third of the members of the committee, whichever is higher but there shall be presence of minimum two independent members at each meeting. The Chairman of the Audit Committee shall attend the Annual General Meeting of our Company to answer shareholder queries.

#### Power of the Committee:

The Audit Committee shall have powers, including the following:

- to investigate any activity within its terms of reference;
- to seek information from any employee;
- to obtain outside legal or other professional advice;
- to secure attendance of outsiders with relevant expertise, if it considers necessary as may be prescribed under the Companies Act, 2013 (together with the rules thereunder) and SEBI Listing Regulations; and
- To have full access to information contained in records of Company.

#### Role of the Committee:



The Role of Audit Committee together with its powers as per Part C of Schedule II of SEBI Listing Regulation and Companies Act, 2013 shall be as under:

- Overseeing the Company's financial reporting process and disclosure of its financial information to ensure that its financial statements are correct, sufficient and credible;
- Recommending to the Board for the appointment, re-appointment, replacement, remuneration and terms of appointment of the statutory auditors of the Company;
- Reviewing and monitoring the statutory auditor's independence and performance, and effectiveness of audit process;
- Approving payments to the statutory auditors for any other services rendered by the statutory auditors;
- Reviewing, with the management, the annual financial statements and auditor's report thereon before submission to the Board for approval, with particular reference to:
- Matters required to be included in the Director's Responsibility Statement to be included in the Board's report in terms of clause (c) of sub-section 3 of Section 134 of the Companies Act;
- Changes, if any, in accounting policies and practices and reasons for the same;
- Major accounting entries involving estimates based on the exercise of judgment by management;
- Significant adjustments made in the financial statements arising out of audit findings;
- Compliance with listing and other legal requirements relating to financial statements;
- Disclosure of any related party transactions; and
- Qualifications and modified opinions in the draft audit report.
- Reviewing, with the management, the quarterly, half-yearly and annual financial statements before submission to the Board for approval;
- Reviewing, with the management, the statement of uses/ application of funds raised through an Offer (public Offer, rights issue, preferential issue, etc.), the statement of funds utilized for purposes other than those stated in the issue document/ prospectus/ notice and the report submitted by the monitoring agency monitoring the utilization of proceeds of a public or rights issue, and making appropriate recommendations to the Board to take up steps in this matter. This also includes monitoring the use/ application of the funds raised through the proposed initial public offer by the Company;
- Approval or any subsequent modifications of transactions of the Company with related parties and omnibus approval for related party transactions proposed to be entered into by the Company subject to such conditions as may be prescribed;
- Scrutiny of inter-corporate loans and investments;
- Valuation of undertakings or assets of the Company, wherever it is necessary;
- Evaluation of internal financial controls and risk management systems;
- Establishing a vigil mechanism for directors and employees to report their genuine concerns or grievances;
- Reviewing, with the management, the performance of statutory and internal auditors, and adequacy of the internal control systems;
- Reviewing the adequacy of internal audit function if any, including the structure of the internal audit department, staffing and seniority of the official heading the department, reporting structure coverage and frequency of internal audit;
- Discussing with internal auditors on any significant findings and follow up thereon;
- Reviewing the findings of any internal investigations by the internal auditors into matters where there is suspected fraud or irregularity or a failure of internal control systems of a material nature and reporting the matter to the Board;
- Discussing with statutory auditors before the audit commences, about the nature and scope of audit as well as post-audit discussion to ascertain any area of concern;
- Looking into the reasons for substantial defaults in the payment to the depositors, debenture holders, shareholders (in case of non-payment of declared dividends) and creditors;
- Reviewing the functioning of the whistle blower mechanism;
- Approving the appointment of the chief financial officer or any other person heading the finance function or discharging that function after assessing the qualifications, experience and background, etc. of the candidate;
- Reviewing the utilization of loans and/ or advances from/ investment by the holding company in any subsidiary exceeding ₹1,000 million or 10% of the asset size of the subsidiary, whichever is lower including existing loans/ advances/ investments;
- Considering and commenting on the rationale, cost-benefits and impact of schemes involving merger, demerger, amalgamation etc., on the Company and its shareholders;

- Such roles as may be delegated by the Board and/ or prescribed under the Companies Act, 2013 and SEBI Listing Regulations or other applicable law.

Further, the Audit Committee shall mandatorily review the following:

- Management discussion and analysis of financial condition and results of operations;
- Statement of significant related party transactions (as defined by the audit committee), submitted by management;
- Management letters/ letters of internal control weaknesses issued by the statutory auditors;
- Internal audit reports relating to internal control weaknesses;
- The appointment, removal and terms of remuneration of the chief internal auditor shall be subject to review by the audit committee; and
- Statement of deviations:
- Quarterly statement of deviation(s) including report of monitoring agency, if applicable, submitted to stock exchange(s) in terms of Regulation 32(1) of the SEBI ICDR Regulations, 2018;
- Annual statement of funds utilized for purposes other than those stated in the issue document/prospectus/notice in terms of Regulation 32(7) of the SEBI ICDR Regulations, 2018.

#### **Stakeholders Relationship Committee**

Our Company has formed and Stakeholders Relationship Committee vide Board Resolution dated August 20, 2024 as per the applicable provisions of the Section 178(5) of the Companies Act, 2013 read with rule 6 of the companies (Meeting of board and its power) rules, 2014 and Regulation 20 of SEBI Listing Regulations. The Stakeholders Relationship Committee comprises following members:

<b>Name of the Director</b>	<b>Status in Committee</b>	<b>Nature of Directorship</b>
Vinod Kanubhai Rana	Chairman	Independent Director
Shivani Pathak	Member	Independent Director
Narendra Laljibhai Ghelani	Member	Managing Director

The scope and function of the Committee and its terms of reference shall include the following:

#### **Tenure of the committee:**

The Stakeholders Relationship Committee shall continue to be in function as a committee of the Board until otherwise resolved by the Board, to carry out the functions of the Stakeholders Relationship Committee as approved by the Board.

#### **Meetings of the committee:**

The Stakeholders Relationship Committee shall meet at least once a year and shall report to the Board on a quarterly basis regarding the status of redressal of complaints received from the shareholders of the Company. The Chairman of the Stakeholders Relationship Committee shall be present at the Annual General Meeting to answer queries of the securities holders. The Quorum shall be two members present.

#### **Terms of Reference:**

The role of the Stakeholders Relationship Committee as per Part D of Schedule II of the SEBI Listing Regulations and Companies Act, 2013 shall be as under:

- Resolving the grievances of the security holders of the listed entity including complaints related to transfer/ transmission of shares, non-receipt of annual report, non-receipt of declared dividends, issue of new/ duplicate certificates, general meetings etc.;
- Review of measures taken for effective exercise of voting rights by shareholders;
- Review of adherence to the service standards adopted by the listed entity in respect of various services being rendered by the Registrar & Share Transfer Agent;
- Review of the various measures and initiatives taken by the listed entity for reducing the quantum of unclaimed dividends and ensuring timely receipt of dividend warrants/ annual reports/ statutory notices by the shareholders of the company;

- Allotment, transfer of shares including transmission, splitting of shares, changing joint holding into single holding and vice versa, issue of duplicate shares in lieu of those torn, destroyed, lost or defaced or where the space at back for recording transfers have been fully utilized;
- Formulation of procedures in line with the statutory guidelines to ensure speedy disposal of various requests received from shareholders from time to time;
- To issue duplicate share or other security(ies) certificate(s) in lieu of the original share/ security(ies) certificate(s) of the Company;
- Non-receipt of share certificate(s), non-receipt of declared dividends, non-receipt of interest/ dividend warrants, non-receipt of annual report and any other grievance/ complaints with Company or any officer of the Company arising out in discharge of his duties;
- Oversee the performance of the Registrar & Share Transfer Agent and also review and take note of complaints directly received and resolved them;
- Oversee the implementation and compliance of the Code of Conduct adopted by the Company for prevention of Insider Trading for Listed Companies as specified in the Securities & Exchange Board of India (Prohibition of insider Trading) Regulations, 2015 as amended from time to time;
- Any other power specifically assigned by the Board of Directors of the Company from time to time by way of resolution passed by it in a duly conducted Meeting; and
- Such roles as may be delegated by the Board and/ or prescribed under the Companies Act, 2013 and SEBI Listing Regulations or other applicable law.

#### **Nomination and Remuneration Committee**

Our Company has formed a Nomination and Remuneration Committee vide Board Resolution dated August 20, 2024 as per the applicable provisions of the Schedule V and other applicable provisions of the Companies Act, 2013 read with rule 6 of the companies (Meeting of board and its power) rules, 2014 and Regulation 19 of SEBI Listing Regulations. The Nomination and Remuneration Committee comprises following members:

<b>Name of the Director</b>	<b>Status in Committee</b>	<b>Nature of Directorship</b>
Shivani Pathak	Chairman	Independent Director
Vinod Kanubhai Rana	Member	Independent Director
Narendra Laljibhai Ghelani	Member	Managing Director

**The scope and function of the Committee and its terms of reference shall include the following:**

#### **Tenure of the committee:**

The Nomination and Remuneration Committee shall continue to be in function as a committee of the Board until otherwise resolved by the Board.

#### **Meetings of the committee:**

The committee shall meet as and when the need arises, subject to at least once in a year. The quorum for a meeting of the Nomination and Remuneration Committee shall be either two members or one third of the members of the committee, whichever is greater, including at least one independent director in attendance. The Chairman of the Nomination and Remuneration Committee is entitled to attend the general Meeting of the company to furnish clarifications to the shareholders on any matter relating to remuneration.

#### **Role of Terms of Reference:**

The role of the Nomination and Remuneration Committee as per Part D of Schedule II of the SEBI Listing Regulations and Companies Act, 2013 shall be as under:

- Formulating the criteria for determining qualifications, positive attributes and independence of a director and recommend to the Board a policy relating to the remuneration of the directors, key managerial personnel and other employees;
- For the appointment of an independent director, the committee shall evaluate the balance of skills, knowledge and experience on the Board and on the basis of such evaluation, prepare a description of the role and capabilities required of an independent director. The person recommended to the board of directors of the Company for appointment as an

independent director shall have the capabilities identified in such description. For the purpose of identifying suitable candidates, the Committee may:

- Use the services of external agencies, if required;
- Consider candidates from a wide range of backgrounds, having due regard to diversity; and
- Consider the time commitments of the candidates.
- Formulation of criteria for evaluation of the performance of independent directors and the Board;
- Devising a policy on diversity of our Board;
- Identifying persons, who are qualified to become directors or who may be appointed in senior management in accordance with the criteria laid down, recommending to the Board their appointment and removal and carrying out evaluation of every director's performance;
- Determining whether to extend or continue the term of appointment of the independent director, on the basis of the report of performance evaluation of independent directors;
- Recommending remuneration of executive directors and any increase therein from time to time within the limit approved by the members of our Company;
- Recommending remuneration to non-executive directors in the form of sitting fees for attending meetings of the Board and its committees, remuneration for other services, commission on profits;
- Recommending to the Board, all remuneration, in whatever form, payable to senior management;
- Performing such functions as are required to be performed by the compensation committee under the SEBI (Share Based Employee Benefits and Sweat Equity) Regulations, 2021, as amended;
- Engaging the services of any consultant/ professional or other agency for the purpose of recommending compensation structure/ policy;
- Analysing, monitoring and reviewing various human resource and compensation matters;
- Reviewing and approving compensation strategy from time to time in the context of the then current Indian market in accordance with applicable laws;
- Framing suitable policies and systems to ensure that there is no violation, by an employee of any applicable laws in India or overseas, including:
  - The SEBI (Prohibition of Insider Trading) Regulations, 2015, as amended; or
  - The SEBI (Prohibition of Fraudulent and Unfair Trade Practices relating to the Securities Market) Regulations, 2003, as amended; and
  - Performing such other functions as may be delegated by the Board and/ or prescribed under the SEBI Listing Regulations, Companies Act, each as amended or other applicable law.

#### KEY MANAGERIAL PERSONNEL

Our Company is supported by a team of professionals having exposure to various operational aspects of our business. A brief detail about the Key Managerial Personnel of our Company is provided below:

Name, Designation & Educational Qualification	Age (Years)	Year of Joining	Remuneration paid for F.Y. ended 2024 (in ₹ Lakhs)	Overall experience (in years)
<b>Narendra Laljibhai Ghelani</b> Designation: Managing Director and Chairman Qualification: Doctorate of Management	60	2024	-	35+
<b>Prafullaben Narendrakumar Ghelani</b> Designation: Whole Time Director Qualification: Fine Arts	60	2024	-	15+
<b>Narsinhbhai Ratnabhai Koladia</b> Designation: Chief Financial Officer Qualification: B Sc (Agriculture)	68	2024	-	45
<b>Hitesh Singh Parihar</b> Designation: Company Secretary and Compliance Officer Qualification: Company Secretary	32	2024	-	5

## BRIEF PROFILE OF KEY MANAGERIAL PERSONNEL

- **Narendra Laljibhai Ghelani** - Please refer to section “*Brief Profile of our Directors*” beginning on page 139 of this Draft Red Herring Prospectus for details.
- **Prafullaben Narendrakumar Ghelani** - Please refer to section “*Brief Profile of our Directors*” beginning on page 139 of this Draft Red Herring Prospectus for details.
- **Hitesh Singh Parihar** is the Company Secretary and Compliance officer of our Company. He become the member of Institute of Company Secretaries of India since 2019. He looks after the overall corporate governance and secretarial matters of our Company. She has been appointed as Company Secretary and Compliance Officer of our Company with effect from August 12, 2024.
- **Narsinhbhai Ratnabhai Koladia** is the Chief Financial Officer of our Company. He was designated as Chief Financial Officer on August 12, 2024. He is currently responsible for the key financial affairs of the Company.

We confirm that:

- All the persons named as our Key Managerial Personnel above are the permanent employees of our Company.
- There is no understanding with major shareholders, customers, suppliers or any others pursuant to which any of the above mentioned Key Managerial Personnel have been recruited.
- None of our KMPs except Narendra Laljibhai Ghelani and Prafullaben Narendrakumar Ghelani are part of the Board of Directors.
- In respect of all above mentioned Key Managerial Personnel there has been no contingent or deferred compensation accrued for the Year ended March 2024.
- Except for the terms set forth in the appointment letters, the Key Managerial Personnel have not entered into any other contractual arrangements or service contracts (including retirement and termination benefits) with the issuer.
- Our Company does not have any bonus/ profit sharing plan for any of the Key Managerial Personnel.
- None of the Key Managerial Personnel in our Company hold any shares of our Company as on the date of filing of this Draft Red Herring Prospectus except:

Sr. No.	Name of the KMP's	No. of Shares held
1	Narendra Laljibhai Ghelani	76,30,034
2	Prafullaben Narendrakumar Ghelani	27,14,385
3	Narsinhbhai Ratnabhai Koladia	663
<b>Total</b>		<b>1,03,45,082</b>

- Presently, we do not have ESOP/ ESPS scheme for our employees.
- The turnover of KMPs is not high, compared to the industry to which our company belongs.
- Payment of benefits to officers of Our Company (non-salary related)
- Except as mentioned below, none of our KMPs or SMPs are related to each other as per section 2(77) of the Companies Act, 2013:

Name of KMPs	Other KMPs	Relation
Narendra Laljibhai Ghelani	Prafullaben Narendrakumar Ghelani	Spouse
Prafullaben Narendrakumar Ghelani	Narendra Laljibhai Ghelani	Spouse

Except as disclosed in this Draft Red Herring Prospectus and any statutory payments made by our Company to its officers, our Company has not paid any sum, any non-salary related amount or benefit to any of its officers or to its employees including amounts towards superannuation, ex-gratia/ rewards.

Except statutory benefits upon termination of employment in our Company or superannuation, no officer of our Company is entitled to any benefit upon termination of such officer's employment in our Company or superannuation. Contributions are made by our Company towards provident fund, gratuity fund and employee state insurance.

#### Changes in the Key Managerial Personnel in last three years:

There have been the following changes in the Key Managerial Personnel of our Company during the last 3 (three) year except as stated below:

Name	Date	Reason
Narendra Laljibhai Ghelani	June 19, 2024	Appointment as Executive Director
Prafullaben Narendrakumar Ghelani	June 19, 2024	Appointment as Executive Director
Narendra Laljibhai Ghelani	August 12, 2024	Change in Designation from Executive Director to Chairman and Managing Director
Prafullaben Narendrakumar Ghelani	August 12, 2024	Change in Designation from Executive Director to Whole Time Director
Narsinhbhai Ratnabhai Koladia	August 12, 2024	Appointment as Chief Financial Officer
Hitesh Singh Parihar	August 12, 2024	Appointment as Company Secretary and Compliance Officer

#### Interest of Our Key Managerial Persons

Apart from the shares held in the Company and to extent of remuneration allowed and reimbursement of expenses incurred by them for or on behalf of the Company and to the extent of loans and advances made to or borrowed from the Company, none of our key managerial personal are interested in our Company. For details, please refer section titled "*Financial information of the Company – Related Party Disclosures*" beginning on page 192 of this Draft Red Herring Prospectus.

#### Interest of Directors and KMP's in the property of Our Company:

Except as stated in the heading titled "*Properties*" under the section titled "*Our Business*", beginning on page 102 of this Draft Red Herring Prospectus, none of our directors have interest in any property acquired or proposed to be acquired by our Company, or in any transaction by our Company for acquisition of land, construction of building or supply of machinery.

Except as stated in this section "*Our Management*" or the section titled "*Financial information of the Company – Related Party Disclosure*" beginning on page 139 and 192 respectively of this Draft Red Herring Prospectus, and except to the extent of shareholding in our Company, our Directors do not have any other interest in our business.

#### Details of Service Contracts of the Key Managerial Personnel

Except for the terms set forth in the appointment letters, the Key Managerial Personnel have not entered into any other contractual arrangements with our Company for provision of benefits or payments of any amount upon termination of employment.

#### Loans given/ availed by Directors/ Key Managerial Personnel of Our Company

For details of unsecured loan taken from or given to our Directors/ KMPs and for details of transaction entered by them in the past please refer to "*Related Party Disclosures*" page 192 of this Draft Red Herring Prospectus.

#### ESOP/ ESPS SCHEME TO EMPLOYEES

Presently, we do not have any ESOP/ ESPS Scheme for our employees.

#### SENIOR MANAGEMENT PERSONNEL (SMP)

The Senior Management Personnel of our Company are as follows:

Name, Designation & Educational Qualification	Age (Years)	Year of Joining	Remuneration paid for FY ended 2024 (Rs in lakhs)	Overall Experience (In Years)
<b>Gandhi Prashant</b> Designation: State Head	57	2024	10.83	31

<b>Qualification:</b> B.Sc. - Agriculture				
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**BRIEF PROFILE OF SMP**

**Gandhi Prashant** is the State Head (Senior Managerial Person) of our Company. He was designated as State Head on August 12, 2024. He is currently responsible for sales and marketing and handling dealer and distributors of the company.

We confirm that:

- All the persons named as our Senior Management Personnel above is the permanent employee of our Company.
- There is no understanding with major shareholders, customers, suppliers or any others pursuant to which any of the above-mentioned Senior Management Personnel has been recruited.
- None of our SMP is part of the Board of Directors.
- In respect of all above mentioned Senior Management Personnel there has been no contingent or deferred compensation accrued for the Year ended March 2024.
- Except for the terms set forth in the appointment letters, the Senior Management Personnel have not entered into any other contractual arrangements or service contracts (including retirement and termination benefits) with the issuer.
- Our Company does not have any bonus/ profit sharing plan for any of the Senior Management Personnel.
- None of the Senior Management Personnel in our Company hold any shares of our Company as on the date of filing of this Draft Red Herring Prospectus.
- Presently, we do not have ESOP/ ESPS scheme for our employees.
- The turnover of SMPs is not high, compared to the industry to which our company belongs.
- Payment of benefits to officers of Our Company (non-salary related)

**Details of Service Contracts of the Key Managerial Personnel**

Except for the terms set forth in the appointment letters, the Key Managerial Personnel have not entered into any other contractual arrangements with our Company for provision of benefits or payments of any amount upon termination of employment.

Except as disclosed in this Draft Red Herring Prospectus and any statutory payments made by our Company to its officers, our Company has not paid any sum, any non-salary related amount or benefit to any of its officers or to its employees including amounts towards superannuation, ex-gratia/ rewards.

Except statutory benefits upon termination of employment in our Company or superannuation, no officer of our Company is entitled to any benefit upon termination of such officer’s employment in our Company or superannuation. Contributions are made by our Company towards provident fund, gratuity fund and employee state insurance.

**Changes in the Senior Management Personnel in last three years:**

There have been no changes in the Senior Management Personnel of our Company during the last 3 (Three) years except as mentioned below:

Name	Date	Reason
Gandhi Prashant	July 1, 2024	Appointment as State Head (Senior Managerial Person)

**Interest of Our Senior Management Personnel**

Except for the remuneration allowed, reimbursement of expenses incurred on behalf of the Company, none of our Senior Management Personnel have any interest in our Company.

## OUR PROMOTERS & PROMOTER GROUP

### OUR PROMOTERS:

The promoters of our Company are Narendra Laljibhai Ghelani and Prafullaben Narendrakumar Ghelani. As on date of this Draft Red Herring Prospectus, the Promoters, in aggregate, hold 1,03,44,419 Equity shares of our Company, representing 99.968% of the pre-issue paid-up Equity Share capital of our Company. For details of the build-up of the Promoters' shareholding in our Company, see "*Capital Structure – History of the Equity Share Capital held by Our Promoters*", on page 67 of this Draft Red Herring Prospectus.

### Brief Profile of Our Promoters is as under:

	<b>Narendra Laljibhai Ghelani – Managing Director &amp; Chairman</b>	
	Qualification	Doctorate of Management
	Age	61 Years
	Date of Birth	27/09/1963
	Address	26, Taksh Bunglow, Vasna Road, Vadodara, Vadodara Racecourse, Gujarat – 390007
	Experience	35+ Years
	Occupation	Director
	PAN	ABRPP0267A
	No. of Equity Shares &% of Shareholding (Pre-issue)	76,30,034 equity shares of Rs 10 each leading to shareholding of 73.73%
	Other Ventures	Directorship in Companies: 1. Ghelani Agricon Limited 2. Curative Microbes Private Limited 3. Nigam Beej Private Limited
	<b>Prafullaben Narendrakumar Ghelani – Whole Time Director &amp; Women Director</b>	
	Qualification	Fine Arts
	Age	60 Years
	Date of Birth	08/02/1964
	Address	26, Taksh Bunglow, Vasna Road, Vadodara Racecourse, Vadodara, Gujarat – 390007
	Experience	15+ Years
	Occupation	Director
	PAN	ABRPP0268R
	No. of Equity Shares & % of Shareholding (Pre-Issue)	27,14,385 equity shares of Rs 10 each leading to shareholding of 26.23%
	Other Ventures	Directorship in Companies: 1. Ghelani Agricon Limited



## **BRIEF PROFILE OF PROMOTERS**

- Narendra Laljibhai Ghelani - Please refer to chapter “*Our Management*” beginning on page 139 of this Draft Red Herring Prospectus for details.
- Prafullaben Narendrakumar Ghelani - Please refer to chapter “*Our Management*” beginning on page 139 of this Draft Red Herring Prospectus for details.

### **Declarations:**

In relation to Our Promoters, Narendra Laljibhai Ghelani and Prafullaben Narendrakumar Ghelani, our Company confirms that the PAN, Bank Account Numbers, Passport Number, Aadhaar Card Number and Driving License number shall be submitted to NSE at the time of filing of this Draft Red Herring Prospectus.

### **Change in the Control or Management of the Issuer in Last Five Years**

There is no change in control or management of the issuer in last five years.

### **Confirmations**

Our Company and Promoter hereby confirm that neither they nor any entities associated with them have been declared as wilful defaulters or fraudulent borrowers by the Reserve Bank of India (RBI) or any other government authority. There have been no violations of securities laws committed by them in the past, nor are there any current pending violations or ongoing restraining periods.

Furthermore, our Promoter, Promoter Group, and Directors have not been directly or indirectly debarred from accessing the capital markets, nor have they been restrained by any regulatory authority from acquiring securities. Additionally, none of our Promoter, Promoter Group, or Directors have any direct or indirect associations with companies, their promoters, or whole-time directors that have been compulsorily delisted by any recognized stock exchange, or with companies debarred from accessing the capital markets by the Securities and Exchange Board of India (SEBI).

Moreover, our Promoter or Directors are not classified as fugitive economic offenders. We, along with our Promoter, Group Entities, and companies promoted by the Promoter, confirm the following:

- No material regulatory or disciplinary actions have been taken by any stock exchange or regulatory authority against us in the past year.
- There have been no defaults in respect of the payment of interest and/ or principal to debenture/ bond/ fixed deposit holders, banks, or financial institutions in the past three years.
- Details of outstanding litigation, including its nature and status, are disclosed in the section titled "*Outstanding Litigation and Material Developments*" on page 203 of this Draft Red Herring Prospectus.

### **Interest of Our Promoters:**

- Except as stated in “*Restated Related Party Transactions*” under section “*Restated Financial Information*” beginning from page no. 161 of this Draft Red Herring Prospectus and to the extent of compensation, remuneration/ sitting fees to be paid, Perquisites to be given, reimbursement of expenses to be made in accordance with their respective terms of appointment and to the extent of their shareholding and benefits, if any, arise on the shareholding, our Promoter do not have any other interest in our business.
- Further, our Promoter may be deemed to be interested to the extent of the payments made by our Company, if any, to the Group entities and payment to be made by our Company to the Group Entities. For the payments that are made by our Company to certain Group entities, please refer “*Restated Related Party Transactions*” under section “*Restated Financial Information*” beginning from page no. 161 of this Draft Red Herring Prospectus.
- Except as otherwise stated in this Draft Red Herring Prospectus, we have not entered into any contract, agreements or arrangements during the preceding three years from the date of this Draft Red Herring Prospectus in which Promoter is directly or indirectly interested.

### **Interest in promotion and shareholding of Our Company:**

Our Promoters are interested in the promotion of our Company and also to the extent of their shareholding and shareholding of their relatives, from time to time, for which they are entitled to receive dividend payable, if any, and other distribution in respect of the Equity Shares held by them and their relatives. As on the date of this Draft Red Herring Prospectus, our promoters, Narendra Laljibhai Ghelani and Prafullaben Narendrakumar Ghelani collectively holds 1,03,44,419 Equity Shares in our Company i.e. 99.968% of the pre issue paid up Equity Share Capital of our Company. Our Promoters may also be deemed to be interested to the extent of the remuneration, as per the terms of their appointment and reimbursement of expenses payable to them for the rent, purchase and sale transactions. For details, please refer to ***“Related Party Transactions”*** beginning on page 192 of this Draft Red Herring Prospectus.

For details regarding the shareholding of Our Promoters in our Company, please see ***“Capital Structure”*** on page 67 of this Draft Red Herring Prospectus.

#### **Interest in the property of Our Company:**

Our Promoters do not have any other interest in any property acquired by our Company in a period of two years before filing of this Draft Red Herring Prospectus or proposed to be acquired by us as on date of this Draft Red Herring Prospectus, except as mentioned under property details of the Chapter titled ***“Our Business”*** beginning on page 102 of this Draft Red Herring Prospectus:

#### **In transactions for acquisition of land, construction of building and supply of machinery**

None of Our Promoters or Directors is interested in any transaction for the acquisition of land, construction of building or supply of machinery.

#### **Other Interests in our Company**

For transactions in respect of loans and other monetary transactions entered in past please refer to ***“Related Party Transactions”*** on page 192 forming part of ***“Financial Information of the Company”*** of this Draft Red Herring Prospectus.

Further, Our Promoters may be interested to the extent of personal guarantees given by them in favor of the Company, for the details of Personal Guarantee given by Promoters towards Financial facilities of our Company please refer to ***“Statement of Financial Indebtedness”*** and ***“Financial Information of Our Company”*** on page 193 and 161 respectively of this Draft Red Herring Prospectus.

#### **Payment or Benefits to our Promoter and Promoter Group during the last 2 years:**

For details of payments or benefits paid to our Promoter and promoter group, please refer to the paragraph ***“Compensation of our Managing Director”*** in the chapter titled ***“Our Management”*** beginning on page 139 and also refer ***“Related Party Transactions”*** on page 192 forming part of ***“Financial Information of the Company”*** and Paragraph on ***“Interest of Promoter”*** in chapter titled ***“Our Promoter and Promoter Group”*** on page 152 of this Draft Red Herring Prospectus.

#### **Companies/ Firms with which Our Promoters have disassociated in the last (3) three years**

Our Promoters have not disassociated themselves from any of the Company, Firms or other entities during the last three years preceding the date of this Draft Red Herring Prospectus.

#### **Other ventures of our Promoter**

Save and except as disclosed in this section titled ***“Our Promoter & Promoter Group”*** beginning on page 152 of this Draft Red Herring Prospectus, there are no ventures promoted by Our Promoters in which they have any business interests/ other interests.

#### **Litigation details pertaining to our Promoter**

For details on litigations and disputes pending against the Promoters and defaults made by the Promoters please refer to the section titled ***“Outstanding Litigations and Material Developments”*** beginning on page 203 of this Draft Red Herring Prospectus.

#### **Experience of Promoters in the line of business**

Our Promoters Narendra Laljibhai Ghelani and Prafullaben Narendrakumar Ghelani have an experience of around 35 years and 15 years of experience in business of soil health management, crop nutrients, bio stimulant products and bio pesticide products. The Company shall also endeavour to ensure that relevant professional help is sought as and when required in the future.

### Related Party Transactions

Except as stated in “*Related Party Transactions*” beginning on page 192 of this Draft Red Herring Prospectus, and as stated therein, Our Promoters or any of the Promoter Group Entities do not have any other interest in our business.

### OUR PROMOTER GROUP

In addition to the Promoters named above, the following natural persons are part of our Promoter Group:

#### A. Natural Persons who are part of the Promoter Group:

As per Regulation 2(1) (pp)(ii) of the SEBI (ICDR) Regulations, 2018, the Natural persons who are part of the Promoter Group (due to their relationship with the Promoter) are as follows:

Relation	Narendra Laljibhai Ghelani	Prafullaben Narendrakumar Ghelani
Father	Laljibhai Ghelani	Chandubhai Kacchadia
Mother	Pushpaben Ghelani	Kantaben Kacchadia
Spouse	Prafullaben Ghelani	Narendrabhai Ghelani
Brother	Ramesh Ghelani	Hitendra Kacchadia
Sister	Ranjanben Pethani	Shobha Patel
Sister	Manjuben Gajera	Bhavna Vasani
Sister	-	Kusum Hirapra
Son	Shreeji Ghelani	Shreeji Ghelani
Daughter	Rujavi Ghelani	Rujavi Ghelani
Daughter	Yatri Ghelani	Yatri Ghelani
Spouse’s Father	Chandubhai Kacchadia	Laljibhai Ghelani
Spouse’s Mother	Kantaben Kacchadia	Pushpaben Ghelani
Spouse’s Brother	Hitendra Kacchadia	Ramesh Ghelani
Spouse’s Sister	Shobha Patel	Ranjanben Pethani
Spouse’s Sister	Bhavna Vasani	Manjuben Gajera
Spouse’s Sister	Kusum Hirapra	-

#### B. Corporate Entities or Firms forming part of the Promoter Group:

Corporate Entities or Firms forming part of the Promoter Group:

As per Regulation 2(1) (pp)(iv) of the SEBI (ICDR) Regulations, 2018, the following entities would form part of our Promoter Group:

Sr. No.	Nature of Relationship	Name of Entities
A	Any body corporate in which twenty per cent 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;	Curative Microbes Private Limited Nigam Beej Private Limited Ghelani Agricon Limited
B	Any body corporate in which a body corporate as provided in (A) above holds twenty per cent. or more, of the equity share capital; and	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;	Agricon Chemicals (HUF) Agricon International (Proprietorship) Auricon Ventures (AOP)

		Agricon Chemical (Proprietorship of Brother of Promoter)
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**C. Other persons included in Promoter Group:**

None of other persons forms part of promoter group for the purpose of shareholding of the Promoter Group under Regulation 2(1) (pp)(v) of SEBI (ICDR) Regulations 2018.

For further details on our Group Companies refer Chapter titled ***“Our Group Companies”*** beginning on page 157 of this Draft Red Herring Prospectus.

## OUR GROUP COMPANY

In accordance with the SEBI ICDR Regulations 2018, and the applicable accounting standards, for the purpose of identification of ‘group companies’, our Company has considered (i) such companies (other than our Promoters and our Subsidiary) with which there were related party transactions during the period for which Restated Financial Statements have been disclosed in this Draft Red Herring Prospectus, as covered under the applicable accounting standards (i.e., AS 18); and (ii) any other companies which are considered material by our Board.

In respect of point (ii) above, a Board resolution dated August 20, 2024 has considered and adopted a policy of materiality for the identification of companies that shall be considered material and disclosed as a ‘group company’ in this Draft Red Herring Prospectus. In terms of such materiality policy, if a company (other than our Promoters and our Company’s Subsidiary) (a) is a member of the Promoter Group; and (b) has entered into one or more transactions with our Company during the last completed Financial Year included in the Restated Financial Statements, which individually or in aggregate in value exceeds 10% of the revenue of operations of the Company as per the Restated Financial Statements of the last completed financial year, it shall be considered material and disclosed as a “group company”:

### 1. Ghelani Agricon Limited

Ghelani Agricon Limited (CIN: U24129GJ2004PLC044363) was incorporated on 25 June, 2004 and operates as unlisted public company as on date. The Company has its registered office located at 114 & 115, At Post Karodi, Karodi, Aurangabad, Aurangabad, Maharashtra, 431001. The Company carries out its operations in India.

#### Financial Summary of the company

*(Amount in lacs)*

Particulars	FY 2024	FY 2023	FY 2022
Sales	427.95	122.20	62.43
EBITDA	8.31	5.25	1.89
EBITDA %	1.94%	4.30%	3.04%
PAT	7.86*	1.23	1.40
PAT %	1.84%	1.01%	2.25%

\*The figure mentioned is PBDT and PBDT%

#### **Nature and extent of interest of our Group Companies**

##### **a. In the promotion of our Company**

None of our Group Companies, have any interest in the promotion of our Company, except as stated in “**Related Party Transactions**” beginning on page 192 of this Draft Red Herring Prospectus

##### **b. In the properties acquired by us in the preceding three years before filing this Prospectus or proposed to be acquired by our Company**

Our Group Companies are not interested in the properties acquired by us in the three years preceding the filing of this Draft Red Herring Prospectus or proposed to be acquired by us as on the date of this Draft Red Herring Prospectus.

##### **c. In transactions for acquisition of land, construction of building and supply of machinery**

Except as disclosed in this Draft Red Herring Prospectus, our Group Companies are not interested in any transactions for the acquisition of land, construction of building or supply of machinery. For further details, please see section titled “**Restated Financial Information – Related Party Transactions**” on page 161.

##### **d. Common Pursuits between our Group Companies and our Company**

Ghelani Agricon Limited and Agricon Nutritech Limited are currently engaged in the business of dealing into soil health management, crop nutrients, bio stimulant products and bio pesticide products. However, Ghelani Agricon Limited is purely dealing into Maharashtra and not in our territory, i.e., Gujarat.

##### **e. Related Business Transactions with the Group Companies and significance on the financial performance of our Company**

Other than the transactions disclosed in the section titled “**Restated Financial Information - Related Party Transactions**” on page 161, there are no other related business transactions with our Group Companies.

##### **f. Business interest of our Group Companies in our Company**

Other than the transactions disclosed in the section titled “*Restated Financial Information– Related Party Transactions*” on page 161, our Group Companies have no business interest in our Company.

**g. Litigation**

Except mentioned in the “*outstanding litigation and material developments*” chapter on page no. 203 our Group Companies are not party to any pending litigations which will have a material impact on our Company.

**2. Curative Microbes Private Limited**

Curative Microbes Private Limited (CIN: U24233GJ2014PTC079430) was incorporated on March 28, 2014 as a private limited company. The Company has its registered office located at Survey No. 243, Makhiyala Galiyawad Road Village: Makhiyala, Taluka and Dist. Junagadh – 362011, Gujarat. The Company carries out its operations in India.

Financial Summary of the company

(Amount in Rs.)

Particulars	FY 2024	FY 2023	FY 2022
Sales	1,479.84	749.18	499.93
EBITDA	146.21	86.46	48.72
EBITDA %	9.88%	11.54%	9.75%
PAT	100.75 *	35.75	31.38
PAT %	6.81%	4.77%	6.28%

\*The figure mentioned is PBT and PBT %

**Nature and extent of interest of our Group Companies**

**a. In the promotion of our Company**

None of our Group Companies, have any interest in the promotion of our Company, except as stated in “*Related Party Transactions*” beginning on page 192 of this Draft Red Herring Prospectus

**b. In the properties acquired by us in the preceding three years before filing this Prospectus or proposed to be acquired by our Company**

Our Group Companies are not interested in the properties acquired by us in the three years preceding the filing of this Draft Red Herring Prospectus or proposed to be acquired by us as on the date of this Draft Red Herring Prospectus.

**c. In transactions for acquisition of land, construction of building and supply of machinery**

Except as disclosed in this Draft Red Herring Prospectus, our Group Companies are not interested in any transactions for the acquisition of land, construction of building or supply of machinery. For further details, please see section titled “*Restated Financial Information – Related Party Transactions*” on page 161.

**d. Common Pursuits between our Group Companies and our Company**

Curative Microbes Private Limited is in the business of biological fungicides, biological insecticides, biological nematicides, botanical pesticides, and composters, among others, whereas Agricon Nutritech Limited is in the business of dealing into soil health management, crop nutrients, bio stimulant products and bio pesticide products.

Curative Microbes is one of our contract manufacturers for one of the products, other than that the product portfolio of both the companies are different.

**e. Related Business Transactions with the Group Companies and significance on the financial performance of our Company**

Other than the transactions disclosed in the section titled “*Restated Financial Information - Related Party Transactions*” on page 161, there are no other related business transactions with our Group Companies.

**f. Business interest of our Group Companies in our Company**

Other than the transactions disclosed in the section titled “*Restated Financial Information– Related Party Transactions*” on page 161, our Group Companies have no business interest in our Company.

**g. Litigation**

Except mentioned in the “*outstanding litigation and material developments*” chapter on page no. 203 our Group Companies are not party to any pending litigations which will have a material impact on our Company.

*(Intentionally Left Blank)*

## **DIVIDEND POLICY**

Under the Companies Act, our Company can pay dividends upon a recommendation by our Board of Directors and approval by the shareholders at the general meeting of our Company. The Articles of Association of our Company give our shareholders, the right to decrease, and not to increase, the amount of dividend recommended by the Board of Directors.

The Articles of Association of our Company also gives the discretion to our Board of Directors to declare and pay interim dividends. No dividend shall be payable for any financial except out of profits of our Company for that year or that of any previous financial year or years, which shall be arrived at after providing for depreciation in accordance with the provisions of Companies Act, 2013.

Our Company does not have any formal dividend policy for declaration of dividend in respect of the Equity Shares. The declaration and payment of dividend will be recommended by our Board of Directors and approved by the shareholders of our Company at their discretion and may depend on a number of factors, including the results of operations, earnings, Company's future expansion plans, capital requirements and surplus, general financial condition, contractual restrictions, applicable Indian legal restrictions and other factors considered relevant by our Board of Directors.

Our Company has not declared any dividend on the Equity Shares in the last three financial years and for the period March 31, 2024 to the date of the filing of this Draft Red Herring Prospectus. Our Company's corporate actions pertaining to payment of dividends in the past are not to be taken as being indicative of the payment of dividends by our Company in the future.



## SECTION – VI – FINANCIAL INFORMATION OF THE COMPANY RESTATED FINANCIAL STATEMENTS

### RESTATED FINANCIALS STATEMENT

#### Independent Auditor’s Examination report on Restated Financial Information

To,  
The Board of Directors  
**Agricon Nutritech Limited**

Dear Sirs,

1. We have examined the attached Restated Financial Information of **Agricon Nutritech Limited** (the “Company” or the “Issuer”) comprising of the Restated Statement of Assets and Liabilities as at March 31, 2024 and March 31, 2023, March 31, 2022 the Restated Statements of Profit and Loss , the Restated Cash Flow Statement for the year ended on March 31, 2024 and March 31, 2023, March 31, 2022 the Summary Statement of Significant Accounting Policies, and other explanatory information (collectively, the “Restated Financial Information”), as approved by the Board of Directors of the Company at their meeting held on for the purpose of inclusion in the Draft Red Herring Prospectus/ Red Herring Prospectus and Prospectus (herein after referred to as “Offer Documents”) prepared by the Company in connection with its proposed Initial Public Offer of equity shares (“IPO”).
2. These restated Summary Statement have been prepared in terms of the requirements of:Section 26 of Part I of Chapter-III to the Companies Act, 2013(“Act”) read with Companies (Prospectus and Allotment of Securities) Rules 2014;
  - a) The Securities and Exchange Board of India (Issue of Capital and Disclosure Requirements) Regulations, 2018, as amended (“ICDR Regulations”) issued by the Securities and Exchange Board of India (“SEBI”) in pursuance to Section 11 of the Securities and Exchange Board of India Act, 1992 and related amendments / clarifications from time to time; and
  - b) The Guidance Note on Reports in Company Prospectuses (Revised 2019) issued by the Institute of Chartered Accountants of India (“ICAI”), as amended from time to time (the “Guidance Note”).
3. The Company’s Board of Directors is responsible for the preparation of the Restated Financial Information for the purpose of inclusion in the Offer Document to be filed with Emerge Platform of National Stock Exchange of India Limited (“NSE Emerge”), Securities and Exchange Board of India, the Registrar of Companies, Gujarat and in connection with the proposed IPO. The Restated Financial Information have been prepared by the management of the Company on the basis of preparation stated in Annexure IV to the Restated Financial Information. The Board of Directors’ responsibility includes designing, implementing and maintaining adequate internal control relevant to the preparation and presentation of the Restated Financial Information. The Board of Directors are also responsible for identifying and ensuring that the Company complies with the Act, ICDR Regulations and the Guidance Note.
4. We have examined such Restated Financial Information taking into consideration:
  - a) The terms of reference and terms of our engagement agreed upon with you in accordance with our engagement letter dated August 8, 2024 in connection with the proposed IPO of equity shares of the Issuer;
  - b) The Guidance Note. The Guidance Note also requires that we comply with the ethical requirements of the Code of Ethics issued by the ICAI;
  - c) Concepts of test checks and materiality to obtain reasonable assurance based on verification of evidence supporting the Restated Financial Information; and
  - d) The requirements of Section 26 of the Act and the ICDR Regulations. Our work was performed solely to assist you in meeting your responsibilities in relation to your compliance with the Act, the ICDR Regulations and the Guidance Note in connection with the IPO.
5. This Restated Financial Statement have been compiled by the management from the Audited Financial Statements of the Company for the financial year ended on March 31, 2024, March 31, 2023 and March 31, 2022 prepared in accordance

with the accounting standards notified under Section 133 of the Act, read with Rule 7 of the Companies (Accounts) Rules, 2014, as amended, and other accounting principles generally accepted in India. The same has been approved by the Board of Directors at their meeting.

6. For the purpose of our examination, we have relied on:
  - a) Auditor's report issued by Company's previous auditors V.J. Amin & Co. dated September 29, 2023, September 22, 2022 for the year ended March 31, 2023 and March 31, 2022 respectively and accordingly reliance has been placed on financial information examined by them for the said years. The financial report included for these years is based solely on the report submitted by them.
7. In accordance with the requirements of Part I of Chapter III of Act including rules made therein, ICDR Regulations, Guidance Note and Engagement Letter, we report that:
  - a) The **"Restated Summary Statement of Assets and Liabilities"** as set out in **Annexure I** to this report, of the Company as at and for the period ended on March 31, 2024 and March 31, 2023, March 31, 2022, are prepared by the Company and approved by the Board of Directors. These Restated Summary Statement of Assets and Liabilities, have been arrived at after making such adjustments and regroupings to the individual financial statements of the Company, as in our opinion were appropriate.
  - b) The **"Restated Summary Statement of Profit and Loss"** as set out in **Annexure 2** to this report, of the Company as at and for the period ended on March 31, 2024 and March 31, 2023, March 31, 2022 are prepared by the Company and approved by the Board of Directors. These Restated Summary Statement of Profit and Loss have been arrived at after making such adjustments and regroupings to the individual financial statements of the Company, as in our opinion were appropriate.
  - c) The **"Restated Summary Statement of Cash Flow"** as set out in **Annexure 3** to this report, of the Company as at and for the period ended on March 31, 2024 and March 31, 2023, March 31, 2022 are prepared by the Company and approved by the Board of Directors. These Restated Summary Statement of Cash Flow have been arrived at after making such adjustments and regroupings to the individual financial statements of the Company, as in our opinion were appropriate.
8. Based on our examination and according to the information and explanations given to us we are of the opinion that the Restated Financial Statements have been made after incorporating:
  - a) Adjustments for the changes in accounting policies, material errors and regrouping/reclassifications retrospectively in respective financial period/years ended March 31, 2024 and March 31, 2023, March 31, 2022 to reflect the same accounting treatment as per the accounting policies and grouping/ classifications for all the reporting periods, if any.
  - b) Adjustments for prior period and other material amounts in the respective financial years to which they relate and there are no qualifications which require adjustments.
  - c) There are no extra-ordinary items that need to be disclosed separately in the accounts and qualifications requiring adjustments.
  - d) There were no qualifications in the Audit Reports issued by the Statutory Auditors for the financial period/year ended on March 31, 2024 and March 31, 2023, March 31, 2022, which would require adjustments in this Restated Financial Statements of the Company.
  - e) These Profits and Losses have been arrived at after charging all expenses including depreciation and after making such adjustments/restatements and regroupings as in our opinion are appropriate.
  - f) These have been prepared in accordance with the Act, ICDR Regulations and Guidance note.
9. In our opinion and to the best of information and explanation provided to us, the Restated Financial Statement of the Company, read with significant accounting policies and notes to accounts as appearing in Annexure IV are prepared after providing appropriate adjustments and regroupings as considered appropriate.
10. We, M/s. V R A J M & Associates, Chartered Accountants have been subjected to the peer review process of the Institute of Chartered Accountants of India ("ICAI") and hold a valid peer review certificate issued by the **"Peer Review Board"** of the ICAI which is valid till December 31, 2026.

11. The preparation and presentation of the Restated Financial Statements referred to above are based on the Audited financial statements of the Company and are in accordance with the provisions of the Act and ICDR Regulations. The Financial Statements and information referred to above is the responsibility of the management of the Company.
12. The report should not in any way be construed as a re-issuance or re-dating of any of the previous audit reports issued by any other Firm of Chartered Accountants nor should this report be construed as a new opinion on any of the financial statements referred to therein.
13. We have no responsibility to update our report for events and circumstances occurring after the date of the report. Our report is intended solely for use of the management and for inclusion in the Offer Document in connection with the SME IPO. Our report should not be used, referred to or adjusted for any other purpose except with our consent in writing.

**For V R A J M & Associates**  
**Chartered Accountants**  
**Firm Registration No.: 121458W**

**CA. Vipul M. Dalal**  
**Partner**  
**Membership No.: 103667**  
**Place: Vadodara**  
**Date: 14.09.2024**  
**UDIN: 24103667BKAOBL3917**

**ANNEXURE I**  
**RESTATED STATEMENT OF ASSETS AND LIABILITIES**

*(Amount in lacs)*

Sr. No.	Particulars	Note	As at March 31, 2024	As at March 31, 2023	As at March 31, 2022
<b>I</b>	<b>EQUITY AND LIABILITIES</b>				
1.	Shareholders' funds				
	(a) Share Capital	I.1	778.95	377.63	280.70
	(b) Reserves and surplus	I.2			
	(c) Money received against share Warrants				
2.	Share application money pending allotment				
	<b>Sub Total Shareholders' Funds (A)</b>		<b>778.95</b>	<b>377.63</b>	<b>280.70</b>
3.	Non-current liabilities				
	(a) Long-term borrowings	I.3	30.00	50.00	30.00
	(b) Other Long term Liabilities	I.4	-	-	-
	(c) Deferred Tax liability	I.5	(0.74)	(0.77)	(0.99)
	(d) Long-term provisions	I.6	9.84	7.06	4.23
	<b>Sub Total Non Current Liabilities (B)</b>		<b>39.11</b>	<b>56.29</b>	<b>33.24</b>
4.	Current liabilities				
	(a) Short-term borrowings	I.7	173.00	158.85	165.59
	(b) Trade payables	I.8			
	i) Due to MSME		-	-	-
	ii) Due to Others		65.98	176.54	99.82
	(c) Other current liabilities	I.9	-	-	-
	(d) Short-term provisions	I.10	238.95	425.58	283.39
	<b>Sub Total Current Liabilities (C)</b>		<b>477.94</b>	<b>760.97</b>	<b>548.80</b>
	<b>TOTAL (A+B+C)</b>		<b>1,296.00</b>	<b>1,194.88</b>	<b>862.74</b>
<b>II.</b>	<b>ASSETS</b>				
1.	<b>Non-current assets</b>				
	(a) Property, Plant and Equipment and Intangible assets				
	(i) Property, Plant and Equipment	I.11	32.38	31.71	34.09
	(ii) Capital work-in-progress		-	-	-
	(b) Non-current investments	I.12	-	-	-
	(c) Long-term loans and advances	I.13	-	-	-
	(d) Deferred Tax Assets				
	(e) Long-term loans and advances				
	(f) Other Non Current Assets	I.14	1.20	1.20	1.20
	<b>Total Non Current Assets (A)</b>		<b>33.58</b>	<b>32.91</b>	<b>35.29</b>
2.	<b>Current assets</b>				
	(a) Current investments				
	(b) Inventories	I.15	136.42	92.87	97.22
	(c) Trade receivables	I.16	1,000.38	822.61	673.87
	(d) Cash and Bank Balances	I.17	37.38	103.47	0.85
	(e) Short-term loans and advances	I.18	54.43	107.56	41.68
	(f) Other Current Assets	I.19	33.81	35.46	13.82
	<b>Total Current Assets (B)</b>		<b>1,262.42</b>	<b>1,161.97</b>	<b>827.45</b>
	<b>TOTAL (A+B)</b>		<b>1,296.00</b>	<b>1,194.88</b>	<b>862.74</b>

**ANNEXURE II**  
**RESTATED STATEMENT OF PROFIT AND LOSS**

*(Amount in Lacs)*

	Particulars	Note	For the Year Ended On		
			March 31, 2024	March 31, 2023	March 31, 2022
<b>I</b>	Revenue from operations	II.1	2,991.38	2,600.89	2,023.47
<b>II</b>	Other Income	II.2	0.11	6.70	25.16
<b>III</b>	<b>Total Income (I+II)</b>		<b>2,991.48</b>	<b>2,607.59</b>	<b>2,048.63</b>
	<b>Expenses:</b>				
	(a) Cost of materials consumed	II.3	1,953.71	1,677.09	1,282.25
	(b) Purchases of stock-in-trade	II.4	-	-	-
	(c) Changes in inventories of finished goods and work-in-progress	II.5	(43.55)	4.35	(26.78)
	(d) Employee benefits expense	II.6	188.34	323.16	286.06
	(e) Finance costs	II.7	10.64	43.51	35.40
	(f) Depreciation and amortisation expense		4.48	4.59	4.22
	(g) Other expenses	II.8	380.07	513.47	435.29
<b>IV</b>	<b>Total expenses</b>		<b>2,493.70</b>	<b>2,566.17</b>	<b>2,016.44</b>
<b>V</b>	<b>Profit /(Loss) before tax and Exceptional Items (III-IV)</b>		<b>497.79</b>	<b>41.42</b>	<b>32.19</b>
<b>VI</b>	<b>Exceptional Items</b>	II.9	-	-	-
<b>VII</b>	<b>Profit /(Loss) before tax (V-VI)</b>		<b>497.79</b>	<b>41.42</b>	<b>32.19</b>
<b>VIII</b>	<b>Tax expense:</b>				
	(a) Current tax expense		126.02	11.20	9.09
	Less: MAT credit setoff		-	-	-
	(b) Short/(Excess) provision of tax for earlier years		-	-	-
	(c) Deferred tax charge/(credit)		0.04	0.22	(0.99)
			<b>126.06</b>	<b>11.41</b>	<b>8.10</b>
<b>IX</b>	<b>Profit after tax for the year (VII-VIII)</b>		<b>371.73</b>	<b>30.01</b>	<b>24.09</b>
<b>XII</b>	<b>Earnings per share (face value of ₹ 10/- each):</b>	II.10			
	(a) Basic (in ₹)		3.59	0.29	0.23
	(b) Diluted (in ₹)		3.59	0.29	0.23

<b>ANNEXURE - III</b>			
<b>STATEMENT OF CASH FLOW, AS RESTATED</b>			
<i>(₹ in Lakhs)</i>			
<b>Particulars</b>	<b>For the Year Ended On</b>		
	<b>March 31, 2024</b>	<b>March 31, 2023</b>	<b>March 31, 2022</b>
<b>A. CASH FLOW FROM OPERATING ACTIVITIES</b>			
Net Profit before Extraordinary items	497.79	41.42	32.19
Adjustment For:			
(a) Depreciation and Amortization	4.48	4.59	4.22
(b) Finance Charges	10.64	43.51	35.40
(c) (Gain)/Loss on Sale of Assets	-	-	-
(d) Provision for Gratuity	2.95	3.22	4.73
(e) Interest & Other income	(0.11)	(0.18)	(0.03)
(f) Preliminary Expenses written off	-	-	-
Operating Profit before Working Capital Changes	<b>515.75</b>	<b>92.56</b>	<b>76.51</b>
Adjustment For :			
(a) (Increase)/Decrease in Inventories	(43.55)	4.35	(26.77)
(b) (Increase)/Decrease in Trade Receivables	(177.77)	(148.74)	(17.33)
(c) (Increase)/Decrease in Loans & Advances	53.13	(65.88)	23.72
(d) (Increase)/Decrease in Other Assets	1.65	(21.64)	(1.06)
(e) Increase /(Decrease) in Trade Payables	(110.55)	76.71	(10.68)
(f) Increase /(Decrease) in Other Liabilities and short term provisions	(312.82)	130.61	19.87
<b>CASH GENERATED FROM OPERATIONS</b>	<b>(74.15)</b>	<b>67.97</b>	<b>64.26</b>
Less : Direct Taxes paid (Net of Refund)			
<b>CASH FLOW BEFORE EXTRAORDINARY ITEMS</b>	<b>(74.15)</b>	<b>67.97</b>	<b>64.26</b>
<b>NET CASH FROM OPERATING ACTIVITIES (A)</b>	<b>(74.15)</b>	<b>67.97</b>	<b>64.26</b>
<b>B. CASH FLOW FROM INVESTING ACTIVITIES</b>			
(a) Purchase of Fixed Assets	(9.07)	(2.21)	(2.44)
(b) Sale of Fixed Assets	3.93	-	8.71
(c) (Increase) / Decrease in Investment	-	-	-
(d) (Increase) / Decrease in Long term loans and advances	-	-	-
(e) (Increase) / Decrease in Non Current Assets	-	-	(0.98)
(f) Interest and other income	0.11	0.18	0.03
<b>NET CASH FROM INVESTING ACTIVITIES (B)</b>	<b>(5.04)</b>	<b>(2.03)</b>	<b>5.32</b>
<b>C. CASH FLOW FROM FINANCING ACTIVITIES</b>			
(a) Increase/(Decrease) in Long Term Borrowing	(20.00)	20.00	-
(b) Increase/(Decrease) in Short Term Borrowing	14.16	(6.75)	25.30
(c) Increase / ( Decrease ) in Long Term Provisions	-	-	-
(d) Transfer of reserves due to demerger	-	-	-
(e) Interest Paid	(10.64)	(43.51)	(35.40)
(f) Withdrwal/Infusion	29.59	66.93	(66.24)
<b>NET CASH FLOW IN FINANCING ACTIVITIES (C)</b>	<b>13.11</b>	<b>36.67</b>	<b>(76.34)</b>
<b>NET INCREASE IN CASH &amp; CASH EQUIVALENTS (A)+(B)+(C)</b>	<b>(66.09)</b>	<b>102.62</b>	<b>(6.77)</b>
<b>OPENING BALANCE – CASH &amp; CASH EQUIVALENT</b>	<b>103.47</b>	<b>0.85</b>	<b>7.64</b>
<b>CLOSING BALANCE - CASH &amp; CASH EQUIVALENT</b>	<b>37.38</b>	<b>103.47</b>	<b>0.85</b>

## ANNEXURE IV

### STATEMENT OF SIGNIFICANT ACCOUNTING POLICIES AND OTHER EXPLANATORY NOTES TO RESTATED FINANCIAL STATEMENTS

#### A. Background of the Company

Our Company was initially established as a partnership firm under the name of “M/s. Agricon Fertilizers” vide partnership deed dated April 01, 2016 which was reconstituted and registered on May 05, 2024. Thereafter, our firm was converted from partnership firm to public limited, and the name of our Company was changed from “M/s. Agricon Fertilizers” to “Agricon Nutritech Limited” vide fresh certificate of incorporation dated June 19, 2024 issued by the Registrar of Companies, Central Registration Centre. The Corporate identification number of our Company is U20120GJ2024PLC152600 and registered address is 508, Ananta Stallion, Nr. Sears Tower, Sevasi, Vadodara, Gujarat, India, 391101. The company is dealing into soil health management, crop nutrients, bio stimulant products and bio pesticide products.

#### B. Summary of significant accounting policies

##### a. Basis of preparation of financial statements

The Restated Statement of Assets and Liabilities of the Company as at 31 March 2022, 31 March 2023, 31 March 2024 the Restated Statement of Profit and Loss and the Restated Statement of Cash Flows for the period/ years ended 31 March 2022, 31 March 2023, 31 March 2024, and the annexures thereto (herein collectively referred to as 'Restated Financial Information') have been compiled by the management of the Company from the financial statements of the partnership firm for the year ended 31 March 2022, 31 March 2023, 31 March 2024 and have been prepared specifically for the purpose of inclusion in the Offer Document to be filed by the Company with the Emerge Platform of National Stock Exchange of India Limited (“NSE Emerge”).

These aforementioned audited financial statements were prepared in accordance with the Generally Accepted Accounting Principles in India (Indian GAAP) under the historical cost convention on accrual basis. These audited financial statements have been prepared to comply in all material aspects with the Accounting Standards prescribed by the Central Government, Section 133 of the Companies Act, 2013 (the "Act"), read with Rule 7 of the Companies (Accounts) Rules, 2014 (as amended) and the relevant provisions of the Act/ Companies Act, 2013, as applicable.

The Restated Financial Information has been prepared to comply in all material aspects with the requirements of Section 26(1)(b) of the Act read with Rules 4 to 6 of Companies (Prospectus and Allotment of Securities) Rules, 2014 and the Securities and Exchange Board of India (Issue of Capital and Disclosure Requirements) Regulations, 2009 (as amended from time to time).

All assets and liabilities have been classified / reclassified as current and non-current as per normal operating cycle of the Company and other criteria set out in the Schedule III to the Companies Act, 2013. Based on nature of products/services, the Company has ascertained its operating cycle as 12 months for the purpose of current and non-current classification of assets and liabilities.

The aforementioned **Restated** Financial Information have been prepared in Indian Rupee (I).

##### b. Use of estimates

The preparation of Restated Financial Information in conformity with GAAP requires that the management of the Company to make estimates and assumptions that affect the reported amounts of income and expenses of the period, the reported balances of assets and liabilities and the disclosures relating to contingent liabilities as of the date of the financial statements. Examples of such estimates include the useful lives of property, plant and equipment, provision for doubtful debts/ advances, future obligations in respect of retirement benefit plans, etc. Difference, if any, between the actual results and estimates is recognised in the period in which the results are known.

##### c. Depreciation

In financial statements, prior to 31-Mar-2024, depreciation on property, plant and equipment in the hands of the firm was provided on written down value method at the rates and in the manner specified in Schedule V to the Income Tax Act, 1961.

However, in restated financial statement, Depreciation on the assets have been provided on **Straight Line method (SLM)** method as per the rates and in the manner prescribed in Schedule II of the Companies Act, 2013.

Depreciation on fixed assets purchased / sold during the year is provided on pro-rata basis with reference to the date of addition/disposal thereof.

**d. Revenue recognition**

- i. Revenue from sale of goods is recognized when control of the products being sold is transferred to customer and when there are no longer any unfulfilled obligations. The performance obligations in our contracts are fulfilled at the time of dispatch, delivery or upon formal customer acceptance depending on the customer terms.
- ii. Revenue is measured at fair value of the consideration received or receivable, after deduction of any trade discounts, volume rebates and any taxes or duties collected on behalf of the government such as goods and services tax, etc. Revenue is recognized to the extent that it is highly probable a significant reversal will not occur. For sale of goods wherein performance obligation is not satisfied, any amount received in advance is recorded as contract liability and recognized as revenue when goods are transferred to customers. Any amount of income accrued but not billed to customers in respect of such contracts is recorded as a contract asset. Such contract assets are transferred to Trade receivables on actual billing to customers. In case customers have the contractual right to return goods, an estimate is made for goods that will be returned and a liability is recognized for this amount using the best estimate based on accumulated experience.

**e. Property, Plant & Equipment (PPE)**

PPE are stated at cost which includes price, duties, levies and any directly attributable cost of bringing the assets to its working condition for the Intended use as reduced by any part of the cost reimbursed by Government or otherwise by way of any concession, credits, Cenvat reduction in price, discount etc. or otherwise, at the time of purchase or otherwise subsequently less accumulated depreciation.

**f. Inventories**

Inventories are valued at the lower of cost (**on FIFO basis**) and the net realisable value. Cost includes all charges in bringing the goods to the point of sale. Work-in-progress include appropriate proportion of overheads.

**g. Reporting currency**

The reporting currency of the Company is Indian Rupee.

**h. Employee benefits**

**i. Short-term employee benefits:**

All employee benefits payable wholly within twelve months of rendering the services are classified as short-term employee benefits. Benefits such as salaries, wages, expected cost of bonus and short term compensated absences etc. are recognised in the period in which the employee renders the related service.

**ii. Post-employment benefits: Defined contribution plans:**

The provisions of Gratuity Act, Provident fund are applicable to the company as on the latest balance sheet date. Hence provisions in that regard are created.

- i. **Borrowing costs** Borrowing costs directly attributable to the acquisition, construction or production of qualifying assets, which are assets that necessarily take a substantial period of time to get ready for their intended use or sale, are added to the cost of those assets, until such time as the assets are substantially ready for their intended use or sale. All other borrowing costs are recognised in the Statement of profit and loss in the period in which they are incurred.



**j. Taxes on income**

The provision for current taxation is computed in accordance with the relevant tax regulations. Deferred tax is recognised on timing differences between the accounting and taxable income for the year and quantified using the tax rates and laws enacted or substantively enacted as at the Balance Sheet date. Deferred tax assets in respect of unabsorbed depreciation and carry forward losses under tax laws are recognised and carried forward to the extent there is virtual certainty supported by convincing evidence that sufficient future taxable income will be available against which such deferred tax assets can be realised in future. Where there is no unabsorbed depreciation / carry forward loss, deferred tax assets are recognised only to the extent there is a reasonable certainty of realisation in future. Such assets are reviewed at each Balance Sheet date to reassess realisation.

**k. Provisions and contingent liabilities**

Provisions are recognised when there is a present obligation as a result of a past event, it is probable that an outflow of resources embodying economic benefits will be required to settle the obligation and there is a reliable estimate of the amount of the obligation. Provisions are measured at the best estimate of the expenditure required to settle the present obligation at the Balance Sheet date and are not discounted to their present value.

Contingent liabilities are disclosed when there is a possible obligation arising from past events, the existence of which will be confirmed only by the occurrence or non-occurrence of one or more uncertain future events not wholly within the control of the Company or a present obligation that arises from past events where it is either not probable that an outflow of resources will be required to settle or a reliable estimate of the amount cannot be made.

**l. Earnings per share** Basic earnings per share is computed by dividing the profit after tax by the weighted average number of equity shares outstanding during the year/period. Diluted earnings per share is computed by dividing the profit after tax as adjusted for dividend, interest and other charges to expense or income relating to the dilutive potential equity shares, by the weighted average number of equity shares considered for deriving basic earnings per share and the weighted average number of equity shares which could have been issued on the conversion of all dilutive potential equity shares.

The Company has been formed from conversion of Partnership firm into company vide a certificate of incorporation dated June 19, 2024. The company has been converted with paid up equity share capital of Rs. 103477350 divided into 10347735 equity shares of Rs. 10 each. The status of company prior to May 05, 2024 was that of partnership firm. Hence EPS,NAV per share of all years has been calculated by considering number of shares outstanding post conversion of partnership firm into company. No. of shares outstanding in above table are taken as the weighted average no. of shares of the company so formed after conversion for all the years.

EPS has been derived and reported for the specific purpose of reflecting the impact on earnings in relation to the eligible shares as having been issued on the date of signing these restated financials for the purpose of application for listing on the Stock exchange.

**m. Cash Flow Statement**

The cash flow statement is prepared by the indirect method set out in accounting standard 3 on cash flow statements and presents the cash flows by operating, investing and financing activities of the company.

Cash and cash equivalents presented in the cash flow statement consist of cash on hand and unencumbered bank balances.

**n. Impairment of Assets**

An asset is considered as impaired in accordance with Accounting Standard 28 on Impairment of Assets when at the balance sheet date there are indications of impairment and the carrying amount of the asset, or where applicable the cash generating unit to which the asset belongs, exceeds its recoverable amount (i.e. the higher of the asset's net selling

price and value in use). The carrying amount is reduced to the recoverable amount and the reduction is recognized as an impairment loss in the Statement of Profit and Loss.

**ANNEXURE V**  
**NOTES TO RESTATED FINANCIALS**

**Annexure I.1**

**Restated Statement of Share Capital**

*(Amount in Lacs)*

Particulars	As at March 31, 2024	As at March 31, 2023	As at March 31, 2022
<b><u>Authorised Capital*</u></b>			
-	-		
No. of Equity Shares of ₹ 10/- each			
Authorised Equity Share Capital In Rs.	-	-	-
<b><u>Issued, Subscribed &amp; Fully Paid up#</u></b>			
No. of Equity Shares of ₹ 10/- each			
Issued, Subscribed & Fully Paid up Share Capital In Rs.	-	-	-
<b><u>Partners' Capital</u></b>			
Balance as per Audited Financial-Opening	377.63	280.70	314.75
Add: Addition	68.43	11.00	15.00
Less: Withdrwal	38.84	17.67	136.95
Add: Interest		33.60	23.81
Add: Remenuration		40.00	40.00
Add: Profit	371.73	30.01	24.09
<b>Closing Balance</b>	<b>778.95</b>	<b>377.63</b>	<b>280.70</b>
<b>Total</b>	<b>778.95</b>	<b>377.63</b>	<b>280.70</b>

#(a)The Company has been formed from conversion of Partnership firm into company vide a certificate of incorporation dated June 19, 2024. The company has been converted with paid up equity share capital of Rs. 103477350 divided into 1,03,47,735 equity shares of Rs. 10 each. The status of company prior to May 05, 2024 was that of partnership firm. Hence EPS, NAV per share of all years has been calculated by considering number of shares outstanding post conversion of partnership firm into company.

(b) For the purpose of Restated Financial Statements, the accounts of the Partnership Firm for the year ended have been recasted in accordance with the requirements of Schedule III of the Companies Act, 2013. Thus Share Capital disclosed for these years represents Partners' Capital in the Partnership Firm.

**Reconciliation of the number of shares outstanding is set out below:**

Particulars	As at March 31, 2024	As at March 31, 2023	As at March 31, 2022
	Number of Shares	Number of Shares	Number of Shares
<b>Shares outstanding at the beginning of the year</b>	-	-	-
Add: Shares Issued during the year	-	-	-
Fresh Issue	-	-	-
Bonus Shares Issued	-	-	-
<b>Less: Shares bought back during the year</b>			
Number of shares after Split*	-	-	-
<b>Shares outstanding at the end of the year</b>	-	-	-

**Details of Shareholders holding more than 5 % shares:**

Name of Shareholder	As at March 31, 2024	As at March 31, 2023	As at March 31, 2022
<b>Narendra bhai Ghelani</b>			
Number of Shares	NA	NA	NA
% of Holding (Profit Sharing ratio)	70.00%	70.00%	70.00%
<b>Prafullaben Narendrabhai Ghelani</b>			
Number of Shares	NA	NA	NA
% of Holding (Profit Sharing ratio)	30.00%	30.00%	30.00%

**Details of promoters holding shares:**

Name of Shareholder	As at March 31, 2024	As at March 31, 2023	As at March 31, 2022
<b>Narendra bhai Ghelani</b>			
Number of Shares	NA	NA	NA
% of Holding (Profit Sharing ratio)	70.00%	70.00%	70.00%
<b>Prafullaben Narendrabhai Ghelani</b>			
Number of Shares	NA	NA	NA
% of Holding (Profit Sharing ratio)	30.00%	30.00%	30.00%

**Annexure I.2**

**Restated Statement of Reserves and Surplus**

(Amount in lacs)

Particulars	As at March 31, 2024	As at March 31, 2023	As at March 31, 2022
<b>a. Securities Premium Account</b>	-	-	-
Balance at the beginning of the period / year			
Add: On shares issued			
Less: Utilisation			
<b>Balance at the end of the period/year</b>	-	-	-
Opening balance			
(+) Net Profit For the current year			
Adjustment: for Opening Gratuity Provision	-	-	
Less: Adjustment towards Fixed Assets	-		-
<b>Total</b>	-	-	-

**Annexure I.3**

**Restated Statement of Long Term Borrowings**

(Amount in lacs)

Particulars	As at March 31, 2024	As at March 31, 2023	As at March 31, 2022
<b><u>Secured</u></b>			
<b>(a) Term loans</b>			
Term Loan			
Vehicle Loan	-	-	-
(Secured By hypothecation of the Vehicle)			
<b>Total Secured A</b>	-	-	-
<b><u>Unsecured</u></b>			
(a) From Relative of Directors	30.00	50.00	30.00

<b>Total Unsecured Loan B</b>	<b>30.00</b>	<b>50.00</b>	<b>30.00</b>
<b>Total (A+B)</b>	<b>30.00</b>	<b>50.00</b>	<b>30.00</b>

Sr. No.	Lender	Nature of facility	Sanctioned Amount (₹ in Lakhs)	Outstanding as on March 2024 (₹ in Lakhs)	Rate of Interest/ Margin	Repayment Terms	Security/ Principal terms and conditions
1	HDFC BANK	Cash Credit	175.00	173.00	10.40% (Linked to 3M TIBIL.)	On Demand	A. First and exclusive hypothecation charge on all existing and future receivables / current assets /moveable Assets / moveable Fixed Assets of the Borrower (Ranking second charge) B. First and exclusive registered mortgage charge on immoveable properties being: 1) Residential: Taksh bungalows, no 26 Vasana Road 2) Commercial Property: Shop No 14, Senate square, Gotri road. 3) Primary Security: Stock (25/ less than 80 days and Book debts (50/ less than 90 days) 4) Personal Guarantee of Partners.
2	Narendra Ghelani-HUF	Unsecured Loan	30.00	30.00	NIL	On Demand	Not Applicable

#### Annexure I.4

##### Restated Statement of Other Non-Current Liabilities

(Amount in Lacs)

Particulars	As at March 31, 2024	As at March 31, 2023	As at March 31, 2022
Security Deposit	-	-	-
<b>Total</b>	<b>-</b>	<b>-</b>	<b>-</b>

#### Annexure I.5

##### Restated Statement of Deferred Tax Liability/(Assets)

(Amount in Lacs)

Particulars	As at March 31, 2024	As at March 31, 2023	As at March 31, 2022
Deferred Tax Liability/(Assets)			
On account of timing difference	(0.74)	(0.77)	(0.99)
<b>Total</b>	<b>(0.74)</b>	<b>(0.77)</b>	<b>(0.99)</b>

#### Annexure I.6

##### Restated Statement of Long Term Provisions

(Amount in lacs)

Particulars	As at March 31, 2024	As at March 31, 2023	As at March 31, 2022
Provisions for Gratuity	9.84	7.06	4.23
<b>Total</b>	<b>9.84</b>	<b>7.06</b>	<b>4.23</b>

#### Annexure I.7

##### Restated Statement of Short-Term Borrowings

(Amount in lacs)

Particulars	As at March 31, 2024	As at March 31, 2023	As at March 31, 2022
<u>Loan repayable on demand</u>			

(a) Working Capital Loan *	173.00	158.85	164.55
(b) Current Maturity of long-term debt - Secured Vehicle loan	-	-	1.04
<b>Unsecured</b>			
(a) Loans from Directors	-	-	-
<b>Total</b>	<b>173.00</b>	<b>158.85</b>	<b>165.59</b>

#### Annexure I.8

#### Restated Statement of Trade Payable

Particulars	As at March 31, 2024	As at March 31, 2023	As at March 31, 2022
Micro, Small Enterprises	-	-	-
Total outstanding dues to Other Creditors (except referred above)	65.98	176.54	99.82
<b>Total</b>	<b>65.98</b>	<b>176.54</b>	<b>99.82</b>

#### (a) Ageing schedule:

##### Balance as at 31st March 2024

(Amount in lacs)

Particulars	Less than 1 Year	1-3 years	More than 3 years	Total
(i) MSME	-	-	-	-
(ii) Others	65.98	-	-	65.98
(iii) Disputed dues - MSME	-	-	-	-
(iv) Disputed dues - Others	-	-	-	-
<b>Total</b>	<b>65.98</b>	<b>-</b>	<b>-</b>	<b>65.98</b>

##### Balance as at 31st March 2023

(Amount in lacs)

Particulars	Less than 1 Year	1-3 years	More than 3 years	Total
(i) MSME	-	-	-	-
(ii) Others	176.54	-	-	176.54
(iii) Disputed dues - MSME	-	-	-	-
(iv) Disputed dues - Others	-	-	-	-
<b>Total</b>	<b>176.54</b>	<b>-</b>	<b>-</b>	<b>176.54</b>

##### Balance as at 31st March 2022

(Amount in lacs)

Particulars	Less than 1 Year	1-3 years	More than 3 years	Total
(i) MSME	-	-	-	-
(ii) Others	99.82	-	-	99.82
(iii) Disputed dues - MSME	-	-	-	-
(iv) Disputed dues - Others	-	-	-	-
<b>Total</b>	<b>99.82</b>	<b>-</b>	<b>-</b>	<b>99.82</b>

#### (b) Dues payable to Micro and Small Enterprises:

Particulars	As at March 31, 2024	As at March 31, 2023	As at March 31, 2022
Principal amount remaining unpaid to any supplier as at the year end	-	-	-
Interest due on the above mention principal amount remaining unpaid to any supplier as at the year end	-	-	-
Amount of the interest paid by the Company in terms of Section 16	-	-	-

Amount of the interest due and payable for the period of delay in making payment but without adding the interest specified under the MSMED Act	-	-	-
Amount of interest accrued and remaining unpaid at the end of the accounting year	-	-	-

*Note: Under the Micro, Small & Medium Enterprises Development Act, 2006 which came into force from 2 October 2006, certain disclosures are required to be made relating to Micro, Small & Medium Enterprises. The Company is in the process of compiling relevant information from its customers about their coverage under the said Act. Since the relevant information is not readily available, no disclosures have been made in the accounts. This has been relied upon by the auditors. Management believes that the figures for disclosures, if any, will not be significant.*

#### **Annexure - I.9**

##### **Restated Statement of Other Current Liabilities**

<b>Particulars</b>	<b>As at March 31, 2024</b>	<b>As at March 31, 2023</b>	<b>As at March 31, 2022</b>
Advances from Customers			
Duties and taxes Payable			
Other Current Liabilities			
<b>Total</b>	<b>-</b>	<b>-</b>	<b>-</b>

#### **Annexure - I.10**

##### **Restated Statement Short Term Provisions**

<b>Particulars</b>	<b>As at March 31, 2024</b>	<b>As at March 31, 2023</b>	<b>As at March 31, 2022</b>
Provisions Incl incentive	90.98	404.10	273.79
Gratuity provision	1.06	0.90	0.51
Audit fees provision	0.60	0.30	
Provision for tax*	146.31	20.29	9.09
Other provision			
<b>Total</b>	<b>238.95</b>	<b>425.58</b>	<b>283.39</b>

*\*Provision for Income Tax is calculated in Statement of Tax Shelter considering the Allowance & Disallowance of Income & Expenditure in the Income Tax Return filed by the company.*



7	Computers	0.34	0.85	-	1.19	0.05	-	0.12	-	0.17	1.02	0.28
8	Furniture and Fixtures	13.68		-	13.68	1.25	-	1.30	-	2.55	11.12	12.42
9	Office Equipment	2.88	1.36	-	4.24	0.42	-	0.63	-	1.05	3.19	2.46
10	Software	-	-	-	-	-	-		-	-	-	-
	<b>Total Tangible Assets</b>	<b>38.31</b>	<b>2.21</b>	<b>-</b>	<b>40.52</b>	<b>4.22</b>	<b>-</b>	<b>4.59</b>	<b>-</b>	<b>8.81</b>	<b>31.71</b>	<b>34.09</b>
	<b>Previous Year</b>	<b>44.57</b>	<b>2.44</b>	<b>8.71</b>	<b>38.31</b>	<b>-</b>	<b>-</b>	<b>4.22</b>	<b>-</b>	<b>4.22</b>	<b>34.09</b>	<b>44.57</b>
	<b>Capital Work In Progress</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>
	<b>Total</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>
	<b>Previous Year</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>
	<b>Total</b>	<b>38.31</b>	<b>2.21</b>	<b>-</b>	<b>40.52</b>	<b>4.22</b>	<b>-</b>	<b>4.59</b>	<b>-</b>	<b>8.81</b>	<b>31.71</b>	<b>34.09</b>

**FY 2021-22**

	Fixed Assets	Gross Block				Accumulated Depreciation					Net Block	
		As At 01-Apr-2021	Addition	Disposal	As At 31-Mar-22	Upto 01-Apr-2021	Dep.fund Adjstmt.	For the period	Disposals	Upto 31-Mar-22	As At 31-Mar-22	As At 31-Mar-2021
I.	<b>Tangible Assets</b>				-					-	-	
	<b>Freehold/Owe use:</b>	-	-	-	-	-	-	-	-	-	-	-
1	Factory Land	-	-	-	-	-	-	-	-	-	-	-
2	Building	-	-	-	-	-	-	-	-	-	-	-
3	Plant and Equipment	-	-	-	-	-	-	-	-	-	-	-
4	Tools & Equipment	-	-	-	-	-	-	-	-	-	-	-
5	Vehicle	29.41	0.67	8.67	21.41	-	-	2.49	-	2.49	18.92	29.41
6	Electrical Installation			-	-	-	-	-	-	-	-	-
7	Computers	0.06	0.27	-	0.34	-	-	0.05	-	0.05	0.28	0.06
8	Furniture and Fixtures	13.04	0.64	-	13.68	-	-	1.25	-	1.25	12.42	13.04
9	Office Equipment	2.06	0.86	0.04	2.88	-	-	0.42	-	0.42	2.46	2.06
10	Software	-	-	-	-	-	-		-	-	-	-
	<b>Total Tangible Assets</b>	<b>44.57</b>	<b>2.44</b>	<b>8.71</b>	<b>38.31</b>	<b>-</b>	<b>-</b>	<b>4.22</b>	<b>-</b>	<b>4.22</b>	<b>34.09</b>	<b>44.57</b>
	<b>Capital Work In Progress</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>
	<b>Total</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>
	<b>Previous Year</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>
	<b>Total</b>	<b>44.57</b>	<b>2.44</b>	<b>8.71</b>	<b>38.31</b>	<b>-</b>	<b>-</b>	<b>4.22</b>	<b>-</b>	<b>4.22</b>	<b>34.09</b>	<b>44.57</b>



**Annexure I.12****Restated Statement of Non-Current Investments***(Amount in Lacs)*

Particulars	As at March 31, 2024	As at March 31, 2023	As at March 31, 2022
<b>Unquoted Investments:</b>	-	-	-
<b>Total</b>	-	-	-

**Annexure I.13****Restated Statement of Long-term loans and advances***(Amount in Lacs)*

Particulars	As at March 31, 2024	As at March 31, 2023	As at March 31, 2022
a. Capital Advances	-	-	-
<b>Total</b>	-	-	-

**Annexure - I.14****Restated Statement of Non Current Asset***(Amount in Lacs)*

Particulars	As at March 31, 2024	As at March 31, 2023	As at March 31, 2022
a. Capital Advances	-	-	-
<b>Total</b>	-	-	-

**Annexure - I.15****Restated Statement of Inventories (Valued at Cost or NRV whichever is lower)***(Amount in Lacs)*

Particulars	As at March 31, 2024	As at March 31, 2023	As at March 31, 2022
a. Raw Materials and components	-	-	-
b. Work-in-progress	-	-	-
c. Finished goods	136.42	92.87	97.22
d. Stores and spares			
e. Waste	-	-	-
<b>Total</b>	<b>136.42</b>	<b>92.87</b>	<b>97.22</b>

**Annexure - I.16****Restated Statement of Trade receivables***(Amount in Lacs)*

Particulars	As at March 31, 2024	As at March 31, 2023	As at March 31, 2022
Unsecured			
Undisputed Trade Receivable - considered good	1,000.38	822.61	673.87
<b>Total</b>	<b>1,000.38</b>	<b>822.61</b>	<b>673.87</b>

**Aging of receivables as at 31.03.2024***(Amount in Lacs)*

Particulars	Less than 6 months	6 Months - 1 year	1-3 years	More than 3 years	Total
<b>Undisputed</b>					
Trade receivables - Considered good	738.87	-	261.50	-	1,000.37
Trade receivables - doubtful debt	-	-	-	-	-
<b>Disputed</b>					
Trade receivables - Considered good	-	-	-	-	-
Trade receivables - doubtful debt	-	-	-	-	-
<b>Total</b>	<b>738.87</b>	<b>-</b>	<b>261.50</b>	<b>-</b>	<b>1,000.37</b>

**Aging of receivables as at 31.03.2023**

(Amount in lacs)

Particulars	Less than 6 months	6 Months - 1 year	1-3 years	More than 3 years	Total
<b>Undisputed</b>					
Trade receivables - Considered good	775.72	-	46.89	-	822.61
Trade receivables - doubtful debt	-	-	-	-	-
<b>Disputed</b>					
Trade receivables - Considered good	-	-	-	-	-
Trade receivables - doubtful debt	-	-	-	-	-
<b>Total</b>	<b>775.72</b>	<b>-</b>	<b>46.89</b>	<b>-</b>	<b>822.61</b>

**Aging of receivables as at 31.03.2022**

(Amount in lacs)

Particulars	Less than 6 months	6 Months - 1 year	1-3 years	More than 3 years	Total
<b>Undisputed</b>					
Trade receivables - Considered good	621.20	-	52.67	-	673.87
Trade receivables - doubtful debt	-	-	-	-	-
<b>Disputed</b>					
Trade receivables - Considered good	-	-	-	-	-
Trade receivables - doubtful debt	-	-	-	-	-
<b>Total</b>	<b>621.20</b>	<b>-</b>	<b>52.67</b>	<b>-</b>	<b>673.87</b>

**Annexure - I.17**

**Restated Statement of Cash and Bank Balance**

(Amount in Lacs)

Particulars	As at March 31, 2024	As at March 31, 2023	As at March 31, 2022
<b>Cash and Cash Equivalent</b>			
Bank Balance			
(i) In current accounts and Debit Balance of OD Account	35.85	48.66	
(ii) In fixed deposit*	0.27	0.25	
(iii) In foreign currency account			
Cash on Hand	1.27	54.56	0.85
Travel Card			
<b>Total</b>	<b>37.38</b>	<b>103.47</b>	<b>0.85</b>
<b>Notes:</b>			
Lien Marked FD			
Lien Free FD	0.27	0.25	-
<b>Total Fixed Deposit Balance</b>	<b>0.27</b>	<b>0.25</b>	<b>-</b>

**Annexure - I.18**

**Restated Statement of Short Term Loans And Advances**

(Amount in Lacs)

Particulars	As at March 31, 2024	As at March 31, 2023	As at March 31, 2022
Advance to Suppliers	22.54	61.14	1.97

Staff Loan/Advance	1.89	26.42	19.71
Advance to Related Parties	30.00	20.00	20.00
<b>Total</b>	<b>54.43</b>	<b>107.56</b>	<b>41.68</b>

**Annexure - I.19**

**Restated Statement of Other current assets**

(Amount in lacs)

Particulars	As at March 31, 2024	As at March 31, 2023	As at March 31, 2022
Prepaid Expenses			
Accrued Interest on FDR			
Duties & Taxes Receivable	7.81	6.46	2.32
Advance Tax	26.00	29.00	11.50
Other Current Asset	-		
<b>Total</b>	<b>33.81</b>	<b>35.46</b>	<b>13.82</b>

**Annexure - II.1**

**Restated Statement of Revenue from operations**

(Amount in lacs)

Particulars	March 31, 2024	March 31, 2023	March 31, 2022
Sale of products	2,991.38	2,600.89	2,023.47
<b>Total</b>	<b>2,991.38</b>	<b>2,600.89</b>	<b>2,023.47</b>
<b>Note:</b>			
<b>(i) Sale of products comprises following :</b>			
Domestic sales	2,991.38	2,600.89	2,023.47
<b>Total</b>	<b>2,991.38</b>	<b>2,600.89</b>	<b>2,023.47</b>

**Annexure - II.2**

**Restatement of other income**

(Amount in lacs)

Particulars	March 31, 2024	March 31, 2023	March 31, 2022
Interest on FDR	-	-	-
Foreign Exchange Fluctuation	-	-	-
Delay payment charges	-	6.52	25.13
Other Interest	0.11	0.18	0.03
Freight on Sales	-	-	-
Subsidy Income	-	-	-
Duty Drawback Income	-	-	-
Custom Duty Income	-	-	-
MEIS Incentive Scheme	-	-	-
Other Income	-	-	-
<b>Total</b>	<b>0.11</b>	<b>6.70</b>	<b>25.16</b>

**Annexure - II.3**

**Restated Statement of Cost of materials consumed**

(Amount in lacs)

Particulars	March 31, 2024	March 31, 2023	March 31, 2022
Inventories at the beginning of the year	-	-	-
Add: Purchases during the year	1,790.72	1,488.48	1,214.62
Add: Direct expenses	162.98	188.60	67.63

	1,953.71	1,677.09	1,282.25
Less: Closing stock at the end of the year			
<b>Cost of materials consumed</b>	<b>1,953.71</b>	<b>1,677.09</b>	<b>1,282.25</b>

#### Annexure - II.4

##### Restated Statement of Changes in inventories of finished goods and work-in-progress

*(Amount in Lacs)*

Particulars	March 31, 2024	March 31, 2023	March 31, 2022
<b>Inventories at the end of the year:</b>			
(a) Finished goods	136.42	92.87	97.22
(b) Work-in-progress	-	-	-
(c) Scrap	-	-	-
(d) Packing Material	-	-	-
	<b>136.42</b>	<b>92.87</b>	<b>97.22</b>
<b>Inventories at the beginning of the year:</b>			
(a) Finished goods	92.87	97.22	70.44
(b) Work-in-progress	-	-	-
(c) Scrap	-	-	-
(d) Packing Material	-	-	-
	<b>92.87</b>	<b>97.22</b>	<b>70.44</b>
<b>Net (increase) / decrease</b>	<b>(43.55)</b>	<b>4.35</b>	<b>(26.78)</b>

#### Annexure - II.6

##### Restated Statement of Employee benefits expense

*(Amount in lacs)*

Particulars	March 31, 2024	March 31, 2023	March 31, 2022
(a) Salaries and wages	176.77	277.30	234.21
(b) Directors Remunerations			
(c) Gratuity	2.95	3.22	4.73
(d) Partners' Salary		40.00	40.00
(f) Staff & Labour welfare expenses	8.62	2.65	7.12
<b>Total</b>	<b>188.34</b>	<b>323.16</b>	<b>286.06</b>

#### Annexure - II.7

##### Restated Statement of Finance costs

*(Amount in lacs)*

Particulars	March 31, 2024	March 31, 2023	March 31, 2022
Interest Expense	10.39	9.46	10.51
Other borrowing costs; bank Charges	0.25	0.45	1.09
Interest to Partners	-	33.60	23.81
<b>Total</b>	<b>10.64</b>	<b>43.51</b>	<b>35.40</b>

#### Annexure II.8

##### Restated Statement of Other expenses

*(Amount in lacs)*

Particulars	March 31, 2024	March 31, 2023	March 31, 2022
Auditors Remunerations	0.60	0.30	0.40
Advertisement	10.32	6.02	1.27
Clearing charges			
Consumable Store			

Duty & Licence Expense			
Factory Expenses			
Fees & Taxes	0.49	0.42	0.42
Freight Outward	2.37	0.17	
Insurance Expenses	35.73	1.02	0.32
Labour Charges	6.78	0.05	0.49
Legal & Professional & Consultancy Charges	28.81	7.02	2.14
Postage & Courier	0.42	0.48	0.26
Power & Electricity			
Printing & Stationery	37.68	24.91	20.43
Rent			
Repair & Maintenance	50.02	53.11	47.78
Sales/ Business Promotion	71.14	222.82	192.24
Partner Insurance HDFC			
Telephone & Internet Expenses	2.45	1.72	2.33
Tour & Traveling Exp	112.57	189.29	166.10
Miscellaneous Expenses	20.69	6.15	1.12
<b>Total (A+B+C)</b>	<b>380.07</b>	<b>513.47</b>	<b>435.29</b>

#### Annexure - II.9

#### Restated Statement of Exceptional Items

(Amount in lacs)

Particulars	March 31, 2024	March 31, 2023	March 31, 2022
<b>Before Exceptional Items</b>			
Profit on sale of Fixed Assets			-
<b>Total (A+B+C)</b>	-	-	-

#### Annexure - II.10

#### Restated Statement of Earning Per Equity Share

Particulars	March 31, 2024	March 31, 2023	March 31, 2022
<b>Before Exceptional Items</b>			
1. Net Profit after tax as per Statement of Profit and Loss attributable to Equity Shareholders (₹ in Lakhs)	371.73	30.01	24.09
2. Weighted Average number of equity shares used as denominator for calculating EPS	1,03,47,735	1,03,47,735	1,03,47,735
3. Weighted Average number of equity shares used as denominator for calculating EPS Post Bonus and Split	1,03,47,735	1,03,47,735	1,03,47,735
4. Basic and Diluted Earnings per Share (On Face value of Rs. 10/ per share)	3.59	0.29	0.23

### ANNEXURE –V

#### Notes to the Re-stated Financial Statements:

#### Additional Information to the Financial Statements:

Particulars	As at March 31, 2024	As at March 31, 2023	As at March 31, 2022
<b>1. CIF Value of Imports</b>			NA

Raw Material	
Raw Material (Payment Made)	
Traded Goods	
Capital Goods/ Stores & Spare Parts	
<b>2. Expenditure in Foreign Currency</b>	
In respect of Business Promotion, Repair & Maintenance & Profession Consultancy & Other Misce Expenses	
- In respect of Foreign Travelling.	
- Container Freight	
<b>3. Earnings in Foreign Currency</b>	
Exports (FOB Value)	
Exports Realisation	

#### Disclosure Regarding Derivative Instruments And Unhedged Foreign Currency Exposure

Disclosure of Unhedged Balances:	As at March 31, 2024	As at March 31, 2023	As at March 31, 2022
<b>Trade payables (including payables for capital):</b>			
In USD			
In Euro			
In INR			
<b>Trade Receivable</b>			
In USD			
In GBP			
In EURO		NA	
In INR			
<b>Borrowings:</b>			
In USD			
In INR			
<b>Interest accrued but not due</b>			
In USD			
In INR			

#### Segment Information

Operating segments are reported in a manner consistent with the internal reporting provided to the Chief Operating Decision Maker (CODM). The CODM is considered to be the Board of Directors who makes strategic decisions and is responsible for allocating resources and assessing performance of the operating segments.

#### Details of CSR= Not Applicable

Particulars	As at March 31, 2024	As at March 31, 2023	As at March 31, 2022
a). Amount Required to be spent during the year	NA	NA	NA
b). Amount of expenditure incurred,	NA	NA	NA
c). Shortfall at the end of the year,	NA	NA	NA
d). Total of previous years shortfall	NA	NA	NA
e). Reasons for shortfall	NA	NA	NA
f). Nature of CSR Activities	NA	NA	NA
	NA	NA	NA

#### Additional regulatory information

- Details of crypto currency or virtual currency

The Company has neither traded nor invested in Crypto currency or Virtual Currency for the year ended March 31, 2024, 2023 and 2022. Further, the Company has also not received any deposits or advances from any person for the purpose of trading or investing in Crypto Currency or Virtual Currency.

- Compliance with approved scheme of arrangements

Company is not engaged in any scheme of arrangements.

- Undisclosed income

During the Periods, the Company has not surrendered or disclosed as income any transactions not recorded in the books of accounts in the course of tax assessments under the Income Tax Act, 1961 (such as, search or survey or any other relevant provisions of the Income Tax Act, 1961)

**Relationship with struck off companies**

The Company does not have any transactions with the companies struck off under section 248 of the Companies Act, 2013 or section 560 of the Companies Act, 1956 for the year ended March 31, 2024, 2023 and 2022

**Compliance with numbers of layers of companies**

The Company is in compliance with the number of layers of companies in accordance with clause 87 of Section 2 of the Act read with the Companies (Restriction on number of Layers) Rules, 2017 for the year ended March 31, 2024, 2023 and 2022

**Utilisation of borrowed funds and share premium**

For the year ended March 31, 2024, 2023 and 2022 the Company has not advanced or Loans or invested funds (either borrowed funds or share premium or kind of funds) to any other person(s) or entity(ies), including foreign entities (Intermediaries) with the understanding (whether recorded in writing or otherwise) that the Intermediary shall:

- directly or indirectly lend or invest in other persons or entities identified in any manner whatsoever by or on behalf of the Company (Ultimate Beneficiaries) or
- provide any guarantee, security or the like to or on behalf of the ultimate beneficiaries.

For the year ended March 31, 2024, 2023 and 2022 the Company has not received any fund from any person(s) or entity(ies), including foreign entities (Funding Party) with the understanding (whether recorded in writing or otherwise) that the Company shall:

- directly or indirectly lend or invest in other persons or entities identified in any manner whatsoever by or on behalf of the Funding Party (Ultimate Beneficiaries) or
- provide any guarantee, security, or the like on behalf of the ultimate beneficiaries.

**The Company has not been declared Wilful Defaulter by any bank or financial institution or government or any government authority.**

**No proceeding has been initiated nor pending against the company for holding any benami property under the Benami Transactions (Prohibition) Act,1988 (45 of 1988) and rules made thereunder.**

**Non-adjustment Items:**

No Audit qualifications for the respective periods which require any corrective adjustment in these Restated Financial Statements of the Company have been pointed out during the restated period.

**Material Regroupings:**

Appropriate adjustments have been made in the restated summary statements of Assets and Liabilities Profits and Losses and Cash flows wherever required by reclassification of the corresponding items of income expenses assets and liabilities in order to bring them in line with the requirements of the SEBI Regulations.

**Material Adjustments in Restated Profit & Loss Account:**

*(Amount in lacs)*

Particulars	As at March 31, 2024	As at March 31, 2023	As at March 31, 2022
-------------	-------------------------	-------------------------	-------------------------

<b>Profit After Tax as per Books of Accounts</b>	<b>501.17</b>	<b>44.81</b>	<b>36.09</b>
Adjustment for provision of Depreciation	(0.13)	0.13	0.83
Adjustment for Gratuity Provision (Net after reversal)	(2.95)	(3.22)	(4.73)
Adjustment for provision of Income Tax	(126.02)	(11.20)	(9.09)
Adjustment for provision of Deferred Tax	(0.04)	(0.22)	0.99
Adjustment for provision of Audit fees	(0.30)	(0.30)	
<b>Total Adjustments</b>	<b>(129.44)</b>	<b>(14.81)</b>	<b>(12.00)</b>
<b>Profit After Tax as per Restated</b>	<b>371.73</b>	<b>30.01</b>	<b>24.09</b>

### Reconciliation of Equity

Particulars	<i>(Amount in lacs)</i>		
	As at March 31, 2024	As at March 31, 2023	As at March 31, 2022
<b>Balance of Equity (Networth) as per Audited Financial Statement</b>	935.20	398.45	292.70
Adjustment on account of Opening reserves adjustment	(26.81)	(12.00)	-
Adjustment on account of capital entry wrongly classified in unsecured loans		(5.00)	
Adjustment on account of capital entry wrongly classified in loans & advances	-	11.00	-
Adjustment related to Profit and Loss account	(129.44)	(14.81)	(12.00)
<b>Balance of Equity (Networth) as per Restated Financial Statement</b>	<b>778.95</b>	<b>377.63</b>	<b>280.70</b>

### Details of dues to Micro and Small Enterprises as defined under the MSMED Act, 2006

Based on the information available with the Company in respect of MSME (as defined in the Micro, Small and Medium Enterprises Development Act, 2006) and as confirmed to us there are no delays in payment of dues to such enterprise during the year.

The identification of Micro, Small and Medium Enterprises Suppliers as defined under “The Micro, Small and Medium Enterprises Development Act, 2006” is based on the information available with the management. As certified by the management, the amounts overdue for the year ended March 31, 2024, 2023 and 2022 to Micro, Small and Medium Enterprises on account of principal amount together with interest, aggregate to Rs. Nil.

I. Other figures of the previous years have been regrouped / reclassified and / or rearranged wherever necessary.

II. The balance of Sundry Creditors, Sundry Debtors, Loans Advances, Unsecured Loans, and Current Liabilities are subject to confirmation and reconciliation.

**As required under SEBI (ICDR) Regulations, the statement of assets and liabilities has been prepared after deducting the balance outstanding on revaluation reserve account from both fixed assets and reserves and the net worth arrived at after such deductions.**

### Long Term Employee Benefits [AS-15]

Accounting Standard (AS) – 15 issued by ICAI is Mandatory. The Company has accounted for Long Term employee Benefits based on Actuarial Valuation report.

### Assumption used by Actuarial for Gratuity Provision

Particulars	31-03-2024	31-03-2023	31-03-2022
<b>Discount Rate</b>	7.20%	7.45%	7.00%
Salary Growth Rate	7.00%	7.00%	7.00%
Mortality	Indian Assured Lives Mortality (2012 -14) Ult.	Indian Assured Lives Mortality (2012 -14) Ult.	Indian Assured Lives Mortality (2012 -14) Ult.
Expected rate of return	<b>Not Applicable</b>	<b>Not Applicable</b>	<b>Not Applicable</b>
Normal Retirement Age	60	60	60
Salary per month	5,70,837	4,06,300	2,43,500



Vesting Period	5 years	5 years	5 years
Limit	20.00	20.00	20.00

*(Source: Based on Valuation reports of Kapaadia Global Actuaries dated 12/08/2024)*

**Trade Receivables, Trade Payables, Borrowings, Loans & Advances and Deposits**

Balances of Trade Receivables, Trade Payables, Borrowings and Loans & Advances and Deposits are subject to confirmation.

**Re-grouping/re-classification of amounts**

The figures have been grouped and classified wherever they were necessary.

**Examination of Books of Accounts& Contingent Liability**

The list of books of accounts maintained is based on information provided by the assessee and is not exhaustive. The information in audit report is based on our examination of books of accounts presented to us at the time of audit and as per the information and explanation provided by the assessed at the time of audit.

**Director Personal Expenses**

There are no direct personal expenses debited to the profit and loss account. However, personal expenditure if included in expenses like telephone, vehicle expenses etc. are not identifiable or separable.

**Deferred Tax Asset/ Liability: [AS-22]**

The company has created Deferred Tax Asset / Liability as required by Accounting Standard (AS) - 22.

**Pending registration / satisfaction of charges with ROC**

NIL

**ANNEXURE –VI**

**Statement of Accounting & Other Ratios, As Restated**

*(Amount in lacs)*

<b>Particulars</b>	<b>March 31, 2024</b>	<b>March 31, 2023</b>	<b>March 31, 2022</b>
Net Profit as Restated (A)	371.73	30.01	24.09
Add: Depreciation	4.48	4.59	4.22
Add: Finance Cost	10.64	43.51	35.40
Add: Income Tax/ Deferred Tax	126.06	11.41	8.10
Less: Other Income	(0.11)	(6.70)	(25.16)
<b>EBITDA</b>	<b>512.80</b>	<b>82.82</b>	<b>46.64</b>
<b>EBITDA Margin (%)</b>	<b>17.14%</b>	<b>3.18%</b>	<b>2.31%</b>
Net Worth as Restated (B)	778.95	377.63	280.70
<b>Return on Net worth (%) as Restated (A/B)</b>	<b>47.72%</b>	<b>7.95%</b>	<b>8.58%</b>
Equity Share at the end of year (in Nos.) (C)	1,03,47,735	1,03,47,735	1,03,47,735
Weighted No. of Equity Shares (in Nos.) (D) (Pre Bonus)	1,03,47,735	1,03,47,735	1,03,47,735
Weighted No. of Equity Shares (E) (Post Bonus)	1,03,47,735	1,03,47,735	1,03,47,735
(Post Bonus after restated period with retrospective effect)	1,03,47,735	1,03,47,735	1,03,47,735
<b>Basic &amp; Diluted Earnings per Equity Share as Restated (A/D)</b>	<b>3.59</b>	<b>0.29</b>	<b>0.23</b>
<b>Basic &amp; Diluted Earnings per Equity Share as Restated after considering Bonus Impact with retrospective effect (A/E)</b>	<b>3.59</b>	<b>0.29</b>	<b>0.23</b>
<b>Net Asset Value per Equity share as Restated (B/C) Pre Bonus</b>	<b>7.53</b>	<b>3.65</b>	<b>2.71</b>
<b>Net Asset Value per Equity share as Restated (B/E) Post Bonus</b>	<b>7.53</b>	<b>3.65</b>	<b>2.71</b>

*Note:*

*EBITDA Margin = EBITDA/Total Revenues*

*Networth= Paid up share capital plus reserves and surplus less miscellaneous expenditure to the extent not written off*

*Earnings per share (₹) = Profit available to equity shareholders / Weighted No. of shares outstanding at the end of the year*

*Return on Net worth (%) = Restated Profit after taxation / Net worth x 100*

*Net asset value/Book value per share (₹) = Net worth / No. of equity shares*

*The Company does not have any revaluation reserves or extra-ordinary items.*

- The Company has been formed from conversion of Partnership firm into company vide a certificate of incorporation dated June 19, 2024. The company has been converted with paid up equity share capital of Rs. 103477350 divided into 10347735 equity shares of Rs. 10 each. The status of company prior to May 05, 2024 was that of partnership firm. Hence EPS, NAV per share of all years has been calculated by considering number of shares outstanding post conversion of partnership firm into company. No. of shares outstanding in above table are taken as the weighted average no. of shares of the company so formed after conversion for all the years.

**Accounting Ratio**

<b>Sr. No.</b>	<b>Particulars</b>	<b>March 31, 2024</b>	<b>March 31, 2023</b>	<b>March 31, 2022</b>	<b>Comments</b>
1	Current Assets	1,262.42	1,161.97	827.45	Variation is less than 25% in march 2023 but for march 2024 reason for variance is decrease in incentive provisions
	Current Liabilities	477.94	760.97	548.80	
	<b>Current Ratio (In Times)</b>	<b>2.64</b>	<b>1.53</b>	<b>1.51</b>	

	Variation	72.98%	1.28%		
2	Total Debt (Short Term + Long Term)	203.00	208.85	195.59	Variation is less than 25% in march 2023 but for march 2024 reason for variance is increase in profits of the company
	Equity	778.95	377.63	280.70	
	<b>Debt Equity Ratio</b>	<b>0.26</b>	<b>0.55</b>	<b>0.70</b>	
	Variation	-52.88%	-20.63%		
3	Earnings available for debt service	512.80	82.82	46.64	reason for variance in 2023 is due to reduction in other income of the company and increase in operating profits and reason for 2024 is increase in profits of the company
	Debt Service	10.64	43.51	36.44	
	<b>Debt Service Coverage Ratio</b>	<b>48.19</b>	<b>1.90</b>	<b>1.28</b>	
	Variation	2432.05%	48.71%		
4	Net Profits after taxes – Preference Dividend (if any)	371.73	30.01	24.09	Variation is less than 25% in march 2023 but for march 2024 reason for variance is increase in profits of the company
	Average Shareholder’s Equity	578.29	329.16	280.70	
	<b>Return on Equity (ROE):</b>	<b>64.28%</b>	<b>9.12%</b>	<b>8.58%</b>	
	Variation	605.16%	6.24%		
5	Sales	2,991.38	2,600.89	2,023.47	Variation is less than 25% during march 2024, but for march 2023 reason for variance is increase in turnover
	Average Inventory	114.65	95.05	97.22	
	<b>Inventory Turnover ratio</b>	<b>26.09</b>	<b>27.36</b>	<b>20.81</b>	
	Variation	-4.65%	31.48%		
6	Net Credit Sales	2,991.38	2,600.89	2,023.47	Variation is less than 25%
	Average Accounts Receivable	911.49	748.24	673.87	
	<b>Trade receivables turnover ratio</b>	<b>3.28</b>	<b>3.48</b>	<b>3.00</b>	
	Variation	-5.59%	15.76%		
7	Net Credit Purchases (Purchase + Other Expenses)	2,333.78	2,190.56	1,717.54	Variation is less than 25% in march 2023 but for march 2024 reason for variance is increase in purchases
	Average Trade Payables	121.26	138.18	99.82	
	<b>Trade payables turnover ratio</b>	<b>19.25</b>	<b>15.85</b>	<b>17.21</b>	
	Variation	21.40%	-7.86%		
8	Net Sales	2,991.38	2,600.89	2,023.47	Due to increase in turnover this ratio has increased
	Average Working Capital	592.74	339.83	139.32	
	<b>Net capital turnover ratio</b>	<b>5.05</b>	<b>7.65</b>	<b>14.52</b>	
	Variation	-34.06%	-47.30%		
9	Net Profit	371.73	30.01	24.09	Variation is less than 25% in march 2023 but for march 2024 reason for variance is increase in profit margins
	Net Sales	2,991.38	2,600.89	2,023.47	
	<b>Net profit ratio</b>	<b>12.43</b>	<b>1.15</b>	<b>1.19</b>	
	Variation	977.14%	-3.08%		
10	Earnings before interest and taxes (EBIT)	512.80	82.82	46.64	Due to Increase in EBIT of the Company and infusion of capital by partners

	Average Capital Employed	981.96	586.48	476.29	
	<b>Return on capital employed (ROCE)</b>	52.22%	14.12%	9.79%	
	Variation	269.81%	44.20%		
11	<b>Return on investment</b>	NA	NA	NA	NA

#### ANNEXURE –VII

##### Statement of Capitalization, As Restated

(Amount in Lacs)

Particulars	Pre-Issue	Post Issue*
	March 31, 2024	
<b>Debt:</b>		
Long Term Debt	30.00	30.00
Short Term Debt	173.00	173.00
<b>Total Debt</b>	<b>203.00</b>	<b>203.00</b>
<b>Shareholders' Funds</b>		
Equity Share Capital	778.95	[•]
Reserves and Surplus	-	[•]
Less: Misc. Expenditure	-	-
<b>Total Shareholders' Funds</b>	<b>778.95</b>	[•]
<i>Long Term Debt/ Shareholders' Funds</i>	<i>0.04</i>	[•]
<i>Total Debt / Shareholders Fund</i>	<i>0.26</i>	[•]

\* Assuming Full Allotment of IPO shares

(I) The Company has been formed from conversion of Partnership firm into company vide a certificate of incorporation dated June 19, 2024. The company has been converted with paid up equity share capital of Rs. 103477350 divided into 1,03,47,735 equity shares of Rs. 10 each.

#### ANNEXURE –VIII

##### Statement of Tax Shelter, As Restated

Particulars	March 31, 2024	March 31, 2023	March 31, 2022
<b>Profit Before Tax as per books of accounts (A)</b>	<b>497.79</b>	<b>41.42</b>	<b>32.19</b>
-- Normal Tax rate	25.168%	25.168%	25.168%
-- Minimum Alternative Tax rate	Not Applicable as Opted for 115BAA		
<b>Permanent differences</b>			
Amount disallowable u/s 36			
Amount disallowable u/s 37			
Amount disallowed previously u/s 43B		-	
Amount disallowable u/s 40A			-
Other Adjustments	-		-
<b>Total (B)</b>	<b>-</b>	<b>-</b>	<b>-</b>
<b>Timing Differences</b>			
Depreciation as per Books of Accounts	4.48	4.59	4.22
Depreciation as per Income Tax	4.50	4.74	5.02
Difference between tax depreciation and book depreciation	(0.01)	(0.15)	(0.80)

Gratuity Provision in Books	2.95	3.22	4.73
Gratuity Actually Paid	-	-	-
Deduction under chapter VI-A	-	-	-
<b>Total (C)</b>	<b>2.93</b>	<b>3.08</b>	<b>3.93</b>
<b>Net Adjustments (D = B+C)</b>	<b>2.93</b>	<b>3.08</b>	<b>3.93</b>
<b>Total Income (E = A+D)</b>	<b>500.72</b>	<b>44.50</b>	<b>36.12</b>
Brought forward losses set off	-		
<b>Taxable Income/ (Loss) for the year/period (E+F)</b>	<b>500.72</b>	<b>44.50</b>	<b>36.12</b>
Tax Liability	126.02	11.20	9.09
Interest on Tax			-
Tax Payable as per Normal Rates	126.02	11.20	9.09
Tax payable as per MAT	-	-	-
Tax payable as per normal rates or MAT (whichever is higher)	<b>126.02</b>	<b>11.20</b>	<b>9.09</b>
<b>Type of Tax Payment</b>	<b>Normal Tax</b>	<b>Normal Tax</b>	<b>Normal Tax</b>

#### ANNEXURE IX

##### Statement of Related Party & Transactions:

##### List of related party and related party relationship

Sr. No	Name of the Related Party	Relationship
1	Narendra bhai Ghelani	Promoter
2	Prafullaben Narendrabhai Ghelani	Promoter
3	Shreeji Ghelani	Son of Promoter
4	Rujavi Ghelani	Daughter of Promoter
5	Ghelani Agricon Limited	Promoter Having Substantial Interest
6	Agricon Chemical	Promoter's brother's Proprietorship concern
7	Agricon International	Promoter Having Substantial Interest
8	Curative Microbes Private Limited	Promoter Having Substantial Interest
9	Narendra Laljibhai Ghelani(HUF)	Partner is Promoter
10	Ranjanben Pethani	Sister of Promoter
11	Agricon Chemicals& Fertilizers Co	Promoter's HUF's Proprietorship concern

##### Related party transactions

(₹ in lakhs)

Transactions during the year:	For the Period / Year Ended on		
	March 31, 2024	March 31, 2023	March 31, 2022
<b>Capital Addition/(withdrawal):</b>			
Narendra bhai Ghelani	28.45	-3.67	-75.83
Prafullaben Narendrabhai Ghelani	1.14	-3.00	-46.12
<b>Remuneration paid:</b>			
Narendra bhai Ghelani		28.00	28.00
Prafullaben Narendrabhai Ghelani		12.00	12.00
Shreeji Ghelani		6.00	6.00
Rujavi Ghelani		6.50	6.00
<b>Interest Paid</b>			
Narendra bhai Ghelani		27.81	19.74
Prafullaben Narendrabhai Ghelani		5.80	4.07

<b>Share in profit</b>			
Narendra bhai Ghelani	260.21	21.00	16.86
Prafullaben Narendrabhai Ghelani	111.52	9.00	7.23
<b>Purchase of Goods</b>			
Ghelani Agricon Limited	16.90	1.99	10.76
Agricon Chemical	368.87	293.30	201.19
Agricon Chemicals& Fertilizers Co	0.96	0.51	8.72
Agricon International	443.24	581.95	455.55
Curative Microbes Private Limited	150.04	139.76	139.50
<b>Sale of Goods</b>			
Ghelani Agricon Limited	327.66	51.97	25.58
Agricon Chemical	6.75	2.21	2.73
Agricon International	5.67	21.16	17.80
Agricon Chemicals& Fertilizers Co	317.71	254.66	220.31
Curative Microbes Private Limited	8.09	1.61	1.04
<b>Advances Given</b>			
Shreeji Ghelani	14.00	10.00	
Rujavi Ghelani	38.00		
<b>Advances Received</b>			
Shreeji Ghelani	14.00	10.00	
Rujavi Ghelani	38.00	20.00	

**Related party balance at the end of the year**

(₹ in lakhs)

<b>Outstanding Balance</b>	<b>March 31, 2024</b>	<b>March 31, 2023</b>	<b>March 31, 2022</b>
<b>Outstanding Trade Receivables</b>			
Ghelani Agricon Limited-MH	96.97	19.20	
Agricon Chemical -RJ	209.99	170.59	138.72
Agricon International	3.73	39.03	-
Agricon Chemicals& Fertilizers Co		0.51	
<b>Outstanding Loan (liability)</b>			
Narendra Laljibhai Ghelani(HUF)	30.00	30.00	30.00
Rujavi Ghelani	-	20.00	-
			-
<b>Outstanding Partners capital</b>			
Narendra Ghelani	693.16	318.89	235.39
Prafullaben Ghelani	242.04	79.55	57.31
<b>Outstanding Loan (Assets)</b>			
Ranjanben Pethani	10.00	10.00	10.00
			-
<b>Outstanding Trade Payable</b>			
Ghelani Agricon Limited	5.40	11.20	

Agricon Chemical	-	100.54	30.38
Agricon International	-	-	16.32
Agricon Chemicals& Fertilizers Co-MP		0.71	0.71
Curative Microbes Private Limited	-	7.13	9.97

**ANNEXURE – X**

**Statement of Dividends**

No Dividend Paid in last three years.

**ANNEXURE –XI**

**Changes in the Significant Accounting Policies**

There have been no changes in the accounting policies of the company for the period disclosed in the restated financial statement.

**Impact on Profit and loss account due to change in accounting policy.**

*(Amount in lacs)*

Particulars	As at March 31, 2024	As at March 31, 2023	As at March 31, 2022
	NA		

**ANNEXURE –XII**

**Contingent Liabilities:**

- i. Claims against the Company (including unasserted claims) not acknowledged as debt:

*(Amount in lacs)*

Particulars	As at March 31, 2024	As at March 31, 2023	As at March 31, 2022
Related to Direct Tax Matters - TDS	-	-	
Related to Indirect Tax Matters	-	-	-
BG outstanding	-	-	-

*(Amount in lacs)*

Capital Commitment	As at March 31, 2024	As at March 31, 2023	As at March 31, 2022
Estimated value of contracts in capital account remaining to be executed (net of capital advance)	-	-	-
Custom Duty against import under EPCG Scheme	-	-	-

## OTHER FINANCIAL INFORMATION

The audited financial statements of our Company for the financial year ended March 31, 2024, March 31, 2023 and March 31, 2022 and their respective Audit reports thereon (Audited Financial Statements) are available at [www.agriconnuritech.com](http://www.agriconnuritech.com)

Our Company is providing a link to this website solely to comply with the requirements specified in the Securities and Exchange Board of India (Issue of Capital and Disclosure Requirement) Regulations, 2018. The Audited Financial Statements do not constitute, (i) a part of the Draft Red Herring Prospectus; or (ii) Draft Red Herring Prospectus (iii) Prospectus, a statement in lieu of a prospectus, an advertisement, an offer or a solicitation of any offer or an offer document to purchase or sell any securities under the Companies Act, 2013, the Securities and Exchange Board of India (Issue of Capital and Disclosure Requirement) Regulations, 2018, or any other applicable law in India or elsewhere in the world. The Audited Financial Statements should not be considered as part of information that any investor should consider subscribing for or purchase any securities of our Company and should not be relied upon or used as a basis for any investment decision. Neither our Company, nor BRLM, nor any of their respective employees, directors, affiliates, agents or representatives accept any liability whatsoever for any loss, direct or indirect, arising from any information presented or contained in the Audited Financial Statements, or the opinions expressed therein.

The accounting ratios required under Clause 11 of Part A of Schedule VI of the SEBI ICDR Regulations, 2018 are given below:

Particulars	March 31, 2024	March 31, 2023	March 31, 2022
Profit After Tax (₹ in lakhs)	371.73	30.01	24.09
Basic & Diluted Earnings per Share (Based in Weighted Average Number of Shares)	3.59	0.29	0.23
Return on Net Worth (%)	47.72%	7.95%	8.58%
NAV per Equity Shares (Based on Actual Number of Shares)	7.53	3.65	2.71
NAV per Equity Shares (Based on Weighted Average Number of Shares)	7.53	3.65	2.71
Earnings before interest, tax, depreciation and amortization (EBITDA) (₹ in lakhs)	512.80	82.82	46.64



## STATEMENT OF FINANCIAL INDEBTEDNESS

**To,**  
**The Board of Directors,**  
**Agricon Nutritech Limited**  
 508, Ananta Stallion, Nr.  
 Sears Tower, Sevasi,  
 Vadodara, Gujarat – 391101

Dear Sir,

Based on the independent examination of Books of Accounts, Restated Financial Statements and other documents of AGRICON NUTRITECH LIMITED (CIN: U20120GJ2024PLC152600) having registered office at above mentioned address and further explanations and information provided by the management of the Company, which we believe to be true and correct to the best of our information and belief, the sanction amount of financial indebtedness, principal terms of security for loan and other related details as on 31st March, 2024 are mentioned below:

Sr. No	Lender	Nature of facility	Sanctioned Amounts (₹' Lakhs)	Outstanding as on March 31,2024 (₹' Lakhs)	Rate of Interest/ Margin	Repayment Terms	Security/ Principal terms and conditions
1.	HDFC BANK	Cash Credit	175.00	173.00	10.40% (Linked to 3M TIBIL.)	On Demand	<p><b>A.</b> First and exclusive hypothecation charge on all existing and future receivables / current assets /moveable Assets / moveable Fixed Assets of the Borrower (Ranking second charge)</p> <p><b>B.</b> First and exclusive registered mortgage charge on immoveable properties being:</p> <p>Residential: Taksh bungalows, no 26 Vasana Road.                      Commercial Property: Shop No 14, Senate square, Gotri road.                      1.Primary Security: Stock (25/ less than 80 days and Book debts (50/ less than 90 days) 2. Personal Guarantee of Partners.</p>
2.	From Related parties.	Unsecured Loan	30.00	30.00	NIL	On Demand	Not Applicable
<b>TOTAL</b>				<b>203.00</b>			

## MANAGEMENT'S DISCUSSION AND ANALYSIS OF FINANCIAL CONDITIONS AND RESULTS OF OPERATIONS

You should read the following discussion of our financial condition and results of operations together with our restated financial statements included in the Draft Red Herring Prospectus. You should also read the section entitled “*Risk Factors*” beginning on page 33, which discusses several factors, risks and contingencies that could affect our financial condition and results of operations. The following discussion relates to our Company and is based on our restated financial statements, which have been prepared in accordance with Indian GAAP, the Companies Act and the SEBI Regulations. Portions of the following discussion are also based on internally prepared statistical information and on other sources. Our fiscal year ends on March 31 of each year, so all references to a particular fiscal year (“Fiscal Year”) are to the Twelve-month period ended March 31 of that year.

The financial statements have been prepared in accordance with Indian GAAP, the Companies Act and the SEBI (ICDR) Regulations 2018, and restated as described in the report of our auditors dated 14.09.2024 which is included in this Draft Red Herring Prospectus under the section titled “*Financial Information of the Company*” beginning on page 161 of this Draft Red Herring Prospectus. The restated financial statements have been prepared on a basis that differs in certain material respects from generally accepted accounting principles in other jurisdictions, including US GAAP and IFRS. We do not provide a reconciliation of our restated financial statements to US GAAP or IFRS and we have not otherwise quantified or identified the impact of the differences between Indian GAAP and U.S. GAAP or IFRS as applied to our restated financial statements.

This discussion contains forward looking statements and reflects our current views with respect to future events and financial performance. Actual results may differ materially from those anticipated in these forward looking statements as a result of certain factors such as those described under “*Risk Factors*” and “*Forward Looking Statements*” beginning on page 33 and 26 respectively, and elsewhere in this Draft Red Herring Prospectus. Accordingly, the degree to which the financial statements in this Draft Red Herring Prospectus will provide meaningful information depend entirely on such potential investor’s level of familiarity with Indian accounting practices.

### OVERVIEW

Founded in 2016 as a Partnership Firm in Vadodara, Gujarat, our company initially focused on micronutrient solutions. Today, we are known for soil health management, crop nutrients, bio stimulant products and bio pesticide products. With an extensive distribution network spanning over geographies, we offer a diverse range of products: soil health management, crop nutrients, bio stimulant products and bio pesticide products. Our evolution from a local partnership to a nationally recognized entity underscores our commitment to innovation and excellence in agricultural solutions

### Key Performance Indicators of our Company

Key Financial Performance	FY 2024	FY 2023	FY 2022
Revenue from operations <sup>(1)</sup>	2,991.38	2,600.89	2,023.47
EBITDA <sup>(2)</sup>	512.80	82.82	46.65
EBITDA Margin <sup>(3)</sup>	17.14%	3.18%	2.31%
PAT <sup>(4)</sup>	371.73	30.01	24.09
PAT Margin <sup>(5)</sup>	12.43%	1.15%	1.19%
RoE (%) <sup>(6)</sup>	64.28%	9.12%	8.58%
RoCE (%) <sup>(7)</sup>	52.22%	14.12%	9.79%

Notes:

<sup>(1)</sup> Revenue from operation means revenue from sales, service and other operating revenues

<sup>(2)</sup> EBITDA is calculated as Profit before tax + Depreciation + Finance Cost - Other Income

<sup>(3)</sup> EBITDA Margin is calculated as EBITDA divided by Revenue from Operations

<sup>(4)</sup> PAT is calculated as Profit before tax – Tax Expenses

<sup>(5)</sup> PAT Margin is calculated as PAT for the period/year divided by revenue from operations.

<sup>(6)</sup> Return on Equity is ratio of Profit after Tax and Average Shareholder Equity

<sup>(7)</sup> Return on Capital Employed is calculated as EBIT divided by capital employed, which is defined as shareholders' equity plus Long term borrowings and Short term borrowings.

**Explanation for KPI metrics:**

KPI	Explanations
Revenue from Operations	Revenue from Operations is used by our management to track the revenue profile of the business and in turn helps to assess the overall financial performance of our Company and volume of our business
EBITDA	EBITDA provides information regarding the operational efficiency of the business
EBITDA Margin (%)	EBITDA Margin (%) is an indicator of the operational profitability and financial performance of our business
PAT	Profit after tax provides information regarding the overall profitability of the business.
PAT Margin (%)	PAT Margin (%) is an indicator of the overall profitability and financial performance of our business.
RoE (%)	RoE provides how efficiently our Company generates profits from shareholders' funds.
RoCE (%)	RoCE provides how efficiently our Company generates earnings from the capital employed in the business.

**STATEMENT OF SIGNIFICANT ACCOUNTING POLICIES**

For details in respect of Statement of Significant Accounting Policies, please refer to “*Annexure IV of Restated Financial Statements*” beginning on page 161 of this Draft Red Herring Prospectus.

**Factors Affecting our Results of Operations**

Our business is subjected to various risks and uncertainties, including those discussed in the section titled “*Risk Factors*” beginning on page 33 of this Draft Red Herring Prospectus. Our results of operations and financial conditions are affected by numerous factors including the following:

General economic and business conditions in the markets in which we operate and in the local, regional, national and international economies;

- Our business heavily depends on our brand's strength and reputation. Any failure to sustain and improve our brand and reputation, along with negative media publicity and accusations, could significantly harm market recognition and trust in our services, adversely affecting our business, financial health, operational outcomes, and future prospects.
- Our primary marketing channel is our dealer network. Failure to effectively manage or expand this network, pursue our growth strategies, or maintain strong relationships with our existing dealers could negatively impact our sales and profitability.
- Successfully managing the introduction of new products is crucial for our success.
- Economic slowdowns in India or other countries where we operate could negatively affect our business.
- Our operations depend on our ability to obtain or renew product registrations.
- Changes in government regulations and policies affecting the agri-input industry could negatively impact our operations.
- The general economic and business conditions in the markets we operate, as well as local, regional, national, and international economies, can influence our business.
- Global crises, such as pandemics or wars, could negatively impact our operations.
- Our ability to retain our key management's persons and other employees;
- Company's inability to successfully implement its growth strategy and expansions plans.
- Any adverse outcome in the legal proceedings in which we are involved;

**Discussion on Result of Operations**

The following discussion on results of operations should be read in conjunction with the Restated Financial Statements for the financial years ended on March 31, 2024, March 31, 2023 and March 31, 2022.

Particulars	FY 2024	% of Total Income	FY 2023	% of Total Income	FY 2022	% of Total Income
	Rs.		Rs.		Rs.	
Revenue from operations	2,991.38	100.00%	2,600.89	99.74%	2,023.47	98.77%
Other Income	0.11	0.00%	6.70	0.26%	25.16	1.23%

<b>Total Income</b>	<b>2,991.49</b>	<b>100.00%</b>	<b>2,607.59</b>	<b>100.00%</b>	<b>2,048.63</b>	<b>100.00%</b>
<b>Expenses</b>						
Cost of materials consumed	1,953.71	65.31%	1,667.69	63.96%	1,282.25	62.59%
Purchases of stock-in-trade	-	-	-	-	-	-
Changes in inventories of finished goods & WIP	-43.55	-1.46%	4.35	0.17%	-26.78	-1.31%
Employee benefits expenses	188.34	6.30%	323.16	12.39%	286.06	13.96%
Finance costs	10.64	0.36%	43.51	1.67%	35.40	1.73%
Depreciation and amortisation expense	4.48	0.15%	4.59	0.18%	4.22	0.21%
Other Expense	380.07	12.71%	513.47	19.69%	435.29	21.25%
<b>Total Expenses</b>	<b>4,447.40</b>	<b>148.67%</b>	<b>4,224.46</b>	<b>162.01%</b>	<b>3,298.69</b>	<b>161.02%</b>
Profit / (Loss) before exceptional and extraordinary items and tax	497.79	16.64%	41.42	1.59%	32.19	1.57%
Prior Period Items	-	0.00%	-	0.00%	-	0.00%
Profit Before Tax	<b>497.79</b>	<b>16.64%</b>	<b>41.42</b>	<b>1.59%</b>	<b>32.19</b>	<b>1.57%</b>
Tax Expense:	<b>126.06</b>	<b>4.21%</b>	<b>11.42</b>	<b>0.44%</b>	<b>8.10</b>	<b>0.40%</b>
(a) Current tax expense	126.02	4.21%	11.20	0.43%	9.09	0.44%
(b) Deferred tax liability/ (asset)	0.04	0.00%	0.22	0.01%	-0.99	-0.05%
Profit After Tax	371.73	12.43%	30.01	1.15%	24.09	1.18%

**Revenue from operations:**

Revenue from operations mainly consists of sale of soil health management, crop nutrients, bio stimulant products and bio pesticide products.

**Other Income:**

Our other income primarily comprises of Interest Income and interest on Income tax refund

**Expenses:**

Company's expenses consist of finished goods consumption from contract manufacturer, Change in inventories of finished goods, work in progress, Employee benefits expense, Finance costs, Depreciation and amortization and other expenses.

**Cost of Raw material consumed:**

Our raw material consumption comprises of purchase of inventory from the contract manufacturer, changes in the inventory of inventory for the end products. Manufacturing Expenses such as godown expense, discounts and sales promotions, transportation expense, etc.

**Change in inventories of finished goods and work in progress:**

Our changes in the inventory comprises of changes in the finished goods.

**Employee benefits expense:**

Our employee benefits expense primarily comprises of Direct and Indirect Salaries, Wages & Bonus, Director Remuneration, Staff Welfare Expenses, Contribution to provident and other funds and Gratuity Expense.

**Finance Costs:**

Our finance cost includes Interest expense and Other Borrowing cost.

**Depreciation and Amortization Expenses:**

Depreciation includes depreciation on furniture, vehicle, office equipment, etc.

**Other Expenses:**

Our other expenses include Administrative Expenses and Selling & Distribution Expenses. Administrative Expenses such as Petrol & Diesel Expenses, Other Administrative Expenses, Insurance Expenses, Legal & Professional Expenses, Repair &

Maintenance, Selling & Distribution Expenses such as Advertisement Expenses, Marketing Expenses, Exhibition Expenses, Commission Expenses, etc.

### **Financial Year 2024 Compared to Financial Year 2023 (Based on Restated Financial Statements)**

#### **Total Income:**

Total income for the financial year 2023-24 stood at Rs. 2,991.49 Lakhs as compared to Rs. 2,607.59 Lakhs in financial year 2022-23 representing an increase of 14.72%. Such increase was due to expansion in geographies in the state of Gujarat.

#### **Revenue from Operations:**

During the financial year 2023-24, the revenue from operations of our company increased to Rs. 2,991.38 Lakhs as against Rs. 2,600.89 Lakhs in financial year 2022-23, representing an increase of 15.01%. The main reason of increase was due to increase in the sale of crop nutrition products from 901.39 Lakhs in the FY. 2022-23 as compared to Rs. 1,317.58 Lakhs in the financial year 2023-24 representing an increase of 31.59%.

#### **Other Income:**

During the financial year 2023-24, the other income of our company decreased to Rs. 0.11 Lakhs as against Rs. 6.70 Lakhs in financial year 2022-23, representing a decrease of 98.42%. The decrease in other income was due to no income received due to delay in payment charges received from the customers of the company. Also, the company received less amount of interest on Income tax refund on the said financial year.

#### **Total Expenses:**

Total expenses for the financial year 2023-24 decreased to Rs. 2,493.70 Lakhs as compared to Rs. 2,566.17 Lakhs in financial year 2022-23 representing a decrease of 2.82%. Such Decrease was due to increase in operating margin of the company.

#### **Cost of material consumed:**

The cost of materials consumed includes increase in the inventory that the company outsources to its suppliers. Such an increase in the cost of material consumed is due to increase in the inventory for the financial year 2023-24 at 1,953.71 Lakhs against Rs. 1,667.09 Lakhs in the Financial Year 2022-23 representing an increase of 16.49%.

#### **Change in inventories of finished goods:**

The Change in inventories of finished goods for financial year 2023-24 has been decreased as compared to the financial year 2022-23 by 901.14%, which was due to increase in closing stock of finished goods from Rs. 92.87 Lakhs in FY. 2022-23 as compared to Rs 136.42 Lakhs in FY. 2023-24 representing an increase of 46.89% and decrease in opening stock of finished goods from Rs 97.22 lakhs in FY. 2022-23 as compared to Rs. 92.87 Lakhs in FY. 2023-24.

#### **Employee benefits expense:**

Our company has incurred Rs. 188.34 Lakhs as employee benefit expenses during the financials year 2023-24 as compared to Rs. 323.16 Lakhs in the financial year 2021-22 representing a decrease of 41.72%. Such decrease was due to decrease in (i) wages & Salary (including bonus, incentives, PF contribution, etc.) from 277.30 lakhs in FY. 2022-23 as compared to Rs. 176.77 Lakhs in FY. 2023-24 which amount to decrease of 36.25%; (ii) Gratuity expense from Rs 3.22 lakhs in FY. 2022-23 as compared to Rs. 2.95 Lakhs in FY. 2023-24 which amount to decrease of 8.38%; (iii) Partner's salary from Rs. 40.00 lakhs in FY. 2022-23 as compared to nil salary withdrawn in FY. 2023-24 which leads to 100% decrease; However, there was increase in of the heads under employee benefits expenses, i.e., staff welfare expense from Rs 2.65 lakhs in FY. 2022-23 as compared to Rs. 8.62 Lakhs in FY. 2023-24 which amount to increase of 225.28%;

#### **Finance costs:**

These costs were for the financial Year 2023-24 decreased to Rs. 10.64 Lakhs as against Rs. 43.51 Lakhs during the financial year 2022-23, representing a decrease of 75.54%. Such decrease was due to decrease in (i) other borrowing cost and bank charges from Rs 0.45 lakhs in FY. 2022-23 as compared to Rs. 0.25 Lakhs in FY. 2023-24 which amount to decrease of 44.44% and (ii) Interest to partners from Rs 33.60 lakhs in FY. 2022-23 to NIL in FY. 2023-24 which amount to decrease of 100.00%; However,

there was an increase in interest expense paid by the company to the bank from Rs 9.46 Lakhs in FY 2022-23 to Rs 10.39 Lakhs in FY 2023-24, which leads to increase of 9.83%.

**Depreciation and Amortization Expenses:**

Depreciation for the financial year 2023-24 stood at Rs. 4.59 Lakhs as against to Rs. 4.48 Lakhs in financial year 2022-23 representing a decrease of 2.40%.

**Other expense:**

Our company has incurred Rs. 380.07 Lakhs as other expenses during the financial year 2023-24 as compared to Rs. 513.47 Lakhs in the financial year 2022-23, representing a decrease of 25.98%. The key changes in various expense are as follows: (i) Auditors Remunerations increased from Rs. 0.30 Lakhs in FY 2022-23 to Rs. 0.60 Lakhs in FY 2023-24, an increase of 100%. (ii) Advertisement increased from Rs. 6.02 Lakhs in FY 2022-23 to Rs. 10.32 Lakhs in FY 2023-24, an increase of 71.43%. (iii) Fees & Taxes rose from Rs. 0.42 Lakhs in FY 2022-23 to Rs. 0.49 Lakhs in FY 2023-24, an increase of 15.56%. (iv) Freight Outward saw a significant increase from Rs. 0.17 Lakhs in FY 2022-23 to Rs. 2.37 Lakhs in FY 2023-24, a rise of 1294.12%. (v) Insurance Expenses increased from Rs. 1.02 Lakhs in FY 2022-23 to Rs. 35.73 Lakhs in FY 2023-24, an exceptional increase of 3403.92%. (vi) Labour Charges rose from Rs. 0.05 Lakhs in FY 2022-23 to Rs. 6.78 Lakhs in FY 2023-24, representing a sharp increase. (vii) Legal & Professional & Consultancy Charges increased significantly from Rs. 7.02 Lakhs in FY 2022-23 to Rs. 28.81 Lakhs in FY 2023-24, a rise of 310.25%. (viii) Postage & Courier slightly decreased from Rs. 0.48 Lakhs in FY 2022-23 to Rs. 0.42 Lakhs in FY 2023-24, a reduction of 12.50%. (ix) Power & Electricity rose from Rs. 24.91 Lakhs in FY 2022-23 to Rs. 37.68 Lakhs in FY 2023-24, an increase of 51.26%. (x) Repair & Maintenance decreased marginally from Rs. 53.11 Lakhs in FY 2022-23 to Rs. 50.02 Lakhs in FY 2023-24, a decline of 5.81%. (xi) Sales/Business Promotion experienced a major decrease from Rs. 222.82 Lakhs in FY 2022-23 to Rs. 71.14 Lakhs in FY 2023-24, reflecting a 68.08% reduction. (xii) Telephone & Internet Expenses increased from Rs. 1.72 Lakhs in FY 2022-23 to Rs. 2.45 Lakhs in FY 2023-24, an increase of 42.44%. (xiii) Tour & Traveling Expenses saw a reduction from Rs. 189.29 Lakhs in FY 2022-23 to Rs. 112.57 Lakhs in FY 2023-24, a decrease of 40.53%. (xiv) Miscellaneous Expenses rose from Rs. 6.15 Lakhs in FY 2022-23 to Rs. 20.69 Lakhs in FY 2023-24, an increase of 236.75%.

**Restated Profit/ (Loss) before tax:**

Restated Profit before Tax for the financial year 2023-24 was Rs. 497.79 Lakhs as compared to Restated profit before tax of Rs. 41.42 Lakhs during the financial year 2022-23 which amounts to increase of 1101.88% was majorly due to factors as mentioned above.

**Restated Profit/ (Loss) after tax:**

Restated Profit after Tax for the financial year 2023-24 was Rs. 371.73 Lakhs as compared to Restated profit after tax of Rs. 30.01 Lakhs during the financial year 2022-23.

**Financial Year 2023 Compared to Financial Year 2022 (Based on Restated Financial Statements)**

**Total Income:**

Total income for the financial year 2022-23 stood at Rs. 2,607.59 Lakhs as compared to Rs. 2,048.63 Lakhs in financial year 2021-22 representing an increase of 27.25%. The main reason for Increase was increase in revenue from operation and Other Operating revenue due to increase of Business operations.

**Revenue from Operations:**

The company generated Revenue from operations of Rs. 2,600.89 Lakhs in the financial year 2021-22, compared to Rs. 2,023.47 Lakhs in the financial year 2022-23, reflecting a growth of 28.54%, which was mainly due to increase in geographical expansion across Gujarat by the company in the said financial year.

**Other Income:**

Other Income decreased from Rs. 25.16 Lakhs in FY 2021-22 to Rs. 6.70 Lakhs in FY 2022-23, a reduction of 73.38%. Major decrease was due to decrease in bank charges received from customers of the company, from Rs. 25.13 in FY 21-22 as compared

to Rs. 6.52 Lakhs in FY. 22-23 representing a decrease of 74.05%. However, other interest received by the company such as interest on Income tax refund has increased from Rs 0.03 lakhs in FY 2021-22 to Rs 0.18 Lakhs in FY 2022-23.

**Total Expenses:**

Total expenses for the financial year 2022-23 increased to Rs. 2,556.77 Lakhs as compared to Rs. 2,016.44 Lakhs in financial year 2021-22 representing an increase of 26.80%.

**Cost of material consumed:**

The cost of material consumed for the financial year 2022-23 stood at Rs 1,667.69 Lakhs against Rs. 1,282.25 Lakhs in the Financial Year 2021-22 representing an increase of 30.06%. Such increase was due to increase in Purchase made during the year from Rs 1790.72 Lakhs in FY 2022-23 as compared to Rs 1,488.48 Lakhs in FY. 21-22 representing an increase of 20.30%.

**Change in inventories of finished goods, work in progress and stock in trade:**

The Change in inventories of finished goods FY 2022-23 has increased as compared to the financial year 2021-22 by 4.47%, which was due to decrease in closing finished goods from Rs 97.22 Lakhs in FY 2021-22 as compared to Rs. 92.87 Lakhs in FY 2022-23.

**Employee benefits expense:**

Our company has incurred Rs. 323.16 Lakhs as employee benefit expenses during the FY 2022-23 as compared to Rs. 286.06 Lakhs in the FY 2021-22 representing an increase of 12.97%. Such increase was due to increase in (i) Wages & Salary (incl. bonus, incentives, PF contribution, etc.) from Rs. 234.21 Lakhs in FY 2021-22 as compared to Rs 277.30 Lakhs in FY 2022-23 representing an increase of 18.39%; However, there are slight decline in the (i) Gratuity expense from Rs. 4.73 Lakhs in 2021-22 as compared to Rs. 3.22 Lakhs in FY 22-23 representing a decrease of 31.92%; and (ii) staff welfare expenses from Rs. 7.12 Lakhs in FY 2021-22 as compared to Rs. 2.65 in FY. 21-22 representing a decrease of 62.78%.

**Finance costs:**

These costs were for the financial Year 2022-23 increased to Rs. 43.51 Lakhs as against Rs. 35.40 Lakhs during the financial year 2021-22, representing an increase of 22.91% due to increase in (i) Interest paid to partners from Rs. 23.81 Lakhs in FY. 21-22 as compared to Rs. 33.60 Lakhs in FY. 22-23 representing an increase of 41.12%. However, there is decrease in (i) Interest expense from Rs 10.51 Lakhs in FY. 2021-22 as compared to Rs. 9.46 Lakhs in FY. 2022-23 representing a decrease of 9.99% and (ii) other borrowing cost and bank charges from Rs 1.09 Lakhs in FY 2021-22 to Rs 0.45 Lakhs in FY 2022-23, leading to a decrease of 58.72%

**Depreciation and Amortization Expenses:**

Depreciation for the financial year 2022-23 stood at Rs. 4.59 Lakhs as against to Rs. 4.22 Lakhs in financial year 2021-22 representing an increase of 8.77%.

**Other expense:**

Our company has incurred Rs. 513.47 Lakhs as other expenses during the financials year 2022-23 as compared to Rs 435.29 Lakhs in the financial year 2021-22 representing an increase of 17.96% due to increase in (i) Advertisement expense from Rs 1.27 Lakhs in FY. 2021-22 as compared to Rs. 6.02 Lakhs in FY 2022-23 representing an increase of 374.02%; (ii) Insurance Expenses from Rs 0.32 Lakhs in FY. 21-22 as compared to Rs 1.02 Lakhs in FY. 22-23 representing an increase of 218.75%; (iii) Legal, professional and consultancy charges from Rs. 2.14 Lakhs in FY 2021-22 as compared to Rs. 7.02 Lakhs in FY 2022-23 representing an increase of 228.04%; (iv) Postage and Courier expense from Rs 0.26 Lakhs in FY 2021-22 as compared to Rs 0.48 Lakhs in FY 2022-23 representing an increase of 84.62%; (v) Printing and stationery cost from Rs 20.43 Lakhs in FY 2021-22 as compared to Rs 24.91 Lakhs in FY 2022-23 representing an increase of 21.93%; (vi) Repair and maintenance expenses from Rs 47.78 Lakhs in FY 2021-22 as compared to Rs 53.11 Lakhs in FY 2022-23 representing an increase of 11.16%; (vii) Sales and business promotion from Rs 192.24 Lakhs in FY 2021-22 as compared to Rs 222.82 Lakhs in FY 2022-23 representing an increase of 15.91%; (viii) Tour and Travelling expense from Rs 166.10 Lakhs in FY 2021-22 as compared to Rs 189.29 Lakhs in FY 2022-23 representing an increase of 13.96%; (ix) Miscellaneous expense from Rs 1.12 Lakhs in FY 2021-22 as compared to Rs 6.15 Lakhs in FY 2022-23 representing an increase of 449.11%.

**Restated Profit/ (Loss) before tax:**

Restated Profit before Tax for the financial year 2022-23 was Rs 41.42 Lakhs as compared to Restated profit before tax of Rs 32.19 Lakhs during the financial year 2021-22. The increase was majorly due to factors as mentioned above.

**Restated Profit/ (Loss) after tax:**

Restated Profit after Tax for the financial year 2022-23 was Rs 30.01 Lakhs as compared to Restated profit after tax of Rs 24.09 Lakhs during the financial year 2021-22.

**Information required as per Item (II) (C) (iv) of Part A of Schedule VI to the SEBI Regulations:****An analysis of reasons for the changes in significant items of income and expenditure is given hereunder:**

1. Unusual or infrequent events or transactions  
There has not been any unusual trend on account of our business activity. Except as disclosed in this Draft Red Herring Prospectus, there are no unusual or infrequent events or transactions in our Company.
2. Significant economic changes that materially affected or are likely to affect income from continuing operations.  
There are no significant economic changes that may materially affect or likely to affect income from continuing operations.
3. Known trends or uncertainties that have had or are expected to have a material adverse impact on sales, revenue or income from continuing operations.  
Apart from the risks as disclosed under Section “**Risk Factors**” beginning on page 33 of the Draft Red Herring Prospectus, in our opinion there are no other known trends or uncertainties that have had or are expected to have a material adverse impact on revenue or income from continuing operations.
4. Future changes in relationship between costs and revenues  
Other than as described in the sections “**Risk Factors**”, “**Our Business**” and “**Management’s Discussion and Analysis of Financial Condition and Results of Operations**” on pages 33, 102 and 194 respectively, to our knowledge, no future relationship between expenditure and income is expected to have a material adverse impact on our operations and finances.
5. Total turnover of each major industry segment in which our Company operates  
Our business activity primarily falls within a single business and geographical segment, i.e. is engaged in the business of Selling and distribution of soil health management, crop nutrients, bio stimulant products and bio pesticide products, as disclosed in “**Restated Financial Statements**” on page 161, we do not follow any other segment reporting.
6. Status of any publicly announced New Products or Business Segment  
Except as disclosed in the Chapter “**Our Business**” on page 102, our Company has not announced any new product or service.
7. Seasonality of business  
Our business is subject to seasonality. For further information, kindly check “**Risk Factors**” on pages 33.
8. Dependence on single or few customers  
We are not dependent upon single or few customers.
9. Competitive conditions  
Competitive conditions are as described under the Chapters “**Industry Overview**” and “**Our Business**” beginning on pages 93 and 102 respectively of this Draft Red Herring Prospectus.
10. Details of material developments after the date of last balance sheet i.e. March 31, 2024.



After the date of last Balance sheet i.e. March 31, 2024, the following material events have occurred after the last audited period:

- Our Company was reconstituted and registered on May 05, 2024. Thereafter, our firm was converted from partnership firm to public limited, and the name of our Company was changed from “M/s. Agricon Fertilizers” to “Agricon Nutritech Limited” vide fresh certificate of incorporation dated June 19, 2024 issued by the Registrar of Companies, Central Registration Centre.
- We have appointed Hitesh Singh Parihar as Company Secretary and Compliance officer of the company with effect from the August 12, 2024 vide Board resolution dated August 12, 2024.
- We have appointed Narsinhbhai Ratnabhai Koladia as Chief Financial officer of the company with effect from August 12, 2024 vide Board resolution dated August 12, 2024.
- Shivani Pathak and Vinod Kanubhai Rana were appointed as Independent Directors of the company vide Extra Ordinary General Meeting held on August 13, 2024 for a term of five years.
- Bhaveshkumar Popatlal Upadhyay was appointed as Non-Executive Director of the company vide Extra Ordinary General Meeting held on August 13, 2024
- We have re-designated Narendra Laljibhai Ghelani as Chairman and Managing Director of the Company for a term of 3 years with effect from August 13, 2024 by board in its meeting held on August 12, 2024 and confirmed by shareholders vide Extra Ordinary General Meeting held on August 13, 2024
- We have re-designated Prafullaben Narendrakumar Ghelnai as Whole-time Director of the Company for a term of 3 years with effect from August 13, 2024 by board in its meeting held on August 12, 2024 and confirmed by shareholders vide Extra Ordinary General Meeting held on August 13, 2024
- We have passed the Board Resolution in the meeting of Board of Directors dated August 20, 2024, authorizing the Board of Director to raise funds by making an Initial public offering.
- We have passed the Special resolution in the Extra Ordinary General Meeting of Members held on August 21, 2024, authorizing the Board of Director to raise funds by making an Initial public offering.

## CAPITALISATION STATEMENT

Particulars	Pre-Issue	Post Issue*
<b>Borrowings</b>		
Short term debt (A)	173.00	173.00
Long term debt (B)	30.00	30.00
<b>Total debts (C)</b>	<b>203.00</b>	<b>203.00</b>
<b>Shareholders' Funds</b>		
Equity Share Capital	778.95	[●]
Reserves and Surplus - as restated	-	[●]
<b>Total Shareholders' Funds</b>	<b>778.95</b>	<b>[●]</b>
<b>Long term Debt / shareholders' fund</b>	<b>0.04</b>	<b>[●]</b>
<b>Total Debt / shareholders' fund</b>	<b>0.26</b>	<b>[●]</b>

*\*The corresponding post issue figures are not determinable at this stage pending the completion of public issue and hence have not been furnished*

*Notes:*

- *Short term Debts represent which are expected to be paid/ payable within 12 months and includes instalment of term loans repayable within 12 months.*
- *Long term Debts represent debts other than Short Term Debts as defined above but excludes instalment of term loans repayable within 12 months grouped under other current liabilities.*
- *The figures disclosed above are based on Restated statement of Assets and liabilities of the Company as at 31.03.2024*

## SECTION VII – LEGAL AND OTHER INFORMATION OUTSTANDING LITIGATION AND MATERIAL DEVELOPMENTS

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

Our Board, in its meeting held on August 20, 2024, determined that outstanding legal proceedings involving the Company, its Directors, Promoter and subsidiary will be considered as material litigation (“Material Litigation”) if the aggregate amount involved in such individual litigation exceeds 3% of profit after tax of the Company, as per the last restated financial statements of the Company or such litigations outcome could have a material impact on the business, operations, prospects or reputations of the Company.

The Company has a policy for identification of Material Outstanding Dues to Creditors in terms of the SEBI (ICDR) Regulations, 2018 as amended for creditors where outstanding due to any one of them exceeds 5.00% of the Company’s trade payables as per the last restated financial statements.

### 1. LITIGATION INVOLVING THE COMPANY

#### (a) Criminal proceedings against the Company

As on the date of this Draft Red Herring Prospectus, there are no outstanding criminal proceedings initiated by the Company.

Case Title & filed before	Case Number	Filed Under Section	Next date	Case Brief	Amount Involved (in lacs)
Ramraj Trading vs Agricon Fertilizers  Before Vadodara Civil Court	CR A/213/2023  Criminal Appeal	Section 374 of Code of Criminal Procedure, 1973 and Section 138 of Negotiable Instruments Act, 1881	October 09, 2024	The Company Agricon Fertilizers has filed the case for recovery of Rs. 5,91,731/- against which the order was passed on 20.03.2024 for the payment of due amount to company and accused was given the imprisonment of 6 month against which the accused has filed the appeal for quashing of order dated 20.03.2024 and stay against 6 months imprisonment in the matter.	Rs. 5.92

#### (b) Criminal proceedings filed by the Company

Except as mentioned below, there are no outstanding criminal proceedings initiated by the Company.

Case Title & filed before	Case Number	Filed Under Section	Next date	Case Brief	Amount Involved (in lacs)
Agricon Fertilizers Vs Shreena Traders  Before Vadodara Civil Court	CC/14829/2023	138 of Negotiable Instruments Act, 1881	October 25, 2024	The case was filed bearing no. 14829/2023 against Shreena Traders Center u/s 138 of the Negotiable Instrument Act, 1881 for the dishonor of cheque bearing no. 002341 dated 23.08.2018 for an amount of Rs. 11,01,792/- against the supply of Fertilizers and other Chemicals.	Rs. 11.02

Agricon Fertilizers Vs Param Corp Science Private Limited  Before Vadodara Civil Court	CC/4970/2022	138 of Negotiable Instruments Act, 1881	September 23, 2024	The case was filed bearing no. 4970/2022 against Param Corp Science Private Limited u/s 138 of the Negotiable Instrument Act, 1881 for the dishonor of cheque bearing no. 020016 dated 30.10.2021 for an amount of Rs. 20,00,000/- against the supply of Fertilizers and other Chemicals.	Rs. 20
Agricon Fertilizers Vs Param Corp Science Private Limited  Before Vadodara Civil Court	CC/7190/2022	138 of Negotiable Instruments Act, 1881	September 21, 2024	The case was filed bearing no. 7190/2022 against Param Corp Science Private Limited u/s 138 of the Negotiable Instrument Act, 1881 for the dishonor of cheque bearing no. 020017 dated 30.11.2021 for an amount of Rs. 20,00,000/- against the supply of Fertilizers and other Chemicals.	Rs. 20
Agricon Fertilizers Vs Shiv Shakti Agro Centre  Before Vadodara Civil Court	CC/32093/2022	138 of Negotiable Instruments Act, 1881	October 25, 2024	The case was filed bearing no. 32093/2022 against Shiv Shakti Agro Centre u/s 138 of the Negotiable Instrument Act, 1881 for the dishonor of cheque bearing no. 019738 dated 16.11.2022 for an amount of Rs. 3,12,040/- against the supply of Fertilizers and other Chemicals.	Rs. 3.14
Agricon Fertilizers Vs Vasudhara Prakrutik Krushi Kendra  Before Vadodara Civil Court	CC/4938/2023	138 of Negotiable Instruments Act, 1881	September 20, 2024	The case was filed bearing no. 4938/2023 against Vasudhara Prakrutik Krushi Kendra u/s 138 of the Negotiable Instrument Act, 1881 for the dishonor of cheque bearing no. 008808 dated 16.12.2022 for an amount of Rs. 6,84,252/- against the supply of Fertilizers and other Chemicals.	Rs. 6.84
Agricon Fertilizers Vs Shree Ganesh Khand Udhog Sahakari Mandali Limited  Before Vadodara Civil Court	CC/13/2023	138 of Negotiable Instruments Act, 1881	**	The case was filed bearing no. 13/2023 against Shree Ganesh Khand Udhog Sahakari Mandali Limited u/s 138 of the Negotiable Instrument Act, 1881 for the pending amount of Rs. 1,64,633/- payable to the plaintiff for goods supplied between 01.04.2017 to 26.01.2023 against which the demand issued and notice issued on 06.02.2023.	Rs. 1.65
Agricon Fertilizers Vs Mahalaxmi Agro  Before Vadodara Civil Court	CC/18419/2023	138 of Negotiable Instruments Act, 1881	September 20, 2024	The case was filed bearing no. 18419/2023 against Mahalaxmi Agro u/s 138 of the Negotiable Instrument Act, 1881 for the dishonor of cheque bearing no. 802169 dated 24.04.2023 for an amount of Rs. 4,66,947/- against the supply of Fertilizers and other Chemicals.	Rs. 4.67

Agricon Fertilizers Vs Shiv Shakti Agritech  Before Vadodara Civil Court	CC/18418/2023	138 of Negotiable Instruments Act, 1881	October 25, 2024	The case was filed bearing no. 18418/2023 against Shiv Shakti Agritech u/s 138 of the Negotiable Instrument Act, 1881 for the dishonor of cheque bearing no. 000444 dated 24.04.2023 for an amount of Rs. 1,14,856/- against the supply of Fertilizers and other Chemicals.	Rs. 1.15
Agricon Fertilizers Vs Jay Narayan Agro  Before Vadodara Civil Court	CC/18416/2023	138 of Negotiable Instruments Act, 1881	October 05, 2024	The case was filed bearing no. 18416/2023 against Jay Narayan Agro u/s 138 of the Negotiable Instrument Act, 1881 for the dishonor of cheque bearing no. 000015 dated 24.03.2023 for an amount of Rs. 1,82,781/- against the supply of Fertilizers and other Chemicals.	Rs. 1.83
Agricon Fertilizers Vs Kishan Seeds & Pesticides  Before Vadodara Civil Court	CC/18417/2023	138 of Negotiable Instruments Act, 1881	October 25, 2024	The case was filed bearing no. 18417/2023 against Kishan Seeds & Pesticides u/s 138 of the Negotiable Instrument Act, 1881 for the dishonor of cheque bearing no. 000240 dated 24.03.2023 for an amount of Rs. 5,24,692/- against the supply of Fertilizers and other Chemicals.	Rs. 5.25
Agricon Fertilizer Partner Of Mukeshbhai Prahladbhai Parmar Vs Malvaniya Bhagirath Raghubhai Prop. Of Rajal Agro Chemicals  Before Vadodara Civil Court	CC/39147/2024	138 of Negotiable Instruments Act, 1881	October 11, 2024	**	Uncertain

- (c) Other pending material litigations against the Company  
As on the date of this Draft Red Herring Prospectus, there are no outstanding actions by statutory or regulatory authorities initiated against the Company.
- (d) Other pending material litigations filed by the Company  
As on the date of this Draft Red Herring Prospectus, there are no outstanding actions by statutory or regulatory authorities initiated against the Company.
- (e) Actions by statutory and regulatory authorities against the Company  
As on the date of this Draft Red Herring Prospectus, there are no outstanding actions by statutory or regulatory authorities initiated against the Company.

## 2. LITIGATIONS INVOLVING THE PROMOTERS & DIRECTORS OF THE COMPANY

(a) Criminal proceedings against the Promoters & Directors of the company  
As on the date of this Draft Red Herring Prospectus, there are no outstanding criminal proceedings initiated against the Promoters & Directors of the company.

(b) Criminal proceedings filed by the Promoters & Directors of the company  
Except as mentioned below, there are no outstanding criminal proceedings initiated by the Company.

Case Title & filed before	Case Number	Filed Under Section	Next date	Case Brief	Amount Involved (in lacs)
Narendrabhai Laljibhai Ghelani Thro Mukeshbhai Prahladbhai Parmar Vs State Of Gujarat  Before Gujarat High Court	CR.A/1889/2024	Appeal u/s 378(4) of Criminal Procedure Code, 1973 and  Section 138 of Negotiable Instruments Act, 1881	**	The Appeal has been filed by the company against the order dated 28.06.2024 passed by Judicial Magistrate First Class, Vadodara in Criminal Case No. 37560/2021. The Company has filed the case for recovery of Rs. 1,60,861/- against the cheque no. 128218 dated 05.10.2021 but the matter was dismissed for want of prosecution u/s 256 of the code of Criminal Procedure, 1973 and so appeal has been filed against the said order.	Rs. 1.61
Narendrabhai Laljibhai Ghelani Thro Poa Mukeshbhai Prahladbhai Parmar Vs State Of Gujarat  Before Gujarat High Court	CR.MA/18072/2024	Appeal u/s 378(4) of Criminal Procedure Code, 1973	**	The Applicant has filed the Leave to Appeal against the order dated 28.06.2024 passed by Judicial Magistrate First Class, Vadodara which was dismissed for want of prosecution u/s 256 of the code of Criminal Procedure, 1973 which was subsequently converted into appeal u/s 378(4).	Rs. 1.61
Narendrabhai Laljibhai Ghelani Agricorn Chemicals And Ferti P A Mukeshbhai Prahladbhai Parmar Vs Shyam Agro Center  Before Vadodara Civil Court	CC/27563/2018	138 of Negotiable Instruments Act, 1881	September 25, 2024	The case was filed bearing no. 27563/2018 against Shivam Agro Center u/s 138 of the Negotiable Instrument Act, 1881 for the dishonor of cheque bearing no. 002078 dated 12.03.2018 for an amount of Rs. 11,507/- against the supply of Fertilizers and other Chemicals.	Rs. 0.12
Narendrabhai Laljibhai Ghelani Agricorn Chemicals And Ferti P A Mukeshbhai Prahladbhai Parmar	CC/27566/2018	138 of Negotiable Instruments Act, 1881	September 25, 2024	The case was filed bearing no. 27566/2018 against Agri Business Center u/s 138 of the Negotiable Instrument Act, 1881 for the dishonor of cheque bearing no. 000033 dated 07.03.2018 for an amount of Rs.	Rs. 14.02

Vs Agri Business Centre				14,01,859/- against the supply of Fertilizers and other Chemicals.	
Before Vadodara Civil Court					
Narendrabhai Laljibhai Ghelani Agricorn Chemicals And Ferti P A Mukeshbhai Prahladbhai Parmar Vs Heni Enterprises	CC/27568/2018	138 of Negotiable Instruments Act, 1881	September 25, 2024	The case was filed bearing no. 27568/2018 against Heni enterprises u/s 138 of the Negotiable Instrument Act, 1881 for the dishonor of cheque bearing no. 000217 dated 12.03.2018 for an amount of Rs. 44,132/- against the supply of Fertilizers and other Chemicals.	Rs. 0.44
Before Vadodara Civil Court					
Narendrabhai Laljibhai Ghelani Agricorn Chemicals And Ferti P A Mukeshbhai Prahladbhai Parmar Vs Shiv Aegro	CC/27569/2018	138 of Negotiable Instruments Act, 1881	September 25, 2024	The case was filed bearing no. 27569/2018 against Heni enterprises u/s 138 of the Negotiable Instrument Act, 1881 for the dishonor of cheque bearing no. 011380 dated 12.03.2018 for an amount of Rs. 32,005/- against the supply of Fertilizers and other Chemicals.	Rs. 0.32
Before Vadodara Civil Court					

- (c) Other pending material litigations against the Promoters & Directors of the company  
As on the date of this Draft Red Herring Prospectus, there are no outstanding litigations initiated against the Promoters & Directors, which have been considered material by the Company in accordance with the Materiality Policy.
- (d) Other pending material litigations filed by the Promoters & Directors of the company  
As on the date of this Draft Red Herring Prospectus, there no pending outstanding litigations initiated by the Directors, which have been considered material by the Company in accordance with the Materiality Policy.
- (e) Actions by statutory and regulatory authorities against the Promoters & Directors of the company  
As on the date of this Draft Red Herring Prospectus, there are no outstanding actions by statutory or regulatory authorities initiated against the Promoters & Directors.

### 3. LITIGATIONS INVOLVING THE GROUP COMPANIES OF THE COMPANY

- (a) Criminal proceedings against the Group Companies of the company  
As on the date of this Draft Red Herring Prospectus, there are no outstanding criminal proceedings initiated against the Group Companies of the company.
- (b) Criminal proceedings filed by the Group Companies of the company  
As on the date of this Draft Red Herring Prospectus, there are no outstanding criminal proceedings initiated by the Group Companies of the company.
- (c) Other pending material litigations against the Group Companies of the company

As on the date of this Draft Red Herring Prospectus, there are no outstanding litigations initiated against the Group Companies, which has been considered material by the Company in accordance with the Materiality Policy.

(d) Other pending material litigations filed by the Group Companies of the company

As on the date of this Draft Red Herring Prospectus, there are no outstanding litigations initiated by the Group Companies, which has been considered material by the Company in accordance with the Materiality Policy.

(e) Actions by statutory and regulatory authorities against the Group Companies of the company

As on the date of this Draft Red Herring Prospectus, there are no outstanding actions by statutory or regulatory authorities initiated against the Group Companies.

#### 4. TAX PROCEEDINGS

Nature of Proceedings	Number of cases	Amount involved* (Rs. in lakhs)	Status
<b>Of the Company</b>			
Direct Tax (Agricon Fertilizers)	1	0.03	Demand was raised on 15.04.2019 for AY 2018-19 with reference no. 2019201837016846342T
Indirect Tax (GST)			
<b>Total</b>	<b>1</b>	<b>0.03</b>	
<b>Of the Directors and Promoters</b>			
Direct Tax			
<b>Total</b>			
<b>Of the Group Company</b>			
<b>Curative Microbes Private Limited</b>			
Direct Tax	1	0.03	Demand was raised on 22.12.2022 for AY 2021-22 with reference no. 2022202137139977113C
Indirect Tax			
<b>Total</b>	<b>1</b>	<b>0.03</b>	

\*To the extent quantifiable

#### 5. AMOUNTS OWED TO SMALL SCALE UNDERTAKINGS AND OTHER CREDITORS:

The Board of Directors of our Company considers dues exceeding 5% of our Company's total Trade payables as per Restated financial statements. Our Board of Directors considers dues owed by our Company to the creditors exceeding 5% of the Company's trade payables as per the last restated financial statements as material dues for the Company. The trade payables for the sub period ended on March 31, 2024 were Rs. 65.98 lakhs. Accordingly, a creditor has been considered 'material' if the amount due to such creditor exceeds Rs. 3.29 lakhs. This materiality threshold has been approved by our Board of Directors pursuant to the resolution passed on 20.08.2024. Based on these criteria, details of outstanding dues owed as on March 31, 2024 by our Company on are set out below:

Types of creditors	Number of creditors	Amount involved (₹ in lakhs)
Micro, small and medium enterprises	-	-
Material Creditors	02	10.02
Other Creditors	-	-
<b>Total</b>	<b>02</b>	<b>10.02</b>

The details pertaining to net outstanding dues towards our material creditors as on March 31, 2024 (along with the names and amounts involved for each such material creditor) are available on the website of our Company at [www.agriconnuritech.com](http://www.agriconnuritech.com). It is clarified that such details available on our website do not form a part of this Draft Red Herring Prospectus. As on March 31, 2024 our Company owes amounts aggregating to Rs 65.98 lakhs approximately towards 22 trade creditors, which may or may not include small scale undertakings. There are no disputes with such entities in relation to payments to be made to them.

#### **MATERIAL DEVELOPMENTS OCCURRING AFTER LAST BALANCE SHEET DATE:**

Except as disclosed in Chapter titled "*Management's Discussion & Analysis of Financial Conditions & Results of Operations*" beginning on page 194 of this Draft Red Herring Prospectus, there have been no material developments that have occurred after the Last Balance Sheet date.



## GOVERNMENT AND OTHER STATUTORY APPROVALS

*Our Company has received the necessary licenses, permissions and approvals from the Central and State Governments and other government agencies/ regulatory authorities/ certification bodies required to undertake the issue or continue our business activities and except as mentioned below, no further approvals are required for carrying on our present or proposed business activities.*

*In view of the approvals listed below, we can undertake this issue and our current business activities and no further major approvals from any governmental or regulatory authority or any other entity are required to be undertaken in respect of the issue or to continue our business activities. It must be distinctly understood that, in granting these approvals, the Government of India does not take any responsibility for our financial soundness or for the correctness of any of the statements made or opinions expressed in this behalf. Unless otherwise stated, these approvals are all valid as of the date of this Draft Red Herring Prospectus.*

*The main objects clause of the Memorandum of Association of our Company and the objects incidental, enable our Company to carry out its activities.*

*The Company has got following licenses/ registrations/ approvals/ consents/ permissions from the Government and various other Government agencies required for its present business.*

### APPROVALS FOR THE ISSUE

The following approvals have been obtained or will be obtained in connection with the Issue.

#### Corporate Approvals:

- Our Board, pursuant to its resolution dated August 20, 2024 authorized the Issue subject to approval of the shareholders of our Company under Section 62(1) (c) of the Companies Act, 2013 and such other authorities as may be necessary;
- The shareholders of our Company have, pursuant to their resolution passed at the annual general meeting of our Company held on August 21, 2024 under Section 62(1)(c) of the Companies Act, 2013, authorized the Issue;
- Our Board of Directors has, pursuant to a resolution dated September 18, 2024, and [●] authorized our Company to take necessary action for filing the Draft Red Herring Prospectus, Red Herring Prospectus and Prospectus respectively with NSE EMERGE

#### Approval from the Stock Exchange:

- In-principle approval dated [●] from the NSE Emerge for using the name of the Exchange in the issue documents for listing of the Equity Shares issued by our Company pursuant to the issue

#### Agreements with NSDL and CDSL:

- The company has entered into an agreement dated August 12, 2024 with the Central Depository Services (India) Limited (“CDSL”) and the Registrar and Transfer Agent, who in this case is Maashitla Securities Private Limited for the dematerialization of its shares.
- Similarly, the Company has also entered into an agreement dated August 30, 2024 with the National Securities Depository Limited (“NSDL”) and the Registrar and Transfer Agent, who in this case is Maashitla Securities Private Limited for the dematerialization of its shares.
- The Company’s International Securities Identification Number (“ISIN”) is INE11LT01013.

### INCORPORATION RELATED APPROVALS

<b>Sr. No</b>	<b>Nature of Registration/ License</b>	<b>Registration/License No.</b>	<b>Applicable Laws</b>	<b>Issuing Authority</b>	<b>Date of issue</b>	<b>Date of Expiry</b>
1.	Certificate of Incorporation in the name of Agricon Fertilizers as a partnership firm	GUJVA104206	The Partnership Act, 1932	Registrar of Firms	April, 1, 2016	June, 18, 2024
2.	Fresh Certificate of Incorporation consequent upon conversion from a partnership firm to public limited company in the name of Agricon Nutritech Limited	U20120GJ2024P LC152600	Companies Act, 2013	Registrar of Companies, Ahmedabad	June, 19, 2024	Valid till cancelled

#### **TAX RELATED APPROVALS**

Sr. No.	Nature of Registration/ License	Registration/ Date of issue	Applicable Laws	Issuing Authority	Date of Issue	Date of Expiry
1	Permanent Account Number	ABACA8903C	Income Tax Act, 1961	Government of India, Commissioner of Income Tax	June 19, 2024	Valid till cancelled
2	Tax Deduction Account Number	BRDA09245F	Income Tax Act, 1961	Income Tax Department, Government of India	June 19, 2024	Valid till cancelled
3.	Certificate of Goods & Service Tax (GST) for the Registered office situated at 508, Ananta Stallion, Gotri Road, United Colors of Benetton, Khanpur, Vadodara, Gujarat, 391101	24ABACA8903C 1Z6	Central Goods and Services Tax Act, 2017 and Gujarat Goods and Service Tax Act, 2017	Government of India and Government of Gujarat	Validity from June 19, 2024 Issued on August 08, 2024	Valid till cancelled
4.	Certificate of Goods & Service Tax (GST) for the office situated at G-842, Phese-6, Road No 14, VKI Area, Jaipur, Jaipur, Rajasthan, 302013	08ABACA8903C 1Z0	Central Goods and Services Tax Act, 2017 and Rajasthan Goods and Service Tax Act, 2017	Government of India and Government of Rajasthan	August 13, 2024	Valid till cancelled
5.	Certificate of Goods & Service Tax (GST) for the office situated at Plot No. 2865/6589, Khata No. 1458/1250, Goshalpada, Bhawanipatna, Po-Karlaguda, PS-Sadar, Bhawanipatna, Dist-Kalahandi, Odisha	21ABACA8903C 1ZC	Central Goods and Services Tax Act, 2017 and Odisha Goods and Service Tax Act, 2017	Government of India and Government of Odisha	August 29, 2024	Valid till Cancelled
6.	Importer-Exporter Code Number	ABACA8903C	Foreign Trade (Development & Regulation) Act, 1992	Director General of Foreign Trade	September 06, 2024	Valid till cancelled

**INDUSTRIAL AND LABOUR APPROVALS OBTAINED BY THE COMPANY:**

**Licenses taken by company for property located at 508, Ananta Stallion, Gotri Road, United Colors of Benetton, Khanpur, Vadodara, Gujarat, 391101**

S. No.	Nature of Registration/ License	Registration/Li cense No.	Applicable Laws	Issuing Authority	Date of issue	Date of Expiry
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1.	Shop & Establishment Certificate			The National Small Industries Corporation Limited		
2.	Udyam Registration with MSME for both units of company; Small-Services- Social Category- Trading	UDYAM-GJ-24-0151640	The Micro, small and Medium Enterprises Development Act, 2006, Government of India,	Ministry of Micro, Small & Medium Enterprises	July, 09, 2024	Valid till cancelled
3.	Employee State Insurance	38000616990000999	The ESI Act, 1948	Employees State Insurance Corporation	July 23, 2024	Valid till Cancelled
4.	Employees Provident Funds	VDBRD3309506000	Employee Provident Fund, 1952	Registration under Employees Provident Funds	August 01, 2024	Valid till Cancelled
5.	Fertilizer License**	FFW240000621	Fertilizer (Control) Order, 1985	Agriculture, Farmers Welfare & Cooperation Department, Govt of Gujarat	July 31, 2024	July 30, 2029
6.	Pesticides License***	FP1240001760	Insecticides Act, 1968	Govt. of Gujarat	August 01, 2024	July 31, 2029
7.	PTEC Registration	PEC020990658	The Gujarat State Tax On Professions, Trades, Callings And Employments Act, 1976	Gujarat Sales Tax Department	**	**

#### BUSINESS OPERATION RELATED APPROVALS

Sr No.	Description	Applicable Laws	Issuing Authority	Registration Number	Date of Issue	Date of Expiry
1.	Udyam Registration	Micro, Small and Medium Enterprises Development Act, 2006	Ministry of Micro, Small and Medium Enterprises, Government of India	UDYAM-GJ-24-0151640	July, 09, 2024	Valid until cancelled

***Licenses taken by company for property located at 5557 & 5555, Tirupati Estate, Aslali Bye Pass, N.H. no. 8, Aslali, Ta. Dascroi, Dist- Ahmedabad, 382427***

Sr. No.	Nature of Registration/ License	Registration/Li cense No.	Applicable Laws	Issuing Authority	Date of issue	Date of Expiry
1.	Fertilizer License	FFW240000808	Fertilizer (Control) Order, 1985	Agriculture, Farmers Welfare & Cooperation	September 06, 2024	September 05, 2029

				Department, Govt of Gujarat		
2.	Pesticides License	FP1240002213	Insecticides Act, 1968	Govt. of Gujarat	September 06, 2024	September 05, 2029

**Licenses taken by company for property located at Gut No. 113, At post Karodi, Opp. Tuljai Petrol Pump, Aurangabad- 431002**

Sr. No.	Nature of Registration/ License	Registration/Li cense No.	Applicable Laws	Issuing Authority	Date of issue	Date of Expiry
1.	Fertilizer License	LCFWD082024 0027AUR	Fertilizer (Control) Order, 1985	District Superintending Agriculture Officer, Aurangabad	August 14, 2024	August 06, 2029
2.	Pesticides License	DOANID20240 49344	Insecticides Act, 1968	Govt. of Gujarat	August 09, 2024	Applicatio n Pending

**Licenses taken by company for property located at Plot No. 2865/6589, Khata No. 1458/1250, Goshalpada, Bhawanipatna, Po-Karlaguda, PS-Sadar, Bhawanipatna, Dist- Kalahandi, Odisha**

Sr. No.	Nature of Registration/ License	Registration/Li cense No.	Applicable Laws	Issuing Authority	Date of issue	Date of Expiry
1.	Fertilizer License	DOANFD20240 49494	Fertilizer (Control) Order, 1985	District Superintending Agriculture Officer, Aurangabad	August 08, 2024	Application Pending
2.	Pesticides License	DOANFD20240 49344	Insecticides Act, 1968	Govt. of Gujarat	August 09, 2024	Application Pending


**Domain name registered in the name of the Company**

Sr. No.	Domain Name and ID	Sponsoring Registrar and IANA ID	Creation Date	Expiry Date
1.	Domain Name: www.agriconnutritech.co m  Domain ID: 2889833464_DOMAIN_ COM-VRSN	Registrar: PDR Ltd. d/b/a PublicDomainRegistr y.com IANA ID: 303	June 12, 2024	June 12, 2025

2.	Domain Name: www.agriconnutritechLtd.com  Domain ID: 2889519095_DOMAIN_COM-VRSN	Registrar: PDR Ltd. d/b/a PublicDomainRegistry.com IANA ID: 303	June 11, 2024	June 11, 2025
3.	Domain Name: www.agriconnutritechlimited.com  Domain ID: 2889519094_DOMAIN_COM-VRSN	Registrar: PDR Ltd. d/b/a PublicDomainRegistry.com IANA ID: 303	June 11, 2024	June 11, 2025

### INTELLECTUAL PROPERTY RELATED APPROVALS



Sr. No.	Trademark	Class	Owner	Trademark No.	Date of Application	Status
1	VAMCON	1	Agricon Fertilizers*	4041529	30/12/2018	Registered
2	BIVERA	5	Agricon Fertilizers*	4041537	30/12/2018	Registered
3	POCHONIYA	5	Agricon Fertilizers*	4041541	30/12/2018	Registered
4	GOLD SUDON	5	Agricon Fertilizers*	4680739	30/09/2020	Registered
5	NANO CU	1	Narendra Laljibhai Ghelani**	4045373	03/01/2019	Registered
6	NANO CA	1	Narendra Laljibhai Ghelani**	4045462	03/01/2019	Registered
7	NANO NUTRI	1	Narendra Laljibhai Ghelani**	4045521	03/01/2019	Registered
8	CAN-B	1	Narendra Laljibhai Ghelani**	4672040	24/09/2020	Registered
9	SEEDCOAT	1	Narendra Laljibhai Ghelani**	4685212	03/10/2020	Registered
10	STARKIT	1	Narendra Laljibhai Ghelani**	4813328	08/01/2021	Registered
11	TRICODARMA	5	Narendra Laljibhai Ghelani**	4889929	04/03/2021	Registered
12	EMPELO	5	Narendra Laljibhai Ghelani**	4942123	12/04/2021	Registered
13	JAIVIK NITROGEN	1	Narendra Laljibhai Ghelani**	4949725	19/04/2021	Registered
14	MICOZIB	5	Narendra Laljibhai Ghelani**	4978578	20/05/2021	Registered
15	NENO POTASH	1	Narendra Laljibhai Ghelani**	4988872	31/05/2021	Registered
16	ISERIYA	5	Narendra Laljibhai Ghelani**	5130017	14/09/2021	Registered

17	HYDROXI	1	Narendra Laljibhai Ghelani**	5160556	05/10/2021	Registered
18	 AGROCIL	5	Narendra Laljibhai Ghelani**	5553128	01/08/2022	Registered
19	ANGARA	1	Narendra Laljibhai Ghelani**	5667037	02/11/2022	Registered
20	 AGROCIL	1	Narendra Laljibhai Ghelani**	5553128	01/08/2022	Registered
21	COMIDA	1	Narendra Laljibhai Ghelani**	5667068	02/11/2022	Registered
22	STREPTOMITE	5	Narendra Laljibhai Ghelani**	5747668	02/01/2023	Registered
23	VAMROOT	1	Narendra Laljibhai Ghelani**	5925696	06/05/2023	Registered
24	ACTIVIA	5	Narendra Laljibhai Ghelani**	6034604	24/07/2023	Registered
25	LEVEL UP	1	Narendra Laljibhai Ghelani**	6034620	24/07/2023	Registered


\*The trademark of these products is under the process of transfer to the new name "Agricon Nutritech Limited"


\*\*The company has taken and NOC/ assignment from the trademark owner to use it and sell the products under Agricon Nutritech Limited

#### APPLICATIONS MADE BY OUR COMPANY, PENDING APPROVAL

Sr. No.	Particulars of the mark	Word/ label mark	Applicant	Application No. & Date	Issuing Authority	Class	Status
1		Label	Agricon Nutritech Limited	<u>Application No.:</u> 6554153 <u>Date:</u> 31-07-2024	Trademark Registry	1	Formalities Chk Pass  As on 09/08/2024
2		Label	Agricon Nutritech Limited		Trademark Registry	5	Proposed to be used

#### NO OBJECTION LETTER IN FAVOUR OF COMPANY

Sr. No.	Particulars of the mark	Word/ label mark	Applicant	Application No. & Date	Issuing Authority	Class	Status
1.		Label	Rameshbhai Laljibhai Patel	4414083	Trademark Registry	1	Registered

2.		Label	Rameshbhai Laljibhai Patel	4414108	Trademark Registry	5	Registered
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## OTHER REGULATORY AND STATUTORY DISCLOSURES

### Authority for the Issue

#### Corporate Approvals

The Board of Directors, pursuant to a resolution passed at their meeting held on August 20, 2024 authorized the Issue, subject to the approval of the shareholders of our Company under Section 62(1) (c) of the Companies Act, 2013, and such other authorities as may be necessary. The shareholders of our Company have, pursuant to a special resolution passed under Section 62(1) (c) of the Companies Act, 2013 at an Extra-Ordinary General Meeting held on August 21, 2024 authorized the Issue.

#### In-principal Approval

Our Company has obtained in-principal approval from the SME Platform of NSE (NSE EMERGE) for using its name in this Draft Red Herring Prospectus/ Prospectus pursuant to an approval letter [●]. NSE which is the Designated Stock Exchange.

#### Prohibition by SEBI, RBI or governmental authorities

As on date of this Draft Red Herring Prospectus, we confirm that our Company, Our Promoters, our Promoter Group, our directors, person(s) in control of the promoter, our Group Companies or the natural person(s) in control of our Company are not prohibited from accessing the capital market or debarred from buying, selling or dealing in securities under any order or direction passed by the Board or any securities market regulator in any other jurisdiction or any other authority/ court.

The companies, with which our directors are or were associated as promoter, directors or persons in control are not prohibited or debarred from accessing capital markets under any order or direction passed by SEBI or any other regulatory authority.

None of our Directors or the entities that our directors are associated with as promoter or directors is in any manner associated with the securities market and there has been no action taken by the SEBI against our Directors or any entity in which our directors are associated with as promoter or directors.

#### Prohibition with respect to wilful defaulter or a fraudulent borrower

Neither our Company, our Promoter, our Directors, Group Companies, relatives (as per Companies Act, 2013) of Promoter or the person(s) in control of our Company have been identified as wilful defaulter or a fraudulent borrower as defined by the SEBI ICDR Regulations, 2018, 2018.

#### Compliance with the Companies (Significant Beneficial Ownership) Rules, 2018

Our Company, Promoters and Promoter Group are in compliance with the Companies (Significant Beneficial Ownership) Rules, 2018 to the extent applicable to each of them as on the date of the Draft Red Herring Prospectus.

#### Eligibility for the Issue

Our Company is eligible in terms of Regulations 230 of SEBI (ICDR) Regulations for this issue.

Our Company is an “Unlisted Issuer” in terms of the SEBI (ICDR) Regulations; and this issue is an Initial Public Issue in terms of the SEBI (ICDR) Regulations.

Our Company is eligible for the Issue in accordance with Regulation 229 (2) and other provisions of Chapter IX of the SEBI (ICDR) Regulations, as we are an Issuer whose post issue paid up capital is more than ten crore rupees and we may hence issue Equity Shares to the public and propose to list the same on the Small and Medium Enterprise Exchange [in this case being the “SME Platform of NSE (NSE EMERGE)”].

#### We confirm that:

- In accordance with Regulation 260 of the SEBI (ICDR) Regulations, this issue will be 100% underwritten and that the BRLM to the Issue shall underwrite minimum 15% of the Total Issue Size. For further details pertaining to said underwriting please refer to section titled “*General Information – Underwriting*” beginning on page 57 of this Draft Red Herring Prospectus.

- In accordance with Regulation 268 of the SEBI (ICDR) Regulations, we shall ensure that the total number of proposed allottees in the Issue shall be greater than or Equal to fifty (50), otherwise, the entire application money will be unblocked forthwith. If such money is not repaid within eight (8) Working Days from the date our Company becomes liable to repay it, then our Company and every officer in default shall, on and from expiry of eight (8) Working Days, be liable to repay such application money, with an interest at the rate as prescribed under the Companies Act, 2013.
- In terms of Regulation 246 (5) of the SEBI (ICDR) Regulations, we shall ensure that our Book Running Lead Manager submits a copy of the Prospectus along with a Due Diligence Certificate including additional confirmations as required to SEBI at the time of filing the Prospectus with Stock Exchange and the Registrar of Companies. Further, in terms of Regulation 246(2), SEBI shall not issue observation on the Draft Red Herring Prospectus/ Red Herring Prospectus/ Prospectus.
- In accordance with Regulation 261(1) of the SEBI (ICDR) Regulations, we hereby confirm that we will enter into an agreement with the Book Running Lead Manager and with Market Maker to ensure compulsory Market Making for a minimum period of three (3) years from the date of listing of Equity Shares on the SME Platform of NSE (NSE EMERGE). For further details of the arrangement of market making please refer to section titled ***“General Information- Details of the Market Making Arrangements for this Issue”*** beginning on page 57 of this Draft Red Herring Prospectus.
- In accordance with Regulation 228(c) of the SEBI (ICDR) Regulations, neither the issuer nor any of its promoters or directors is a wilful defaulter or a fraudulent borrower.
- In accordance with Regulation 228(d) of the SEBI (ICDR) Regulations, none of the Issuer’s promoters or directors is a fugitive economic offender.
- In accordance with Regulation 230(1)(a) of the SEBI (ICDR) Regulations, Application is being made to SME Platform of NSE and National Stock Exchange of India Limited is the Designated Stock Exchange.
- In accordance with Regulation 230(1)(b) of the SEBI (ICDR) Regulations, our Company has entered into agreement with depositories for dematerialisation of specified securities already issued and proposed to be issued.
- In accordance with Regulation 230(1)(c) of the SEBI (ICDR) Regulations, all the present Equity share Capital is fully Paid-up.
- In accordance with Regulation 230(1)(d) of the SEBI (ICDR) Regulations, all the specified securities held by the promoters are already in dematerialised form.
- Our Company shall mandatorily facilitate trading in Demat securities for which we have entered into an agreement with the Central Depository Services Limited (CDSL) dated August 21, 2024 and National Securities Depository Limited (NSDL) dated August 12, 2024 for establishing connectivity.
- Our Company has a website i.e. [www.agriconnuritech.com](http://www.agriconnuritech.com)
- There has been no change in the promoters of the Company in the preceding one year from date of filing application to SME Platform of NSE.

We further confirm that we shall be complying with all the other requirements as laid down for such an issue under Chapter IX of SEBI (ICDR) Regulations, as amended from time to time and subsequent circulars and guidelines issued by SEBI and the Stock Exchange.

We confirm that we comply with all the below requirements/ conditions so as to be eligible to be listed on the SME Platform of NSE:

- Our Company was originally formed as a partnership firm under the name of “M/s. Agricon Fertilizers” vide partnership deed dated April 01, 2016 which was reconstituted on May 05, 2024. Thereafter, our firm was converted from partnership firm to public limited, and the name of our Company was changed from “M/s. Agricon Fertilizers” to “Agricon Nutritech Limited” vide fresh certificate of incorporation dated June 19, 2024 issued by the Registrar of Companies, Central Registration Centre. The Corporate identification number of our Company is U20120GJ2024PLC152600.
- The post issue paid up capital of the company will be up to,1,43,47,735 shares of face value of ₹ 10/- aggregating up to ₹ 14.34 Crores which is less than ₹ 25 Crores.
- The Company has a track record of at least 3 years as on the date of filing Draft Red Herring Prospectus.
- As on March 31, 2024, the Company has net tangible assets of ₹ 778.95 Lakhs.
- The Company confirms that it has operating profits (earnings before interest, depreciation and tax) from operations for atleast 2 financial years preceding the application and its net worth as on March 31, 2024, March 31, 2023 and March 31, 2022 is positive.

(₹ in Lakhs)

Particulars	March 31, 2024	March 31, 2023	March 31, 2022
EBITDA	512.80	82.82	46.64
Networth	778.95	377.63	280.70

- Our Company confirms that there is no material regulatory or disciplinary action by a stock exchange or regulatory authority in the past one year in respect of promoter, Group Companies, companies promoted by the promoter of the Company;
- Our Company has not been referred to the Board for Industrial and Financial Reconstruction (BIFR);
- There is no winding up petition against our Company that has been admitted by the Court or a liquidator has not been appointed of competent Jurisdiction against the Company.
- No material regulatory or disciplinary action by a stock exchange or regulatory authority in the past three years against the company
- The directors of the issuer are not associated with the securities market in any manner, and there is no outstanding action against them initiated by the Board in the past five years

#### DISCLAIMER CLAUSE OF SEBI

**IT IS TO BE DISTINCTLY UNDERSTOOD THAT SUBMISSION OF DRAFT OFFER DOCUMENT/ OFFER DOCUMENT TO THE SECURITIES AND EXCHANGE BOARD OF INDIA (SEBI) SHOULD NOT IN ANY WAY BE DEEMED OR CONSTRUED THAT THE SAME HAS BEEN CLEARED OR APPROVED BY SEBI. SEBI DOES NOT TAKE ANY RESPONSIBILITY EITHER FOR THE FINANCIAL SOUNDNESS OF ANY SCHEME OR THE PROJECT FOR WHICH THE ISSUE IS PROPOSED TO BE MADE OR FOR THE CORRECTNESS OF THE STATEMENTS MADE OR OPINIONS EXPRESSED IN THE DRAFT OFFER DOCUMENT/ OFFER DOCUMENT. THE BOOK RUNNING LEAD MANAGER, GETFIVE ADVISORS PRIVATE LIMITED HAS CERTIFIED THAT THE DISCLOSURES MADE IN THE DRAFT OFFER DOCUMENT/ OFFER DOCUMENT ARE GENERALLY ADEQUATE AND ARE IN CONFORMITY WITH THE SEBI (ISSUE OF CAPITAL AND DISCLOSURE REQUIREMENTS) REGULATIONS, 2018 IN FORCE FOR THE TIME BEING. THIS**

**REQUIREMENT IS TO FACILITATE INVESTORS TO TAKE AN INFORMED DECISION FOR MAKING INVESTMENT IN THE PROPOSED ISSUE.**

**IT SHOULD ALSO BE CLEARLY UNDERSTOOD THAT WHILE THE ISSUER IS PRIMARILY RESPONSIBLE FOR THE CORRECTNESS, ADEQUACY AND DISCLOSURE OF ALL RELEVANT INFORMATION IN THE DRAFT OFFER DOCUMENT/ OFFER DOCUMENT, THE BOOK RUNNING LEAD MANAGER, GETFIVE ADVISORS PRIVATE LIMITED IS EXPECTED TO EXERCISE DUE DILIGENCE TO ENSURE THAT THE ISSUER DISCHARGES ITS RESPONSIBILITY ADEQUATELY IN THIS BEHALF AND TOWARDS THIS PURPOSE, THE BOOK RUNNING LEAD MANAGER, GETFIVE ADVISORS PRIVATE LIMITED, HAS FURNISHED TO SEBI A DUE DILIGENCE CERTIFICATE DATED [●] [ ] IN THE FORMAT PRESCRIBED UNDER SCHEDULE V(A) OF THE SEBI (ISSUE OF CAPITAL AND DISCLOSURE REQUIREMENTS) REGULATIONS, 2018.**

**THE FILING OF THIS DRAFT OFFER DOCUMENT/ OFFER DOCUMENT DOES NOT, HOWEVER, ABSOLVE OUR COMPANY FROM ANY LIABILITIES UNDER THE COMPANIES ACT, 2013 OR FROM THE REQUIREMENT OF OBTAINING SUCH STATUTORY AND/ OR OTHER CLEARANCES AS MAY BE REQUIRED FOR THE PURPOSE OF THE PROPOSED ISSUE. SEBI FURTHER RESERVES THE RIGHT TO TAKE UP AT ANY POINT OF TIME, WITH THE BOOK RUNNING LEAD MANAGER ANY IRREGULARITIES OR LAPSES IN THE DRAFT OFFER DOCUMENT/ OFFER DOCUMENT.**

All legal requirements pertaining to the Issue will be complied with at the time of registration of the Draft Red Herring Prospectus with the Registrar of Companies, Ahmedabad in terms of sections 26 and 33 of the Companies Act, 2013.

**Statement on Price Information of Past Issues handled by Getfive Advisors Private Limited:**

The Book Running Lead Manager, Getfive Advisors Private Limited has not carried out any SME and Main Board Issues Source: Price Information [www.bseindia.com](http://www.bseindia.com) & [www.nseindia.com](http://www.nseindia.com) , Issue Information from respective Prospectus.

**Summary statement of Disclosure:**

The Book Running Lead Manager, Getfive Advisors Private Limited has not carried out any SME and Main Board Issues

**Track Record of past issues handled by Getfive Advisors Private Limited**

For details regarding track record of BRLM to the Issue as specified in the Circular reference no. CIR/MIRSD/1/2012 dated January 10, 2012 issued by the SEBI, please refer the website of the BRLM at [www.getfive.in](http://www.getfive.in)

**Disclaimer from our Company and the Book Running Lead Manager**

Our Company, the Directors and the Book Running Lead Manager accept no responsibility for statements made otherwise than those contained in this Draft Red Herring Prospectus or, in case of the Company, in the advertisements or any other material issued by or at the instance of the Company and anyone placing reliance on any other source of information would be doing so at their own risk.

The BRLM accept no responsibility, save to the limited extent as provided in the Agreement entered between the BRLM (Getfive Advisors Private Limited), and our Company on and the Underwriting Agreement [●] entered into between the Underwriter, and our Company and the Market Making Agreement dated [●] entered into among the Market Maker and our Company.

All information shall be made available by our Company, and the Book Running Lead Manager to the public and investors at large and no selective or additional information would be available for a section of the investors in any manner whatsoever including at road show presentations, in research or sales reports, at collection centres or elsewhere.

The Book Running Lead Manager and their respective associates and affiliates may engage in transactions with, and perform services for, our Company, our Promoter Group, Group Companies, or our affiliates or associates in the ordinary course of

business and have engaged, or may in future engage, in commercial banking and investment banking transactions with our Company, our Promoter Group, Group Companies, and our affiliates or associates for which they have received and may in future receive compensation.

*Note:*

Investors who apply in the Issue will be required to confirm and will be deemed to have represented to our Company, and the Underwriter and their respective directors, officers, agents, affiliates and representatives that they are eligible under all applicable laws, rules, regulations, guidelines and approvals to acquire Equity Shares of our Company and will not offer, sell, pledge or transfer the Equity Shares of our Company to any person who is not eligible under applicable laws, rules, regulations, guidelines and approvals to acquire Equity Shares of our Company. Our Company, the Underwriter and their respective Directors, officers, agents, affiliates and representatives accept no responsibility or liability for advising any investor on whether such investor is eligible to acquire the Equity Shares in the issue.

**Disclaimer in Respect of Jurisdiction**

This Issue is being made in India to persons resident in India (including Indian nationals resident in India who are majors, HUFs, companies, corporate bodies and societies registered under applicable laws in India and authorized to invest in shares, Indian mutual funds registered with SEBI, Indian financial institutions, commercial banks, regional rural banks, cooperative banks (subject to RBI permission), or trusts under applicable trust law and who are authorized under their constitution to hold and invest in shares, public financial institutions as specified in Section 2(72) of the Companies Act, 2013, VCFs, state industrial development corporations, insurance companies registered with the Insurance Regulatory and Development Authority, provident funds (subject to applicable law) with a minimum corpus of ₹ 2,500.00 Lakhs and pension funds with a minimum corpus of ₹ 2,500.00 Lakhs, and permitted non-residents including FIIs, Eligible NRIs, multilateral and bilateral development financial institutions, FVCIs and eligible foreign investors, insurance funds set up and managed by army, navy or air force of the Union of India and insurance funds set up and managed by the Department of Posts, India provided that they are eligible under all applicable laws and regulations to hold Equity Shares of our Company. This Draft Red Herring Prospectus does not, however, constitute an offer to sell or an invitation to subscribe for Equity Shares offered hereby in any jurisdiction other than India to any person to whom it is unlawful to make an offer or invitation in such jurisdiction. Any person into whose possession this Draft Red Herring Prospectus comes is required to inform himself or herself about, and to observe, any such restrictions. Any dispute arising out of this Issue will be subject to jurisdiction of the competent court(s) in Ahmedabad, Gujarat, India only.

No action has been, or will be, taken to permit a public offering in any jurisdiction where action would be required for that purpose. Accordingly, the Equity Shares represented hereby may not be offered or sold, directly or indirectly, and this Draft Red Herring Prospectus may not be distributed in any jurisdiction, except in accordance with the legal requirements applicable in such jurisdiction. Neither the delivery of this Draft Red Herring Prospectus nor any sale hereunder shall, under any circumstances, create any implication that there has been no change in the affairs of our Company from the date hereof or that the information contained herein is correct as of any time subsequent to this date.

**Disclaimer Clause of the NSE**

As required, a copy of this Offer Document has been submitted to National Stock Exchange of India Limited (hereinafter referred to as NSE). NSE has given vide its letter Ref.: NSE/LIST/3361 dated [●] permission to the Issuer to use the Exchange's name in this Offer Document as one of the stock exchanges on which this Issuer's securities are proposed to be listed. The Exchange has scrutinized draft offer document for its limited internal purpose of deciding on the matter of granting the aforesaid permission to this Issuer. It is to be distinctly understood that the aforesaid permission given by NSE should not in any way be deemed or construed that the issue document has been cleared or approved by NSE; nor does it in any manner warrant, certify or endorse the correctness or completeness of any of the contents of this offer document; nor does it warrant that this Issuer's securities will be listed or will continue to be listed on the Exchange; nor does it take any responsibility for the financial or other soundness of this Issuer, its Promoter, its management or any scheme or project of this Issuer. Every person who desires to apply for or otherwise acquire any securities of this Issuer may do so pursuant to independent inquiry, investigation and analysis and shall not have any claim against the Exchange whatsoever by reason of any loss which may be suffered by such person consequent to or in connection with such subscription/ acquisition whether by reason of anything stated or omitted to be stated herein or any other reason whatsoever.

### **Disclaimer Clause under Rule 144A of the U.S. Securities Act**

The Equity Shares have not been, and will not be, registered under the U.S. Securities Act 1933, as amended (the “Securities Act”) or any state securities laws in the United States and may not be offered or sold within the United States or to, or for the account or benefit of, “U.S. persons” (as defined in Regulations under the Securities Act), except pursuant to an exemption from, or in a transaction not subject to, the registration requirements of the Securities Act. Accordingly, the Equity Shares will be offered and sold outside the United States in compliance with Regulations of the Securities Act and the applicable laws of the jurisdiction where those offers and sales occur. The Equity Shares have not been, and will not be, registered, listed or otherwise qualified in any other jurisdiction outside India and may not be offered or sold, and Applications may not be made by persons in any such jurisdiction, except in compliance with the applicable laws of such jurisdiction.

Further, each Applicant where required agrees that such Applicant will not sell or transfer any Equity Shares or create any economic interest therein, including any off-shore derivative instruments, such as participatory notes, issued against the Equity Shares or any similar security, other than pursuant to an exemption from, or in a transaction not subject to, the registration requirements of the Securities Act and in compliance with applicable laws and legislations in each jurisdiction, including India.

### **Filing of Draft Red Herring Prospectus/ Red Herring Prospectus/ Prospectus with the SEBI/ RoC**

The Draft Red Herring Prospectus is being filed with National Stock Exchange of India Limited, Exchange Plaza, Plot No. C/1, G Block, Bandra- Kurla Complex, Bandra (East), Mumbai-400051, Maharashtra.

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

A copy of the Red Herring Prospectus/ Prospectus, along with the material contract & documents required to be filed, will be filed with the RoC through the electronic portal at <http://www.mca.gov.in>

### **Listing**

The Equity Shares of our Company are proposed to be listed on NSE EMERGE. Our Company has obtained in-principle approval from NSE by way of its letter dated [●] for listing of equity shares on SME Platform of NSE (NSE EMERGE).

NSE will be the Designated Stock Exchange, with which the Basis of Allotment will be finalized for the Issue. If the permission to deal in and for an official quotation of the Equity Shares on the NSE EMERGE is not granted by NSE, our Company shall forthwith repay, all moneys received from the applicants in pursuance of the Red Herring Prospectus. If such money is not repaid within the prescribed time, then our Company becomes liable to repay it, then our Company and every officer in default shall, shall be liable to repay such application money, with interest, as prescribed under the applicable law.

Our Company shall ensure that all steps for the completion of the necessary formalities for listing and commencement of trading at the NSE EMERGE mentioned above are taken within three (3) Working Days of the Bid/ Issue Closing Date. If Equity Shares are not Allotted pursuant to the Issue within three (3) Working Days from the Bid/ Issue Closing Date or within such timeline as prescribed by the SEBI, our Company shall repay with interest all monies received from applicants, failing which interest shall be due to be paid to the applicants at the rate of 15% per annum for the delayed period.

### **Impersonation**

Attention of the Applicants is specifically drawn to the provisions of sub-section (1) of Section 38 of the Companies Act, 2013 which is reproduced below:

Any person who-

- Makes or abets making of an application in a fictitious name to a company for acquiring, or subscribing for, its securities; or

- Makes or abets making of multiple applications to a company in different names or in different combinations of his name or surname for acquiring or subscribing for its securities; or
- Otherwise induces directly or indirectly a company to allot, or register any transfer of, securities to him, or to any other person in a fictitious name,

Shall be liable to action under section 447 of the Companies, Act 2013

### **Consents**

Consents in writing of Our Directors, Our Promoter, Our Company Secretary & Compliance Officer, Chief Financial Officer, Our Statutory Auditor, Our Banker to the Company, Book Running Lead Manager, Registrar to the Issue, Legal Advisor to the Issue, Banker to the Issue/ Sponsor Bank, Syndicate Members, Underwriter to the Issue and Market Maker to the Issue to act in their respective capacities have been obtained as required under section 26 and 32 of the Companies Act, 2013 and shall be filed along with a copy of the Red Herring Prospectus/ Prospectus with the RoC, as required under Sections 32 of the Companies Act, 2013 and such consents will not be withdrawn up to the time of delivery of the Red Herring Prospectus/ Prospectus for registration with the RoC.

In accordance with the Companies Act and the SEBI (ICDR) Regulations, 2018, M/s. VRAJM & Associates., Chartered Accountants, Statutory Auditors of the Company has agreed to provide their written consent to the inclusion of their respective reports on Statement of Special Tax Benefits relating to the special tax benefits and restated financial statements as included in this Red Herring Prospectus/ Prospectus in the form and context in which they appear therein and such consent and reports will not be withdrawn up to the time of delivery of the Red Herring Prospectus/ Prospectus for registration with the RoC.

### **Experts Opinion**

Except for the reports in the section titled “*Financial Statements*” and “*Statement of Special Tax Benefits*” on page 161 and 90 respectively of this Draft Red Herring Prospectus from the Statutory Auditor, our Company has not obtained any expert opinions. However, the term “expert” shall not be construed to mean an “expert” as defined under the U.S. Securities Act 1933.

### **Fees, Brokerage and Selling Commission payable**

The total fees payable to the Book Running Lead Manager will be as per the (i) Agreement dated September 04, 2024 with the Book Running Lead Manager, (ii) the Underwriting Agreement dated [●] with the Underwriter and (iii) the Market Making Agreement [●] with the Market Maker, a copy of which is available for inspection at our Corporate Office from 10.00 AM to 5.00 PM on Working Days from the date of the Draft Red Herring Prospectus until the Bid/ Issue Closing Date.

### **Fees Payable to the Registrar to the Issue**

The fees payable to the Registrar to the Issue for processing of applications, data entry, printing of CAN, tape and printing of bulk mailing register will be as per the agreement between our Company, and the Registrar to the Issue dated September 04, 2024, a copy of which is available for inspection at our Company’s Registered Office.

The Registrar to the Issue will be reimbursed for all out-of-pocket expenses including cost of stationery, postage, stamp duty, and communication expenses. Adequate funds will be provided to the Registrar to the Issue to enable it to send allotment advice by registered post/ speed post.

### **Particulars regarding Public or Rights Issues during the last five (5) years**

Except as stated in the chapter titled “*Capital Structure*” beginning on page 67 of this Draft Prospectus, our Company has not made any previous public or rights issue in India or Abroad the five (5) years preceding the date of this Draft Red Herring Prospectus.

### **Previous issues of Equity Shares otherwise than for cash**

For detailed description please refer to the section titled “*Capital Structure*” beginning on page 67 of this Draft Red Herring Prospectus.

**Underwriting Commission, brokerage and selling commission on Previous Issues**

Since this is the initial public offering of our Company's Equity Shares, no sum has been paid or has been payable as commission or brokerage for subscribing for or procuring or agreeing to procure subscription for any of the Equity Shares since our incorporation.

**Previous capital issue during the last three years by listed Group Companies of our Company**

None of our Group Companies are listed. Further, none of our Group Companies have made any capital issue of securities in the preceding three years.

**Performance vis-à-vis objects**

Our Company is an "Unlisted Issuer" in terms of the SEBI (ICDR) Regulations, and this Issue is an "Initial Public Offering" in terms of the SEBI (ICDR) Regulations. Therefore, data regarding promise versus performance is not applicable to us.

**Outstanding Debentures or Bond Issues or Redeemable Preference Shares**

As on the date of this Draft Red Herring Prospectus, our Company has no outstanding debentures, bonds or redeemable preference shares.

**Partly Paid-Up Shares**

As on the date of this Draft Red Herring Prospectus, there are no partly paid-up Equity Shares of our Company.

**Outstanding Convertible Instruments**

Our Company does not have any outstanding convertible instruments as on the date of filing this Draft Red Herring Prospectus.

**Option to Subscribe**

- Investors will get the allotment of specified securities in dematerialization form only.
- The equity shares, on allotment, shall be traded on stock exchange in Demat segment only.

**Stock Market Data for our Equity Shares**

Our Company is an "Unlisted Issuer" in terms of the SEBI (ICDR) Regulations, and this Issue is an "Initial Public Offering" in terms of the SEBI (ICDR) Regulations. Thus, there is no stock market data available for the Equity Shares of our Company.

**Investor Grievances and Redressal System**

The agreement between the Registrar to the Issue, our Company provides for retention of records with the Registrar to the Issue for a period of at least three (3) years from the last date of dispatch of the letters of allotment and Demat credit to enable the investors to approach the Registrar to the Issue for redressal of their grievances.

We hereby confirm that there are no investors complaints received during the three years preceding the filing of this Draft Red Herring Prospectus. Since there are no investors complaints received, none are pending as on the date of filing of this Draft Red Herring Prospectus.

Investors may contact the BRLM for any complaint pertaining to the Issue. All grievances, may be addressed to the Registrar to the Issue, with a copy to the relevant Designated Intermediary, where the Application Form was submitted, quoting the full name of the sole or first Applicant, Application Form number, Applicants' DP ID, Client ID, PAN, address of the Applicant, number of Equity Shares applied for, date of Application Form, name and address of the relevant Designated Intermediary, where the Bid was submitted and ASBA Account number in which the amount equivalent to the Bid Amount was blocked. Further, the Applicant shall enclose the Acknowledgement Slip or provide the acknowledgement number received from the Designated Intermediaries in addition to the documents/ information mentioned hereinabove. Our Company, BRLM and the Registrar accept no responsibility for errors, omissions, commission of any acts of the Designated Intermediaries, including any defaults in complying with its obligations under the SEBI ICDR Regulations, 2018.



### **Disposal of Investor Grievances by our Company**

Our Company estimates that the average time required by our Company or the Registrar to the Issue for the redressal of routine investor grievances shall be within 15 Working Days from the date of receipt of the complaint. In case of complaints that are not routine or where external agencies are involved, our Company will seek to redress these complaints as expeditiously as possible.

Our Company has appointed Hitesh Singh Parihar, as the Company Secretary and Compliance Officer to redress complaints, if any, of the investors participating in the Issue. Contact details for our Company Secretary and Compliance Officer are as follows:

Hitesh Singh Parihar

**Designation:** Company Secretary and Compliance Officer

**Company:** Agricon Nutritech Limited

**Address:** 508, Ananta Stallion, Nr., Sears Tower, Sevasi, Vadodara, Gujarat, India, 391101

**Tel. No.:** +91- 94266 35147

**Email:** [compliance@agriconnutritech.com](mailto:compliance@agriconnutritech.com)

**Website:** [www.agriconnutritech.com](http://www.agriconnutritech.com)

Investors can contact the Compliance Officer or the Registrar in case of any pre-Issue or post-Issue related problems such as non-receipt of letters of allocation, credit of allotted Equity Shares in the respective beneficiary account etc.

Pursuant to the press release no. PR. No. 85/2011 dated June 8, 2011, SEBI has launched a centralized web-based complaints redress system "SCORES". This would enable investors to lodge and follow up their complaints and track the status of redressal of such complaints from anywhere. For more details, investors are requested to visit the website [www.scores.gov.in](http://www.scores.gov.in).

Our Board by a resolution on August 20, 2024 constituted a Stakeholders Relationship Committee. For further details, please refer to section titled "***Our Management***" beginning on page 139 of this Draft Red Herring Prospectus.

### **Status of Investor Complaints**

We confirm that we have not received any investor complaint during the three years preceding the date of this Draft Red Herring Prospectus and hence there are no pending investor complaints as on the date of this Draft Red Herring Prospectus.

### **Disposal of investor grievances by listed companies under the same management as our Company**

We do not have any listed company under the same management.

### **Tax Implications**

Investors who are allotted Equity Shares in the Issue will be subject to capital gains tax on any resale of the Equity Shares at applicable rates, depending on the duration for which the investors have held the Equity Shares prior to such resale and whether the Equity Shares are sold on the Stock Exchanges. For details, please refer the section titled "***Statement of Special Tax Benefits***" beginning on page 90 of this Draft Red Herring Prospectus.

### **Purchase of Property**

Other than as disclosed in Section "***Our Business***" beginning on page 102 of this Draft Red Herring Prospectus there is no property which has been purchased or acquired or is proposed to be purchased or acquired which is to be paid for wholly or partly from the proceeds of the present Issue or the purchase or acquisition of which has not been completed on the date of this Draft Red Herring Prospectus.

Except as stated elsewhere in this Draft Red Herring Prospectus, our Company has not purchased any property in which the Promoters and/ or Directors have any direct or indirect interest in any payment made there under.

### **Capitalization of Reserves or Profits**

Save and except as stated in “*Capital Structure*” on page 67 of this Draft Red Herring Prospectus, our Company has not capitalized its reserves or profits at any time since inception.

**Revaluation of assets**

There has not been any revaluation of assets since incorporation of the Company.

**Servicing Behavior**

There has been no default in payment of statutory dues or of interest or principal in respect of our borrowings or deposits.

**Payment or benefit to officers of our Company**

Except statutory benefits upon termination of their employment in our Company or superannuation, no officer of our Company is entitled to any benefit upon termination of his employment in our Company or superannuation.

Except as disclosed under chapter titled “*Our Management*” beginning on page 139 and chapter “*Financial Information*” beginning on page 161 of this Draft Red Herring Prospectus none of the beneficiaries of loans and advances and sundry debtors are related to the Directors of our Company.

**Exemption from complying with any provisions of securities laws, if any**

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

## SECTION VIII: ISSUE RELATED INFORMATION TERMS OF THE ISSUE

*The Equity Shares being issued are subject to the provisions of the Companies Act, SCRA, SCRR, SEBI (ICDR) Regulations, the SEBI Listing Regulations, our Memorandum and Articles of Association, the terms of this Draft Red Herring Prospectus, Application Form, any Confirmation of Allocation Note (“CAN”), the Revision Form, Allotment advices, and other terms and conditions as may be incorporated in the Allotment advices and other documents/ certificates that may be executed in respect of the Issue. The Equity Shares shall also be subject to all applicable laws, guidelines, rules, notifications and regulations relating to the issue of capital and listing and trading of securities issued from time to time by SEBI, the GoI, the Stock Exchange, the RoC, the RBI and/ or other authorities, as in force on the date of the Issue and to the extent applicable or such other conditions as may be prescribed by SEBI, RBI, the GoI, the Stock Exchange, the RoC and/ or any other authorities while granting its approval for the Issue.*

*Please note that in terms of SEBI Circular No. CIR/CFD/POLICYCELL/11/2015 dated November 10, 2015 and the SEBI (Issue of Capital and Disclosure Requirements) Regulations, 2018, all the investors (except Anchor Investors) applying in a public Issue shall use only Application Supported by Blocked Amount (ASBA) process for application providing details of the bank account which will be blocked by the Self Certified Syndicate Banks (SCSBs) for the same. Further, pursuant to SEBI Circular No. SEBI/HO/CFD/DIL2/CIR/P/2018/138 dated November 01, 2018, Retail Individual Investors applying in public Issue may use either Application Supported by Blocked Amount (ASBA) facility for making application or also can use UPI as a payment mechanism with Application Supported by Blocked Amount for making application.*

*Further vide the said circular Registrar to the Issue and Depository Participants have been also authorized to collect the Bid-cum-Application forms. Investor may visit the official website of the concerned for any information on operational utilization of this facility of form collection by the Registrar to the Issue and Depository Participants as and when the same is made available.*

### AUTHORITY FOR THE ISSUE

The present Issue of up to 40,00,000 Equity Shares has been authorized by a resolution of the Board of Directors of our Company at their meeting held on August 20, 2024 and was approved by the shareholders of the Company by passing special resolution at the extraordinary general meeting held on August 21, 2024 in accordance with the provisions of Section 62(1)(c) of the Companies Act, 2013.

### RANKING OF EQUITY SHARES

The Allottees upon Allotment of Equity Shares under the Issue will be entitled to dividend and other corporate benefits, if any, declared by our Company after the date of Allotment. The Equity Shares being issued and allotted shall be subject to the provisions of the Companies Act 2013, our Memorandum of Associations and Articles of Association shall rank pari-passu in all respects with the existing Equity Shares including in respect of the rights to receive dividends and other corporate benefits, if any, declared by us after the date of Allotment. For further details, please see the section titled **“Main Provisions of the Articles of Association”** beginning on page 275 of this Draft Red Herring Prospectus.

### MODE OF PAYMENT OF DIVIDEND

Our Company shall pay dividends, if declared, to the Shareholders in accordance with the provisions of the Companies Act, the Memorandum and Articles of Association and provisions of the SEBI Listing Regulations and any other guidelines or directions which may be issued by the Government in this regard. Dividends, if any, declared by our Company after the date of Allotment will be payable to the Bidders who have been allotted or transferred Equity Shares pursuant to the Issue, for the entire year, in accordance with applicable laws. For further details, in relation to dividends, see **“Dividend Policy”** and **“Main Provisions of the Articles of Association”** beginning on page 160 and 275, respectively of this Draft Red Herring Prospectus.

### FACE VALUE, ISSUE PRICE, FLOOR PRICE AND PRICE BAND

The face value of each Equity Share is ₹ 10 and the Issue Price is ₹ [●] per Equity Share. The Floor Price is ₹ [●] per Equity Share and at the Cap Price is ₹ [●] per Equity Share, being the Price Band. The Anchor Investor Issue Price is ₹ [●] per Equity Share.

The Issue Price, Price Band and the minimum Bid Lot size for the Issue will be decided by our Company in consultation with the BRLM, and advertised in all editions of [●], an English national daily newspaper and all editions of [●], a Hindi national daily newspaper and [●], a Regional Gujarati newspaper (Gujarati being the regional language of Gujarat, where our Registered Office is located), each with wide circulation, at least two Working Days prior to the Bid/ Issue Opening Date and shall be made available to the Stock Exchanges for the purpose of uploading the same on their websites.

The Price Band, along with the relevant financial ratios calculated at the Floor Price and at the Cap Price, shall be pre-filled in the Bid cum Application Forms available on the respective websites of the Stock Exchanges. The Issue Price shall be determined by our Company in consultation with the Book Running Lead Manager, after the Bid/ Issue Closing Date on the basis of assessment of market demand for the Equity Shares issued through the Book Building Process.

At any given point of time, there shall be only one denomination of Equity Shares, unless otherwise permitted by law.

#### **COMPLIANCE WITH SEBI (ICDR) REGULATIONS, 2018**

Our Company shall comply with all requirements of the SEBI (ICDR) Regulations. Our Company shall comply with all disclosure and accounting norms as specified by SEBI from time to time.

#### **COMPLIANCE WITH DISCLOSURE AND ACCOUNTING NORMS**

Our Company shall comply with all disclosure and accounting norms as specified by SEBI from time to time.

Subject to applicable laws, rules, regulations and guidelines and our Articles of Association, our Shareholders shall have the following rights:

- Right to receive dividends, if declared;
- Right to receive Annual Reports and notices to members;
- Right to attend general meetings and exercise voting rights, unless prohibited by law;
- Right to vote on a poll either in person or by proxy and e-voting, in accordance with the provisions of the Companies Act;
- Right to receive offers for rights shares and be allotted bonus shares, if announced;
- Right to receive surplus on liquidation, subject to any statutory and preferential claim being satisfied;
- Right of free transferability of the Equity Shares, subject to applicable laws including any RBI rules and regulations; and
- Such other rights, as may be available to a shareholder of a listed public company under the Companies Act, the SEBI LODR Regulations, and our Memorandum of Association and Articles of Association.

For a detailed description of the main provisions of the Articles of Association of our Company relating to voting rights, dividend, forfeiture and lien, transfer, transmission and/ or consolidation or splitting, see “*Main Provisions of the Articles of Association*” beginning on page 275 of this Draft Red Herring Prospectus.

Pursuant to Section 29 of the Companies Act and the SEBI ICDR Regulations, 2018, the Equity Shares shall be Allotted only in dematerialised form. As per the SEBI ICDR Regulations, 2018, the trading of the Equity Shares shall only be in dematerialized form. In this context, two agreements have been signed amongst our Company, the respective Depositories and the Registrar to the Issue:

- Tripartite agreement dated August 21, 2024 amongst our Company, CDSL and Maashitla Securities Private Limited.
- Tripartite agreement dated August 12, 2024 between our Company, NSDL and Maashitla Securities Private Limited

For details in relation to the Basis of Allotment, see “*Issue Procedure*” on page 241 of this Draft Red Herring Prospectus.

#### **MINIMUM APPLICATION VALUE, MARKET LOT AND TRADING LOT**

The trading of the Equity Shares will happen in the minimum contract size of [●] Equity Shares and the same may be modified by the Emerge platform of NSE from time to time by giving prior notice to investors at large.

Allocation and allotment of Equity Shares through this Issue will be done in multiples of [●] Equity Shares and is subject to a minimum allotment of [●] Equity Shares to the successful applicants in terms of the SEBI circular No. CIR/MRD/DSA/06/2012 dated February 21, 2012.

Further, in accordance with SEBI ICDR Regulations, 2018 the minimum application size in terms of number of specified securities shall not be less than ₹1.00 Lakh per application.

#### **MINIMUM NUMBER OF ALLOTTEES**

In accordance with Regulation 268 of SEBI (ICDR) Regulations, 2018 the minimum number of allottees in the Issue shall be 50 shareholders. In case the minimum number of prospective allottees is less than 50, no allotment will be made pursuant to this Issue and the monies collected shall be unblocked forthwith.

#### **JOINT HOLDERS**

Subject to the provisions contained in our Articles of Association, where two or more persons are registered as the holders of the Equity Shares, they shall be entitled to hold the same as joint tenants with benefits of survivorship.

#### **JURISDICTION**

The courts of Vadodara, Gujarat, India will have exclusive jurisdiction in relation to this Issue.

The Equity Shares issued in the Issue have not been and will not be registered under the U.S. Securities Act or any state securities laws in the United States, and unless so registered, may not be issued or sold within the United States, except pursuant to an exemption from, or in a transaction not subject to, the registration requirements of the U.S. Securities Act and in accordance with any applicable U.S. state securities laws. Accordingly, the Equity Shares are being issued and sold outside the United States in 'offshore transactions' in reliance on Regulation S under the U.S. Securities Act and the applicable laws of the jurisdictions where such offers and sales are made.

The Equity Shares have not been and will not be registered, listed or otherwise qualified in any other jurisdiction outside India and may not be issued or sold, and Bids may not be made by persons in any such jurisdiction, except in compliance with the applicable laws of such jurisdiction.

Bidders are advised to ensure that any Bid from them does not exceed investment limits or the maximum number of Equity Shares that can be held by them under applicable law. Further, each Bidder where required must agree in the Allotment Advice that such Bidder will not sell or transfer any Equity Shares or any economic interest therein, including any off-shore derivative instruments, such as participatory notes, issued against the Equity Shares or any similar security, other than in accordance with applicable laws.

#### **NOMINATION FACILITY TO THE INVESTOR**

In accordance with Section 72 of the Companies Act read with the Companies (Share Capital and Debentures) Rules, 2014, as amended, the sole Bidder, or the first Bidder along with other joint Bidders, may nominate any one person in whom, in the event of the death of sole Bidder or in case of joint Bidders, death of all the Bidders, as the case may be, the Equity Shares Allotted, if any, shall vest. A person, being a nominee, entitled to the Equity Shares by reason of the death of the original holder(s), shall be entitled to the same advantages to which he or she would be entitled if he or she were the registered holder of the Equity Share(s). Where the nominee is a minor, the holder(s) may make a nomination to appoint, in the prescribed manner, any person to become entitled to Equity Share(s) in the event of his or her death during the minority. A nomination shall stand rescinded upon a sale, transfer or alienation of Equity Share(s) by the person nominating. A buyer will be entitled to make a fresh nomination in the manner prescribed. Fresh nomination can be made only on the prescribed form available on request at our Registered Office or to the registrar and transfer agents of our Company.

Any person who becomes a nominee by virtue of the provisions of Section 72 of the Companies Act, 2013 shall upon the production of such evidence as may be required by our Board, elect either:

1. to register himself or herself as the holder of the Equity Shares; or
2. to make such transfer of the Equity Shares, as the deceased holder could have made.

Further, our Board may at any time give notice requiring any nominee to choose either to be registered himself or herself or to transfer the Equity Shares, and if the notice is not complied with within a period of 90 days, our Board may thereafter withhold payment of all dividends, bonuses or other monies payable in respect of the Equity Shares, until the requirements of the notice have been complied with.

Since the Allotment of Equity Shares in the Issue will be made only in dematerialised mode there is no need to make a separate nomination with our Company. Nominations registered with respective Depository Participant of the Bidder would prevail. If the Bidder wants to change their nomination, they are requested to inform their respective Depository Participant.

### **WITHDRAWAL OF THE ISSUE**

Our Company in consultation with the BRLM, reserve the right to not to proceed with the Issue after the Issue Opening Date but before the Allotment. In such an event, our Company would issue a public notice in the newspapers in which the pre-Issue advertisements were published, within two (2) days of the Issue Closing Date or such other time as may be prescribed by SEBI, providing reasons for not proceeding with the Issue. The Book Running Lead Manager, through the Registrar to the Issue, shall notify the SCSBs to unblock the bank accounts of the ASBA Bidders within one (1) Working Day from the date of receipt of such notification. Our Company shall also inform the same to the Stock Exchanges on which Equity Shares are proposed to be listed.

The BRLM, through the Registrar to the Issue, shall notify the SCSBs and the Sponsor Banks (in case of UPI Bidders), to unblock the bank accounts of the ASBA Bidders within one Working Day from the date of receipt of such notification and also inform the Bankers to the Issue to process refunds to the Anchor Investors, as the case may be. The notice of withdrawal will be issued in the same newspapers where the pre-Issue advertisements have appeared, and the Stock Exchanges will also be informed promptly. In terms of the UPI Circulars, in relation to the Issue, the BRLM will submit reports of compliance with the applicable listing timelines and activities, identifying non-adherence to timelines and processes and an analysis of entities responsible for the delay and the reasons associated with it. Further, in case of any delay in unblocking of amounts in the ASBA Accounts (including amounts blocked through the UPI Mechanism) exceeding three Working Days from the Bid/ Issue Closing Date, the Bidder shall be compensated at a uniform rate of ₹100 per day for the entire duration of delay exceeding three Working Days from the Bid/ Issue Closing Date by the intermediary responsible for causing such delay in unblocking. The BRLM shall, in their sole discretion, identify and fix the liability on such intermediary or entity responsible for such delay in unblocking.

Notwithstanding the foregoing, this Issue is also subject to obtaining (i) the final listing and trading approvals of the Stock Exchange, which our Company shall apply for after Allotment, and (ii) the final ROC approval of the Prospectus after it is filed with the ROC. If our Company withdraws the Issue after the Issue Closing Date and thereafter determines that it will proceed with an Issue, our Company shall file a fresh Prospectus.

### **BID/ISSUE PROGRAM**

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

<b>Event</b>	<b>Indicative Date</b>
Bid/Issue Opens on	[●] <sup>(1)</sup>
Bid/Issue Closes on	[●] <sup>(2)(3)</sup>
Finalization of Basis of Allotment with the Designated Stock Exchange	On or before [●]
Initiation of Refunds / unblocking of funds from ASBA Account*	On or before [●]
Credit of Equity Shares to demat account of the Allottees	On or before [●]
Commencement of trading of the Equity Shares on the Stock Exchange	On or before [●]

The above time table is indicative and does not constitute any obligation on our Company. Whilst our Company shall ensure that all steps for the completion of the necessary formalities for the listing and the commencement of trading of the Equity Shares on NSE is taken within Three Working Days from the Issue Closing Date, the timetable may change due to various factors, such as extension of the Issue Period by our Company or any delays in receiving the final listing and trading approval

from the Stock Exchange. The Commencement of trading of the Equity Shares will be entirely at the discretion of the Stock Exchange and in accordance with the applicable laws

*(1) Our Company in consultation with the BRLM, may consider participation by Anchor Investors. The Anchor Investor Bid/ Issue Period shall be one Working Day prior to the Bid/Issue Opening Date in accordance with the SEBI ICDR Regulations, 2018*

*(2) Our Company in consultation with the BRLM, may consider closing the Bid/Issue Period for QIBs one day prior to the Bid/Issue Closing Date in accordance with the SEBI ICDR Regulations, 2018*

*(3) UPI mandate end time and date shall be at 5:00 pm IST on Bid/ Issue Closing Date, i.e. [●]*

\*In case of (i) any delay in unblocking of amounts in the ASBA Accounts (including amounts blocked through the UPI Mechanism) for cancelled/ withdrawn/ deleted ASBA Forms, the Applicant shall be compensated at a uniform rate of ₹100 per day or 15% per annum of the Application Amount, whichever is higher from the date on which the request for cancellation/ withdrawal/ deletion is placed in the Stock Exchanges Applying platform until the date on which the amounts are unblocked (ii) any blocking of multiple amounts for the same ASBA Form (for amounts blocked through the UPI Mechanism), the Applicant shall be compensated at a uniform rate ₹100 per day or 15% per annum of the total cumulative blocked amount except the original application amount, whichever is higher from the date on which such multiple amounts were blocked till the date of actual unblock; (iii) any blocking of amounts more than the Application Amount, the Applicant shall be compensated at a uniform rate of ₹100 per day or 15% per annum of the difference in amount, whichever is higher from the date on which such excess amounts were blocked till the date of actual unblock; (iv) any delay in unblocking of non-allotted/ partially allotted Application, exceeding two Working Days from the Issue Closing Date, the Applicant shall be compensated at a uniform rate of ₹100 per day or 15% per annum of the Application Amount, whichever is higher for the entire duration of delay exceeding two Working Days from the Issue Closing Date by the SCSB responsible for causing such delay in unblocking. The post Issue BRLM shall be liable for compensating the Applicant at a uniform rate of ₹ 100 per day or 15% per annum of the Application Amount, whichever is higher from the date of receipt of the Investor grievance until the date on which the blocked amounts are unblocked. Further, investors shall be entitled to compensation in the manner specified in the SEBI circular no. SEBI/HO/CFD/DIL2/CIR/P/2021/2480/1/M dated March 16, 2021 read with SEBI circular no. SEBI/HO/CFD/DIL1/CIR/P/2021/47 dated March 31, 2021, SEBI circular no. SEBI/HO/CFD/DIL2/P/CIR/2021/570 dated June 2, 2021 and SEBI circular no. SEBI/HO/CFD/DIL2/CIR/P/2022/51 dated April 20, 2022 and SEBI Circular No. SEBI/HO/CFD/DIL2/P/CIR/2022/75 dated May 30, 2022, in case of delays in resolving investor grievances in relation to blocking/ unblocking of funds.

The above timetable other than the Bid/ Issue Closing Date, is indicative and does not constitute any obligation or liability on our Company or the BRLM.

Any circulars or notifications from the SEBI after the date of this Draft Red Herring Prospectus may result in changes to the timelines. Further, the Issue procedure is subject to change to any revised circulars issued by the SEBI to this effect.

Whilst our Company shall ensure that all steps for the completion of the necessary formalities for the listing and the commencement of trading of the Equity Shares on the Stock Exchanges are taken within such time as prescribed by SEBI, the timetable may be extended due to various factors, such as extension of the Bid/ Issue Period by our Company in consultation with the BRLM, revision of the Price Band or any delay in receiving the final listing and trading approval from the Stock Exchanges. In terms of the SEBI master circular no. SEBI/HO/CFD/PoD-2/P/CIR/2023/00094 dated June 21, 2023, our Company shall within three days from the closure of the Issue, refund the subscription amount received in case of non – receipt of minimum subscription or in case our Company fails to obtain listing or trading permission from the Stock Exchanges for the Equity Shares. The commencement of trading of the Equity Shares will be entirely at the discretion of the Stock Exchange and in accordance with the applicable laws. The Shareholder, severally and not jointly, has specifically confirmed that it shall extend such reasonable support and co-operation required by our Company and the BRLM for completion of the necessary formalities for listing and commencement of trading of the Equity Shares at the Stock Exchange within such time as prescribed by SEBI.

The Registrar to the Issue shall submit the details of cancelled/ withdrawn/ deleted applications to the SCSB's on daily basis within 60 minutes of the Bid closure time from the Bid/ Issue Opening Date till the Bid/ Issue Closing Date by obtaining the same from the Stock Exchanges. The SCSB's shall unblock such applications by the closing hours of the Working Day.

In terms of the UPI Circulars, in relation to the Issue, the BRLMs will be required to submit reports of compliance with timelines and activities prescribed by SEBI in connection with the allotment and listing procedure within such time as prescribed by SEBI, identifying non-adherence to timelines and processes and an analysis of entities responsible for the delay and the reasons associated with it.

#### **Submission of Bids (other than Bids from Anchor Investors)**

<b>Bid Period (except the Bid/Issue Closing Date)</b>	
Submission and Revision in Bids	Only between 10.00 a.m. and 5.00 p.m. (Indian Standard Time ("IST"))
<b>Bid/Issue Closing Date</b>	
Submission and Revision in Bids*	Only between 10.00 a.m. and 3.00 p.m. IST

*\*UPI mandate end time and date shall be at 5.00 pm IST on Bid/Issue Closing Date.*

On the Bid/ Issue Closing Date, the Bids shall be uploaded until:

- 4.00 p.m. IST in case of Bids by QIBs and Non-Institutional Bidders, and
- until 5.00 p.m. IST or such extended time as permitted by the Stock Exchange in case of Bids by RIBs.

On Bid/ Issue Closing Date, extension of time will be granted by Stock Exchange only for uploading Bids received by RIBs after taking into account the total number of Bids received and as reported by the Book Running Lead Manager to the Stock Exchange.

The Registrar to the Issue shall submit the details of cancelled/ withdrawn/ deleted applications to the SCSBs on a daily basis within 60 minutes of the Bid closure time from the Bid/ Issue Opening Date till the Bid/ Issue Closing Date by obtaining the same from the Stock Exchanges. The SCSBs shall unblock such applications by the closing hours of the Working Day and submit the confirmation to the Book Running Lead Manager and the RTA on a daily basis.

To avoid duplication, the facility of re-initiation provided to Syndicate Members, if any shall preferably be allowed only once per Bid/batch and as deemed fit by the Stock Exchange, after closure of the time for uploading Bids.

It is clarified that Bids not uploaded on the electronic bidding system or in respect of which the full Bid Amount is not blocked by SCSBs or not blocked under the UPI Mechanism in the relevant ASBA Account, as the case may be, would be rejected.

Due to the limitation of time available for uploading the Bid-Cum-Application Forms on the Bid/ Issue Closing Date, Bidders are advised to submit their applications one (1) day prior to the Bid/ Issue Closing Date and, in any case, not later than 3.00 p.m. (IST) on the Bid/ Issue Closing Date. Any time mentioned in this Draft Red Herring Prospectus is IST. Bidders are cautioned that, in the event a large number of Bid-Cum-Application Forms are received on the Bid/ Issue Closing Date, as is typically experienced in public Issue, some Bid-Cum-Application Forms may not get uploaded due to the lack of sufficient time. Such Bid-Cum-Application Forms that cannot be uploaded will not be considered for allocation under this Issue. Applications will be accepted only on Working Days, i.e., Monday to Friday (excluding any public holidays). Neither our Company nor the BRLM is liable for any failure in uploading the Bid-Cum-Application Forms due to faults in any software/ hardware system or otherwise; or blocking of application amount by SCSBs on receipt of instructions from the Sponsor Bank due to any errors, omissions, or otherwise non-compliance by various parties involved in, or any other fault, malfunctioning or breakdown in the UPI Mechanism.

Our Company in consultation with the Book Running Lead Manager, reserves the right to revise the Price Band during the Bid Period in accordance with the SEBI ICDR Regulations, 2018. The revision in the Price Band shall not exceed 20% on either side, i.e., the Floor Price can move up or down to the extent of 20% of the Floor Price and the Cap Price will be revised accordingly, but the Floor Price shall not be less than the Face Value of the Equity Shares.



In accordance with SEBI ICDR Regulations, 2018, QIBs and Non-Institutional Bidders are not allowed to withdraw or lower the size of their application (in terms of the quantity of the Equity Shares or the Application amount) at any stage. Retail Individual Bidders can revise or withdraw their Bid-Cum-Application Forms prior to the Bid/ Issue Closing Date. Allocation to Retail Individual Bidders, in this Issue will be on a proportionate basis.

In case of discrepancy in the data entered in the electronic book vis-à-vis the data contained in the physical Bid-Cum-Application Form, for a particular Bidder, the details as per the file received from Stock Exchange may be taken as the final data for the purpose of Allotment. In case of discrepancy in the data entered in the electronic book vis-à-vis the data contained in the physical or electronic Bid-Cum-Application Form, for a particular ASBA Bidder, the Registrar to the Issue shall ask the relevant SCSBs/ RTAs/ DPs/ stock brokers, as the case may be, for the rectified data.

In case of revision in the Price Band, the Bid/ Issue Period shall be extended for at least three additional Working Days after such revision, subject to the Bid/ Issue Period not exceeding 10 Working Days. In cases of force majeure, banking strike or similar circumstances, our Company in consultation with the BRLM, for reasons to be recorded in writing, may extend the Bid/ Issue Period for a minimum of three Working Days, subject to the Bid/ Issue Period not exceeding 10 Working Days. Any revision in Price Band, and the revised Bid/ Issue Period, if applicable, shall be widely disseminated by notification to the Stock Exchanges, by issuing a public announcement and also by indicating the change on the respective websites of the BRLM and at the terminals of the Syndicate Members and by intimation to the Designated Intermediaries and the Sponsor Bank(s), as applicable. In case of revision of Price Band, the Bid Lot shall remain the same.

In case of discrepancy in data entered in the electronic book vis-à-vis data contained in the Bid cum Application Form for a particular Bidder, the details as per the Bid file received from the Stock Exchanges shall be taken as the final data for the purpose of Allotment.

#### **MINIMUM SUBSCRIPTION**

This Issue is not restricted to any minimum subscription level and is 100% underwritten. As per Section 39 of the Companies Act, 2013, if the stated minimum amount has not been subscribed and the sum payable on application is not received within a period of 30 days from the date of the Prospectus, the application money has to be returned within such period as may be prescribed. If our Company does not receive the 100% subscription of the issue through the Issue Document including devolvement of Underwriters, if any, within sixty (60) days from the date of closure of the issue, our Company shall forthwith refund the entire subscription amount received. If there is a delay beyond Two days after our Company becomes liable to pay the amount, our Company and every officer in default will, on and from the expiry of this period, be jointly and severally liable to repay the money, with interest or other penalty as prescribed under the SEBI Regulations, the Companies Act 2013 and applicable law.

In accordance with Regulation 260 of the SEBI (ICDR) Regulations, our Issue shall be hundred percent underwritten. Thus, the underwriting obligations shall be for the entire hundred percent of the issue through the Prospectus and shall not be restricted to the minimum subscription level. For details of underwriting arrangement, kindly refer the chapter titled **“General Information - Underwriting”** on page 57 of this Draft Red Herring Prospectus.

In terms of Regulation 272(2) of SEBI (ICDR) Regulations, in case the Company fails to obtain listing or trading permission from the stock exchanges where the specified securities are proposed to be listed, it shall refund through verifiable means the entire monies received within four days of receipt of intimation from stock exchange(s) rejecting the application for listing of specified securities, and if any such money is not repaid within four days after the issuer becomes liable to repay it, the issuer and every director of the company who is an officer in default shall, on and from the expiry of the fourth day, be jointly and severally liable to repay that money with interest at the rate of fifteen per cent per annum.

Further, in accordance with Regulation 268(1) of the SEBI (ICDR) Regulations, our Company shall ensure that the number of prospective allottees to whom the Equity Shares will allotted will not be less than 50 (Fifty).

Further, in accordance with Regulation 267(2) of the SEBI (ICDR) Regulations, our Company shall ensure that the minimum application size in terms of number of specified securities shall not be less than ₹ 1,00,000/- (Rupees One Lac only) per application.

The Equity Shares have not been and will not be registered, listed or otherwise qualified in any other jurisdiction outside India and may not be issued or sold, and applications may not be made by persons in any such jurisdiction, except in compliance with the applicable laws of such jurisdiction.

#### **ARRANGEMENTS FOR DISPOSAL OF ODD LOTS**

The trading of the Equity Shares will happen in the minimum contract size of [●] shares in terms of the SEBI circular No. CIR/MRD/DSA/06/2012 dated February 21, 2012. However, the Market Maker shall buy the entire shareholding of a shareholder in one lot, where value of such shareholding is less than the minimum contract size allowed for trading on the NSE Emerge.

#### **RESTRICTIONS, IF ANY ON TRANSFER AND TRANSMISSION OF EQUITY SHARES**

Except for the lock-in of the pre- Issue capital of our Company, lock-in of the Promoters' minimum contribution and the Anchor Investor lock-in as provided in "*Capital Structure*" beginning on page 67 of this Draft Red Herring Prospectus and except as provided in our Articles of Association there are no restrictions on transfer of Equity Shares. Further, there are no restrictions on the transmission of shares/ debentures and on their consolidation/ splitting, except as provided in the Articles of Association. For details, see "*Main Provisions of the Articles of Association*" beginning on page 275 of this Draft Red Herring Prospectus.

The above information is given for the benefit of the Applicants. The Applicants are advised to make their own enquiries about the limits applicable to them. Our Company and the Book Running Lead Manager do not accept any responsibility for the completeness and accuracy of the information stated hereinabove. Our Company and the Book Running Lead Manager are not liable to inform the investors of any amendments or modifications or changes in applicable laws or regulations, which may occur after the date of this Draft Red Herring Prospectus. Applicants are advised to make their independent investigations and ensure that the number of Equity Shares Applied for do not exceed the applicable limits under laws or regulations.

#### **NEW FINANCIAL INSTRUMENTS**

As on the date of this Draft Red Herring Prospectus, there are no outstanding warrants, new financial instruments or any rights, which would entitle the shareholders of our Company, including Our Promoters, to acquire or receive any Equity Shares after the Issue. Further, our Company is not issuing any new financial instruments through this Issue.

#### **ALLOTMENT OF SECURITIES IN DEMATERIALIZED FORM**

In accordance with the SEBI ICDR Regulations, 2018, Allotment of Equity Shares to successful applicants will only be in the dematerialized form. Applicants will not have the option of Allotment of the Equity Shares in physical form. The Equity Shares on Allotment will be traded only on the dematerialized segment of the Stock Exchange.

#### **APPLICATION BY ELIGIBLE NRIS, FPIS OR VCFS REGISTERED WITH SEBI**

It is to be understood that there is no reservation for Eligible NRIs, FPIs or VCF registered with SEBI. Such Eligible NRIs, FPIs or VCF registered with SEBI will be treated on the same basis with other categories for the purpose of Allocation.

#### **AS PER THE EXTENT GUIDELINES OF THE GOVERNMENT OF INDIA, OCBS CANNOT PARTICIPATE IN THIS ISSUE**

The current provisions of the Foreign Exchange Management (Transfer or Issue of Security by a Person Resident outside India) Regulations, 2000, provides a general permission for the NRIs, FPIs and foreign venture capital investors registered with SEBI to invest in shares of Indian companies by way of subscription in an IPO. However, such investments would be subject to other investment restrictions under the Foreign Exchange Management (Transfer or Issue of Security by a Person Resident outside India) Regulations, 2000, RBI and/ or SEBI regulations as may be applicable to such investors. The Allotment of the Equity Shares to Non-Residents shall be subject to the conditions, if any, as may be prescribed by the Government of India/ RBI while granting such approvals.

## **MIGRATION TO MAIN BOARD**

SEBI vide Circular Nos. CIR/MRD/DSA/17/2010 dated May 18, 2010, has stipulated the requirements for migration from SME platform to main board. The migration policy of NSE was intimated vide circular Download Ref. No.: NSE/SME/26110 dated March 10, 2014, further revised vide circular Download Ref. No. NSE/SME/37551 dated April 18, 2018, NSE/SME/47077 dated January 21, 2021 and NSE/SME/56427 dated April 20, 2023. NSE has further reviewed and revised the migration policy effective from April 01, 2024 from NSE Emerge to NSE Main Board as follows:

- The paid-up equity capital of the company shall not be less than ₹10 crores and the capitalization of the company's equity shall not be less than ₹25 crores\*\*  
*\*\* Explanation for this purpose, capitalization will be the product of the price (average of the weekly high and low of the closing prices of the related shares quoted on the stock exchange during 3 months preceding the application date) and the post issue number of equity shares*
- The company should have positive cash accruals (Earnings before Interest, Depreciation and Tax) from operations for each of the 3 financial years preceding the migration application and has positive PAT in the immediate Financial Year of making the migration application to Exchange.
- The company should have been listed on SME platform of the Exchange for at least 3 years.
- The Company has not referred to the Board of Industrial & Financial Reconstruction (BIFR) &/ OR No proceedings have been admitted under Insolvency and Bankruptcy Code against the issuer and Promoting companies.
- The company has not received any winding up petition admitted by a NCLT.
- The net worth\* of the company should be at least ₹75 crores.
- \*Net Worth – as defined under SEBI (Issue of Capital and Disclosure Requirements) Regulations, 2018.
- Total number of public shareholders on the last day of preceding quarter from date of application should be at least 1000.

The company desirous of listing its securities on the main board of the Exchange should also satisfy the Exchange on the following:

- The Company should have made disclosures for all material Litigation(s)/ dispute(s)/ regulatory action(s) to the stock exchanges where its shares are listed in adequate and timely manner.
- Cooling period of two months from the date the security has come out of trade-to-trade category or any other surveillance action, by other exchanges where the security has been actively listed.
- Redressal mechanism of Investor grievance.
- PAN and DIN no. of Director(s) of the Company.
- Change in Control of a Company/ Utilization of funds raised from public

## **PRE-ISSUE ADVERTISEMENT**

Subject to Section 30 of the Companies Act, 2013 our Company shall, after filing the Red Herring Prospectus/ Prospectus with the ROC publish a pre-Issue advertisement, in the form prescribed by the SEBI (ICDR) Regulations, in one widely circulated English language national daily newspaper; one widely circulated Hindi language national daily newspaper and one regional Gujarati newspaper with wide circulation where the Registered Office of our Company is situated.

## **MARKET MAKING**

The shares offered through this Issue are proposed to be listed on the NSE Emerge with compulsory market making through the registered Market Maker of the SME Exchange for a minimum period of three years or such other time as may be prescribed by the Stock Exchange, from the date of listing on NSE Emerge. For further details of the market making

arrangement please refer the chapter titled “*General Information*” beginning on page 57 of this Draft Red Herring Prospectus.

## ISSUE STRUCTURE

*This Issue is being made in terms of Regulation 229 (2) of Chapter IX of SEBI (ICDR) Regulations, 2018, as amended from time to time, whereby, an issuer whose post issue paid up capital is more than or equal to ten Crore rupees but less than twenty five crore rupees, shall issue shares to the public and propose to list the same on the Small and Medium Enterprise Exchange ("SME Exchange", in this case being the NSE Emerge i.e. SME platform of NSE). For further details regarding the salient features and terms of such an issue please refer chapter titled "Terms of the issue" and "Issue Procedure" on page 227 and 241 of this Draft Red Herring Prospectus.*

### Issue Structure:

The present issue is of upto 40,00,000 Equity Shares of face value of ₹10.00/- each ("Equity Shares") for cash at a price of ₹ [●] per equity share including a share premium of ₹. [●] per equity share (the "Issue Price") aggregating to ₹. [●] Lakhs ("the Issue") by the issuer Company (the "Company") comprising of a fresh issue of upto 40,00,000 equity shares aggregating to ₹ [●] Lakhs (the "Fresh Issue") of which upto [●] equity shares of face value of ₹10.00/- each for cash at a price of ₹ [●] per equity share including a share premium of ₹ [●] per equity share aggregating to ₹ [●] Lakhs will be reserved for subscription by Market Maker to the issue (the "**Market Maker Reservation Portion**").

The Issue less the Market Maker Reservation Portion i.e., Net Issue of [●] equity shares of face value of ₹. 10.00/- each at a price of ₹ [●] per equity share including a share premium of ₹ [●] per equity share aggregating to ₹. [●] lakhs (the "**Net Issue**"). The Issue and the Net Issue will constitute [●] % and [●] % respectively of the post issue paid up equity share capital of our company. The Issue is being made through the Book Building Process. For further details, please refer chapter titled "**Terms of the Issue** " on page 227 of this Draft Red Herring Prospectus.

Particulars of the issue <sup>(2)</sup>	Market Maker Reservation Portion	QIBs <sup>(1)</sup>	Non-Institutional Investors	Retail Individual Investors
Number of Equity Shares available for allocation	Upto [●] Equity Shares	Not more than [●] Equity Shares	Not less than [●] Equity Shares	Not less than [●] Equity Shares
Percentage of Offer Size available for allocation	[●] of the issue	Not more than 50% of the Size Net Offer being available for allocation to QIB Bidders. However, up to 5% of the Net QIB Portion will be available for allocation proportionately to Mutual Funds only. Mutual Funds participating in the Mutual Fund Portion will also be eligible for allocation in the remaining QIB Portion. The unsubscribed portion in the Mutual Fund Portion will be added to the Net QIB Portion	Not less than 15% of the Net Issue or the Issue less allocation to QIB Bidders and Retail Individual Bidders shall be available for allocation	Not less than 35% of the Net Issue or the Issue less allocation to QIB Bidders and Non-Institutional Bidders shall be available for allocation.

Basis of Allotment <sup>(3)</sup>	Firm Allotment	Proportionate as follows (excluding the Anchor Investor Portion): (a) Up to [●] Equity Shares shall be available for allocation on a proportionate basis to Mutual Funds only; and (b) Up to [●] Equity Shares shall be available for allocation on a proportionate basis to all QIBs, including Mutual Funds receiving allocation as per (a) above. Up to 60% of the QIB Portion (of up to [●] Equity Shares may be allocated on a discretionary basis to Anchor Investors of which one-third shall be available for allocation to Mutual Funds only, subject to valid Bid received from Mutual Funds at or above the Anchor Investor Allocation Price	Allotment to each Non-Institutional Bidder shall not be less than the Minimum NIB Application Size, subject to the availability of Equity Shares in the Non-Institutional Portion, and the remaining Equity Shares, if any, shall be allotted on a proportionate basis. For details, see “ <b>Issue Procedure</b> ” beginning on page 241 of this Draft Red Herring Prospectus.	Allotment to each Retail Individual Bidder shall not be less than the maximum Bid lot, subject to availability of Equity Shares in the Retail Portion and the remaining available Equity Shares is any, shall be allotted on proportionate basis. For details, see “ <b>Issue Procedure</b> ” beginning on page 241 of this Draft Red Herring Prospectus
Mode of Allotment	Compulsorily in dematerialized form.			
Minimum Bid Size	[●] Equity Shares	Such number of Equity Shares and in multiples of [●] Equity Shares that the Bid Amount exceeds ₹ 2,00,000	Such number of Equity Shares and in multiples of [●] Equity Shares that the Bid Amount exceeds ₹2,00,000	[●] Equity Shares
Maximum Bid Size	[●] Equity Shares	Such number of Equity Shares in multiples of [●] Equity Shares not exceeding the size of the Net Offer, subject to applicable limits	Such number of Equity Shares in multiples of [●] Equity Shares not exceeding the size of the Net Issue (excluding the QIB portion), subject to applicable limits	[●] Equity Shares
Trading Lot	[●] Equity Shares, However the Market Maker may accept odd lots if any in the market as required under the SEBI (ICDR) Regulations, 2018.	[●] Equity Shares and in multiples thereof	[●] Equity Shares and in multiples thereof	[●] Equity Shares and in multiples thereof
Terms of Payment	Full Bid Amount shall be blocked by the SCSBs in the bank account of the ASBA Bidder (other than Anchor Investors) or by the Sponsor Bank through the UPI Mechanism, that is specified in the ASBA Form at the time of submission of the ASBA Form. In case of Anchor Investors: Full Bid Amount shall be payable by the Anchor Investors at the time of submission of their Bids			
Mode of Bid	Only through the ASBA process	Only through the ASBA process. (Except for Anchor investors)	Only through the ASBA process	Through ASBA Process via Banks or by using UPI ID for payment

\* Subject to finalization of basis of allotment.

This Issue is being made in terms of Chapter IX of the SEBI (ICDR) Regulations, 2018, as amended from time to time.

Our Company may, in consultation with the Book Running Lead Manager, allocate up to 60% of the QIB Portion to Anchor Investors on a discretionary basis in accordance with the SEBI ICDR Regulations, 2018. One-third of the Anchor Investor Portion shall be reserved for domestic Mutual Funds, subject to valid Bids being received from domestic Mutual Funds at or above the price Anchor Investor Allocation Price.

In terms of Rule 19(2) of the SCRR read with Regulation 252 of the SEBI (ICDR) Regulations, 2018 this is an Issue for at least 25% of the post issue paid-up Equity share capital of the Company. This issue is being made through Book Building Process, wherein allocation to the public shall be as per Regulation 252 of the SEBI (ICDR) Regulations.

Subject to valid Bids being received at or above the issue Price, under subscription, if any, in any category, except in the QIB Portion, would be allowed to be met with spill-over from any other category or combination of categories of Bidders at the discretion of our Company in consultation with the Book Running Lead Manager and the Designated Stock Exchange, subject to applicable laws.

Full Bid Amount shall be payable by the Anchor Investors at the time of submission of the Anchor Investor Bid cum Application Forms provided that any difference between the Anchor Investor Allocation Price and the Anchor Investor Issue Price shall be payable by the Anchor Investor Pay-In Date as indicated in the CAN.

The Bids by FPIs with certain structures as described under “*Issue Procedure - Bids by FPIs*” on pages 241 and having same PAN may be collated and identified as a single Bid in the Bidding process. The Equity Shares Allocated and Allotted to such successful Bidders (with same PAN) may be proportionately distributed.

If the Bid is submitted in joint names, the Bid cum Application Form should contain only the name of the first Bidder whose name should also appear as the first holder of the depository account held in joint names. The signature of only the first Bidder would be required in the Bid cum Application Form and such first Bidder would be deemed to have signed on behalf of the joint holders. Bidders will be required to confirm and will be deemed to have represented to our Company, the Underwriters, their respective directors, officers, agents, affiliates and representatives that they are eligible under applicable law, rules, regulations, guidelines and approvals to acquire the Equity Shares.

In accordance with SEBI (ICDR) Regulations, the Company, in consultation with the Book Running Lead Manager, reserves the right not to proceed with the Issue at any time before the Bid/Issue Opening Date, without assigning any reason thereof.

In case, the Company wishes to withdraw the Issue after Bid/ Issue Opening but before allotment, the Company will give public notice giving reasons for withdrawal of Issue. The public notice will appear in two widely circulated national newspapers (one each in English and Hindi) and one in Regional Gujarati newspaper.

The Book Running Lead Manager, through the Registrar to the Issue, will instruct the SCSBs, to unblock the ASBA Accounts within one Working Day from the day of receipt of such instruction. The notice of withdrawal will be issued in the same newspapers where the pre-issue advertisements have appeared and the Stock Exchange will also be informed promptly.

If our Company withdraws the issue after the Bid/ Issue Closing Date and subsequently decides to undertake a public offering of Equity Shares, our Company will file a fresh Draft Red Herring Prospectus with the stock exchange where the Equity Shares may be proposed to be listed.

Notwithstanding the foregoing, the Issue is subject to obtaining (i) the final listing and trading approvals of the Stock Exchange, which our Company will apply for only after Allotment; and (ii) filing of the Draft Red Herring Prospectus/ Prospectus with ROC.

### Issue Program

Event	Indicative Dates
Bid/ Issue Opening Date	[●] <sup>1</sup>

Bid/ Issue Closing Date	[●] <sup>2</sup>
Finalization of Basis of Allotment with the Designated Stock Exchange(T+1)	On or about [●]
Initiation of Allotment/ Refunds/ Unblocking of Funds from ASBA Account or UPI ID linked bank account Id Linked Bank Account(T+2)	On or about [●]
Credit of Equity Shares to Demat accounts of Allottees(T+2)	On or about [●]
Commencement of trading of the Equity Shares on the Stock Exchange(T+3)	On or about [●]

The above time table is indicative and does not constitute any obligation on our Company. Whilst our Company shall ensure that all steps for the completion of the necessary formalities for the listing and the commencement of trading of the Equity Shares on NSE Emerge platform is taken within Three Working Days from the Issue Closing Date, the timetable may change due to various factors, such as extension of the Issue Period by our Company or any delays in receiving the final listing and trading approval from the Stock Exchange. The Commencement of trading of the Equity Shares will be entirely at the discretion of the Stock Exchange and in accordance with the applicable laws.

<sup>1</sup>Our Company in consultation with the Book Running Lead Manager, may consider participation by Anchor Investors in accordance with the SEBI ICDR Regulations, 2018. The Anchor Investor Bid/ Issue Period shall be one Working Day prior to the Bid/ Issue Opening Date in accordance with the SEBI ICDR Regulations, 2018.

<sup>2</sup>Our Company in consultation with the BRLM, consider closing the Bid/ Issue Period for QIBs one Working Day prior to the Bid/ Issue Closing Date in accordance with the SEBI ICDR Regulations, 2018.

Applications and any revisions to the same will be accepted only between 10.00 A.M. to 5.00 P.M. (Indian Standard Time) during the Issue Period at the Application Centers mentioned in the Bid-Cum-Application Form.

Standardization of cut-off time for uploading of applications on the Bid/ Issue Closing Date:

- A standard cut-off time of 3.00 P.M. for acceptance of applications.
- A standard cut-off time of 4.00 P.M. for uploading of applications received from other than retail individual applicants.
- A standard cut-off time of 5.00 P.M. for uploading of applications received from only retail individual applicants, which may be extended up to such time as deemed fit by NSE after taking into account the total number of applications received up to the closure of timings and reported by BRLM to NSE within half an hour of such closure.

It is clarified that Bids not uploaded would be rejected. In case of discrepancy in the data entered in the electronic book vis-à-vis the data contained in the physical Bid-Cum-Application Form, for a particular bidder, the details as per physical Bid-Cum-application form of that Bidder may be taken as the final data for the purpose of allotment.

Bids will be accepted only on Working Days, i.e., Monday to Friday (excluding bank holidays).



## ISSUE PROCEDURE

All Bidders should read the General Information Document for Investing in Public Issues prepared and issued in accordance with the circular no. SEBI/HO/CFD/DIL1/CIR/P/2020/37 dated March 17, 2020 issued by SEBI and the UPI Circulars “*the General Information Document*” which highlights the key rules, processes and procedures applicable to public issues in general in accordance with the provisions of the Companies Act, 2013, SCRA, the SCRR and the SEBI ICDR Regulations, 2018 which is part of the Abridged Prospectus accompanying the Bid cum Application Form. The General Information Document is available on the websites of the Stock Exchanges and the BRLM. Please refer to the relevant provisions of the General Information Document which are applicable to the Issue.

Additionally, all Bidders may refer to the General Information Document for information, in relation to (i) category of Bidders eligible to participate in the Issue; (ii) maximum and minimum Application size; (iii) price discovery and allocation; (iv) payment instructions for ASBA Bidders (v) issuance of Confirmation of Allocation Note (“CAN”) and Allotment in the Issue; (vi) general instructions (limited to instructions for completing the Bid Cum Application Form); (vii) Designated Date; (viii) disposal of Applications and electronic registration of bids; (ix) submission of Bid Cum Application Form; (x) other instructions (limited to joint Applications in cases of individual, multiple Applications and instances when an Application would be rejected on technical grounds); (xi) applicable provisions of Companies Act, 2013 relating to punishment for fictitious Applications; (xii) mode of making refunds; and (xiii) interest in case of delay in Allotment or refund.

SEBI through its UPI Circular No. SEBI/HO/CFD/DIL2/CIR/P/2018/138 dated November 1, 2018 read with its circular no. SEBI/HO/CFD/DIL2/CIR/P/2019/50 dated April 3, 2019 and circular no. SEBI/HO/CFD/DIL2/CIR/P/2019/76 dated June 28, 2019, has introduced an alternate payment mechanism using Unified Payments Interface (UPI) and consequent reduction in timelines for listing in a phased manner. From January 1, 2019, the UPI Mechanism for RIIs applying through Designated Intermediaries was made effective along with the existing process existing timeline of T+6 days (“UPI Phase I”). The UPI Phase I was effective till June 30, 2019.

Subsequently, for applications by Retail Individual Investors through Designated Intermediaries, the process of physical movement of forms from Designated Intermediaries to SCSBs for blocking of funds has been discontinued and only the UPI Mechanism with existing timeline of T+6 days is applicable for a period of three months or launch of five main board public issues, whichever is later (“UPI Phase II”), With effect from July 1, 2019, by SEBI circular (SEBI/HO/CFD/DIL2/CIR/P/2019/76) dated June 28, 2019, read with circular (SEBI/HO/CFD/DIL2/CIR/P/2019/85) dated July 26, 2019. Further, as per the SEBI circular (SEBI/HO/CFD/DCR2/CIR/P/2019/133) dated November 8, 2019, the UPI Phase II had been extended until March 31, 2020. However, due to the outbreak of COVID-19 pandemic, UPI Phase II has been further extended by SEBI until further notice, by its circular (SEBI/HO/CFD/DIL2/CIR/P/2020/50) dated March 30, 2020. Thereafter, the final reduced timeline of T+3 days may be made effective using the UPI Mechanism for applications by Retail Individual Investors (“UPI Phase III”), as may be prescribed by SEBI. Further, SEBI, vide its circular no. SEBI/HO/CFD/DIL2/CIR/P/2021/2480/1/M dated March 16, 2021, and circular no. SEBI/HO/CFD/DIL2/P/CIR/2021/570 dated June 2, 2021, has introduced certain additional measures for streamlining the process of initial public offers and redressing investor grievances. This circular is effective for initial public offers opening on/ or after May 1, 2021, except as amended pursuant to SEBI circular SEBI/HO/CFD/DIL2/P/CIR/2021/570 dated June 2, 2021, and SEBI circular no. SEBI/HO/CFD/DIL2/CIR/P/2022/51 dated April 20, 2022, and the provisions of this circular are deemed to form part of this Prospectus. Furthermore, pursuant to SEBI circular no. SEBI/HO/CFD/DIL2/P/CIR/P/2022/45 dated April 5, 2022, all individual Investors in initial public offerings (opening on or after May 1, 2022) whose application sizes are up to ₹500,000 shall use the UPI Mechanism.

Further, SEBI has vide its circular no. SEBI/HO/CFD/TPD1/CIR/P/2023/140 dated August 9, 2023 reduced the time taken for listing of specified securities after the closure of a public issue to three Working Days. This shall be applicable voluntarily for all public issues opening on or after September 1, 2023, and shall be mandatory for all public issues opening on or after December 1, 2023. Please note that we may need to make appropriate changes in the Draft Red Herring Prospectus and the Prospectus depending on the timing of the opening of the issue.

The list of Banks that have been notified by SEBI as Issuer Banks for UPI are provided on <https://www.sebi.gov.in/sebiweb/other/OtherAction.do?doRecognisedFpi=yes&intmId=40>. The list of Stockbrokers, Depository Participants (DP), Registrar to an Issue and Share Transfer Agent (RTA) that have been notified by SME Platform of National Stock Exchange of India Limited (“NSE EMERGE”) to act as intermediaries for submitting Application Forms are provided on [www1.nseindia.com/emerge](http://www1.nseindia.com/emerge) For details on their designated branches for submitting Application Forms, please see the above mentioned website of Platform of National Stock Exchange of India Limited (“NSE EMERGE”).

Please note that the information stated/ covered in this section may not be complete and/ or accurate and as such would be subject to modification/ change. Our Company and Book Running Lead Manager do not accept any responsibility for the completeness and accuracy of the information stated in this section and the General Information Document. Our Company and Book Running Lead Manager would not be able to include any amendment, modification or change in applicable law, which may occur after the date of the Draft Red Herring Prospectus. Bidders are advised to make their independent investigations and ensure that their application do not exceed the investment limits or maximum number of Equity Shares that can be held by them under applicable law or as specified in this Draft Red Herring Prospectus and the Red Herring Prospectus.

Further, the Company and the BRLM are not liable for any adverse occurrence’s consequent to the implementation of the UPI Mechanism for application in this Issue.

#### **Phased implementation of Unified Payments Interface**

SEBI has issued the UPI Circulars in relation to streamlining the process of public Issue of inter alia, equity shares. Pursuant to the SEBI circular bearing number SEBI/HO/CFD/DIL2/CIR/P/2018/138 dated November 1, 2018, SEBI circular bearing number SEBI/HO/CFD/DIL2/CIR/P/2019/50 dated April 3, 2019, SEBI circular bearing number SEBI/HO/CFD/DIL2/CIR/P/2019/76 dated June 28, 2019, SEBI circular bearing number SEBI/HO/CFD/DIL2/CIR/P/2019/85 dated July 26, 2019, SEBI circular bearing number SEBI/HO/CFD/DIL2/CIR/P/2020/50 dated March 30, 2020 (“Previous UPI Circulars”) and the UPI Circulars, the UPI Mechanism has been introduced in a phased manner as a payment mechanism (in addition to mechanism of blocking funds in the account maintained with SCSBs under ASBA) for applications by UPI Bidders through Designated Intermediaries with the objective to reduce the time duration from public Issue closure to listing from six Working Days to up to three Working Days. Considering the time required for making necessary changes to the systems and to ensure complete and smooth transition to the UPI payment mechanism, the UPI Circulars and the Previous UPI Circulars have introduced the UPI Mechanism in three phases in the following manner:

**Phase I:** This phase was applicable from January 1, 2019 until March 31, 2019 or floating of five main board public issues, whichever is later. Subsequently, the timeline for implementation of Phase I was extended till June 30, 2019. Under this phase, a Retail Individual Applicant had the option to submit the Application Form with any of designated intermediary and use his/ her UPI ID for the purpose of blocking of funds. The time duration from public issue closure to listing continued to be six Working Days.

**Phase II:** This phase has become applicable from July 1, 2019. SEBI vide its circular no. SEBI/HO/CFD/DCR2/CIR/P/2019/133 dated November 8, 2019 had extended the timeline for implementation of UPI Phase II till March 31, 2020. Further, SEBI vide its circular no. SEBI/HO/CFD/DIL2/CIR/P/2020 dated March 30, 2020, decided to continue Phase II of Unified Payments Interface with Application Supported by Blocked Amount until further notice. Under this phase, submission of the ASBA Form by RIBs through Designated Intermediaries (other than SCSBs) to SCSBs for blocking of funds will be discontinued and will be replaced by the UPI mechanism. However, the time duration from public issue closure to listing would continue to be six Working Days during this phase.

**Phase III:** This phase has become applicable on a voluntary basis for all issues opening on or after September 1, 2023 and on a mandatory basis for all issues opening on or after December 1, 2023, vide SEBI circular bearing number SEBI/HO/CFD/TPD1/CIR/P/2023/140 dated August 9, 2023 (“T+3 Notification”). In this phase, the time duration from public issue closure to listing has been reduced to three Working Days. The Issue shall be undertaken pursuant to the processes

and procedures as notified in the T+3 Notification as applicable, subject to any circulars, clarification or notification issued by the SEBI from time to time, including any circular, clarification or notification which may be issued by SEBI.

The Issue is being made under Phase III of the UPI (on a mandatory basis).

All SCSBs offering facility of making application in public issues shall also provide facility to make application using the UPI Mechanism. The Issuers will be required to appoint one of the SCSBs as a sponsor bank to act as a conduit between the Stock Exchanges and NPCI in order to facilitate collection of requests and/ or payment instructions of the Retail Individual Applicants into the UPI mechanism.

For further details, refer to the General Information Document available on the websites of the Stock Exchanges and the Book Running Lead Manager.

## **PART A**

### **Book Building Procedure**

In terms of Rule 19(2)(b) of the Securities Contracts (Regulation) Rules, 1957, as amended (the “SCRR”) read with Regulation 252 of SEBI ICDR Regulations, 2018, 2018, the Issue is being made for at least 25% of the post-Issue paid-up Equity Share capital of our Company. The Issue is being made under Regulation 229(2) of Chapter IX of SEBI (Issue of Capital and Disclosure Requirements) Regulations, 2018 via book building process wherein not more than 50% of the Issue shall be allocated on a proportionate basis to QIBs, provided that our Company and may, in consultation with the BRLM, allocate up to 60% of the QIB Portion to Anchor Investors on a discretionary basis in accordance with the SEBI ICDR Regulations, 2018, of which one-third shall be reserved for domestic Mutual Funds, subject to valid Bids being received from domestic Mutual Funds at or above the Anchor Investor Allocation Price. In the event of under-subscription, or non-allocation in the Anchor Investor Portion, the balance Equity Shares shall be added to the QIB Portion. Further, 5% of the QIB Portion (excluding the Anchor Investor Portion) shall be available for allocation on a proportionate basis only to Mutual Funds, and the remainder of the QIB Portion shall be available for allocation on a proportionate basis to all QIBs (other than Anchor Investors), including Mutual Funds, subject to valid Bids being received at or above the Issue Price. Further, not less than 15% of the Issue shall be available for allocation on a proportionate basis to Non-Institutional Investors and not less than 35% of the Issue shall be available for allocation to Retail Individual Investors in accordance with the SEBI ICDR Regulations, 2018, subject to valid Bids being received at or above the Issue Price.

Subject to valid Bids being received at or above the Issue Price, undersubscription, if any, in any category, except the QIB Portion, would be allowed to be met with spill-over from any other category or a combination of categories at the discretion of our Company in consultation with the BRLM, and the Designated Stock Exchange. However, under-subscription, if any, in the QIB Portion will not be allowed to be met with spillover from other categories or a combination of categories.

The Equity Shares, on Allotment, shall be traded only in the dematerialised segment of the Stock Exchanges.

***Investors should note that the Equity Shares will be Allotted to all successful Bidders only in dematerialized form. The Bid cum Application Forms which do not have the details of the Bidders’ depository account, including DP ID, Client ID, PAN and UPI ID, as applicable, shall be treated as incomplete and will be rejected. Bidders will not have the option of being Allotted Equity Shares in physical form. However, they may get the Equity Shares rematerialized subsequent to Allotment of the Equity Shares in the issue, subject to applicable laws.***

### **Bid cum Application Form**

Copies of the Bid cum Application Form (other than for Anchor Investors) and the abridged prospectus will be available at the offices of the BRLM, the Designated Intermediaries at Bidding Centers, and Registered Office of our Company. An electronic copy of the Bid cum Application Form will also be available for download on the websites of the NSE, at least one day prior to the Bid/ Issue Opening Date.

Copies of the Anchor Investor Application Form will be available at the offices of the BRLM.

All Bidders (other than Anchor Investors) shall mandatorily participate in the Issue only through the ASBA process. ASBA Bidders must provide either (i) the bank account details and authorization to block funds in the ASBA Form, or (ii) the UPI ID, as applicable, in the relevant space provided in the ASBA Form. The ASBA Forms that do not contain such details are liable to be rejected. Applications made by the RIIs using third party bank account or using third party linked bank account UPI ID are liable for rejection. Anchor Investors are not permitted to participate in the issue through the ASBA process. ASBA Bidders shall ensure that the Bids are made on ASBA Forms bearing the stamp of the relevant Designated Intermediary, submitted at the relevant Bidding Centers only (except in case of electronic ASBA Forms) and the ASBA Forms not bearing such specified stamp are liable to be rejected. Since the issue is made under Phase II of the UPI Circulars, ASBA Bidders may submit the ASBA Form in the manner below:

- RIIs (other than the RIIs using UPI Mechanism) may submit their ASBA Forms with SCSBs (physically or online, as applicable), or online using the facility of linked online trading, demat and bank account (3 in 1 type accounts), provided by certain brokers.
- RIIs using the UPI Mechanism, may submit their ASBA Forms with the Syndicate, sub-syndicate members, Registered Brokers, RTAs or CDPs, or online using the facility of linked online trading, demat and bank account (3 in 1 type accounts), provided by certain brokers.
- QIBs and NIBs may submit their ASBA Forms with SCSBs, Syndicate, sub-syndicate members, Registered Brokers, RTAs or CDPs.

**Anchor Investors are not permitted to participate in the issue through the ASBA process.**

For Anchor Investors, the Anchor Investor Application Form will be available at the office of the BRLM. ASBA Bidders are also required to ensure that the ASBA Account has sufficient credit balance as an amount equivalent to the full Bid Amount which can be blocked by the SCSB.

The prescribed colour of the Bid cum Application Form for various categories is as follows:

Category	Colour*
Anchor Investor**	White
Indian Public/ eligible NRI's applying on a non-repatriation basis (ASBA)	White
Non-Residents including eligible NRI's, FPI's, FIIs, FVCIs, etc. applying on a repatriation basis (ASBA)	Blue

\*Excluding Electronic Bid cum Application Form

\*\* Bid cum application for Anchor Investor shall be made available at the Office of the BRLM.

Designated Intermediaries (other than SCSBs) after accepting Bid Cum Application Form submitted by RIIs (without using UPI for payment), NIIs and QIBs shall capture and upload the relevant details in the electronic bidding system of stock exchange(s) and shall submit/ deliver the Bid Cum Application Forms to respective SCSBs where the Bidders has a bank account and shall not submit it to any non-SCSB Bank.

Further, for applications submitted to designated intermediaries (other than SCSBs), with use of UPI for payment, after accepting the Bid Cum Application Form, respective intermediary shall capture and upload the relevant application details, including UPI ID, in the electronic bidding system of stock exchange(s).

Bidders shall only use the specified Bid Cum Application Form for making an Application in terms of the Draft Red Herring Prospectus.

The Bid Cum Application Form shall contain information about the Bidder and the price and the number of Equity Shares that the Bidders wish to apply for. Bid Cum Application Forms downloaded and printed from the websites of the Stock Exchange shall bear a system generated unique application number. Bidders are required to ensure that the ASBA Account has sufficient credit balance as an amount equivalent to the full Application Amount can be blocked by the SCSB or Sponsor Bank at the time of submitting the Application.

An Investor, intending to subscribe to this Issue, shall submit a completed Bid Cum Application Form to any of the following intermediaries (Collectively called – Designated Intermediaries”)

Sr. No.	Designated Intermediaries
1.	An SCSB, with whom the bank account to be blocked, is maintained
2.	A syndicate member (or sub-syndicate member)
3.	A stock broker registered with a recognized stock exchange (and whose name is mentioned on the website of the stock exchange as eligible for this activity) (‘broker’)
4.	A depository participant (‘DP’) (whose name is mentioned on the website of the stock exchange as eligible for this activity)
5.	A registrar to an issue and share transfer agent (‘RTA’) (whose name is mentioned on the website of the stock exchange as eligible for this activity)

Retails investors submitting application with any of the entities at (ii) to (v) above (hereinafter referred as “Intermediaries”), and intending to use UPI, shall also enter their UPI ID in the Bid Cum Application Form.

The aforesaid intermediary shall, at the time of receipt of application, give an acknowledgement to investor, by giving the counter foil or specifying the application number to the investor, as a proof of having accepted the Bid Cum Application Form, in physical or electronic mode, respectively.

The upload of the details in the electronic bidding system of stock exchange will be done by:

For Applications submitted by Investors to SCSB	After accepting the form, SCSB shall capture and upload the relevant details in the electronic bidding system as specified by the stock exchange and may begin blocking funds available in the bank account specified in the form, to the extent of the application money specified.
For applications submitted by investors to intermediaries other than SCSBs	After accepting the Bid Cum Application Form, respective Intermediary shall capture and upload the relevant details in the electronic bidding system of the stock exchange. Post uploading, they shall forward a schedule as per prescribed format along with the Bid Cum Application Forms to designated branches of the respective SCSBs for blocking of funds within one day of closure of Issue.
For applications submitted	After accepting the Bid Cum Application Form, respective intermediary shall capture and upload the relevant application details, including UPI ID, in the electronic bidding system of stock exchange. Stock exchange shall share application details including the UPI ID with sponsor bank
By investors to intermediaries other than SCSBs with use of UPI for payment	on a continuous basis, to enable sponsor bank to initiate mandate request on investors for blocking of funds. Sponsor bank shall initiate request for blocking of funds through NPCI to investor. Investor to accept mandate request for blocking of funds, on his/her mobile application, associated with UPI ID linked bank account.

Stock exchange shall validate the electronic bid details with depository’s records for DP ID/ Client ID and PAN, on a real-time basis and bring the inconsistencies to the notice of intermediaries concerned, for rectification and re-submission within the time specified by stock exchange.

Stock exchange shall allow modification of selected fields viz. DP ID/ Client ID or Pan ID (Either DP ID/ Client ID or Pan ID can be modified but not BOTH), Bank code and Location code, in the bid details already uploaded.

Upon completion and submission of the Bid Cum Application Form to Application Collecting intermediaries, the Bidders are deemed to have authorized our Company to make the necessary changes in the Draft Red Herring Prospectus, without prior or subsequent notice of such changes to the Bidders.

#### **Availability of Draft Red Herring Prospectus and Bid Cum Application Forms**

Copies of the Bid cum Application Form and the abridged prospectus will be available at the offices of the BRLM, the Designated Intermediaries at Bidding Centres, and Registered Office of our Company. An electronic copy of the Bid cum

Application Form will also be available for download on the websites of SCSBs (via Internet Banking) and NSE ([www.nseindia.com](http://www.nseindia.com)) at least one day prior to the Bid/ Issue Opening Date.

Bid cum application for Anchor Investor shall be made available at the Office of the BRLM.

### **Who can Bid?**

Each Bidder should check whether it is eligible to apply under applicable law, rules, regulations, guidelines and policies. Furthermore, certain categories of Bidders, such as NRIs, FPIs and FVCIs may not be allowed to apply in the Issue or to hold Equity Shares, in excess of certain limits specified under applicable law. Bidders are requested to refer to the DRHP for more details.

Subject to the above, an illustrative list of Bidders is as follows:

- Indian nationals' resident in India who are not incompetent to contract under the Indian Contract Act, 1872, as amended, in single or as a joint application and minors having valid Demat account as per Demographic Details provided by the Depositories. Furthermore, based on the information provided by the Depositories, our Company shall have the right to accept the Applications belonging to an account for the benefit of minor (under guardianship);
- Hindu Undivided Families or HUFs, in the individual name of the Karta. The Bidder should specify that the application is being made in the name of the HUF in the Bid Cum Application Form as follows: Name of Sole or First Bidder: XYZ Hindu Undivided Family applying through XYZ, where XYZ is the name of the Karta Applications by HUFs would be considered at par with those from individuals;
- Companies, corporate bodies and societies registered under the applicable laws in India and authorized to invest in the Equity Shares under their respective constitutional and charter documents;
- Mutual Funds registered with SEBI;
- Eligible NRIs on a repatriation basis or on a non-repatriation basis, subject to applicable laws. NRIs other than Eligible NRIs are not eligible to participate in this Issue;
- Indian Financial Institutions, scheduled commercial banks, regional rural banks, co-operative banks (subject to RBI permission, and the SEBI Regulations and other laws, as applicable);
- FPIs other than Category III FPI; VCFs and FVCIs registered with SEBI;
- Limited Liability Partnerships (LLPs) registered in India and authorized to invest in equity shares;
- Sub-accounts of FIIs registered with SEBI, which are foreign corporate or foreign individuals only under the Non-Institutional Bidder 's category;
- Venture Capital Funds and Alternative Investment Fund (I) registered with SEBI; State Industrial Development Corporations;
- Foreign Venture Capital Investors registered with the SEBI;
- Trusts/ societies registered under the Societies Registration Act, 1860, as amended, or under any other law relating to Trusts and who are authorized under their constitution to hold and invest in equity shares;
- Scientific and/ or Industrial Research Organizations authorized to invest in equity shares;
- Insurance Companies registered with Insurance Regulatory and Development Authority, India;
- Provident Funds with minimum corpus of ₹25 Crores and who are authorized under their constitution to hold and invest in equity shares;
- Pension Funds and Pension Funds with minimum corpus of ₹25 Crores and who are authorized under their constitution to hold and invest in equity shares;
- National Investment Fund set up by Resolution no. F. No. 2/3/2005-DDII dated November 23, 2005 of Government of India published in the Gazette of India;
- Multilateral and bilateral development financial institution;
- Eligible QFIs;
- Insurance funds set up and managed by army, navy or air force of the Union of India;
- Insurance funds set up and managed by the Department of Posts, India;
- Any other person eligible to apply in this Issue, under the laws, rules, regulations, guidelines and policies applicable to them.

Applications not to be made by:

- Minors (except through their Guardians)
- Partnership firms or their nominations
- Foreign Nationals (except NRIs)
- Overseas Corporate Bodies

*As per the existing regulations, OCBs are not eligible to participate in this Issue. The RBI has however clarified in its circular, A.P. (DIR Series) Circular No. 44, dated December 8, 2003 that OCBs which are incorporated and are not under the adverse notice of the RBI are permitted to undertake fresh investments as 138 incorporated non-resident entities in terms of Regulation 5(1) of RBI Notification No.20/2000-RB dated May 3, 2000 under FDI Scheme with the prior approval of Government if the investment is through Government Route and with the prior approval of RBI if the investment is through Automatic Route on case by case basis. OCBs may invest in this Issue provided it obtains a prior approval from the RBI. On submission of such approval along with the Bid Cum Application Form, the OCB shall be eligible to be considered for share allocation.*

#### **MAXIMUM AND MINIMUM APPLICATION SIZE**

- **For Retail Individual Bidders**

The Application must be for a minimum of [●] Equity Shares and in multiples of [●] Equity Shares thereafter, so as to ensure that the Application Price payable by the Bidder does not exceed ₹2,00,000. In case of revision of Applications, the Retail Individual Bidders have to ensure that the Application Price does not exceed ₹2,00,000.

- **For Other than Retail Individual Bidders (Non-Institutional Applicants and QIBs):**

The Application must be for a minimum of such number of Equity Shares that the Application Amount exceeds ₹2,00,000 and in multiples of [●] Equity Shares thereafter. An application cannot be submitted for more than the Net Issue Size. However, the maximum Application by a QIB investor should not exceed the investment limits prescribed for them by applicable laws. Under existing SEBI Regulations, a QIB Bidder cannot withdraw its Application after the Issue Closing Date and is required to pay 100% QIB Margin upon submission of Application.

In case of revision in Applications, the Non-Institutional Bidders, who are individuals, have to ensure that the Application Amount is greater than ₹2,00,000 for being considered for allocation in the Non-Institutional Portion.

*Bidders are advised to ensure that any single Application from them does not exceed the investment limits or maximum number of Equity Shares that can be held by them under applicable law or regulation or as specified in this Draft Red Herring Prospectus.*

*The above information is given for the benefit of the Bidders. The Company and the BRLM are not liable for any amendments or modification or changes in applicable laws or regulations, which may occur after the date of this Draft Red Herring Prospectus. Bidders are advised to make their independent investigations and ensure that the number of Equity Shares applied for do not exceed the applicable limits under laws or regulations.*

#### **METHOD OF BIDDING PROCESS**

Our Company in consultation with the BRLM will decide the Price Band and the minimum Bid lot size for the Issue and the same shall be advertised in all editions of the English national newspaper [●], all editions of Hindi national newspaper [●] and a Regional Gujarati newspaper [●] where the registered office of the company is situated, each with wide circulation at least two Working Days prior to the Bid/ Issue Opening Date. The BRLM and the SCSBs shall accept Bids from the Bidders during the Bid/ Issue Period.

- The Bid/ Issue Period shall be for a minimum of three Working Days and shall not exceed 10 Working Days. The Bid/ Issue Period maybe extended, if required, by an additional three Working Days, subject to the total Bid/ Issue Period not exceeding 10 Working Days. Any revision in the Price Band and the revised Bid/ Issue Period, if applicable, will be published in all editions of the English national newspaper [●], all editions of Hindi national newspaper [●] and a Regional Gujarati newspaper [●] where the registered office of the company is situated, each with wide circulation and also by indicating the change on the websites of the Book Running Lead Manager.

- During the Bid/ Issue Period, Retail Individual Bidders, should approach the BRLM or their authorized agents to register their Bids. The BRLM shall accept Bids from Anchor Investors and ASBA Bidders in Specified Cities and it shall have the right to vet the Bids during the Bid/ Issue Period in accordance with the terms of the Draft Red Herring Prospectus. ASBA Bidders should approach the Designated Branches or the BRLM (for the Bids to be submitted in the Specified Cities) to register their Bids.
- Each Bid cum Application Form will give the Bidder the choice to Bid for up to three optional prices (for details refer to the paragraph titled “Bids at Different Price Levels and Revision of Bids” below) within the Price Band and specify the demand (i.e., the number of Equity Shares Bid for) in each option. The price and demand options submitted by the Bidder in the Bid cum Application Form will be treated as optional demands from the Bidder and will not be cumulated. After determination of the Issue Price, the maximum number of Equity Shares Bid for by a Bidder/ Applicant at or above the Issue Price will be considered for allocation/ Allotment and the rest of the Bid(s), irrespective of the Bid Amount, will become automatically invalid.
- The Bidder/ Applicant cannot Bid through another Bid cum Application Form after Bids through one Bid cum Application Form have been submitted to a BRLM or the SCSBs. Submission of a second Bid cum Application Form to either the same or to another BRLM or SCSB will be treated as multiple Bid and is liable to be rejected either before entering the Bid into the electronic bidding system, or at any point of time prior to the allocation or Allotment of Equity Shares in this Issue. However, the Bidder can revise the Bid through the Revision Form, the procedure for which is detailed under the paragraph “Buildup of the Book and Revision of Bids”.
- Except in relation to the Bids received from the Anchor Investors, the BRLM/ the SCSBs will enter each Bid option into the electronic bidding system as a separate Bid and generate a Transaction Registration Slip, (“TRS”), for each price and demand option and give the same to the Bidder. Therefore, a Bidder can receive up to three TRSs for each Bid cum Application Form
- The BRLM shall accept the Bids from the Anchor Investors during the Anchor Investor Bid/ Issue Period i.e., one working day prior to the Bid/ Issue Opening Date. Bids by QIBs under the Anchor Investor Portion and the QIB Portion shall not be considered as multiple Bids.
- Along with the Bid cum Application Form, Anchor Investors will make payment in the manner described in “*Escrow Mechanism - Terms of payment and payment into the Escrow Accounts*” in the section “*Issue Procedure*” beginning on page 241 of this Draft Red Herring Prospectus
- Upon receipt of the Bid cum Application Form, submitted whether in physical or electronic mode, the Designated Branch of the SCSB shall verify if sufficient funds equal to the Bid Amount are available in the ASBA Account, as mentioned in the Bid cum Application Form prior to uploading such Bids with the Stock Exchange.
- If sufficient funds are not available in the ASBA Account, the Designated Branch of the SCSB shall reject such Bids and shall not upload such Bids with the Stock Exchange.
- If sufficient funds are available in the ASBA Account, the SCSB shall block an amount equivalent to the Bid Amount mentioned in the Bid cum Application Form and will enter each Bid option into the electronic bidding system as a separate Bid and generate a TRS for each price and demand option. The TRS shall be furnished to the ASBA Bidder on request.
- The Bid Amount shall remain blocked in the aforesaid ASBA Account until finalization of the Basis of Allotment and consequent transfer of the Bid Amount against the Allotted Equity Shares to the Public Issue Account, or until withdrawal/ failure of the Issue or until withdrawal/ rejection of the Bid cum Application Form, as the case may be. Once the Basis of Allotment is finalized, the Registrar to the Issue shall send an appropriate request to the SCSB for unblocking the relevant ASBA Accounts and for transferring the amount allocable to the successful Bidders to the Public Issue Account. In case of withdrawal/ failure of the Issue, the blocked amount shall be unblocked on receipt of such information from the Registrar to the Issue.

#### **BIDS AT DIFFERENT PRICE LEVELS AND REVISION OF BIDS**

- Our Company in consultation with the BRLM, and without the prior approval of, or intimation, to the Bidders, reserves the right to revise the Price Band during the Bid/ Issue Period, provided that the Cap Price shall be less than or equal to 120% of the Floor Price and the Floor Price shall not be less than the face value of the Equity Shares. The revision in Price Band shall not exceed 20% on the either side i.e. the floor price can move up or down to the extent of 20% of the floor price disclosed. If the revised price band decided, falls within two different price bands than the minimum application lot size shall be decided based on the price band in which the higher price falls into.



- Our Company in consultation with the BRLM, will finalize the Issue Price within the Price Band, without the prior approval of, or intimation, to the Bidders.
- The Bidders can Bid at any price within the Price Band. The Bidder has to Bid for the desired number of Equity Shares at a specific price. Retail Individual bidders may bid at the Cut-off Price. However, bidding at the Cut-off Price is prohibited for QIB and Non-Institutional Bidders and such Bids from QIB and Non-Institutional Bidders shall be rejected.
- Retail Individual Bidders, who Bid at Cut-off Price agree that they shall purchase the Equity Shares at any price within the Price Band. Retail Individual Bidders shall submit the Bid cum Application Form along with a cheque/ demand draft for the Bid Amount based on the Cap Price with the Syndicate. In case of ASBA Bidders (excluding Non-Institutional Bidders and QIB Bidders) bidding at Cut-off Price, the ASBA Bidders shall instruct the SCSBs to block an amount based on the Cap Price.
- The price of the specified securities offered to an anchor investor shall not be lower than the price offered to other applicants.

#### **Participation by Associates/ Affiliates of BRLM and the Syndicate Members**

The BRLM and the Syndicate Members, if any, shall not be allowed to purchase in this Issue in any manner, except towards fulfilling their underwriting obligations. However, the associates and affiliates of the BRLM and the Syndicate Members, if any, may subscribe the Equity Shares in the Issue, either in the QIB Category or in the Non-Institutional Category as may be applicable to such Bidders, where the allocation is on a proportionate basis and such subscription may be on their own account or on behalf of their clients.

Neither the BRLM nor any persons related to the BRLM (other than Mutual Funds sponsored by entities related to the BRLM), Promoters and Promoter Group can apply in the Issue under the Anchor Investor Portion.

#### **Option to Subscribe in the Issue**

- As per Section 29(1) of the Companies Act 2013, allotment of Equity Shares shall be made in dematerialized form only. Investors will not have the option of getting allotment of specified securities in physical form.
- The Equity Shares, on allotment, shall be traded on the Stock Exchange in demat segment only.
- A single application from any investor shall not exceed the investment limit/ minimum number of Equity Shares that can be held by him/ her/ it under the relevant regulations/ statutory guidelines and applicable law.

#### **Information for the Bidders**

- Our Company and the Book Running Lead Manager shall declare the Bid/ Issue Opening Date and Bid/ Issue Closing Date in the Draft Red Herring Prospectus to be registered with the RoC and also publish the same in two national newspapers (one each in English and Hindi) and in a Regional Gujarati newspaper with wide circulation. This advertisement shall be in prescribed format.
- Our Company will file the Draft Red Herring Prospectus with the RoC at least 3 (three) days before the Bid/ Issue Opening Date.
- Copies of the Bid Cum Application Form along with Abridged Prospectus and copies of the Draft Red Herring Prospectus will be available with the, the Book Running Lead Manager, the Registrar to the Issue, and at the Registered Office of our Company. Electronic Bid Cum Application Forms will also be available on the websites of the Stock Exchange.
- Any Bidder who would like to obtain the Draft Red Herring Prospectus and/ or the Bid Cum Application Form can obtain the same from our Registered Office.
- Bidders who are interested in subscribing for the Equity Shares should approach Designated Intermediaries to register their applications.

- Bid Cum Application Forms submitted directly to the SCSBs should bear the stamp of the SCSBs and/ or the Designated Branch, or the respective Designated Intermediaries. Bid Cum Application Form submitted by Applicants whose beneficiary account is inactive shall be rejected.
- The Bid Cum Application Form can be submitted either in physical or electronic mode, to the SCSBs with whom the ASBA Account is maintained, or other Designated Intermediaries (Other than SCSBs). SCSBs may provide the electronic mode of collecting either through an internet enabled collecting and banking facility or such other secured, electronically enabled mechanism for applying and blocking funds in the ASBA Account. The Retail Individual Applicants has to apply only through UPI Channel, they have to provide the UPI ID and validate the blocking of the funds and such Bid Cum Application Forms that do not contain such details are liable to be rejected.
- Bidders applying directly through the SCSBs should ensure that the Bid Cum Application Form is submitted to a Designated Branch of SCSB, where the ASBA Account is maintained. Applications submitted directly to the SCSB's or other Designated Intermediaries (Other than SCSBs), the relevant SCSB, shall block an amount in the ASBA Account equal to the Application Amount specified in the Bid Cum Application Form, before entering the ASBA application into the electronic system.
- Except for applications by or on behalf of the Central or State Government and the Officials appointed by the courts and by investors residing in the State of Sikkim, the Bidders, or in the case of application in joint names, the first Bidder (the first name under which the beneficiary account is held), should mention his/ her PAN allotted under the Income Tax Act. In accordance with the SEBI Regulations, the PAN would be the sole identification number for participating transacting in the securities market, irrespective of the amount of transaction. Any Bid Cum Application Form without PAN is liable to be rejected. The demat accounts of Bidders for whom PAN details have not been verified, excluding person resident in the State of Sikkim or persons who may be exempted from specifying their PAN for transacting in the securities market, shall be "suspended for credit" and no credit of Equity Shares pursuant to the Issue will be made into the accounts of such Bidders.
- The Bidders may note that in case the PAN, the DP ID and Client ID mentioned in the Bid Cum Application Form and entered into the electronic collecting system of the Stock Exchange Designated Intermediaries do not match with PAN, the DP ID and Client ID available in the Depository database, the Bid Cum Application Form is liable to be rejected.

#### **BIDS BY ANCHOR INVESTORS:**

Our Company in consultation with the BRLM, may consider participation by Anchor Investors in the Issue for up to 60% of the QIB Portion in accordance with the SEBI Regulations. Only QIBs as defined in Regulation 2(1) (ss) of the SEBI Regulations and not otherwise excluded pursuant to Schedule XIII of the SEBI Regulations are eligible to invest. The QIB Portion will be reduced in proportion to allocation under the Anchor Investor Portion. In the event of undersubscription in the Anchor Investor Portion, the balance Equity Shares will be added to the QIB Portion. In accordance with the SEBI Regulations, the key terms for participation in the Anchor Investor Portion are provided below.

- Anchor Investor Bid cum Application Forms will be made available for the Anchor Investors at the offices of the BRLM.
- The Bid must be for a minimum of such number of Equity Shares so that the Bid Amount is at least ₹ 200.00 lakhs. A Bid cannot be submitted for over 60% of the QIB Portion. In case of a Mutual Fund, separate Bids by individual schemes of a Mutual Fund will be aggregated to determine the minimum application size of ₹ 200.00 lakhs
- One-third of the Anchor Investor Portion will be reserved for allocation to domestic Mutual Funds.
- Bidding for Anchor Investors will open one Working Day before the Bid/ Issue Opening Date and be completed on the same day.
- Our Company in consultation with the BRLM, will finalize allocation to the Anchor Investors on a discretionary basis, provided that the minimum and maximum number of Allottees in the Anchor Investor Portion will be, as mentioned below:
  - where allocation in the Anchor Investor Portion is up to ₹200.00 Lakhs, maximum of 2 (two) Anchor Investors.

- where the allocation under the Anchor Investor Portion is more than ₹200.00 Lakhs but upto ₹2500.00 Lakhs, minimum of 2 (two) and maximum of 15 (fifteen) Anchor Investors, subject to a minimum Allotment of ₹100.00 Lakhs per Anchor Investor; and
  - where the allocation under the Anchor Investor portion is more than ₹2500.00 Lakhs:(i) minimum of 5 (five) and maximum of 15 (fifteen) Anchor Investors for allocation upto ₹2500.00 Lakhs; and (ii) an additional 10 Anchor Investors for every additional allocation of ₹2500.00 Lakhs or part thereof in the Anchor Investor Portion; subject to a minimum Allotment of ₹100.00 Lakhs per Anchor Investor.
- Allocation to Anchor Investors will be completed on the Anchor Investor Bid/ Issue Period. The number of Equity Shares allocated to Anchor Investors and the price at which the allocation is made will be made available in the public domain by the BRLM before the Bid/ Issue Opening Date, through intimation to the Stock Exchange.
  - Anchor Investors cannot withdraw or lower the size of their Bids at any stage after submission of the Bid.
  - If the Issue Price is greater than the Anchor Investor Allocation Price, the additional amount being the difference between the Issue Price and the Anchor Investor Allocation Price will be payable by the Anchor Investors within 2 (two) Working Days from the Bid/ Issue Closing Date. If the Issue Price is lower than the Anchor Investor Allocation Price, Allotment to successful Anchor Investors will be at the higher price, i.e., the Anchor Investor Issue Price.
  - At the end of each day of the bidding period, the demand including allocation made to anchor investors, shall be shown graphically on the bidding terminals of syndicate members and website of stock exchange offering electronically linked transparent bidding facility, for information of public.
  - 50% of the Equity Shares Allotted to Anchor Investors in the Anchor Investor Portion shall be locked in for a period of 90 days from the date of Allotment, while the remaining 50% of the Equity Shares Allotted to Anchor Investors in the Anchor Investor Portion shall be locked in for a period of 30 days from the date of Allotment.
  - The BRLM, Our Promoters, Promoter Group or any person related to them (except for Mutual Funds sponsored by entities related to the BRLM) will not participate in the Anchor Investor Portion. The parameters for selection of Anchor Investors will be clearly identified by the BRLM and made available as part of the records of the BRLM for inspection by SEBI.
  - Bids made by QIBs under both the Anchor Investor Portion and the QIB Portion will not be considered multiple Bids.
  - Anchor Investors are not permitted to Bid in the Issue through the ASBA process.

#### **BIDS BY ELIGIBLE NRIS:**

Eligible NRIs may obtain copies of Bid cum Application Form from the Designated Intermediaries. Only Bids accompanied by payment in Indian Rupees or freely convertible foreign exchange will be considered for Allotment. Eligible NRI Bidders bidding on a repatriation basis by using the Non-Resident Forms should authorize their SCSB (if they are Bidding directly through the SCSB) or confirm or accept the UPI Mandate Request (in case of Bidding through the UPI Mechanism) to block their Non Resident External (“NRE”) accounts, or Foreign Currency Non-Resident (“FCNR”) Accounts, and eligible NRI Bidders bidding on a non- repatriation basis by using Resident Forms should authorize their SCSB (if they are Bidding directly through SCSB) or confirm or accept the UPI Mandate Request (in case of Bidding through the UPI Mechanism) to block their Non-Resident Ordinary (“NRO”) accounts for the full Bid Amount, at the time of the submission of the Bid cum Application Form. Participation of Eligible NRIs in the Issue shall be subject to the FEMA Rules. In accordance with the Consolidated FDI Policy, the total holding by any individual NRI, on a repatriation or non-repatriation basis, shall not exceed 5.00% of the total paid-up equity capital on a fully diluted basis or shall not exceed 5.00% of the paid-up value of each series of debentures or preference shares or share warrants issued by an Indian company and the total holdings of all NRIs and OCIs put together, on a repatriation or non- repatriation basis, shall not exceed 10.00% of the total paid-up equity capital on a fully diluted basis or shall not exceed 10.00% of the paid-up value of each series of debentures or preference shares or share warrant. Provided that the aggregate ceiling of 10.00% may be raised to 24.00% if a special resolution to that effect is passed

by the general body of the Indian company. NRIs will be permitted to apply in the Issue through Channel I or Channel II (as specified in the UPI Circular). Further, subject to applicable law, NRIs may use Channel IV (as specified in the UPI Circular) to apply in the Issue, provided the UPI facility is enabled for their NRE/ NRO accounts. NRIs applying in the Issue using UPI Mechanism are advised to enquire with the relevant bank whether their bank account is UPI linked prior to making such application. For details of investment by NRIs, please refer chapter titled ***“Restrictions on Foreign Ownership of Indian Securities”*** beginning on page 273 of this Draft Red Herring Prospectus. Participation of eligible NRIs shall be subject to FEMA NDI Rules.

#### **BIDS BY FPI INCLUDING FII’S:**

In terms of the SEBI FPI Regulations, any qualified foreign investor or FII who holds a valid certificate of registration from SEBI shall be deemed to be an FPI until the expiry of the block of three years for which fees have been paid as per the SEBI FII Regulations. An FII or a sub-account may participate in this Issue, in accordance with Schedule 2 of the FEMA Regulations, until the expiry of its registration with SEBI as an FII or a sub-account. An FII shall not be eligible to invest as an FII after registering as an FPI under the SEBI FPI Regulations.

In case of Bids made by FPIs, a certified copy of the certificate of registration issued by the designated depository participant under the FPI Regulations is required to be attached to the Bid cum Application Form, failing which our Company reserves the right to reject any Bid without assigning any reason. An FII or subaccount may, subject to payment of conversion fees under the SEBI FPI Regulations, participate in the Issue, until the expiry of its registration as a FII or sub-account, or until it obtains a certificate of registration as FPI, whichever is earlier. Further, in case of Bids made by SEBI-registered FIIs or sub-accounts, which are not registered as FPIs, a certified copy of the certificate of registration as an FII issued by SEBI is required to be attached to the Bid cum Application Form, failing which our Company reserves the right to reject any Bid without assigning any reason.

In terms of the SEBI FPI Regulations, the Issue of Equity Shares to a single FPI or an investor group (which means the same set of ultimate beneficial owner(s) investing through multiple entities) must be below 10% of our post-Issue Equity Share capital. Further, in terms of the FEMA Regulations, the total holding by each FPI shall be below 10% of the total paid-up Equity Share capital of our Company and the total holdings of all FPIs put together shall not exceed 24% of the paid-up Equity Share capital of our Company. The aggregate limit of 24% may be increased up to the sectorial cap by way of a resolution passed by the Board of Directors followed by a special resolution passed by the Shareholders of our Company and subject to prior intimation to RBI. In terms of the FEMA Regulations, for calculating the aggregate holding of FPIs in a company, holding of all registered FPIs as well as holding of FIIs (being deemed FPIs) shall be included. The existing individual and aggregate investment limit an FII or sub account in our Company is 10% and 24% of the total paid-up Equity Share capital of our Company, respectively.

FPIs are permitted to participate in the Issue subject to compliance with conditions and restrictions which may be specified by the Government from time to time.

Subject to compliance with all applicable Indian laws, rules, regulations, guidelines and approvals in terms of Regulation 22 of the SEBI FPI Regulations, an FPI, other than Category III foreign portfolio and unregulated broad based funds, which are classified as Category II foreign portfolio investor by virtue of their investment manager being appropriately regulated, may issue or otherwise deal in offshore derivative instruments (as defined under the SEBI FPI Regulations as any instrument, by whatever name called, which is issued overseas by an FPI against securities held by it that are listed or proposed to be listed on any recognized stock exchange in India, as its underlying) directly or indirectly, only in the event (i) such offshore derivative instruments are issued only to persons who are regulated by an appropriate regulatory authority; and (ii) such offshore derivative instruments are issued after compliance with know your client norms. An FPI is also required to ensure that no further issue or transfer of any offshore derivative instrument is made by or on behalf of it to any persons that are not regulated by an appropriate foreign regulatory authority.

FPIs who wish to participate in the Issue are advised to use the Bid cum Application Form for Non- Residents (blue in colour).

#### **BIDS BY SEBI REGISTERED VCF’S, AIF’S AND FVCI’S:**

The SEBI FVCI Regulations and the SEBI AIF Regulations inter-alia prescribe the investment restrictions on the VCFs, FVCIs and AIFs registered with SEBI. Further, the SEBI AIF Regulations prescribe, among others, the investment restrictions on AIF's.

The holding by any individual VCF registered with SEBI in one venture capital undertaking should not exceed 25% of the corpus of the VCF. Further, VCFs and FVCIs can invest only up to 33.33% of the investible funds by way of subscription to an initial public offering.

The category I and II AIFs cannot invest more than 25% of the corpus in one Investee Company. A category III AIF cannot invest more than 10% of the corpus in one Investee Company. A venture capital fund registered as a category I AIF, as defined in the SEBI AIF Regulations, cannot invest more than 1/3rd of its corpus by way of subscription to an initial public offering of a venture capital undertaking. Additionally, the VCFs which have not re-registered as an AIF under the SEBI AIF Regulations shall continue to be regulated by the VCF Regulation until the existing fund or scheme managed by the fund is wound up and such funds shall not launch any new scheme after the notification of the SEBI AIF Regulations.

All FIIs and FVCIs should note that refunds, dividends and other distributions, if any, will be payable in Indian Rupees only and net of Bank charges and commission.

Our Company or the BRLM will not be responsible for loss, if any, incurred by the Bidder on account of conversion of foreign currency.

There is no reservation for Eligible NRIs, FPIs and FVCIs and all Bidders will be treated on the same basis with other categories for the purpose of allocation.

#### **BIDS BY ELIGIBLE EMPLOYEES**

The Bid must be for a minimum of [●] Equity Shares and in multiples of [●] Equity Shares thereafter so as to ensure that the Bid Amount payable by the Eligible Employee does not exceed ₹500,000 (net of employee discount, if any). However, the initial allocation to an Eligible Employee in the Employee Reservation Portion shall not exceed ₹200,000 (net of employee discount, if any). Allotment in the Employee Reservation Portion will be as detailed in the section "**Issue Structure**" on page 237 of this Draft Red Herring Prospectus.

However, Allotments to Eligible Employees in excess of ₹200,000 (net of employee discount, if any) shall be considered on a proportionate basis, in the event of undersubscription in the Employee Reservation Portion, subject to the total Allotment to an Eligible Employee not exceeding ₹500,000 (net of employee discount, if any). Subsequent undersubscription, if any, in the Employee Reservation Portion shall be added back to the Net Issue. Eligible Employees Bidding in the Employee Reservation Portion may Bid at the Cut-off Price.

Bids under the Employee Reservation Portion by Eligible Employees shall be:

- Made only in the prescribed Bid cum Application Form or Revision Form.
- Only Eligible Employees (excluding such other persons not eligible under applicable laws, rules, regulations and guidelines) would be eligible to apply in this Issue under the Employee Reservation Portion.
- In case of joint bids, the sole/ first Bidder shall be the Eligible Employee.
- Bids by Eligible Employees may be made at Cut-off Price.
- Only those Bids, which are received at or above the Issue Price, would be considered for allocation under this portion.
- The Bids must be for a minimum of [●] Equity Shares and in multiples of [●] Equity Shares thereafter so as to ensure that the Bid Amount payable by the Eligible Employee subject to a maximum Bid Amount of ₹500,000. However, a Bid by an Eligible Employee in the Employee Reservation Portion will be considered for allocation, in the first instance, for a Bid amounting up to ₹200,000 (net of Employee Discount, if any). In the event of any undersubscription in the Employee Reservation Portion, the unsubscribed portion will be available for allocation and Allotment, proportionately to all Eligible Employees, who have bid in excess of ₹200,000 (net of Employee Discount, if any), provided however that the maximum Bid in this category by an Eligible Employee cannot exceed ₹500,000 (net of Employee Discount, if any).

- If the aggregate demand in this portion is less than or equal to [●] Equity Shares at or above the Issue Price, full allocation shall be made to the Eligible Employees to the extent of their demand.
- Bids by Eligible Employees in the Employee Reservation Portion and in the Net Issue portion shall not be treated as multiple Bids. Our Company reserves the right to reject, in its absolute discretion, all or any multiple Bids in any or all categories.
- Under-subscription, if any, in the Employee Reservation Portion will be added back to the Net Issue.
- As per the 5th April, 2022 circular SEBI/HO/CFD/DIL2/CIR/P/2022/45, Eligible Employees bidding in the Employee Reservation Portion can Bid through the UPI mechanism.

In the event of under-subscription in the Employee Reservation Portion, the unsubscribed portion will be available for allocation and Allotment, proportionately to all Eligible Employees who have Bid in excess of ₹200,000, subject to the maximum value of Allotment made to such Eligible Employee not exceeding ₹500,000.

If the aggregate demand in this portion is greater than [●] Equity Shares at or above the Issue Price, the allocation shall be made on a proportionate basis. For the method of proportionate basis of Allotment, see “*Issue Procedure*” on page 241 of the Draft Red Herring Prospectus.

**BIDS BY HUFs:**

Hindu Undivided Families or HUFs, in the individual name of the Karta. The Bidder should specify that the Application is being made in the name of the HUF in the Bid cum Application Form as follows: “Name of sole or first Applicant: XYZ Hindu Undivided Family applying through XYZ, where XYZ is the name of the Karta”. Bid cum Applications by HUFs may be considered at par with Bid cum Applications from individuals.

**BIDS BY MUTUAL FUNDS:**

No Mutual Fund scheme shall invest more than 10% of its net asset value in equity shares or equity related instruments of any single company provided that the limit of 10% shall not be applicable for investments in index funds or sector or industry specific funds. No Mutual Fund under all its schemes should own more than 10% of any company’s paid-up share capital carrying voting rights.

With respect to Bids by Mutual Funds, a certified copy of their SEBI registration certificate must be lodged with the Bid cum Application Form. Failing this, our Company reserves the right to accept or reject any Bid cum Application in whole or in part, in either case, without assigning any reason thereof.

In case of a mutual fund, a separate Bid cum Application can be made in respect of each scheme of the mutual fund registered with SEBI and such Applications in respect of more than one scheme of the mutual fund will not be treated as multiple applications provided that the Bids clearly indicate the scheme concerned for which the Bids has been made.

The Bids made by the asset management companies or custodians of Mutual Funds shall specifically state the names of the concerned schemes for which the Applications are made.

**BIDS BY SYSTEMATICALLY IMPORTANT NON-BANKING FINANCIAL COMPANIES:**

In case of Applications made by Systemically Important Non-Banking Financial Companies, a certified copy of the certificate of registration issued by the RBI, a certified copy of its last audited financial statements on a standalone basis and a net worth certificate from its statutory auditor(s), must be attached to the Bid cum Application Form. Failing this, our Company reserve the right to reject any Application, without assigning any reason thereof. Systemically Important Non-Banking Financial Companies participating in the Issue shall comply with all applicable legislations, regulations, directions, guidelines and circulars issued by RBI from time to time.

**BIDS BY LIMITED LIABILITY PARTNERSHIPS:**

In case of Bids made by limited liability partnerships registered under the Limited Liability Partnership Act, 2008, a certified copy of certificate of registration issued under the Limited Liability Partnership Act, 2008, must be attached to the Bid cum

Application Form. Failing this, our Company reserves the right to reject any bid without assigning any reason thereof. Limited liability partnerships can participate in the Issue only through the ASBA process.

#### **BIDS BY INSURANCE COMPANIES:**

In case of Bids made by insurance companies registered with the IRDAI, a certified copy of certificate of registration issued by IRDAI must be attached to the Bid cum Application Form. Failing this, our Company, in consultation with the BRLM, reserves the right to reject any Bid without assigning any reason thereof.

The exposure norms for insurers are prescribed under the IRDAI Investment Regulations, based on investments in equity shares of the investee company, the entire group of the investee company and the industry sector in which the investee company operates. Insurance companies participating in the Issue are advised to refer to the IRDAI Investment Regulations 2016, as amended, which are broadly set forth below:

- Equity shares of a company: the least of 10% of the investee company's subscribed capital (face value) or 10% of the respective fund in case of life insurer or 10% of investment assets in case of general insurer or reinsurer;
- The entire group of the investee company: not more than 15% of the respective fund in case of a life insurer or 15% of investment assets in case of a general insurer or reinsurer or 15% of the investment assets in all companies belonging to the group, whichever is lower; and
- The industry sector in which the investee company belong to: not more than 15% of the fund of a life insurer or a general insurer or a reinsurer or 15% of the investment asset, whichever is lower.

The maximum exposure limit, in the case of an investment in equity shares, cannot exceed the lower of an amount of 10% of the investment assets of a life insurer or general insurer and the amount calculated as per above three points, as the case may be.

*\* The above limit of 10% shall stand substituted as 15% of outstanding equity shares (face value) for insurance companies with investment assets of ₹ 25,000,000 lakhs or more and 12% of outstanding equity shares (face value) for insurers with investment assets of ₹ 5,000,000 lakhs or more but less than ₹ 25,000,000 lakhs*

Insurance companies participating in this Issue shall comply with all applicable regulations, guidelines and circulars issued by IRDAI from time to time.

#### **BIDS UNDER POWER OF ATTORNEY:**

In case of Bids made pursuant to a power of attorney or by limited companies, corporate bodies, registered societies, FIIs, Mutual Funds, insurance companies and provident funds with a minimum corpus of ₹ 2,500 Lakhs (subject to applicable law) and pension funds with a minimum corpus of ₹2,500 Lakhs, a certified copy of the power of attorney or the relevant resolution or authority, as the case may be, along with a certified copy of the memorandum of association and articles of association and/ or bye laws must be lodged along with the Bid cum Application Form. Failing this, our Company reserves the right to accept or reject any Bid in whole or in part, in either case, without assigning any reasons thereof. In addition to the above, certain additional documents are required to be submitted by the following entities:

- With respect to Bids by FIIs and Mutual Funds, a certified copy of their SEBI registration certificate must be lodged along with the Bid cum Application Form.
- With respect to Bids by insurance companies registered with the Insurance Regulatory and Development Authority, in addition to the above, a certified copy of the certificate of registration issued by the Insurance Regulatory and Development Authority must be lodged along with the Bid cum Application Form.
- With respect to Bids made by provident funds with a minimum corpus of ₹2,500 Lakhs (subject to applicable law) and pension funds with a minimum corpus of ₹2,500 Lakhs, a certified copy of a certificate from a chartered accountant certifying the corpus of the provident fund/ pension fund must be lodged along with the Bid cum Application Form.
- With respect to Bids made by limited liability partnerships registered under the Limited Liability Partnership Act, 2008, a certified copy of certificate of registration issued under the Limited Liability Partnership Act, 2008, must be attached to the Bid cum Application Form

- Our Company in consultation with the BRLM in their absolute discretion, reserves the right to relax the above condition of simultaneous lodging of the power of attorney along with the Bid cum Application form, subject to such terms and conditions that our Company and the BRLM may deem fit.

The above information is given for the benefit of the Bidders. Our Company, the BRLM and the Syndicate Members are not liable for any amendments or modification or changes in applicable laws or regulations, which may occur after the date of the Draft Red Herring Prospectus. Bidders are advised to make their independent investigations and Bidders are advised to ensure that any single Bid from them does not exceed the applicable investment limits or maximum number of Equity Shares that can be held by them under applicable law or regulation or as specified in the Draft Red Herring Prospectus.

#### **BIDS BY PROVIDENT FUNDS/ PENSION FUNDS:**

In case of Bids made by provident funds with minimum corpus of ₹25 Crore (subject to applicable law) and pension funds with minimum corpus of ₹25 Crore, a certified copy of certificate from a chartered accountant certifying the corpus of the provident fund/ pension fund must be lodged along with the Bid cum Application Form. Failing this, the Company reserves the right to accept or reject any bid in whole or in part, in either case, without assigning any reason thereof.

#### **BIDS BY BANKING COMPANY:**

In case of Bids made by banking companies registered with RBI, certified copies of: (i) the certificate of registration issued by RBI, and (ii) the approval of such banking company's investment committee are required to be attached to the Bid cum Application Form, failing which our Company reserves the right to reject any Bid by a banking company without assigning any reason.

However, a banking company would be permitted to invest in excess of 10% but not exceeding 30% of the paid up share capital of such investee company, subject to prior approval of the RBI if (i) the investee company is engaged in non-financial activities permitted for banking companies in terms of Section 6(1) of the Banking Regulation Act; or (ii) the additional acquisition is through restructuring of debt, or to protect the banking company's interest on loans/investments made to a company. The bank is required to submit a time bound action plan to the RBI for the disposal of such shares within a specified period. The aggregate investment by a banking company along with its subsidiaries, associates or joint ventures or entities directly or indirectly controlled by the bank; and mutual funds managed by asset management companies controlled by the bank, more than 20% of the investee companies paid up share capital engaged in non-financial services. However, this cap doesn't apply to the cases mentioned in (i) and (ii) above. The aggregate equity investments made by a banking company in all subsidiaries and other entities engaged in financial services and non-financial services, including overseas investments shall not exceed 20% of the bank's paid-up share capital and reserves.

In terms of the Master Circular on Basel III Capital Regulations dated July 1, 2014, as amended (i) a bank's investment in the capital instruments issued by banking, financial and insurance entities should not exceed 10% of its capital funds; (ii) banks should not acquire any fresh stake in a bank's equity shares, if by such acquisition, the investing bank's holding exceeds 5% of the investee bank's equity capital; (iii) equity investment by a bank in a subsidiary company, financial services company, financial institution, stock and other exchanges should not exceed 10% of the bank's paid-up share capital and reserves; (iv) equity investment by a bank in companies engaged in non-financial services activities would be subject to a limit of 10% of the investee company's paid-up share capital or 10% of the bank's paid-up share capital and reserves, whichever is less; and (v) a banking company is restricted from holding shares in any company, whether as pledgee, mortgagee or absolute owner, of an amount exceeding 30% of the paid-up share capital of that company or 30% of its own paid-up share capital and reserves, whichever is less. For details in relation to the investment limits under Master Direction – Ownership in Private Sector Banks, Directions, 2016, please refer chapter titled “*Key Industry Regulations and Policies*” beginning on page 126 of this Draft Red Herring Prospectus.

#### **BIDS BY SCSB'S:**

SCSBs participating in the Issue are required to comply with the terms of the SEBI circulars dated September 13, 2012 and January 2, 2013. Such SCSBs are required to ensure that for making Bid cum Applications on their own account using ASBA, they should have a separate account in their own name with any other SEBI registered SCSBs. Further, such account shall be



used solely for the purpose of making Bid cum application in public issues and clear demarcated funds should be available in such account for such Bid cum applications.

#### **ISSUANCE OF A CONFIRMATION NOTE (“CAN”) AND ALLOTMENT IN THE ISSUE:**

- Upon approval of the basis of allotment by the Designated Stock Exchange, the BRLM or Registrar to the Issue shall send to the SCSBs a list of their Bidders who have been allocated Equity Shares in the Issue.
- The Registrar will then dispatch a CAN to their Bidders who have been allocated Equity Shares in the Issue. The dispatch of a CAN shall be deemed a valid, binding and irrevocable contract for the Bidder

#### **Issue Procedure for Application Supported by Blocked Account (ASBA) Bidders**

In accordance with the SEBI Circular No. CIR/CFD/POLICYCELL/11/2015 dated November 10, 2015 all the Bidders have to compulsorily apply through the ASBA Process. Our Company and the Book Running Lead Manager are not liable for any amendments, modifications, or changes in applicable laws or regulations, which may occur after the date of this Draft Red Herring Prospectus. ASBA Bidders are advised to make their independent investigations and to ensure that the ASBA Bid Cum Application Form is correctly filled up, as described in this section.

The lists of banks that have been notified by SEBI to act as SCSB (Self Certified Syndicate Banks) for the ASBA Process are provided on <https://www.sebi.gov.in/sebiweb/other/OtherAction.do?doRecognised=yes> . For details on designated branches of SCSB collecting the Bid Cum Application Form, please refer the above-mentioned SEBI link.

#### **Terms of payment**

The entire Issue price of ₹ [●] per share is payable on application. In case of allotment of lesser number of Equity Shares than the number applied, the Registrar shall instruct the SCSBs to unblock the excess amount paid on Application to the Bidders.

SCSBs will transfer the amount as per the instruction of the Registrar to the Public Issue Account, the balance amount after transfer will be unblocked by the SCSBs.

The Bidders should note that the arrangement with Bankers to the Issue or the Registrar is not prescribed by SEBI and has been established as an arrangement between our Company, Banker to the Issue and the Registrar to the Issue to facilitate collections from the Bidders.

#### **Payment mechanism**

The Bidders shall specify the bank account number in their Bid Cum Application Form and the SCSBs shall block an amount equivalent to the Application Amount in the bank account specified in the Bid Cum Application Form. The SCSB shall keep the Application Amount in the relevant bank account blocked until withdrawal/ rejection of the Application or receipt of instructions from the Registrar to unblock the Application Amount. However, Non-Retail Bidders shall neither withdraw nor lower the size of their applications at any stage. In the event of withdrawal or rejection of the Bid Cum Application Form or for unsuccessful Bid Cum Application Forms, the Registrar to the Issue shall give instructions to the SCSBs to unblock the application money in the relevant bank account within one day of receipt of such instruction. The Application Amount shall remain blocked in the ASBA Account until finalization of the Basis of Allotment in the Issue and consequent transfer of the Application Amount to the Public Issue Account, or until withdrawal/ failure of the Issue or until rejection of the Application by the ASBA Bidder, as the case may be.

Please note that, in terms of SEBI Circular No. CIR/CFD/POLICYCELL/11/2015 dated November 10, 2015 and the SEBI (Issue of Capital and Disclosure Requirements) Regulations, 2018, all the investors applying in a public Issue shall use only Application Supported by Blocked Amount (ASBA) process for application providing details of the bank account which will be blocked by the Self-Certified Syndicate Banks (SCSBs) for the same. Further, pursuant to SEBI Circular No. SEBI/HO/CFD/DIL2/CIR/P/2018/138 dated November 01, 2018, Retail Individual Investors applying in public Issue have to use UPI as a payment mechanism with Application Supported by Blocked Amount for making application.

#### **Payment into Escrow Account for Anchor Investors**

All the investors other than Anchor Investors are required to bid through ASBA Mode. Anchor Investors are requested to note the following:

Our Company in consultation with the Book Running Lead Manager, in its absolute discretion, will decide the list of Anchor Investors to whom the CAN will be sent, pursuant to which the details of the Equity Shares allocated to them in their respective names will be notified to such Anchor Investors. For Anchor Investors, the payment instruments for payment into the Escrow Account should be drawn in favor of:

- In case of resident Anchor Investors: “[●]”
- In case of Non-Resident Anchor Investors: “[●]”

Bidders should note that the escrow mechanism is not prescribed by SEBI and has been established as an arrangement between our Company, the Syndicate, the Escrow Collection Bank and the Registrar to the Issue to facilitate collections from the Anchor Investors.

### **Electronic Registration of Applications**

- The Designated Intermediaries will register the applications using the on-line facilities of the Stock Exchange.
- The Designated Intermediaries will undertake modification of selected fields in the application details already uploaded before 1:00 p.m. of next Working Day from the Issue Closing Date
- The Designated Intermediaries shall be responsible for any acts, mistakes or errors or omissions and commissions in relation to,
  - the applications accepted by them,
  - the applications uploaded by them
  - the applications accepted but not uploaded by them or
  - With respect to applications by Bidders, applications accepted and uploaded by any Designated Intermediary other than SCSBs, the Bid Cum Application Form along with relevant schedules shall be sent to the SCSBs or the Designated Branch of the relevant SCSBs for blocking of funds and they will be responsible for blocking the necessary amounts in the ASBA Accounts. In case of Application accepted and uploaded by SCSBs, the SCSBs or the Designated Branch of the relevant SCSBs will be responsible for blocking the necessary amounts in the ASBA Accounts.
- Neither the Book Running Lead Manager nor our Company nor the Registrar to the Issue, shall be responsible for any acts, mistakes or errors or omission and commissions in relation to,
  - The applications accepted by any Designated Intermediaries
  - The applications uploaded by any Designated Intermediaries or
  - The applications accepted but not uploaded by any Designated Intermediaries
- The Stock Exchange will offer an electronic facility for registering applications for the Issue. This facility will be available at the terminals of Designated Intermediaries and their authorized agents during the Issue Period. The Designated Branches or agents of Designated Intermediaries can also set up facilities for off-line electronic registration of applications subject to the condition that they will subsequently upload the off-line data file into the online facilities on a regular basis. On the Issue Closing Date, the Designated Intermediaries shall upload the applications till such time as may be permitted by the Stock Exchange. This information will be available with the Book Running Lead Manager on a regular basis.
- With respect to applications by Bidders, at the time of registering such applications, the Syndicate Bakers, DPs and RTAs shall forward a Schedule as per format given below along with the Bid Cum Application Forms to Designated Branches of the SCSBs for blocking of funds:

S. No.	Details*
1.	Symbol

2.	Intermediary Code
3.	Location Code
4.	Application No.
5.	Category
6.	PAN
7.	DP ID
8.	Client ID
9.	Quantity
10.	Amount

*\*Stock Exchanges shall uniformly prescribe character length for each of the above-mentioned fields*

- With respect to applications by Bidders, at the time of registering such applications, the Designated Intermediaries shall enter the following information pertaining to the Bidders into in the on-line system:
  - Name of the Bidder;
  - IPO Name;
  - Bid Cum Application Form Number;
  - Investor Category;
  - PAN (of First Bidder, if more than one Bidder);
  - DP ID of the demat account of the Bidder;
  - Client Identification Number of the demat account of the Bidder;
  - Number of Equity Shares Applied for;
  - Bank Account details;
  - Locations of the Banker to the Issue or Designated Branch, as applicable, and bank code of the SCSB branch where the ASBA Account is maintained; and
  - Bank account number.
- In case of submission of the Application by a Bidder through the Electronic Mode, the Bidder shall complete the above-mentioned details and mention the bank account number, except the Electronic ASBA Bid Cum Application Form number which shall be system generated.
- The aforesaid Designated Intermediaries shall, at the time of receipt of application, give an acknowledgment to the investor, by giving the counter foil or specifying the application number to the investor, as a proof of having accepted the Bid Cum Application Form in physical as well as electronic mode. The registration of the Application by the Designated Intermediaries does not guarantee that the Equity Shares shall be allocated/ allotted either by our Company.
- Such acknowledgment will be non-negotiable and by itself will not create any obligation of any kind.
- In case of Non-Retail Bidders and Retail Individual Bidders, applications would not be rejected except on the technical grounds as mentioned in the Draft Red Herring Prospectus. The Designated Intermediaries shall have no right to reject applications, except on technical grounds.
- The permission given by the Stock Exchanges to use their network and software of the Online IPO system should not in any way be deemed or construed to mean that the compliance with various statutory and other requirements by our Company and/or the Book Running Lead Manager are cleared or approved by the Stock Exchanges; nor does it in any manner warrant, certify or endorse the correctness or completeness of any of the compliance with the statutory and other requirements nor does it take any responsibility for the financial or other soundness of our company; our Promoter, our management or any scheme or project of our Company; nor does it in any manner warrant, certify or endorse the correctness or completeness of any of the contents of this Draft Red Herring Prospectus, nor does it warrant that the Equity Shares will be listed or will continue to be listed on the Stock Exchanges.
- The Designated Intermediaries will be given time till 5.00 p.m. on the Bid/ Issue Closing Date to verify the DP ID and Client ID uploaded in the online IPO system during the Issue Period, after which the Registrar to the Issue will receive

this data from the Stock Exchange and will validate the electronic application details with Depository's records. In case no corresponding record is available with Depositories, which matches the three parameters, namely DP ID, Client ID and PAN, then such applications are liable to be rejected.

- The SCSBs shall be given one day after the Bid/ Issue Closing Date to send confirmation of Funds blocked (Final certificate) to the Registrar to the Issue.
- The details uploaded in the online IPO system shall be considered as final and Allotment will be based on such details for applications.

#### **Build of the Book**

- Bids received from various Bidders through the Designated Intermediaries may be electronically uploaded on the Bidding Platform of the Stock Exchange on a regular basis. The book gets built up at various price levels. This information may be available with the BRLM at the end of the Bid/ Issue Period.
- Based on the aggregate demand and price for Bids registered on the Stock Exchange Platform, a graphical representation of consolidated demand and price as available on the websites of the Stock Exchange may be made available at the Bidding centres during the Bid/ Issue Period.

#### **Withdrawal of Bids**

- RIIs can withdraw their Bids until Bid/ Issue Closing Date. In case a RII wishes to withdraw the Bid during the Bid/ Issue Period, the same can be done by submitting a request for the same to the concerned Designated Intermediary who shall do the requisite, including unblocking of the funds by the SCSB in the ASBA Account.
- The Registrar to the Issue shall give instruction to the SCSB for unblocking the ASBA Account on the Designated Date. QIBs and NIIs can neither withdraw nor lower the size of their Bids at any stage.

#### **Price Discovery and Allocation**

- Based on the demand generated at various price levels, our Company in consultation with the BRLM, shall finalise the Issue Price and the Anchor Investor Issue Price.
- The SEBI ICDR Regulations, 2018, 2018 specify the allocation or Allotment that may be made to various categories of Bidders in an Issue depending on compliance with the eligibility conditions. Certain details pertaining to the percentage of Issue size available for allocation to each category is disclosed overleaf of the Bid cum Application Form and in the RHP. For details in relation to allocation, the Bidder may refer to the RHP.
- Under-subscription in any category (except QIB Category) is allowed to be met with spillover from any other category or combination of categories at the discretion of the Issuer and in consultation with the BRLM and the Designated Stock Exchange and in accordance with the SEBI ICDR Regulations, 2018. Unsubscribed portion in QIB Category is not available for subscription to other categories.
- In case of under subscription in the Issue, spill-over to the extent of such under-subscription may be permitted from the Reserved Portion to the Issue. For allocation in the event of an undersubscription applicable to the Issuer, Bidders may refer to the RHP.
- In case if the Retail Individual Investor category is entitled to more than the allocated portion on proportionate basis, the category shall be allotted that higher percentage.
- Allocation to Anchor Investors shall be at the discretion of our Company and in consultation with the BRLM, subject to compliance with the SEBI Regulations.

**Illustration of the Book Building and Price Discovery Process:** Bidders should note that this example is solely for illustrative purposes and is not specific to the Issue; it also excludes Bidding by Anchor Investors. Bidders can bid at any price within the Price Band. For instance, assume a Price Band of ₹20 to ₹ 24 per share, Issue size of 3,000 Equity Shares and receipt of five Bids from Bidders, details of which are shown in the table below. The illustrative book given below shows the demand for the Equity Shares of the Issuer at various prices and is collated from Bids received from various investors.

<b>Bid Quantity</b>	<b>Bid Amount (₹)</b>	<b>Cumulative Quantity</b>	<b>Subscription</b>
500	24	500	16.67%

1,000	23	1,500	50.00%
1,500	22	3,000	100.00%
2,000	21	5,000	166.67%
2,500	20	7,500	250.00%

The price discovery is a function of demand at various prices. The highest price at which the Issuer is able to Issue the desired number of Equity Shares is the price at which the book cuts off, i.e., ₹22.00 in the above example. The Issuer, in consultation with the BRLM, may finalize the Issue Price at or below such Cut-Off Price, i.e., at or below ₹22.00. All Bids at or above this Issue Price and cut-off Bids are valid Bids and are considered for allocation in the respective categories.

#### **Signing of Underwriting Agreement and Filing of Draft Red Herring Prospectus/ Prospectus with RoC**

- Our Company and the Underwriter intend to enter into an Underwriting Agreement on or immediately after the finalization of the Issue Price but prior to the filing of Prospectus
- After signing the Underwriting Agreement, an updated Red Herring Prospectus will be filed with the RoC in accordance with applicable law, which then would be termed as the 'Prospectus'. The Prospectus will contain details of the Issue Price, Issue size, and underwriting arrangements and will be complete in all material respects.

#### **GENERAL INSTRUCTIONS:**

Please note that the NIIs are not permitted to withdraw their bids or lower the size of Bids in terms of quantity of Equity Shares or Bid Amount) at any stage. Retail Individual Investor can revise their Bids during the Bid/ Issue period and withdraw their Bids until Bid/ issue Closing date.

Anchor investors are not allowed to withdraw their Bids after Anchor Investors bidding date.

#### **Do's:**

- Check if you are eligible to apply as per the terms of the Draft Red Herring Prospectus and under applicable law, rules, regulations, guidelines and approvals;
- Ensure that you have Bid within the Price Band;
- Read all the instructions carefully and complete the Bid cum Application Form in the prescribed form;
- Ensure that the details about the PAN, DP ID, Client ID, UPI ID are correct and the Bidders depository account is active, as Allotment of the Equity Shares will be in the dematerialized form only;
- Ensure that your Bid cum Application Form bearing the stamp of a Designated Intermediary is submitted to the Designated Intermediary at the Bidding Centre;
- If the first applicant is not the account holder, ensure that the Bid cum Application Form is signed by the account holder. Ensure that you have mentioned the correct bank account number in the Bid cum Application Form;
- In case of Joint bids, ensure the first bidder is the ASBA Account holder (or the UPI linked bank account holder, as the case may be) and the signature of the first bidder is included in the Bid cum Application Form;
- QIBs, Non-Institutional Bidders and the Retail Bidders should submit their Bids through the ASBA process only. However, pursuant to SEBI circular dated November 01, 2018, RII may submit their bid by using UPI mechanism for payment;
- Ensure that the name(s) given in the Bid cum Application Form is/ are exactly the same as the name(s) in which the beneficiary account is held with the Depository Participant. In case of joint Bids, the Bid cum Application Form should contain only the name of the First Bidder whose name should also appear as the first holder of the beneficiary account held in joint names;
- Ensure that you request for and receive a stamped acknowledgement of the Bid cum Application Form for all your Bid options;
- Ensure that you have funds equal to the Bid Amount in the Bank Account maintained with the SCSB before submitting the Bid cum Application Form under the ASBA process or application forms submitted by RIIs using UPI mechanism for payment, to the respective member of the Syndicate (in the Specified Locations), the SCSBs, the Registered Broker (at the Broker Centers), the RTA (at the Designated RTA Locations) or CDP (at the Designated CDP Locations);

- Submit revised Bids to the same Designated Intermediary, through whom the original Bid was placed and obtain a revised acknowledgment;
- Except for Bids (i) on behalf of the Central or State Governments and the officials appointed by the courts, who, in terms of a SEBI circular dated June 30, 2008, may be exempt from specifying their PAN for transacting in the securities market, and (ii) Bids by persons resident in the state of Sikkim, who, in terms of a SEBI circular dated July 20, 2006, may be exempted from specifying their PAN for transacting in the securities market, all Bidders should mention their PAN allotted under the IT Act. The exemption for the Central or the State Government and officials appointed by the courts and for investors residing in the State of Sikkim is subject to (a) the Demographic Details received from the respective depositories confirming the exemption granted to the beneficiary owner by a suitable description in the PAN field and the beneficiary account remaining in “active status”; and (b) in the case of residents of Sikkim, the address as per the Demographic Details evidencing the same. All other applications in which PAN is not mentioned will be rejected;
- Ensure that the Demographic Details are updated, true and correct in all respects;
- Ensure that the signature of the First Bidder in case of joint Bids, is included in the Bid cum Application Forms;
- Ensure that thumb impressions and signatures other than in the languages specified in the Eighth Schedule to the Constitution of India are attested by a Magistrate or a Notary Public or a Special Executive Magistrate under official seal;
- Ensure that the category and the investor status is indicated;
- Ensure that in case of Bids under power of attorney or by limited companies, corporate, trust etc., relevant documents are submitted;
- Ensure that Bids submitted by any person outside India should be in compliance with applicable foreign and Indian laws;
- Bidders should note that in case the DP ID, Client ID and the PAN mentioned in their Bid cum Application Form and entered into the online IPO system of the Stock Exchange by the relevant Designated Intermediary, as the case may be, do not match with the DP ID, Client ID and PAN available in the Depository database, then such Bids are liable to be rejected. Where the Bid cum Application Form is submitted in joint names, ensure that the beneficiary account is also held in the same joint names and such names are in the same sequence in which they appear in the Bid cum Application Form;
- Ensure that the Bid cum Application Forms are delivered by the Bidders within the time prescribed as per the Bid cum Application Form and the Draft Red Herring Prospectus;
- Ensure that you have mentioned the correct ASBA Account number or UPI ID in the Bid cum Application Form;
- Ensure that you have mentioned the details of your own bank account for blocking of fund or your own bank account linked UPI ID to make application in the Public Issue;
- Ensure that on receipt of the mandate request from sponsor bank, you have taken necessary step in timely manner for blocking of fund on your account through UPI ID using UPI application;
- Ensure that you have correctly signed the authorization/ undertaking box in the Bid cum Application Form, or have otherwise provided an authorization to the SCSB via the electronic mode, for blocking funds in the ASBA Account equivalent to the Bid Amount mentioned in the Bid cum Application Form at the time of submission of the Bid;
- Ensure that you receive an acknowledgement from the concerned Designated Intermediary, for the submission of your Bid cum Application Form; and
- The Bid cum Application Form is liable to be rejected if the above instructions, as applicable, are not complied with.

The Bid cum Application Form is liable to be rejected if the above instructions, as applicable, are not complied with.

**Don'ts:**

- Do not Bid for lower than the minimum Bid size;
- Do not Bid/ revise Bid Amount to less than the Floor Price or higher than the Cap Price;
- Do not pay the Bid Amount in cash, by money order, cheques or demand drafts or by postal order or by stock invest;
- Do not send Bid cum Application Forms by post; instead submit the same to the Designated Intermediary only;
- Do not submit the Bid cum Application Forms to any non-SCSB bank or our Company;
- Do not Bid on a Bid cum Application Form that does not have the stamp of the relevant Designated Intermediary;

- Do not Bid at Cut-off Price (for Bids by QIBs and Non-Institutional Bidders);
- Do not instruct your respective Banks to release the funds blocked in the ASBA Account under the ASBA process;
- Do not Bid for a Bid Amount exceed ₹2,00,000/- (for Applications by Retail Individual Bidders);
- Do not Bid for a Bid Amount exceeding ₹2,00,000 (for Bids by UPI Bidders) and ₹5,00,000 for Bids by Eligible Employees Bidding in the Employee Reservation Portion;
- Do not fill up the Bid cum Application Form such that the Equity Shares Application exceeds the Issue size and/ or investment limit or maximum number of the Equity Shares that can be held under the applicable laws or regulations or maximum amount permissible under the applicable regulations or under the terms of the Draft Red Herring Prospectus;
- Do not submit the General Index Register number instead of the PAN;
- Do not submit the Bid without ensuring that funds equivalent to the entire Bid Amount are blocked in the relevant ASBA Account;
- Do not submit Bids on plain paper or on incomplete or illegible Bid cum Application Forms or on Bid cum Application Forms in a colour prescribed for another category of Applicant;
- Do not submit a Bid in case you are not eligible to acquire Equity Shares under applicable law or your relevant constitutional documents or otherwise;
- Bids by UPI Bidders with Bid Amount of a value of more than ₹2,00,000 (net of retail discount);
- Do not Bid if you are not competent to contract under the Indian Contract Act, 1872 (other than minors having valid depository accounts as per Demographic Details provided by the depository); and
- Do not submit a Bid by using details of the third party's bank account or UPI ID which is linked with bank account of the third party. Kindly note that Bids made using third party bank account or using third party linked bank account UPI ID are liable for rejection.

The Bid cum Application Form is liable to be rejected if the above instructions, as applicable, are not complied with.

Further, in case of any pre-Issue or post-Issue related issues regarding share certificates/demat credit/refund orders/unblocking etc., investors can reach out to the Company Secretary and Compliance Officer. For details of Company Secretary and Compliance Officer, please refer the section entitled “*General Information*” and “*Our Management*” beginning on page 57 and 139 of this Draft Red Herring Prospectus, respectively.

### **Other instructions for the Bidders**

#### **Joint Bids**

In the case of Joint Bids, the Bids should be made in the name of the Bidders whose name appears first in the Depository account. The name so entered should be the same as it appears in the Depository records. The signature of only such first Bidders would be required in the Bid cum Application Form/Application Form and such first Bidder would be deemed to have signed on behalf of the joint holders. All payments may be made out in favour of the Bidder whose name appears in the Bid cum Application Form or the Revision Form and all communications may be addressed to such Bidder and may be dispatched to his or her address as per the Demographic Details received from the Depositories.

#### **Multiple Bids**

Bidder should submit only one Bid cum Application Form. Bidder shall have the option to make a maximum of Bids at three different price levels in the Bid cum Application Form and such options are not considered as multiple Bids. Submission of a second Bid cum Application Form to either the same or to another member of the Syndicate, SCSB or Registered Broker and duplicate copies of Bid/ cum Application Forms bearing the same application number shall be treated as multiple Bids and are liable to be rejected.

#### **Investor Grievance**

In case of any pre-issue or post issue related problems regarding demat credit/ refund orders/ unblocking etc. the Investors can contact the Compliance Officer of our Company.

#### **Nomination Facility to Bidders**

Nomination facility is available in accordance with the provisions of Section 72 of the Companies Act, 2013. In case of allotment of the Equity Shares in dematerialized form, there is no need to make a separate nomination as the nomination registered with the Depository may prevail. For changing nominations, the Bidders should inform their respective DP.

#### **Submission of Bids**

- During the Bid/ Issue Period, Bidders may approach any of the Designated Intermediaries to register their Bids.
- In case of Bidders (excluding NIIs and QIBs) Bidding at cut-off price, the Bidders may instruct the SCSBs to block Bid Amount based on the Cap Price less Discount (if applicable).
- For details of the timing on acceptance and upload of Bids in the Stock Exchange platform Bidders are requested to refer to the DRHP.

#### **GROUND OF TECHNICAL REJECTIONS**

Bidders are advised to note that Bids are liable to be rejected inter alia on the following technical grounds:

- Amount blocked does not tally with the amount payable for the Equity Shares applied for;
- In case of partnership firms, Equity Shares may be registered in the names of the individual partners and no firm as such shall be entitled to apply;
- Bid by persons not competent to contract under the Indian Contract Act, 1872 including minors, insane persons;
- PAN not mentioned in the Bid cum Application Form;
- Bids at a price less than the Floor Price and Bids at a price more than the Cap Price;
- GIR number furnished instead of PAN;
- Bid for lower number of Equity Shares than specified for that category of investors;
- Bids at Cut-off Price by NIIs and QIBs;
- Bids for number of Equity Shares which are not in multiples Equity Shares which are not in multiples as specified in the DRHP;
- The amounts mentioned in the Bid cum Application Form/Application Form does not tally with the amount payable for the value of the Equity Shares Bid/Applied for;
- Bids for lower number of Equity Shares than the minimum specified for that category of investors;
- Category not ticked;
- Multiple Bids as defined in the DRHP;
- In case of Bids under power of attorney or by limited companies, corporate, trust etc., where relevant documents are not submitted;
- Bid accompanied by Stock invest/ money order/ postal order/ cash/ cheque/ demand draft/ pay order;
- Signature of sole Bidder is missing;
- Bid cum Application Forms not delivered by the Bidder within the time prescribed as per the Bid cum Application Forms, Bid/ Issue Opening Date advertisement and the DRHP and as per the instructions in the DRHP and the Bid cum Application Forms;
- In case no corresponding record is available with the Depositories that matches three parameters namely, names of the Bidders (including the order of names of joint holders), the Depository Participant's identity (DP ID) and the beneficiary's account number;
- Bids for amounts greater than the maximum permissible amounts prescribed by the regulations;
- Bid by OCBs;
- Bids by US persons other than in reliance on Regulation S or "qualified institutional buyers" as defined in Rule 144A under the Securities Act;
- Inadequate funds in the bank account to block the Bid Amount specified in the Bid cum Application Form/ Application Form at the time of blocking such Bid Amount in the bank account;
- Bids not uploaded on the terminals of the Stock Exchanges;
- Where no confirmation is received from SCSB for blocking of funds;
- Bids by SCSBs wherein a separate account in its own name held with any other SCSB is not mentioned as the ASBA Account in the Bid cum Application Form/Application Form. Bids not duly signed by the sole/ First Bidder;
- Bids by any persons outside India if not in compliance with applicable foreign and Indian laws;
- Bids that do not comply with the securities laws of their respective jurisdictions are liable to be rejected;



- Bids by persons prohibited from buying, selling or dealing in the shares directly or indirectly by SEBI or any other regulatory authority;
- Bids by persons who are not eligible to acquire Equity Shares of the Company in terms of all applicable laws, rules, regulations, guidelines, and approvals; and
- Details of ASBA Account not provided in the Bid cum Application form.
- Bids uploaded by QIBs after 4.00 pm on the QIB Bid/ Issue Closing Date and by Non-Institutional Bidders uploaded after 4.00 p.m. on the Bid/ Issue Closing Date, and Bids by RIBs uploaded after 5.00 p.m. on the Bid/ Issue Closing Date, unless extended by the Stock Exchange.

Further, in case of any pre-Issue or post Issue related issues regarding share certificates/demat credit/refund orders/unblocking etc., investors shall reach out the Company Secretary and Compliance Officer. For details of the Company Secretary and Compliance Officer, please refer section titled “**General Information**” beginning on page 57 of this Draft Red Herring Prospectus.

In case of any delay in unblocking of amounts in the ASBA Accounts (including amounts blocked through the UPI Mechanism) exceeding four Working Days from the Bid/ Issue Closing Date, the Bidder shall be compensated at a uniform rate of ₹ 100/- per day for the entire duration of delay exceeding four Working Days from the Bid/ Issue Closing Date by the intermediary responsible for causing such delay in unblocking. The BRLM shall, in their sole discretion, identify and fix the liability on such intermediary or entity responsible for such delay in unblocking.

Further, Investors shall be entitled to compensation in the manner specified in the SEBI circular no. SEBI/HO/CFD/DIL2/CIR/P/2021/2480/1/M dated March 16, 2021 read with SEBI circular no. SEBI/HO/CFD/DIL1/CIR/P/2021/47 dated March 31, 2021 and SEBI circular no. SEBI/HO/CFD/DIL2/P/CIR/2021/570 dated June 2, 2021 in case of delays in resolving investor grievances in relation to blocking/unblocking of funds.

**BIDDERS SHOULD NOTE THAT IN CASE THE PAN, THE DP ID AND CLIENT ID MENTIONED IN THE BID CUM APPLICATION FORM AND ENTERED INTO THE ELECTRONIC APPLICATION SYSTEM OF THE STOCK EXCHANGES BY THE BIDS COLLECTING INTERMEDIARIES DO NOT MATCH WITH PAN, THE DP ID AND CLIENT ID AVAILABLE IN THE DEPOSITORY DATABASE, THE BID CUM APPLICATION FORM IS LIABLE TO BE REJECTED.**

#### **BASIS OF ALLOCATION**

- The SEBI (ICDR) Regulations specify the allocation or Allotment that may be made to various categories of Bidders in an Issue depending on compliance with the eligibility conditions. Certain details pertaining to the percentage of Issue size available for allocation to each category is disclosed overleaf of the Bid cum Application Form and in the DRHP. For details in relation to allocation, the Bidder may refer to the RHP.
- Under-subscription in any category (except QIB Category) is allowed to be met with spill over from any other category or combination of categories at the discretion of the Issuer and in consultation with the BRLM and the Designated Stock Exchange and in accordance with the SEBI (ICDR) Regulations, Unsubscribed portion in QIB Category is not available for subscription to other categories.
- In case of under subscription in the issue, spill-over to the extent of such under- subscription may be permitted from the Reserved Portion to the Issue. For allocation in the event of an under-subscription applicable to the Issuer, Bidders may refer to the RHP.

#### **ALLOTMENT PROCEDURE AND BASIS OF ALLOTMENT**

The Allotment of Equity Shares to Bidders other than Retail Individual Investors and Anchor Investors may be on proportionate basis. For Basis of Allotment to Anchor Investors, Bidders may refer to DRHP. No Retail Individual Investor will be Allotted less than the minimum Bid Lot subject to availability of shares in Retail Individual Investor Category and the remaining available shares, if any will be Allotted on a proportionate basis. The Issuer is required to receive a minimum subscription of 90% of the Issue. However, in case the Issue is in the nature of Offer for Sale only, then minimum subscription may not be applicable.

## **BASIS OF ALLOTMENT**

### **For Retail Individual Bidders**

Bids received from the Retail Individual Bidders at or above the Issue Price shall be grouped together to determine the total demand under this category. The Allotment to all the successful Retail Individual Bidders will be made at the Issue Price.

The Issue size less Allotment to Non-Institutional and QIB Bidders shall be available for Allotment to Retail Individual Bidders who have Bid in the Issue at a price that is equal to or greater than the Issue Price. If the aggregate demand in this category is less than or equal to [●] Equity Shares at or above the Issue Price, full Allotment shall be made to the Retail Individual Bidders to the extent of their valid Bids.

If the aggregate demand in this category is greater than [●] Equity Shares at or above the Issue Price, the Allotment shall be made on a proportionate basis up to a minimum of [●] Equity Shares and in multiples of [●] Equity Shares thereafter. For the method of proportionate Basis of Allotment, refer below.

### **For Non-Institutional Bidders**

Bids received from Non-Institutional Bidders at or above the Issue Price shall be grouped together to determine the total demand under this category. The Allotment to all successful Non- Institutional Bidders will be made at the Issue Price.

The Issue size less Allotment to QIBs and Retail shall be available for Allotment to Non- Institutional Bidders who have Bid in the Issue at a price that is equal to or greater than the Issue Price. If the aggregate demand in this category is less than or equal to [●] Equity Shares at or above the Issue Price, full Allotment shall be made to Non-Institutional Bidders to the extent of their demand.

In case the aggregate demand in this category is greater than [●] Equity Shares at or above the Issue Price, Allotment shall be made on a proportionate basis up to a minimum of [●] Equity Shares and in multiples of [●] Equity Shares thereafter. For the method of proportionate Basis of Allotment refer below.

### **For QIBs**

For the Basis of Allotment to Anchor Investors, Bidders/ Applicants may refer to the SEBI ICDR Regulations, 2018 or RHP/ Prospectus. Bids received from QIBs Bidding in the QIB Category (net of Anchor Portion) at or above the Issue Price may be grouped together to determine the total demand under this category. The QIB Category may be available for Allotment to QIBs who have Bid at a price that is equal to or greater than the Issue Price. Allotment may be undertaken in the following manner: Allotment shall be undertaken in the following manner:

- In the first instance allocation to Mutual Funds for [●] % of the QIB Portion shall be determined as follows:
  - In the event that Bids by Mutual Fund exceeds [●] % of the QIB Portion, allocation to Mutual Funds shall be done on a proportionate basis for [●] % of the QIB Portion.
  - In the event that the aggregate demand from Mutual Funds is less than [●] % of the QIB Portion then all Mutual Funds shall get full Allotment to the extent of valid Bids received above the Issue Price.
  - Equity Shares remaining unsubscribed, if any, not allocated to Mutual Funds shall be available for Allotment to all QIB Bidders as set out in (b) below;
- In the second instance Allotment to all QIBs shall be determined as follows:
  - In the event that the oversubscription in the QIB Portion, all QIB Bidders who have submitted Bids above the Issue Price shall be allotted Equity Shares on a proportionate basis, upto a minimum of [●] Equity Shares and in multiples of [●] Equity Shares thereafter for [●] % of the QIB Portion.
  - Mutual Funds, who have received allocation as per (a) above, for less than the number of Equity Shares Bid for by them, are eligible to receive Equity Shares on a proportionate basis, upto a minimum of [●] Equity Shares and in multiples of [●] Equity Shares thereafter, along with other QIB Bidders.

- Under-subscription below [●] % of the QIB Portion, if any, from Mutual Funds, would be included for allocation to the remaining QIB Bidders on a proportionate basis. The aggregate Allotment to QIB Bidders shall not be more than [●] Equity Shares.

**Allotment To Anchor Investor (If Applicable)**

- Allocation of Equity Shares to Anchor Investors at the Anchor Investor Allocation Price will be at the discretion of the Issuer, in consultation with the BRLM, subject to compliance with the following requirements:
  - not more than 60% of the QIB Portion will be allocated to Anchor Investors;
  - one-third of the Anchor Investor Portion shall be reserved for domestic Mutual Funds, subject to valid Bids being received from domestic Mutual Funds at or above the price at which allocation is being done to other Anchor Investors; and
  - allocation to Anchor Investors shall be on a discretionary basis and subject to:
    - a maximum number of two Anchor Investors for allocation up to ₹ 2 crores;
    - a minimum number of two Anchor Investors and maximum number of 15 Anchor Investors for allocation of more than ₹ 2 crores and up to ₹ 25 crores subject to minimum allotment of ₹ 1 crores per such Anchor Investor; and
    - In case of allocation above twenty-five crore rupees; a minimum of 5 such investors and a maximum of 15 such investors for allocation up to twenty five crore rupees and an additional 10 such investors for every additional twenty five crore rupees or part thereof, shall be permitted, subject to a minimum allotment of one crore rupees per such investor.
- A physical book is prepared by the Registrar on the basis of the Anchor Investor Application Forms received from Anchor Investors. Based on the physical book and at the discretion of the Issuer, in consultation with the BRLM, selected Anchor Investors will be sent a CAN and if required, a revised CAN.
- 50% of the Equity Shares Allotted to the Anchor Investors in the Anchor Investor Portion shall be locked in for a period of 90 days from the date of Allotment, while the remaining 50% of the Equity Shares Allotted to Anchor Investors in the Anchor Investor Portion shall be locked in for a period of 30 days from the date of Allotment.
- **In the event that the Issue Price is higher than the Anchor Investor Allocation Price:**  
Anchor Investors will be sent a revised CAN within one day of the Pricing Date indicating the number of Equity Shares allocated to such Anchor Investor and the pay-in date for payment of the balance amount. Anchor Investors are then required to pay any additional amounts, being the difference between the Issue Price and the Anchor Investor Allocation Price, as indicated in the revised CAN within the pay-in date referred to in the revised CAN. Thereafter, the Allotment Advice will be issued to such Anchor Investors
- **In the event the Issue Price is lower than the Anchor Investor Allocation Price:**  
Anchor Investors who have been Allotted Equity Shares will directly receive Allotment Advice.
- **Basis of Allotment for QIBs (other than Anchor Investors) and NIIs in case of Over Subscribed Issue:**  
In the event of the Issue being Over-Subscribed, the Issuer may finalize the Basis of Allotment in consultation with the NSE Emerge (SME platform of NSE) (The Designated Stock Exchange). The allocation may be made in marketable lots on proportionate basis as set forth hereunder:
  - The total number of Shares to be allocated to each category as a whole shall be arrived at on a proportionate basis i.e., the total number of Shares applied for in that category multiplied by the inverse of the oversubscription ratio (number of Bidders in the category multiplied by number of Shares applied for).
  - The number of Shares to be allocated to the successful Bidders will be arrived at on a proportionate basis in marketable lots (i.e., Total number of Shares applied for into the inverse of the over subscription ratio).
  - For Bids where the proportionate allotment works out to less than [●] equity shares the allotment will be made as follows:
    - Each successful Bidder shall be allotted [●] equity shares; and

- The successful Bidder out of the total bidders for that category shall be determined by draw of lots in such a manner that the total number of Shares allotted in that category is equal to the number of Shares worked out as per (b) above.
- If the proportionate allotment to a Bidder works out to a number that is not a multiple of [●] equity shares, the Bidder would be allotted Shares by rounding off to the nearest multiple of [●] equity shares subject to a minimum allotment of [●] equity shares.
- If the Shares allotted on a proportionate basis to any category is more than the Shares allotted to the Bidders in that category, the balance available Shares or allocation shall be first adjusted against any category, where the allotted Shares are not sufficient for proportionate allotment to the successful Bidder in that category, the balance Shares, if any, remaining after such adjustment will be added to the category comprising Bidder applying for the minimum number of Shares. If as a result of the process of rounding off to the nearest multiple of [●] Equity Shares, results in the actual allotment being higher than the shares offered, the final allotment may be higher at the sole discretion of the Board of Directors, up to 110% of the size of the Issue specified under the Capital Structure mentioned in this DRHP.

Retail Individual Investor' means an investor who applies for shares of value of not more than ₹2,00,000/-. Investors may note that in case of over subscription allotment shall be on proportionate basis and will be finalized in consultation with NSE.

The Executive Director/ Managing Director of NSE - the Designated Stock Exchange in addition to Book Running Lead Manager and Registrar to the Public Issue shall be responsible to ensure that the basis of allotment is finalized in a fair and proper manner in accordance with the SEBI (ICDR) Regulations.

#### **Issuance of Allotment Advice**

- Upon approval of the Basis of Allotment by the Designated Stock Exchange.
- On the basis of approved Basis of Allotment, the Issuer shall pass necessary corporate action to facilitate the allotment and credit of equity shares. Bidders are advised to instruct their Depository Participants to accept the Equity Shares that may be allotted to them pursuant to the issue.  
The Book Running Lead Manager or the Registrar to the Issue will dispatch an Allotment Advice to their Bidders who have been allocated Equity Shares in the Issue. The dispatch of Allotment Advice shall be deemed a valid, binding and irrevocable contract for the Allotment to such Bidder.
- Issuer will make the allotment of the Equity Shares and initiate corporate action for credit of shares to the successful Bidders Depository Account within 2 working days of the Issue Closing date. The Issuer also ensures the credit of shares to the successful Bidders Depository Account is completed within one working Day from the date of allotment, after the funds are transferred from ASBA Public Issue Account to Public Issue account of the issuer.

#### **BASIS OF ALLOTMENT**

Allotment will be made in consultation NSE (“Designated Stock Exchange”). In the event of oversubscription, the allotment will be made on a proportionate basis in marketable lots as set forth here:

- The total number of Shares to be allocated to each category as a whole shall be arrived at on a proportionate basis i.e. the total number of Shares applied for in that category multiplied by the inverse of the over subscription ratio (number of applicants in the category x number of Shares applied for).
- The number of Shares to be allocated to the successful applicants will be arrived at on a proportionate basis in marketable lots (i.e. Total number of Shares applied for into the inverse of the over subscription ratio).
- For applications where the proportionate allotment works out to less than [●] equity shares the allotment will be made as follows:
  - Each successful applicant shall be allotted [●] Equity Shares; and
  - The successful applicants out of the total applicants for that category shall be determined by the drawl of lots in such a manner that the total number of Shares allotted in that category is equal to the number of Shares worked out as per second point as above.

- If the proportionate allotment to an applicant works out to a number that is not a multiple of [●] equity shares, the applicant would be allotted Shares by rounding off to the lower nearest multiple of [●] equity shares subject to a minimum allotment of [●] Equity Shares.
- If the Shares allocated on a proportionate basis to any category is more than the Shares allotted to the applicants in that category, the balance available Shares for allocation shall be first adjusted against any category, where the allotted Shares are not sufficient for proportionate allotment to the successful applicants in that category, the balance Shares, if any, remaining after such adjustment will be added to the category comprising of applicants applying for the minimum number of Shares.

#### **BASIS OF ALLOTMENT IN THE EVENT OF UNDER SUBSCRIPTION**

In the event of under subscription in the Issue, the obligations of the Underwriters shall get triggered in terms of the Underwriting Agreement. The Minimum subscription of 100.00% of the Issue size shall be achieved before our company proceeds to get the basis of allotment approved by the Designated Stock Exchange. The Executive Director/Managing Director of the NSE - the Designated Stock Exchange in addition to Book Running Lead Manager and Registrar to the Issue shall be responsible to ensure that the basis of allotment is finalized in a fair and proper manner in accordance with the SEBI (ICDR) Regulations, 2018.

**As per the RBI regulations, OCBs are not permitted to participate in the Issue. There is no reservation for Non-Residents, NRIs, FPIs and foreign venture capital funds and all Non-Residents, NRI, FPI and Foreign Venture Capital Funds applicants will be treated on the same basis with other categories for the purpose of allocation.**

#### **Equity Shares in Dematerialised Form with NSDL/CDSL**

An Applicant applying for Equity Shares must have at least one beneficiary account with either of the Depository Participants of either NSDL or CDSL prior to making the Application.

- The Applicant must necessarily fill in the details (including the Beneficiary Account Number and Depository Participant's identification number) appearing in the Application Form or Revision Form.
- Allotment to a successful Applicant will be credited in electronic form directly to the beneficiary account (with the Depository Participant) of the Applicant.
- Names in the Application Form or Revision Form should be identical to those appearing in the account details in the Depository. In case of joint holders, the names should necessarily be in the same sequence as they appear in the account details in the Depository.
- The Applicant is responsible for the correctness of his or her Demographic Details given in the Application Form vis à vis those with his or her Depository Participant.
- Equity Shares in electronic form can be traded only on the stock exchanges having electronic connectivity with NSDL and CDSL. The Stock Exchange where our Equity Shares are proposed to be listed has electronic connectivity with CDSL and NSDL.
- The allotment and trading of the Equity Shares of the Company would be in dematerialized form only for all investors

#### **Designated Date:**

On the Designated date, the SCSBs shall transfer the funds represented by allocations of the Equity Shares into Public Issue Account with the Bankers to the Issue.

The Company will issue and dispatch letters of allotment/ or letters of regret along with refund order or credit the allotted securities to the respective beneficiary accounts, if any within a period of 2 working days of the Bid/ Issue Closing Date. The Company will intimate the details of allotment of securities to Depository immediately on allotment of securities under relevant provisions of the Companies Act, 2013 or other applicable provisions, if any

#### **Instructions for Completing the Bid Cum Application Form**

The Applications should be submitted on the prescribed Bid Cum Application Form and in BLOCK LETTERS in ENGLISH only in accordance with the instructions contained herein and in the Bid Cum Application Form. Applications not so made

are liable to be rejected. Applications made using a third-party bank account or using third party UPI ID linked bank account are liable to be rejected. Bid Cum Application Forms should bear the stamp of the Designated Intermediaries. ASBA Bid Cum Application Forms, which do not bear the stamp of the Designated Intermediaries, will be rejected.

SEBI, vide Circular No. CIR/CFD/14/2012 dated October 04, 2012 has introduced an additional mechanism for investors to submit Bid Cum Application Forms in public issues using the stock broker (broker) network of Stock Exchanges, who may not be syndicate members in an issue with effect from January 01, 2013. The list of Broker Centre is available on the websites of BSE i.e., [www.bseindia.com](http://www.bseindia.com) and NSE i.e., [www.nseindia.com](http://www.nseindia.com) . With a view to broad base the reach of Investors by substantial, enhancing the points for submission of applications, SEBI vide Circular No. CIR/CFD/POLICY CELL/11/2015 dated November 10, 2015 has permitted Registrar to the Issue and Share Transfer Agent and Depository Participants registered with SEBI to accept the Bid Cum Application Forms in Public Issue with effect front January 01, 2016. The List of ETA and DPs centers for collecting the application shall be disclosed is available on the websites of BSE i.e., [www.bseindia.com](http://www.bseindia.com) and NSE i.e. [www.nseindia.com](http://www.nseindia.com) .

#### **Bidder's Depository Account and Bank Details**

Please note that, providing bank account details, PAN No's, Client ID and DP ID in the space provided in the Bid Cum Application Form is mandatory and applications that do not contain such details are liable to be rejected.

Bidders should note that on the basis of name of the Bidders, Depository Participant's name, Depository Participant Identification number and Beneficiary Account Number provided by them in the Bid Cum Application Form as entered into the Stock Exchange online system, the Registrar to the Issue will obtain front the Depository the demographic details including address, Bidders bank account details, MICR code and occupation (hereinafter referred to as 'Demographic Details'). These Demographic Details would be used for all correspondence with the Bidders including mailing of the Allotment Advice. The Demographic Details given by Bidders in the Bid Cum Application Form would not be used for any other purpose by the Registrar to the Issue.

By signing the Bid Cum Application Form, the Bidder would be deemed to have authorized the depositories to provide, upon request, to the Registrar to the Issue, the required Demographic Details as available on its records.

#### **Submission of Bid Cum Application Form**

All Bid Cum Application Forms duly completed shall be submitted to the Designated Intermediaries. The aforesaid intermediaries shall, at the time of receipt of application, give an acknowledgement to investor, by giving the counter foil or specifying the application number to the investor, as a proof of having accepted the Bid Cum Application Form, in physical or electronic mode, respectively.

#### **Communications**

All future communications in connection with Applications made in this Issue should be addressed to the Registrar to the Issue quoting the full name of the sole or First Bidder, Bid Cum Application Form number, Bidders Depository Account Details, number of Equity Shares applied for, date of Bid Cum Application Form, name and address of the Designated Intermediary where the Application was submitted thereof and a copy of the acknowledgement slip.

Investors can contact the Compliance Officer or the Registrar to the Issue in case of any pre-Issue or post Issue related problems such as non-receipt of letters of allotment, credit of allotted shares in the respective beneficiary accounts, etc.

#### **Disposal of Application and Application Moneys and Interest in Case of Delay**

The Company shall ensure the dispatch of Allotment advice, and give benefit to the beneficiary account with Depository Participants and submit the documents pertaining to the Allotment to the Stock Exchange within 2 (two) working days of date of Allotment of Equity Shares.

The Company shall use best efforts to ensure that all steps for completion of the necessary formalities for listing and commencement of trading at NSE Emerge (SME platform of NSE) where the Equity Shares are proposed to be listed are taken within 3 (Three) working days from Issue Closing Date.

In accordance with the Companies Act, the requirements of the Stock Exchange and the SEBI Regulations, the Company further undertakes that:

- Allotment and Listing of Equity Shares shall be made within 3 (Three) days of the Issue Closing Date;
- Giving of Instructions for refund by unblocking of amount via ASBA not later than 2 (Two) working days of the Issue Closing Date, would be ensured; and
- If such money is not repaid within prescribed time from the date our Company becomes liable to repay it, then our Company and every officer in default shall, on and from expiry of prescribed time, be liable to repay such application money, with interest as prescribed under SEBI (ICDR) Regulations, the Companies Act, 2013 and applicable law. Further, in accordance with Section 40 of the Companies Act, 2013, the Company and each officer in default may be punishable with fine and/or imprisonment in such a case.

### **Right to Reject Applications**

In case of QIB Bidders, the Company in consultation with the BRLM may reject Applications provided that the reasons for rejecting the same shall be provided to such Bidder in writing. In case of Non-Institutional Bidders, Retail Individual Bidders who applied, the Company has a right to reject Applications based on technical grounds.

### **Pre-Issue Advertisement**

Subject to Section 30 of the Companies Act, 2013, our Company shall, after filing the Red Herring Prospectus with the RoC, publish a Pre-Issue advertisement, in the form prescribed by the SEBI ICDR Regulations 2018, in: (all editions [●], an English national daily newspaper, all editions of [●], a Hindi national daily newspaper each with wide circulation) and [●] editions of Gujarat (a widely circulated Regional language daily newspaper) (Gujarati being the regional language of Gujarat, where our Registered Office is located).

In the Pre-Issue advertisement, we shall state the Bid/Issue Opening Date and the Bid/Issue Closing Date. The advertisement, subject to the provisions of Section 30 of the Companies Act, 2013, shall be in the format prescribed in Part A of Schedule X of the SEBI ICDR Regulations 2018.

### **Impersonation**

Attention of the Bidders is specifically drawn to the provisions of sub-section (1) of Section 38 of the Companies Act, 2013 which is reproduced below:

#### ***“Any person who-***

- Makes or abets making of an application in a fictitious name to a company for acquiring, or subscribing for, its securities; or
- Makes or abets making of multiple applications to a company in different names or in different combinations of his name or surname for acquiring or subscribing for its securities; or
- Otherwise induces directly or indirectly a company to allot, or register any transfer of, securities to him, or to any
- other person in a fictitious name, shall be liable for action under Section 447.”

### **Undertakings by Our Company**

We undertake as follows:

- Adequate arrangements shall be made to collect all Bid cum Application Forms submitted by Bidders;
- That the complaints received in respect of the Issue shall be attended expeditiously and satisfactorily;
- That all steps will be taken for the completion of the necessary formalities for listing and commencement of trading on Stock Exchange where the Equity Shares are proposed to be listed within three working days from Issue Closure date.
- That the funds required for making refunds as per the modes disclosed or dispatch of allotment advice by registered post or speed post shall be made available to the Registrar and Share Transfer Agent to the Issue by our Company;
- Where refunds (to the extent applicable) are made through electronic transfer of funds, a suitable communication shall be sent to the applicant within three Working Days from the Issue Closing Date, giving details of the bank where refunds shall be credited along with amount and expected date of electronic credit of refund;
- That our Promoter 's contribution in full has already been brought in;

- That no further Issue of Equity Shares shall be made till the Equity Shares Issued through the Prospectus are listed or until the Application monies are refunded on account of non-listing, undersubscription etc.;
- That adequate arrangement shall be made to collect all Applications Supported by Blocked Amount while finalizing the Basis of Allotment;
- If our Company does not proceed with the Issue after the Bid/ Issue Opening Date but before allotment, then the reason thereof shall be given as a public notice to be issued by our Company within two days of the Bid/ Issue Closing Date. The public notice shall be issued in the same newspapers where the Pre-Issue advertisements were published. The stock exchange on which the Equity Shares are proposed to be listed shall also be informed promptly;
- If our Company withdraws the Issue after the Bid/Issue Closing Date, our Company shall be required to file a fresh Draft Red Herring Prospectus with the Stock exchange/ RoC/ SEBI, in the event our Company subsequently decides to proceed with the Issue;
- If allotment is not made within the prescribed time period under applicable law, the entire subscription amount received will be refunded/ unblocked within the time prescribed under applicable law. If there is delay beyond the prescribed time, our Company shall pay interest prescribed under the Companies Act, 2013, the SEBI Regulations and applicable law for the delayed period.

#### **Utilization of Issue Proceeds**

The Board of Directors of our Company certifies that:

- All monies received out of the Issue shall be credited/ transferred to a separate bank account other than the bank account referred to in sub section (3) of Section 40 of the Companies Act 2013;
- Details of all monies utilized out of the Issue referred above shall be disclosed and continue to be disclosed till the time any part of the issue proceeds remains unutilized, under an appropriate head in our balance sheet of our company indicating the purpose for which such monies have been utilized;
- Details of all unutilized monies out of the Issue, if any shall be disclosed under the appropriate separate head in the balance sheet of our company indicating the form in which such unutilized monies have been invested and
- Our Company shall comply with the requirements of SEBI Listing Regulations, 2015 in relation to the disclosure and monitoring of the utilization of the proceeds of the Issue.
- Our Company shall not have recourse to the Issue Proceeds until the approval for listing and trading of the Equity Shares from the Stock Exchange where listing is sought has been received.
- The Book Running Lead Manager undertakes that the complaints or comments received in respect of the Issue shall be attended by our Company expeditiously and satisfactorily.

#### **Equity Shares in Dematerialized Form with NSDL or CDSL**

To enable all shareholders of our Company to have their shareholding in electronic form, the Company has signed the following tripartite agreements with the Depositories and the Registrar and Share Transfer Agent:

- Tripartite Agreement dated August 12, 2024 between NSDL, our Company and Maashitla Securities Private Limited; and
- Tripartite Agreement dated August 21, 2024 between CDSL, our Company and Maashitla Securities Private Limited.

The Company's equity shares bear an ISIN No. INE11LT01013



## RESTRICTIONS ON FOREIGN OWNERSHIP OF INDIAN SECURITIES

Foreign investment in Indian securities is regulated through the Industrial Policy, 1991 of the Government of India and Foreign Exchange Management Act, 1999 ("FEMA"). While the Industrial Policy, 1991 prescribes the limits and the conditions subject to which foreign investment can be made in different sectors of the Indian economy, FEMA regulates the precise manner in which such investment may be made. Under the Industrial Policy, unless specifically restricted, foreign investment is freely permitted in all sectors of Indian economy up to any extent and without any prior approvals, but the foreign investor is required to follow certain prescribed procedures for making such investment. The government bodies responsible for granting foreign investment approvals are the Reserve Bank of India ("RBI") and Department of Industrial Policy and Promotion, Ministry of Commerce and Industry, Government of India ("DIPP").

Under the current FDI Policy and the FEMA Non-Debt Rules, foreign direct investment is not permitted in companies engaged in (a) multi-brand retail trading, undertaking retail trading by means of e-commerce, and (b) inventory-based model of e-commerce. In accordance with the FEMA Non-debt Rules, participation by non-residents in the Issue is restricted to participation by (i) FPIs under Schedule II of the FEMA Non-debt Rules, subject to limit of the individual holding of an FPI below 10% of the post-Issue paid-up capital of our Company and the aggregate limit for FPI investment currently not exceeding the sectoral cap i.e. 51% of the post issue paid up share capital; and (ii) Eligible NRIs applying only on a non-repatriation basis under Schedule IV of the FEMA Non-debt Rules. Further, other non-residents applying on a repatriation basis, FVCIs and multilateral and bilateral development financial institutions are not permitted to participate in the Issue. As per the existing policy of the Government of India, OCBs cannot participate in this issue. For more details, please refer chapter titled "*Issue Procedure*" beginning on page. 241 of this Draft Red Herring Prospectus.

The Government has from time to time made policy pronouncements on FDI through press notes and press releases. The Department of Industrial Policy and Promotion, Ministry of Commerce and Industry, Government of India (DIPP), issued consolidated FDI Policy, which with effect from August 28, 2017 consolidates and supersedes all previous press notes, press releases and clarifications on FDI issued by the DIPP that were in force and effect as on August 27, 2017. The Government proposes to update the consolidated circular on FDI Policy once every year and therefore, the Consolidation FDI Policy will be valid until the DIPP issues an updated circular.

The transfer of shares by an Indian resident to a Non-Resident does not require the prior approval of the FIPB or the RBI, provided that (i) the activities of the investee company are under the automatic route under the Consolidated FDI Policy and transfer does not attract the provisions of the SEBI (Substantial Acquisition of Shares and Takeovers) Regulations, 2011; (ii) the non-resident shareholding is within the sectoral limits under the Consolidated FDI Policy; and (iii) the pricing is in accordance with the guidelines prescribed by SEBI/RBI. The foreign investment in our Company is governed by, inter-alia, the FEMA, the FEMA Non-debt Rules, the FDI Policy issued and amended by way of press notes.

Further, in terms of the FEMA Non-debt Rules, the aggregate FPI investment limit is the sectoral cap applicable to Indian company as prescribed in the FEMA Non-Debt Instruments Rules with respect to its paid-up equity capital on a fully diluted basis. For more details, please refer chapter titled "*Issue Procedure*" beginning on page 241 of this Draft Red Herring Prospectus

Further, in accordance with Press Note No. 3 (2020 Series), dated April 17, 2020 issued by the DPIIT and the Foreign Exchange Management (Non-debt Instruments) Amendment Rules, 2020 which came into effect from April 22, 2020, any investment, subscription, purchase or sale of equity instruments by entities of a country which shares land border with India or where the beneficial owner of an investment into India is situated in or is a citizen of any such country ("Restricted Investors"), will require prior approval of the Government, as prescribed in the Consolidated FDI Policy and the FEMA Rules. Further, in the event of transfer of ownership of any existing or future foreign direct investment in an entity in India, directly or indirectly, resulting in the beneficial ownership falling within the aforesaid restriction/ purview, such subsequent change in the beneficial ownership will also require approval of the Government. Furthermore, on April 22, 2020, the Ministry of Finance, Government of India has also made a similar amendment to the FEMA Rules. Pursuant to the Foreign Exchange Management (Non-debt Instruments) (Fourth Amendment) Rules, 2020, a multilateral bank or fund, of which India is a member, shall not be treated as an entity of a particular country nor shall any country be treated as the beneficial owner of

the investments of such bank of fund in India. Each Bidder should seek independent legal advice about its ability to participate in the Issue. In the event such prior approval of the Government of India is required, and such approval has been obtained, the Bidder shall intimate our Company and the Registrar to the Issue in writing about such approval along with a copy thereof within the Issue Period.

The Equity Shares have not been and will not be registered under the U.S. Securities Act and may not be offered or sold within the United States except pursuant to an exemption from, or in a transaction not subject to, the registration requirements of the U.S. Securities Act and applicable U.S. state securities laws. Accordingly, the Equity Shares are only being offered and sold outside the United States in offshore transactions in reliance on Regulation S and the applicable laws of the jurisdiction where those Issues and sales occur.

The Equity Shares have not been and will not be registered, listed or otherwise qualified in any other jurisdiction outside India and may not be offered or sold, and Bids may not be made by persons in any such jurisdiction, except in compliance with the applicable laws of such jurisdiction.

The above information is given for the benefit of the Applicants. Our Company and the BRLM are not liable for any amendments or modification or changes in applicable laws or regulations, which may occur after the date of this Draft Red Herring Prospectus. Applicants are advised to make their independent investigations and ensure that the Applications are not in violation of laws or regulations applicable to them.

## SECTION IX - MAIN PROVISIONS OF ARTICLES OF ASSOCIATION OF OUR COMPANY

The following regulations comprised in the Articles of Association were adopted pursuant to the member's special resolution passed at the Extra Ordinary General Meeting held on July 30, 2024 substitution for, and to the entire exclusion of, the earlier regulation comprised in the extant Articles of Association of the Company

### Interpretation

(1) (a) The regulations contained in Table F, in the Schedule I to the Companies Act, 2013, shall apply to the Company so far as they are applicable to Public Company except so far as they have implied or expressly modified by what is contained in the Articles mentioned as altered or amended from time to time.

(2) In the construction of these Articles, unless the context otherwise requires, words or expressions contained in these regulations shall bear the same meaning as in the Act or any statutory modification thereof in force at the date at which these regulations become binding on the company. In the interpretation of these Articles the following expressions shall have the following meanings, unless repugnant to the subject or context:-

- i. **"Act"** means the Companies Act, 2013 or any statutory modification or reenactment thereof for the time being in force and the term shall be deemed to refer to the applicable section thereof which is relatable to the relevant Article in which the said term appears in these Articles and any previous company law, so far as may be applicable.
- ii. **"Annual General Meeting"** shall mean a General Meeting of the holders of equity Shares held annually in accordance with the applicable provisions of the Act.
- iii. **"Articles"** means Articles of Association of the Company as originally framed or altered from time to time.
- iv. **"Auditors"** means and includes those appointed as such for the time being by the Company in terms of provisions of the Companies Act, 2013
- v. **"Board of Directors"** or **"Board"**, means the collective body of the directors of the Company nominated and constituted from time to time, in accordance with applicable Law and the provisions of these Articles.
- vi. **"Board Meeting"** shall mean any meeting of the Board, as convened from time to time and any adjournment thereof, in accordance with law and the provisions of these Articles.
- vii. **"Beneficial Owner"** shall mean beneficial owner as defined in Clause (a) of subsection (1) of section 2 of the Depositories Act 1996, as amended.
- viii. **"Capital"** or **"Share Capital"** shall mean the share capital for the time being, raised or authorized to be raised for the purpose of the Company.
- ix. **"Chairman"** means the Chairman of the Board of Directors of the Company.
- x. **"Depositories Act"** shall mean The Depositories Act, 1996 and shall include any statutory modification or re-enactment thereof.
- xi. **"Depository"** shall mean a depository as defined in Clause (e) of sub-section (1) of section 2 of the Depositories Act.
- xii. **"Director"** means a director appointed to the Board of a company.
- xiii. **"Dividend"** includes any interim dividend.
- xiv. **"Document"** means a document as defined in Section 2 (36) of the Companies Act, 2013.

- xv. **"Encumbrance"** shall mean encumbrance, including without limitation, any security interest, claim, mortgage, pledge, charge, hypothecation, lien, lease, assignment, deed of trust, title retention, deposit by way of security, beneficial ownership (including usufruct and similar entitlements), or any other similar interest held by a third Person,  
 (b) a security interest or other encumbrance of any kind securing, or conferring any priority of payment in respect of, any obligation of any Person, including without limitation any right granted by a transaction which, in legal terms, is not the granting of security but which has an economic or financial effect similar to the granting of security under Applicable Law,  
 (c) right of pre-emption, right of first offer, or refusal or transfer restriction in favour of any Person, or  
 (d) any adverse claim as to title, possession or use.
- xvi. **"Equity Share Capital"**, with reference to any Company limited by shares, means all share capital which is not preference share capital;
- xvii. **"KMP"** means Key Managerial Personnel of the Company provided as per the relevant sections of the Act.
- xviii. **"Managing Director"** means a Director who by virtue or an agreement with the Company or of a resolution passed by the Company in a general meeting or by its Board of Directors or by virtue of its Memorandum or Articles of Association is entrusted with substantial powers of management and includes a director occupying the position of managing director, by whatever name called.
- xix. **"Month"** means Calendar month.
- xx. **"Office"** means the registered office of the Company.
- xxi. **"Paid-up share capital"** or **"share capital paid-up"** means such aggregate amount of money credited as paid-up as is equivalent to the amount received as paid up in respect of shares issued and also includes any amount credited as paid-up in respect of shares of the company, but does not include any other amount received in respect of such shares, by whatever name called;
- xxii. **"Preference Share Capital"**, with reference to any Company limited by shares, means that part of the issued share capital of the Company which carries or would carry a preferential right with respect to— payment of dividend, either as a fixed amount or an amount calculated at a fixed rate, which may either be free of or subject to income-tax; and (b) repayment, in the case of a winding up or repayment of capital, of the amount of the share capital paid-up or deemed to have been paid-up, whether or not, there is a preferential right to the payment of any fixed premium or premium on any fixed scale, specified in the memorandum or articles of the Company;
- xxiii. **"Postal Ballot"** means voting by post or through any electronic mode.
- xxiv. **"Proxy"** includes attorney duly constituted under the power of attorney to vote for a member at a General Meeting of the Company on poll.
- xxv. **"Public Holiday"** means a Public Holiday within the meaning of the Negotiable Instruments Act, 1881 (XXVI of 1881); provided that no day declared by the Central Government to be such a holiday shall be deemed to be such a holiday in relation to any meeting unless the declaration was notified before the issue of the notice convening such meeting.
- xxvi. **"Registrar"** means the Registrar of Companies of the state in which the Registered Office of the Company is for the time being situated and includes an Additional Registrar a Joint Registrar, a Deputy Registrar or an Assistant Registrar having the duty of registering companies and discharging various functions under this Act.
- xxvii. **"Rules"** means the applicable rules for the time being in force as prescribed under relevant sections of the Act.
- xxviii. **"Seal"** means the common seal of the Company, if any.
- xxix. **"SEBI"** means the Securities and Exchange Board of India.
- xxx. **"SEBI Listing Regulations"** shall mean Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015, as amended from time to time.
- xxxi. **"Securities"** means the securities as defined in clause (h) of Section 2 of the Securities Contracts (Regulation) Act, 1956 (42 of 1956)

- xxxii. **“Share”** means share in the Share Capital of the Company and includes stock except where a distinction between stock and share is expressed or implied.
- xxxiii. **“Special Resolution”** shall have the meaning assigned thereto by Section 114 of the Act;
- xxxiv. **“Sweat Equity Shares”** means such equity shares as are issued by a Company to its Directors or employees at a discount or for consideration, other than cash, for providing their know-how or making available rights in the nature of intellectual property rights or value additions, by whatever name called;
- xxxv. **“Shareholders”** means the persons/corporate bodies holding shares, duly registered in their respective names in the register of members of the Company. Subject as aforesaid and except where the subject or context otherwise requires, words or expressions contained in these regulations shall bear the same meaning.
- xxxvi. **“The Company”** or **“this Company”** means **AGRICON NUTRITECH LIMITED**.
- xxxvii. **“Transfer”** shall mean
- xxxviii. (a) any, direct or indirect, transfer or other disposition of any shares, securities (including convertible securities), or voting interests or any interest therein, including, without limitation, by operation of Law, by court order, by judicial process, or by foreclosure, levy or attachment;
- (b) any, direct or indirect, sale, assignment, gift, donation, redemption, conversion or other disposition of such shares, securities (including convertible securities) or voting interests or any interest therein, pursuant to an agreement, arrangement, instrument or understanding by which legal title to or beneficial ownership of such shares, securities (including convertible securities) or voting interests or any interest therein passes from one Person to another Person or to the same Person in a different legal capacity, whether or not for value;
- (c) the granting of any security interest or encumbrance in, or extending or attaching to, such shares, securities (including convertible securities) or voting interests or any interest therein, and the word “Transferred” shall be construed accordingly.
- xxxix. **“Tribunal”** means the National Company Law Tribunal constituted under section 408;
- xl. **“Voting Right”** means right of a member of a Company to vote in any meeting of the Company or by means of postal ballot;
- xli. Words importing **“persons”** shall, where the context requires, include bodies corporate and companies as well as individuals;
- xlii. **“Whole-time Director”** includes Director in the whole-time employment of the Company;
- xliii. **“Working Day”** means all days except national holidays;
- xliv. **“Year”** means the **“Financial Year”** as provided under sub section (41) of Section 2 of the Act;
- xlv. Words imputing the masculine gender shall also include feminine gender;
- xlvi. Words imputing the singular number includes plural where the context so requires;
- xlvii. **‘in writing’** and **‘written’** includes printing, lithography and any other mode of representing or reproducing words in a visible form;
- xlviii. **“Video Conferencing or Other Audio-Visual”** means audio-visual electronic communication facility employed which enables all the persons participating in a meeting to communicate concurrently with each other without an intermediary and to participate effectively in the meeting; and

Unless the context otherwise requires, words or expressions contained in these regulations shall bear the same meaning as in the Act or any statutory modification thereof in force at the date at which these regulations become binding on the Company.

### *Share Capital and Variation of rights*

1. (i) The Authorized Share Capital of the Company shall be such amount and be divided into such shares as may from time to time be provided in Clause 5 of the Memorandum of Association with power to increase or reduce the capital and divide the shares in the capital of the Company (including Preferential Share Capital, if any, and to attach thereto respectively any preferential, qualified or special rights, privileges or conditions as may be determined in accordance with these presents and to modify or abrogate any such rights, privileges or conditions in such manner as may for the time being be permitted by the said Act. Subject to the provisions of the Act and these Articles, the shares in the capital of the company shall be under the control of the Directors who may issue, allot or otherwise dispose of the same or any of them to such persons, in such proportion and on such terms and conditions and either at a premium or at par and at such time as they may from time to time think fit.

(ii) Subject to the section 55 of the Companies Act 2013 and the applicable Rules made thereunder, the Company / Board shall have power to issue / allot shares, whether on preferential basis or otherwise, from time to time and the shares shall be under the control of the Directors who may allot or otherwise dispose off the same to such persons, on such terms and conditions and at such times as the Directors think fit.

(iii) Subject to the provisions of the Act and these Articles, the Board may issue and allot shares in the capital of the Company on full payment or part payment for any property or assets of any kind whatsoever sold or transferred, goods or machinery supplied or for services rendered to the Company in the conduct of its business and any shares which may be so allotted may be issued as fully paid-up or partly paid-up otherwise than for cash, and if so issued, shall be deemed to be fully paid-up or partly paid-up shares, as the case may be.

(iv) The Company may issue the following kinds of shares in accordance with these Articles, the Act, the Rules and other applicable laws:

a)Equity share capital:

(i) with voting rights; and / or

(ii) with differential rights as to dividend, voting or otherwise in accordance with the Rules; and

b)Preference share capital

2. Notwithstanding anything contained in these Articles, the shares subscribed by the subscribers to the Memorandum of Association shall, upon the incorporation of the Company, be issued and deposited directly into the dematerialized account(s) of the respective subscribers. The Company shall take all necessary steps to ensure the compliance with applicable laws and regulations for the issuance of such shares in dematerialized form."

or

(i) Every person whose name is entered as a member in the register of members shall be entitled to receive within two months after incorporation, in case of subscribers to the memorandum or after allotment or within one month after the application for the registration of transfer or transmission or within such other period as the conditions of issue shall be provided,—

a)one certificate for all his shares without payment of any charges; or

b)several certificates, each for one or more of his shares, upon payment of twenty rupees for each certificate after the first.

(ii)The Company shall be entitled to dematerialize its existing shares, rematerialize its shares held in the depository and/or to offer its fresh shares in a dematerialized form pursuant to the Depositories Act, as amended from time to time, and the rules framed thereunder, if any.

(iii) Every certificate shall specify the shares to which it relates and the amount paid-up thereon and shall be signed by two directors or by a director and the company secretary, wherever the company has appointed a company secretary. Provided that in case the company has a common seal it shall be affixed in the presence of the persons required to sign the certificate.

(iv) In respect of any share or shares held jointly by several persons, the company shall not be bound to issue more than one certificate, and delivery of a certificate for a share to one of several joint holders shall be sufficient delivery to all such holders.

(v) A certificate, issued under the common seal of the Company, specifying the shares held by any Person shall be prima facie evidence of the title of the Person to such shares. Where the shares are held in depository form, the record of Depository shall be the prima facie evidence of the interest of the beneficial owner.

3. If any share certificate be worn out defaced mutilated or torn or if there be no further space on the back for endorsement of transfer then upon production and surrender thereof to the company a new certificate may be issued in lieu thereof and if any certificate is lost or destroyed then upon proof thereof to the satisfaction of the company and on execution of such indemnity as the company deem adequate a new certificate in lieu thereof shall be given. Every certificate under this Article shall be issued on payment of twenty rupees for each certificate. The provisions of Articles(2) and(3) shall mutatis mutandis apply to debentures of the company.

4. Except as required by law no person shall be recognised by the company as holding any share upon any trust and the company shall not be bound by or be compelled in any way to recognise (even when having notice thereof) any equitable contingent future or partial interest in any share or any interest in any fractional part of a share or (except only as by these regulations or by law otherwise provided) any other rights in respect of any share except an absolute right to the entirety thereof in the registered holder.

5. The company may exercise the powers of paying commissions conferred by sub-section (6) of section 40 provided that the rate per cent or the amount of the commission paid or agreed to be paid shall be disclosed in the manner required by that section and rules made thereunder. The rate or amount of the commission shall not exceed the rate or amount prescribed in rules made under sub section (6) of section 40. The commission may be satisfied by the payment of cash or the allotment of fully or partly paid shares or partly in the one way and partly in the other.

6. (i) If at any time the share capital is divided into different classes of shares, the rights attached to any class (unless otherwise provided by the terms of issue of the shares of that class) may, subject to the provisions of section 48, and whether or not the company is being wound up, be varied with the consent in writing, of such number of the holders of the issued shares of that class, or with the sanction of a resolution passed at a separate meeting of the holders of the shares of that class, as prescribed by the Act.

(ii) To every such separate meeting, the provisions of these Articles relating to general meetings shall mutatis mutandis apply but so that the necessary quorum shall be at least two persons holding at least one-third of the issued shares of the class in question.

(iii) The Company shall issue, when so required, receipts for all Securities deposited with it whether for registration, sub-division, exchange or for other purposes and shall not charge any fees for registration of transfers, for subdivision and consolidation of certificates and for sub-division of letters of allotment, renounceable letters of right, and split, consolidation, renewal and transfer receipts into denominations of the market unit of trading.

7. The rights conferred upon the holders of the shares of any class issued with preferred or other rights shall not unless otherwise expressly provided by the terms of issue of the shares of that class be deemed to be varied by the creation or issue of further shares ranking pari passu therewith.

8. Subject to the provisions of the Act, the Board shall have the power to issue or reissue preference shares of one or more classes which are liable to be redeemed, or converted to equity shares, on such terms and conditions and in such manner as determined by the Board in accordance with the Act.

#### ISSUANCE OF SHARES

A. (i) The Board or the Company, as the case may be, may, in accordance with the Act and the Rules, issue further shares to –

(a) persons who, at the date of offer, are holders of equity shares of the Company; such offer shall be deemed to include a right exercisable by the person concerned to renounce the shares offered to him or any of them in favour of any other person;

or

(b) employees under any scheme of employees' stock option; or

(c) any persons, whether or not those persons include the persons referred to in clause (a) or clause (b) above.

B. Where at any time, the Company proposes to increase its subscribed Capital by the issue of further shares, such shares shall be offered-

(i) to Persons who, at the date of the offer, are holders of Equity Shares of the Company, in proportion, as nearly as circumstances admit, to the Paid up Share Capital on those shares

(ii) to employees under a scheme of employees' stock option

(iii) to any Persons, if it is authorised by a Special Resolution, whether or not those Persons include the Persons referred to in clause (i) or clause (ii) above, either for cash or for a consideration other than cash, if the price of such shares is determined by the valuation report of a registered valuer, subject to the compliance with the applicable provisions of the Act and any other conditions as may be prescribed under Law.

(iv) A further issue of securities may be made in any manner whatsoever as the board may determine including by way of preferential allotment or private placement subject to and in accordance with Companies Act and rules made thereunder with pricing method prescribed to listed entities under SEBI (Issue of Capital Disclosures and Requirements) Regulations, as amended from time to time, if applicable.

(v) The Company may issue bonus shares by way of capitalization profits or out of securities premium or otherwise in accordance with the Act and the Rules and other applicable provisions for the time being in force

C. The Company shall have power to issue sweat equity shares to its employees or directors for cash or against consideration (other than cash) for providing knowhow or making available rights in the nature of intellectual property rights or value additions by whatever name called, subject to the provisions of Section 54 of the Act and any other related provisions as may be required for the time being in force.

D. The Company may issue shares to Employees including its Directors other than independent directors and such other persons as the rules may allow, under Employee stock option scheme, Employee stock purchase scheme or any other scheme, if authorized by the members in general meeting subject to the provisions of the Act, the Rules, applicable guidelines made there under and other applicable laws for the time being in force.

## **ISSUANCE OF SECURITIES**

Subject to compliance with applicable provision of the Act and rules framed thereunder the company shall have power to issue any kind of securities as permitted to be issued under the Act and rules framed thereunder and other applicable laws for the time being in force.

**DEBENTURES:** Any debentures, debenture-stock or other securities may be issued at a discount (subject to the compliance with the provision of Section 53 of the Companies Act, 2013), premium or otherwise and may be issued on condition that they shall be convertible into shares of any denomination.

**COMMISSION IN ACCORDANCE WITH RULES:** Subject to applicable provisions of the Act, the Company may at any time pay a commission to any person in consideration of his subscribing or agreeing to subscribe or procuring or agreeing to procure subscription, (whether absolutely or conditionally), for any shares or Debentures in the Company in accordance with the provisions of the Companies (Prospectus and Allotment of securities) Rules, 2014 as amended from time to time.

### ***Lien***

9. (i) The company shall have a first and paramount lien:-

(a) on every share (not being a fully paid share), for all monies (whether presently payable or not) called, or payable at a fixed time, in respect of that share; and (b) on all shares (not being fully paid shares) standing registered in the name of a single person, for all monies presently payable by him or his estate to the company:

(c) Every fully paid shares shall be free from all lien and that in the case of partly paid shares the Issuer's lien shall be restricted to moneys called or payable at a fixed time in respect of such shares.

Provided that the Board of directors may at any time declare any share to be wholly or in part exempt from the provisions of this clause.

(ii) The company's lien, if any, on a share shall extend to all dividends payable and bonuses declared from time to time in respect of such shares.

10. The company may sell, in such manner as the Board thinks fit, any shares on which the company has a lien:



Provided that no sale shall be made-

- (a) unless a sum in respect of which the lien exists is presently payable; or
- (b) until the expiration of fourteen days after a notice in writing stating and demanding payment of such part of the amount in respect of which the lien exists as is presently payable, has been given to the registered holder for the time being of the share or the person entitled thereto by reason of his death or insolvency.

11. To give effect to any such sale the Board may authorise some person to transfer the shares sold to the purchaser thereof the purchaser shall be registered as the holder of the shares comprised in any such transfer. The purchaser shall not be bound to see to the application of the purchase money nor shall his title to the shares be affected by any irregularity or invalidity in the proceedings in reference to the sale.

12. (i) The proceeds of the sale shall be received by the company and applied in payment of such part of the amount in respect of which the lien exists as is presently payable.

(ii) The residue, if any, shall, subject to a like lien for sums not presently payable as existed upon the shares before the sale, be paid to the person entitled to the shares at the date of the sale.

(iii) fully paid Shares shall be free from all lien and that in the case of partly paid Shares, the Company's lien, if any, shall be restricted to monies called or payable at a fixed time in respect of such shares

The provisions of these Articles relating to lien shall mutatis mutandis apply to any other securities including debentures of the Company.

#### ***Calls on shares***

13. (i) Subject to the provisions of Section 49 of the Act, the Board may, from time to time, make calls upon the members in respect of any monies unpaid on their shares (whether on account of the nominal value of the shares or by way of premium) and not by the conditions of allotment thereof made payable at fixed times.

Provided that no call shall exceed one-fourth of the nominal value of the share or be payable at less than one month from the date fixed for the payment of the last preceding call.

(ii) Each member shall, subject to receiving at least fourteen days' notice specifying the time or times and place of payment, pay to the company, at the time or times and place so specified, the amount called on his shares.

(iii) The Board may, from time to time, at its discretion, extend the time fixed for the payment of any call in respect of one or more members as the Board may deem appropriate in any circumstances.

(iv) A call may be revoked or postponed at the discretion of the Board.

14. A call shall be deemed to have been made at the time when the resolution of the Board authorizing the call was passed and may be required to be paid by instalments.

15. The joint holders of a share shall be jointly and severally liable to pay all calls in respect thereof.

16. If a sum called in respect of a share is not paid before or on the day appointed for payment thereof the person from whom the sum is due shall pay interest thereon from the day appointed for payment thereof to the time of actual payment at ten per cent per annum or at such lower rate if any as the Board may determine. The Board shall be at liberty to waive payment of any such interest wholly or in part.

17. Any sum which by the terms of issue of a share becomes payable on allotment or at any fixed date whether on account of the nominal value of the share or by way of premium shall for the purposes of these regulations be deemed to be a call duly made and payable on the date on which by the terms of issue such sum becomes payable. In case of non-payment of such sum all the relevant provisions of these regulations as to payment of interest and expenses forfeiture or otherwise shall apply as if such sum had become payable by virtue of a call duly made and notified.

#### **18. A. LIABILITY ON SHARES**

(i) Any sum which by the terms of issue of a share becomes payable on allotment or at any fixed date, whether on account of the nominal value of the share or by way of premium, shall, for the purposes of these regulations, be deemed to be a call duly made and payable on the date on which by the terms of issue such sum becomes payable.

(ii) In case of non-payment of such sum, all the relevant provisions of these articles as to payment of interest and expenses, forfeiture or otherwise shall apply as if such sum had become payable by virtue of a call duly made and notified.

#### B. ADVANCE ON SHARES

The Board—

(a) may, if it thinks fit, receive from any member willing to advance the same, all or any part of the monies uncalled and unpaid upon any shares held by him; and

(b) upon all or any of the monies so advanced, may (until the same would, but for such advance, become presently payable) pay interest at such rate as may be fixed by the Board. Nothing contained in this clause shall confer on the member any right to participate in profits or dividends or any voting rights in respect of the monies so paid by him until the same would, but for such payment become presently payable by him.

#### C. MUTATIS MUTANDIS

The provisions of these Articles relating to calls shall mutatis mutandis apply to any other securities including Debentures of the Company.

#### D. NOMINATION CLAUSE

(i) Every holder of securities of a company may, at any time, nominate, in the prescribed manner, any person to whom his securities shall vest in the event of his death.

(ii) Where the securities of a company are held by more than one person jointly, the joint holders may together nominate, in the prescribed manner, any person to whom all the rights in the securities shall vest in the event of death of all the joint holders.

(iii) Notwithstanding anything contained in any other law for the time being in force or in any disposition, whether testamentary or otherwise, in respect of the securities of a company, where a nomination made in the prescribed manner purports to confer on any person the right to vest the securities of the company, the nominee shall, on the death of the holder of securities or, as the case may be, on the death of the joint holders, become entitled to all the rights in the securities, of the holder or, as the case may be, of all the joint holders, in relation to such securities, to the exclusion of all other persons, unless the nomination is varied or cancelled in the prescribed manner.

(iv) Where the nominee is a minor, it shall be lawful for the holder of the securities, making the nomination to appoint, in the prescribed manner, any person to become entitled to the securities of the company, in the event of the death of the nominee during his minority.

(v) The transmission of Securities of the Company by the holders of such Securities and transfer in case of nomination shall be subject to and in accordance with the provisions of the Companies (Share Capital and Debentures) Rules, 2014.

#### *Transfer of shares*

19. (i) The instrument of transfer of any share in the company shall be executed by or on behalf of both the transferor and transferee.

(ii) The transferor shall be deemed to remain a holder of the share until the name of the transferee is entered in the register of members in respect thereof.

20. The Board may, subject to the right of appeal conferred by the Section 58 of the Act, declines to register-

(a) the transfer of a share, not being a fully paid share, to a person of whom they do not approve; or

(b) any transfer of shares on which the company has a lien.

No fee shall be charged for registration of transfer, transmission, probate, succession certificate and Letters of administration, Certificate of Death or Marriage, Power of Attorney or similar other Document.

21. (A) The Board may decline to recognize any instrument of transfer unless-

- (a) the instrument of transfer is in the form as prescribed in rules made under sub section (1) of section 56;
- (b) the instrument of transfer is accompanied by the certificate of the shares to which it relates, and such other evidence as the Board may reasonably require to show the right of the transferor to make the transfer; and
- (c) the instrument of transfer is in respect of only one class of shares.

Provided that where it is proved to the satisfaction of the Board that an instrument of transfer signed by the transferor and transferee has been lost or the instrument of transfer has not been delivered within the prescribed period, the Company may register the transfer on such terms as to indemnify as the Board may think fit.

(B) In accordance with Section 56 of the Act, the Rules and such other conditions as may be prescribed under Law, every instrument of transfer of shares held in physical form shall be in writing. In case of transfer of shares where the Company has not issued any certificates and where the shares are held in dematerialized form, the provisions of the Depositories Act shall apply.

22. (a) On giving of previous notice of at least seven days or such lesser period in accordance with section 91 and rules made there under, the registration of transfers may be suspended at such times and for such periods as the Board may from time to time determine:

Provided that such registration shall not be suspended for more than thirty days at any one time or for more than forty-five days in the aggregate in any year.

(b) Subject to the provisions of Section 59 of the Companies Act, 2013, these Articles and any other applicable provisions of the Act for the time being in force, the Board may decline to register any transfer of Shares on such grounds as it think fit in the benefit of the company (notwithstanding that the proposed transferee be already a Member), but in such case it shall, within two (2) months from the date the instrument of transfer was lodged with the Company, send to the transferee and the transferor notice of the refusal to register such transfer giving reasons for such refusal. Provided that registration of a transfer shall not be refused on the grounds of the transferor being either alone or jointly with any other person or persons indebted to the Company on any account whatsoever.

(c) The Board may delegate the power of transfer of Securities to a committee or to compliance officer or to the registrar to an issue and/or share transfer agent(s). Provided that the delegated authority shall report on transfer of Securities to the Board in each meeting.

(d) The provisions of these Articles relating to transfer of shares shall mutatis mutandis apply to any other securities including debentures of the Company.

### *Transmission of shares*

23. On the death of a member the survivor or survivors where the member was a joint holder and his nominee or nominees or legal representatives where he was a sole holder shall be the only persons recognised by the company as having any title to his interest in the shares Nothing in clause (i) shall release the estate of a deceased joint holder from any liability in respect of any share which had been jointly held by him with other persons.

24. (i) Any person becoming entitled to a share in consequence of the death or insolvency of a member may, upon such evidence being produced as may from time to time properly be required by the Board and subject as hereinafter provided, elect, either—

(a) to be registered himself as holder of the share; or

(b) to make such transfer of the share as the deceased or insolvent member could have made. If the person so becoming entitled shall elect to be registered as holder of the share himself, he shall deliver or send to the Company a notice in writing signed by him stating that he so elects. If the person aforesaid shall elect to transfer the share, he shall testify his election by executing a transfer of the share. All the limitations, restrictions and provisions of these regulations relating to the right to transfer and the registration of transfers of shares shall be applicable to any such notice or transfer as aforesaid as if the death or insolvency of the member had not occurred and the notice or transfer were a transfer signed by that member.

(ii) The Board shall, in either case, have the same right to decline or suspend registration as it would have had, if the deceased or insolvent member had transferred the share before his death or insolvency.

Indemnity Clause: The Company shall be fully indemnified by such person from all liability, if any, by actions taken by the Board to give effect to such registration or transfer.

25. If the person so becoming entitled shall elect to be registered as holder of the share himself he shall deliver or send to the company a notice in writing signed by him stating that he so elects. If the person aforesaid shall elect to transfer the share he

shall testify his election by executing a transfer of the share. All the limitations restrictions and provisions of these regulations relating to the right to transfer and the registration of transfers of shares shall be applicable to any such notice or transfer as aforesaid as if the death or insolvency of the member had not occurred and the notice or transfer were a transfer signed by that member.

26. A person becoming entitled to a share by reason of the death or insolvency of the holder shall be entitled to the same dividends and other advantages to which he would be entitled if he were the registered holder of the share except that he shall not before being registered as a member in respect of the share be entitled in respect of it to exercise any right conferred by membership in relation to meetings of the company Provided that the Board may at any time give notice requiring any such person to elect either to be registered himself or to transfer the share and if the notice is not complied with within ninety days the Board may thereafter withhold payment of all dividends bonuses or other monies payable in respect of the share until the requirements of the notice have been complied with. The provisions of these Articles relating to transmission by operation of law shall mutatis mutandis apply to any other Securities including debentures of the Company. In case of transfer and transmission of shares or other marketable Securities where the Company has not issued any certificates and where such shares or Securities are being held in any electronic and fungible form in a Depository the provisions of the Depositories Act shall apply.

### *Forfeiture of shares*

28. If a member fails to pay any call or instalment of a call on the day appointed for payment thereof the Board may at any time thereafter during such time as any part of the call or instalment remains unpaid serve a notice on him requiring payment of so much of the call or instalment as is unpaid together with any interest which may have accrued.

29. The notice aforesaid shall name a further day (not being earlier than the expiry of fourteen days from the date of service of the notice) on or before which the payment required by the notice is to be made and state that in the event of non-payment on or before the day so named the shares in respect of which the call was made shall be liable to be forfeited.

30. If the requirements of any such notice as aforesaid are not complied with any share in respect of which the notice has been given may at any time thereafter before the payment required by the notice has been made be forfeited by a resolution of the Board to that effect.

31. A forfeited share may be sold or otherwise disposed of on such terms and in such manner as the Board thinks fit. At any time before a sale or disposal as aforesaid the Board may cancel the forfeiture on such terms as it thinks fit.

32. A person whose shares have been forfeited shall cease to be a member in respect of the forfeited shares but shall notwithstanding the forfeiture remain liable to pay to the company all monies which at the date of forfeiture were presently payable by him to the company in respect of the shares. The liability of such person shall cease if and when the company shall have received payment in full of all such monies in respect of the shares.

33. A duly verified declaration in writing that the declarant is a director the manager or the secretary of the company and that a share in the company has been duly forfeited on a date stated in the declaration shall be conclusive evidence of the facts therein stated as against all persons claiming to be entitled to the share The company may receive the consideration if any given for the share on any sale or disposal thereof and may execute a transfer of the share in favour of the person to whom the share is sold or disposed of the transferee shall thereupon be registered as the holder of the share and The transferee shall not be bound to see to the application of the purchase money if any nor shall his title to the share be affected by any irregularity or invalidity in the proceedings in reference to the forfeiture sale or disposal of the share.

34. (a) Upon any sale, re-allotment or other disposal under the provisions of the preceding Articles, the certificate(s), if any, originally issued in respect of the relative shares shall (unless the same shall on demand by the Company has been previously surrendered to it by the defaulting member) stand cancelled and become null and void and be of no effect, and the Board shall be entitled to issue a duplicate certificate(s) in respect of the said shares to the person(s) entitled thereto.

(b) The Board may, subject to the provisions of the Act, accept a surrender of any share from or by any member desirous of surrendering them on such terms as they think fit.

(c) The provisions of these articles as to forfeiture shall apply in the case of nonpayment of any sum which, by the terms of issue of a share, becomes payable at a fixed time, whether on account of the nominal value of the share or by way of premium, as if the same had been payable by virtue of a call duly made and notified.

(d) The provisions of these Articles relating to forfeiture of shares shall mutatis mutandis apply to any other securities including debentures of the Company.

#### *Alteration of capital*

35. The company may from time to time by ordinary resolution increase the share capital by such sum to be divided into shares of such amount as may be specified in the resolution.

36. Subject to the provisions of section 61, the company may, by ordinary resolution, -

(i) consolidate and divide all or any of its share capital into shares of larger amount than its existing shares;

(ii) convert all or any of its fully paid-up shares into stock, and reconvert that stock into fully paid-up shares of any denomination;

(iii) sub-divide its existing shares, or any of them, into shares of smaller amount than is fixed by the memorandum, so however, that in the sub-division the proportion between the amount paid and the amount, if any, unpaid, on each reduced share shall be the same as it was in the case of the shares from which the reduced share is derived;

(iv) cancel any shares which, at the date of the passing of the resolution, have not been taken or agreed to be taken by any person, and diminish the amount of its share capital by the amount of the shares so cancelled.

37. Where shares are converted into stock the holders of stock may transfer the same or any part thereof in the same manner as and subject to the same regulations under which the shares from which the stock arose might before the conversion have been transferred or as near thereto as circumstances admit Provided that the Board may from time to time fix the minimum amount of stock transferable so however that such minimum shall not exceed the nominal amount of the shares from which the stock arose. The holders of stock shall according to the amount of stock held by them have the same rights privileges and advantages as regards dividends voting at meetings of the company and other matters as if they held the shares from which the stock arose but no such privilege or advantage (except participation in the dividends and profits of the company and in the assets on winding up) shall be conferred by an amount of stock which would not if existing in shares have conferred that privilege or advantage. such of the regulations of the company as are applicable to paid-up shares shall apply to stock and the words share and shareholder in those regulations shall include stock and stock-holder respectively.

38. The company may by special resolution reduce in any manner and with and subject to any incident authorised and consent required by law its share capital any capital redemption reserve account or any share premium account.

#### *Capitalisation of profits*

39. The company in general meeting may upon the recommendation of the Board resolve that it is desirable to capitalise any part of the amount for the time being standing to the credit of any of the company's reserve accounts or to the credit of the profit and loss account or otherwise available for distribution and that such sum be accordingly set free for distribution in the manner specified in clause (ii) amongst the members who would have been entitled thereto if distributed by way of dividend and in the same proportions. The sum aforesaid shall not be paid in cash but shall be applied subject to the provision contained in clause (iii) either in or towards paying up any amounts for the time being unpaid on any shares held by such members respectively paying up in full unissued shares of the company to be allotted and distributed credited as fully paid-up to and amongst such members in the proportions aforesaid partly in the way specified in sub-clause (A) and partly in that specified in sub-clause (B) A securities premium account and a capital redemption reserve account may for the purposes of this regulation be applied in the paying up of unissued shares to be issued to members of the company as fully paid bonus shares The Board shall give effect to the resolution passed by the company in pursuance of this regulation.

40. Whenever such a resolution as aforesaid shall have been passed the Board shall make all appropriations and applications of the undivided profits resolved to be capitalised thereby and all allotments and issues of fully paid shares if any and generally do all acts and things required to give effect thereto. The Board shall have power to make such provisions by the issue of fractional certificates or by payment in cash or otherwise as it thinks fit for the case of shares becoming distributable in fractions and to authorise any person to enter on behalf of all the members entitled thereto into an agreement with the company providing for the allotment to them respectively credited as fully paid-up of any further shares to which they may be entitled

upon such capitalisation or as the case may require for the payment by the company on their behalf by the application thereto of their respective proportions of profits resolved to be capitalised of the amount or any part of the amounts remaining unpaid on their existing shares Any agreement made under such authority shall be effective and binding on such members.

#### ***Buy-back of shares***

41. Notwithstanding anything contained in these articles but subject to the provisions of sections 68 to 70 of the Act read with the Rules made thereunder from time to time and as may be prescribed by the SEBI and any other applicable provision of the Act or any other law for the time being in force the company may purchase its own shares or other specified securities.

#### ***General meetings***

42. All general meetings other than annual general meeting shall be called extraordinary general meeting.

(i) In accordance with the provisions of the Act, the Company shall in each year hold Annual General Meeting and shall specify the meeting as such in the notices convening such meetings. All general meetings other than annual general meeting shall be called extraordinary general meeting.

(ii) No General Meeting shall be held unless at least 21 clear days prior written notice, or shorter written notice in accordance with the Act, of that meeting has been given to each Member as per the provisions of the Act; provided that any General Meeting, may be called after giving shorter notice than the notices required above, if consent thereto is accorded, in the case of any other meeting, by Members of the Company majority in number and representing/holding not less than 95% of the paid-up Share Capital which gives the right to vote to such Members. In General Meeting, only such agenda will be considered as is specified in the notice to the Members with respect to such meetings.

(iii) Notwithstanding anything contained in this Act or these Articles, the a Company-

(a) shall, in respect of such items of business as the Central Government may, by notification, declare to be transacted only by means of postal ballot; and

(b) may, in respect of any item of business, other than ordinary business and any business in respect of which Directors or auditors have a right to be heard at any meeting, transact by means of postal ballot, in such manner as may be prescribed, instead of transacting such business at a General Meeting.

(c) If a resolution is assented to by the requisite majority of the Shareholders by means of postal ballot, it shall be deemed to have been duly passed at a General Meeting convened in that behalf.

43. (i) The Board may, whenever it thinks fit, call an extraordinary general meeting.

(ii) If at any time directors capable of acting who are sufficient in number to form a quorum are not within India, any director or any two members of the company may call an extraordinary general meeting in the same manner, as nearly as possible, as that in which such a meeting may be called by the Board.

#### ***Proceedings at general meetings***

44. No business shall be transacted at any general meeting unless a quorum of members is present at the time when the meeting proceeds to business. Save as otherwise provided herein the quorum for the general meetings shall be as provided in section 103.

45. The chairperson if any of the Board shall preside as Chairperson at every general meeting of the company.

46. If there is no such Chairperson or if he is not present within fifteen minutes after the time appointed for holding the meeting or is unwilling to act as chairperson of the meeting the directors present shall elect one of their members to be Chairperson of the meeting.

47. If at any meeting no director is willing to act as Chairperson or if no director is present within fifteen minutes after the time appointed for holding the meeting the members present shall choose one of their members to be Chairperson of the meeting.

On any business at any general meeting, in case of an equality of votes, whether on a show of hands or electronically or on a poll, the Chairperson shall have a second or casting vote.

#### ***Adjournment of meeting***

49. (i) The quorum for the Shareholders' Meeting shall be in accordance with Section 103 of the Act. Subject to the provisions of Section 103(2) of the Act, if such a quorum is not present within half an hour from the time set for the Shareholders' Meeting, the Shareholders' Meeting shall be adjourned to the same day in the next week at same time and place or to such other date and such other time and place as the Board may determine and the agenda for the adjourned Shareholders' Meeting shall remain the same. If at such adjourned meeting also, a quorum is not present, at the expiration of half an hour from the time appointed for holding the meeting, the members present shall be a quorum, and may transact the business for which the meeting was called.

(ii) No business shall be transacted at any adjourned meeting other than the business left unfinished at the meeting from which the adjournment took place.

(iii) When a meeting is adjourned for thirty days or more, notice of the adjourned meeting shall be given as in the case of an original meeting.

(iv) Save as aforesaid, and as provided in section 103 of the Act, it shall not be necessary to give any notice of an adjournment or of the business to be transacted at an adjourned meeting.

### *Voting rights*

50. Subject to any rights or restrictions for the time being attached to any class or classes of shares on a show of hands every member present in person shall have one vote and on a poll the voting rights of members shall be in proportion to his share in the paid-up equity share capital of the company.

51. A member may exercise his vote at a meeting by electronic means in accordance with section 108 and shall vote only once.

52. In the case of joint holders the vote of the senior who tenders a vote whether in person or by proxy shall be accepted to the exclusion of the votes of the other joint holders. For this purpose seniority shall be determined by the order in which the names stand in the register of members.

53. (i) A member of unsound mind, or in respect of whom an order has been made by any court having jurisdiction in lunacy, may vote, whether on a show of hands or on a poll, by his committee or other legal guardian, and any such committee or guardian may, on a poll, vote by proxy. If any member be a minor, the vote in respect of his share or shares shall be by his guardian or any one of his guardians.

(ii) Subject to the provisions of the Act and other provisions of these Articles, any person entitled under the Transmission Clause to any shares may vote at any general meeting in respect thereof as if he was the registered holder of such shares, provided that at least 48 (forty-eight) hours before the time of holding the meeting or adjourned meeting, as the case may be, at which he proposes to vote, he shall duly satisfy the Board of his right to such shares unless the Board shall have previously admitted his right to vote at such meeting in respect thereof.

54. Any business other than that upon which a poll has been demanded may be proceeded with pending the taking of the poll.

55. No member shall be entitled to vote at any general meeting unless all calls or other sums presently payable by him in respect of shares in the company have been paid or in regard to which the company has exercised any right of lien.

56. No objection shall be raised to the qualification of any voter except at the meeting or adjourned meeting at which the vote objected to is given or tendered and every vote not disallowed at such meeting shall be valid for all purposes. Any such objection made in due time shall be referred to the Chairperson of the meeting whose decision shall be final and conclusive.

### *Proxy*

57. The instrument appointing a proxy and the power-of-attorney or other authority if any under which it is signed or a notarised copy of that power or authority shall be deposited at the registered office of the company not less than 48 hours before the time for holding the meeting or adjourned meeting at which the person named in the instrument proposes to vote or in the case of a poll not less than 24 hours before the time appointed for the taking of the poll and in default the instrument of proxy shall not be treated as valid.

58. An instrument appointing a proxy shall be in the form as prescribed in the rules made under section 105.

59. A vote given in accordance with the terms of an instrument of proxy shall be valid, notwithstanding the previous death or insanity of the principal or the revocation of the proxy or of the authority under which the proxy was executed, or the transfer of the shares in respect of which the proxy is given:

Provided that no intimation in writing of such death, insanity, revocation or transfer shall have been received by the company at its office before the commencement of the meeting or adjourned meeting at which the proxy is used.

#### Passing Resolutions By Postal Ballot

(a) Notwithstanding any of the provisions of these Articles, the Company may, and in the case of resolutions relating to such business as notified under the Companies (Management and Administration) Rules, 2014, as amended, or other Law required to be passed by postal ballot, shall get any resolution passed by means of a postal ballot, instead of transacting the business in the General Meeting of the Company. Also, the Company may, in respect of any item of business other than ordinary business and any business in respect of which Directors or Auditors have a right to be heard at any meeting, transact the same by way of postal ballot.

(b) Where the Company decides to pass any resolution by resorting to postal ballot, it shall follow the procedures as prescribed under Section 110 of the Act and the Companies (Management and Administration) Rules, 2014, as amended from time and applicable Law.

60. Unless otherwise determined by the Company in a general meeting, the number of directors shall not be less than 3 (three) and shall not be more than 15 (Fifteen). The Company shall also comply with the provisions of the Act, and the rules made there under and the provisions of the SEBI Listing Regulations with respect to constitution of the Board.

The First Directors of the Company are:

- a. Narendrabhai Laljibhai Ghelani.
- b. Prafullaben Narendrakumar Ghelani.
- c. Mukesh Prahladbhai Parmar

The Directors need not hold any "Qualification Share(s)". Appointment of Senior Executive as a Whole Time Director Subject to the provisions of the Act and within the overall limit prescribed under these Articles for the number of Directors on the Board, the Board may appoint any persons as a Whole Time Director of the Company for such a period and upon such terms and conditions as the Board may decide. The Senior Executive so appointed shall be governed by the following provisions:

He may be liable to retire by rotation as provided in the Act but shall be eligible for re-appointment. His reappointment as a Director shall not constitute a break in his appointment as Whole Time Director. He shall be reckoned as Director for the purpose of determining and fixing the number of Directors to retire by rotation. He shall cease to be a Director of the Company on the happening of any event specified in Section 164 of the Act. Subject to what is stated herein above, he shall carry out and perform all such duties and responsibilities as may, from time to time, be conferred upon or entrusted to him by Managing Director(s) and / or the Board, shall exercise such powers and authorities subject to such restrictions and conditions and / or stipulations as the Managing Director(s) and /or the Board may, from time to time determine. Nothing contained in this Article shall be deemed to restrict or prevent the right of the Board to revoke, withdraw, alter, vary or modify all or any such powers, authorities, duties and responsibilities conferred upon or vested in or entrusted to such whole-time directors.

61. (i) Subject to the provisions of the Act, the Company may pay any remuneration, as determined by the Board of Directors / General Meeting to all or any of its Directors for the services rendered by them / him in day to day management of the affairs of the company or any other type of services, whether professional in nature or not, for any of the purposes of the company, either by a fixed sum on monthly or annual basis and / or perquisites and / or a percentage of the profits or otherwise as may be determined by the Board or the members in General Meeting in accordance with the Act.

(ii) The remuneration of the directors shall, in so far as it consists of a monthly payment, be deemed to accrue from day-to-day.

(iii) The remuneration payable to the directors, including any managing director or whole-time director or manager, if any, shall be determined in accordance with and subject to the provisions of the Act and rules made there under and provisions of the SEBI Listing Regulations.

(iv) In addition to the remuneration payable to them in pursuance of the Act, the directors may be paid all travelling, hotel and other expenses properly incurred by them—

- (a) in attending and returning from meetings of the Board of Directors or any committee thereof or general meetings of the company; or
- (b) in connection with the business of the company.

62. The Board may pay all expenses incurred in getting up and registering the company.



63. The company may exercise the powers conferred on it by section 88 with regard to the keeping of a foreign register and the Board may (subject to the provisions of that section) make and vary such regulations as it may think fit respecting the keeping of any such register.

64. All cheques promissory notes drafts hundis bills of exchange and other negotiable instruments and all receipts for monies paid to the company shall be signed drawn accepted endorsed or otherwise executed as the case may be by such person and in such manner as the Board shall from time to time by resolution determine.

65. Every director present at any meeting of the Board or of a committee thereof shall sign his name in a book to be kept for that purpose.

#### 66. A) ADDITIONAL DIRECTOR APPOINTMENT

(i) Subject to the provisions of the Act, the Board shall have power at any time, and from time to time, to appoint a person as an additional director, provided the number of the directors and additional directors together shall not at any time exceed the maximum strength fixed for the Board by the Articles.

(ii) Such person, subject to applicable laws, rules or regulations, shall hold office only up to the date of the next annual general meeting of the Company but shall be eligible for appointment by the Company as a director at that meeting subject to the provisions of the Act.

#### (B) ALTERNATE DIRECTOR APPOINTMENT

(i) The Board may appoint an alternate director to act for a director (hereinafter in this Article called "the Original Director") during his absence for a period of not less than three months from India. No person shall be appointed as an alternate director for an independent director unless he is qualified to be appointed as an independent director under the provisions of the Act.

(ii) An alternate director shall not hold office for a period longer than that permissible to the Original Director in whose place he has been appointed and shall vacate the office if and when the Original Director returns to India.

(iii) If the term of office of the original director is determined before he so returns to India, any provision for the automatic re-appointment of retiring directors in default of another appointment shall apply to the original director, and not to the alternate director.

#### (C) CASUAL VACANCY

(i) If the office of any director appointed by the Company in general meeting is vacated before his term of office expires in the normal course, the resulting casual vacancy may, be filled by the Board of Directors at a meeting of the Board which shall be subsequently approved by members in the immediate next general meeting.

(ii) The director so appointed shall hold office only up to the date up to which the director in whose place he is appointed would have held office if it had not been vacated.

#### (D) INDEPENDENT DIRECTORS' APPOINTMENT

The Company shall have such number of Independent Directors on the Board of the Company, as may be required in terms of the provisions of Section 149 of the Act and the Companies (Appointment and Qualification of Directors) Rules, 2014 or any other Law, as may be applicable. Further, the appointment of such Independent Directors shall be in terms of the aforesaid provisions of Law and subject to the requirements prescribed under the SEBI Listing Regulations. Every director present at any meeting of the Board or of a committee thereof shall sign his name in a book to be kept for that purpose.

#### Qualification of Independent Director-

(i) Independent directors shall possess such qualification as required under the act and under SEBI Listing regulations as amended from time to time.

(ii) Independent Director shall be appointed for such period as prescribed under relevant provisions Act, Schedules thereof under SEBI Listing regulations as amended from time to time.

#### (E) POWERS OF THE BOARD

The management of the business of the Company shall be vested in the Board and the Board may exercise all such powers, and do all such acts and things, as the Company is by the memorandum of association or otherwise authorized to exercise and do, and, not hereby or by the statute or otherwise directed or required to be exercised or done by the Company in general meeting but subject nevertheless to the provisions of the Act and other laws and of the memorandum of association and these

Articles and to any regulations, not being inconsistent with the memorandum of association and these Articles or the Act, from time to time made by the Company in general meeting provided that no such regulation shall invalidate any prior act of the Board which would have been valid if such regulation had not been made.

### *Proceedings of the Board*

67. (i) The Board of Directors may meet for the conduct of business, adjourn and otherwise regulate its meetings, as it thinks fit.

(ii) A director may, and the manager or secretary on the requisition of a director shall, at any time, summon a meeting of the Board.

(iii) The quorum for a Board meeting shall be as provided in the Act and as provided in SEBI Listing regulations and directors participating through electronic mode in a meeting shall be counted for the purposes of quorum.

(iv) The participation of directors in a meeting of the Board may be either in person or through video conferencing or audio-visual means or any other mode as may be permitted by the Act and Rules.

(v) At least 7 (seven) days' notice of every meeting of the Board shall be given in writing to every Director for the time being at his address registered with the Company and such notice shall be sent by hand delivery or by post or by electronic means. A meeting of the Board may be convened in accordance with these Articles by a shorter notice in case of any emergency.

68. Save as otherwise expressly provided in the Act questions arising at any meeting of the Board shall be decided by a majority of votes. In case of an equality of votes the Chairperson of the Board if any shall have a second or casting vote.

69. The continuing directors may act notwithstanding any vacancy in the Board but if and so long as their number is reduced below the quorum fixed by the Act for a meeting of the Board the continuing directors or director may act for the purpose of increasing the number of directors to that fixed for the quorum or of summoning a general meeting of the company but for no other purpose.

70. (i) The Board may elect a Chairperson of its meetings and determine the period for which he is to hold office.

(ii) If no such Chairperson is elected, or if at any meeting the Chairperson is not present within five minutes after the time appointed for holding the meeting, the directors present may choose one of their members to be Chairperson of the meeting.

(iii) Any Director so appointed to the office of Chairperson shall not be deemed to have vacated the said office of Chairperson, by reason only that he retires or vacates at any Annual General Meeting of the Company and is re-elected at the same meeting.

71. (i) The Board of the Company shall in accordance with act, rules or any other Law and the provisions of the SEBI Listing Regulations, as amended from time to time, form such committees as may be required in the manner specified therein, if the same are applicable to the Company.

(ii) The participation of directors in a meeting of the committee may be either in person or through video conferencing or audio visual means or any other mode as may be permitted by the Act and Rules and the SEBI Listing regulations.

72. A committee may elect a Chairperson of its meetings. If no such Chairperson is elected or if at any meeting the Chairperson is not present within five minutes after the time appointed for holding the meeting the members present may choose one of their members to be Chairperson of the meeting.

73.(i) A committee may meet and adjourn as it thinks fit.

(ii) Questions arising at any meeting of a committee shall be determined by a majority of votes of the members present, and in case of an equality of votes, the Chairperson of the committee shall have a second or casting vote.

(iii) All acts done in any meeting of the Board or of a committee thereof or by any person acting as a director, shall, notwithstanding that it may be afterwards discovered that there was some defect in the appointment of any one or more of such directors or of any person acting as aforesaid, or that they or any of them were disqualified or that his or their appointment had terminated, be as valid as if every such director or such person had been duly appointed and was qualified to be a director.

74. All acts done in any meeting of the Board or of a committee thereof or by any person acting as a director shall notwithstanding that it may be afterwards discovered that there was some defect in the appointment of any one or more of such directors or of any person acting as aforesaid or that they or any of them were disqualified be as valid as if every such director or such person had been duly appointed and was qualified to be a director.

75. Save as otherwise expressly provided in the Act a resolution in writing signed by all the members of the Board or of a committee thereof for the time being entitled to receive notice of a meeting of the Board or committee shall be valid and effective as if it had been passed at a meeting of the Board or committee duly convened and held. The Company shall prepare

and maintain minutes of Meeting of the Board Committees and shareholder as per the provisions of the Act and other applicable provisions as amended from time to time.

***Chief Executive Officer, Manager, Company Secretary or Chief Financial Officer***

77. Subject to the provisions of the Act A chief executive officer manager company secretary or chief financial officer may be appointed by the Board for such term at such remuneration and upon such conditions as it may think fit and any chief executive officer manager company secretary or chief financial officer so appointed may be removed by means of a resolution of the Board a director may be appointed as chief executive officer manager company secretary or chief financial officer.

78. A provision of the Act or these regulations requiring or authorizing a thing to be done by or to a Director and chief executive officer, manager, Company Secretary or chief financial officer shall not be satisfied by its being done by or to the same person acting both as Director and as, or in place of, chief executive officer, Manager, Company Secretary or chief financial officer.

**A. APPOINTMENT AND REMUNERATION**

Subject to the provisions of Section 203 of the Act and of these Articles, the Board shall have the power to appoint from time to time any full-time employee of the Company as Managing Director/ whole time director or executive director or manager of the Company. The Managing Director(s) or the whole time director(s) manager or executive director(s), as the case may be, so appointed, shall be responsible for and in charge of the day to day management and affairs of the Company. The remuneration of a Managing Director/ whole time director or executive director or manager may be by way of monthly payment, fee for each meeting or participation in profits, or by any or all those modes or any other mode not expressly prohibited by the Act. Board, subject to the consent of the shareholders of the Company shall have the power to appoint Chairperson of the Board as the Managing Director / whole time director or executive director of the Company.

**B. APPOINTMENT AND RESIGNATION CLAUSE**

Notwithstanding anything contained herein, a Managing Director(s) / whole time director(s) / executive director(s) / manager shall, subject to the provisions of any contract between such director and the Company, be subject to the same provisions as to resignation and removal as the other Directors of the Company.

**C. RETIREMENT OF DIRECTORS BY ROTATION**

Not less than two-thirds of the total number of Directors (excluding independent director) of the Company shall be persons whose periods of office shall be liable to determination by retirement of Directors by rotation and save and otherwise expressly provided in the Act and these Articles, be appointed by the Company in General Meeting.

The remaining directors shall be appointed in accordance with the provisions of these Articles and the Act. At the Annual General Meeting in each year, one-third of the Directors for the time being as are liable to retire by rotation, or if their number is not three or multiple of three, then the number nearest to one-third shall retire from office.

Subject to the provisions of the Act and these Articles, the Directors to retire by rotation at every Annual General Meeting shall be those who have been longest in office since their last appointment, but as between persons who became Directors on the same day, those who are to retire shall, in default of and subject to any agreement among themselves, be determined by lot. Subject to the provisions of the Act, a retiring Director shall retain office until the conclusion of the meeting at which his re-appointment is decided or his successor is appointed.

If the vacancy of the retiring director is not so filled-up and the meeting has not expressly resolved not to fill the vacancy, the meeting shall stand adjourned till the same day in the next week, at the same time and place, or if that day is a national holiday, till the next succeeding day which is not a holiday, at the same time and place.

If at the adjourned meeting also, the vacancy of the retiring director is not filled up and that meeting also has not expressly resolved not to fill the vacancy, the retiring director shall be deemed to have been re-appointed at the adjourned meeting, unless -

- (i) at that meeting or at the previous meeting a resolution for the re-appointment of such director has been put to the meeting and lost;
- (ii) the retiring director has, by a notice in writing addressed to the Company or its Board of directors, expressed his unwillingness to be so re-appointed;

- (iii) he is not qualified or is disqualified for appointment;
- (iv) a resolution, whether special or ordinary, is required for his appointment or re-appointment by virtue of any provisions of this Act; or
- (v) section 162 is applicable to the case.

#### D. POWERS OF MANAGING DIRECTOR

Subject to the provisions of section 179 and 180 of the Companies Act, 2013, the Managing Director of the Company, if any, shall be empowered to carry on the day to day business affairs of the Company. The Managing Director shall have the general control, management and superintendence of the business of the Company with power to appoint and to dismiss employees and to enter into contracts on behalf of the Company in the ordinary course of business and to do and perform all other acts, deeds and things which in the ordinary course of business may be considered necessary/proper or in the interest of the Company.

#### E. POWER TO BORROW

(i) The Board of Directors may from time to time but with consent of the Company in general meeting as may be required under section 180 of the Companies Act, 2013 read with rules made thereunder, by a resolution passed at a Meeting of the Board raise any money or any monies or sums of money for the purpose of the Company; provided that the monies to be borrowed together with the monies already borrowed by the Company (apart from temporary loans obtained from the Company's bankers in the ordinary course of business) shall not, without the sanction of the Company at a General Meeting, exceed the aggregate of the paid-up share capital of the Company and its free reserves, that is to say, reserves not set-apart for any specific purpose and in particular but subject to the provisions of Section 180 of the Act and the rules made thereunder. The Board may, from time to time, at its discretion raise or borrow or secure the payment of any such sum or sums of money for the purpose of the Company, at such times and in such manner and upon such terms and conditions as they deem fit by the issue of debt

instruments, debentures, or perpetual annuities, debenture stock, promissory notes, or by opening current accounts, or by receiving deposits and advances with or without security, or by issue of bonds and in security of any such money so borrowed, raised or received, to mortgage, pledge or charge, the whole or any part of the undertaking property, rights, assets, or revenue of the Company, present or future, including its uncalled capital by special assignment or otherwise or to transfer or convey the same absolutely or in trust and give the lenders powers of sale and other powers as may be expedient and to purchase, redeem or pay off any such securities in accordance with the acts, rules and regulations as applicable to the Company.

(ii) Provided that the Directors may by resolution at a meeting of the Board delegate the power to borrow money otherwise than on debentures to a Committee of Directors or the Managing Director or Whole-Time Director or Manager subject to the limits upto which the money may be so borrowed as may be specified in the said resolution.

(iii) To the extent permitted under the applicable Law and subject to compliance with the requirements thereof, the Directors shall be empowered to grant loans to such entities at such terms as they may deem to be appropriate and the same shall be in the interest of the Company.

(iv) Any bonds, Debentures, debenture-stock or other Securities may if permissible in Law be issued at a discount, premium or otherwise by the Company and shall with the consent of the Board be issued upon such terms and conditions and in such manner and for such consideration as the Board shall consider to be for the benefit of the Company, and on the condition that they or any part of them may be convertible into equity shares of any denomination, and with any privileges and conditions as to the redemption, surrender, allotment of shares, appointment of Directors or otherwise. Provided that Debentures with rights to allotment of or conversion into equity shares shall not be issued except with, the sanction of the Company in General Meeting accorded by a Special Resolution.

#### *The Seal*

79. The Board shall provide for the safe custody of the seal. The seal of the company shall not be affixed to any instrument except by the authority of a resolution of the Board or of a committee of the Board authorised by it in that behalf and except in the presence of

at least two directors and of the secretary or such other person as the Board may appoint for the purpose and those two directors and the secretary or other person aforesaid shall sign every instrument to which the seal of the company is so affixed in their presence.

#### *Dividends and Reserve*

80. The company in general meeting may declare dividends but no dividend shall exceed the amount recommended by the Board but the Company in general meeting may declare a lesser dividend.

81. Subject to the provisions of section 123 the Board may from time to time pay to the members such interim dividends of such amount on such class of shares and at such times as it may think fit.

82. The Board may before recommending any dividend set aside out of the profits of the company such sums as it thinks fit as a reserve or reserves which shall at the discretion of the Board be applicable for any purpose to which the profits of the company may be properly applied including provision for meeting contingencies or for equalizing dividends and pending such application may at the like discretion either be employed in the business of the company or be invested in such investments (other than shares of the company) as the Board may from time to time think fit. The Board may also carry forward any profits which it may consider necessary not to divide without setting them aside as a reserve.

83. Subject to the rights of persons if any entitled to shares with special rights as to dividends all dividends shall be declared and paid according to the amounts paid or credited as paid on the shares in respect whereof the dividend is paid but if and so long as nothing is paid upon any of the shares in the company dividends may be declared and paid according to the amounts of the shares. No amount paid or credited as paid on a share in advance of calls shall be treated for the purposes of this regulation as paid on the share. All dividends shall be apportioned and paid proportionately to the amounts paid or credited as paid on the shares during any portion or portions of the period in respect of which the dividend is paid but if any share is issued on terms providing that it shall rank for dividend as from a particular date such share shall rank for dividend accordingly.

84. (i) The Board may deduct from any dividend payable to any member all sums of money, if any, presently payable by him to the company on account of calls or otherwise in relation to the shares of the company.

(ii) The Board may retain dividends payable upon shares in respect of which any person is, under the Transmission Clause hereinbefore contained, entitled to become a member, until such person shall become a member in respect of such shares.

85. Any dividend interest or other monies payable in cash in respect of shares may be paid by cheque or warrant sent through the post directed to the registered address of the holder or in the case of joint holders to the registered address of that one of the joint

holders who is first named on the register of members or to such person and to such address as the holder or joint holders may in writing direct. Every such cheque or warrant shall be made payable to the order of the person to whom it is sent.

86. Any one of two or more joint holders of a share may give effective receipts for any dividends bonuses or other monies payable in respect of such share.

87. Notice of any dividend that may have been declared shall be given to the persons entitled to share therein in the manner mentioned in the Act.

88. No dividend shall bear interest against the company.

A Shareholder can waive/forgo the right to receive the dividend (either final and/or interim) to which he is entitled, on some or all the Shares held by him in the Company. However, the Shareholder cannot waive/forgo the right to receive the dividend (either final and/or interim) for a part of percentage of dividend on Share(s).

Where a dividend has been declared by the Company but has not been paid or claimed within thirty days from the date of the declaration to any Shareholder entitled to the payment of the dividend, the Company shall, within seven days from the date of expiry of the said period of thirty days, transfer the total amount of dividend which remains unpaid or unclaimed to a special account to be opened by the Company in that behalf in any scheduled bank to be called the 'Unpaid Dividend Account'.

Any money transferred to the 'Unpaid Dividend Account' of a company which remains unpaid or unclaimed for a period of 7 (seven) years from the date of such transfer, shall be transferred by the Company to the fund known as Investor Education and Protection Fund established under Section 125 of the Act. [There shall be no forfeiture of unclaimed dividends before the claim becomes barred by law].

All Shares in respect of which the Dividend has not been paid or claimed for 7 (seven) consecutive years or more shall be transferred by the Company in the name of Investor Education and Protection Fund along with a statement containing such details as may be prescribed. Provided that any claimant of Shares so transferred shall be entitled to claim the transfer of Shares from Investor Education and Protection Fund in accordance with such procedure and on submission of such documents as may be prescribed.

The Company shall comply with the provisions of the Act in respect of any dividend remaining unpaid or unclaimed with the Company.

#### *Accounts*

89. The Board shall cause proper books of account to be maintained under Section 128 and other applicable provisions of the Act.

(i) The Board shall from time to time determine whether and to what extent and at what times and places and under what conditions or regulations, the accounts and books of the company, or any of them, shall be open to the inspection of members not being directors.

(ii) No member (not being a director) shall have any right of inspecting any account or book or document of the company except as conferred by law or authorized by the Board or by the company in general meeting.

(iii) Directors are entitled to examine the books, accounts and records of the Company in accordance with the provisions of the Act.

#### *Winding up*

90. Subject to the provisions of Chapter XX of the Act and rules made thereunder If the company shall be wound up the liquidator may with the sanction of a special resolution of the company and any other sanction required by the Act divide amongst the members in specie or kind the whole or any part of the assets of the company whether they shall consist of property of the same kind or not. For the purpose aforesaid the liquidator may set such value as he deems fair upon any property to be divided as aforesaid and may determine how such division shall be carried out as between the members or different classes of members. The liquidator may with the like sanction vest the whole or any part of such assets in trustees upon such trusts for the benefit of the contributories if he considers necessary but so that no member shall be compelled to accept any shares or other securities whereon there is any liability.

#### *Indemnity*

91. (i) Subject to the provisions of the Act, every director managing director, wholetime director, manager, company secretary and other officer of the Company shall be indemnified by the Company out of the funds of the Company, to pay all costs, losses and expenses (including travelling expense) which such director, manager, company secretary and officer may incur or become liable for by reason of any contract entered into or act or deed done by him in his capacity as such director manager, company secretary or officer or in any way in the discharge of his duties in such capacity including expenses.

(ii) Subject as aforesaid, every director, managing director, manager, company secretary or other officer of the Company shall be indemnified against any liability incurred by him in defending any proceedings, whether civil or criminal in which judgement is given in his favour or in which he is acquitted or discharged or in connection with any application under applicable provisions of the Act in which relief is given to him by the Court.

(iii) The Company may take and maintain any insurance as the Board may think fit on behalf of its present and/or former directors and key managerial personnel for indemnifying all or any of them against any liability for any acts in relation to the Company for which they may be liable but have acted honestly and reasonably.

#### *Others*

#### *Dematerialisation Of Securities*

92. (i) Definitions For the purpose of this Article:

(a) 'Beneficial Owner' means a person or persons whose name is recorded as such with a depository;

(b) 'SEBI' means the Securities and Exchange Board of India;

(c) "Depository" shall mean a depository as defined in Clause (e) of sub-section (1) of section 2 of the Depositories Act.

(ii) Subject to the provisions of the Act and Rules made thereunder the Company may offer its Members facility to hold securities issued by it in dematerialized form.

(iii) Notwithstanding anything contained in the Articles, the Company may in accordance with the provisions of the Depositories Act, 1996, be entitled to dematerialise its securities, debentures and other marketable securities in accordance with the applicable law and/or regulations promulgated from time to time.

(iv) Every person subscribing to securities offered by the Company may have the option to receive security certificates or to hold the securities with a Depository. The Beneficial Owner of the securities may at any time opt out of holding the securities with a Depository, in the manner provided by the Depositories Act, 1996; and the Company shall, in the manner and within the time prescribed, issue to the Beneficial Owner the required Certificates of Securities.

- (v) All securities held by a depository shall be dematerialised and be in fungible form. Nothing contained in Sections 88, 89 and 186 of the Act shall apply to a depository in respect of the securities held by it on behalf of the Beneficial Owners.
- (vi) Notwithstanding anything to the contrary contained in the Act or these articles, a depository shall be deemed to be the registered owner for the purpose of effecting transfer of ownership of securities on behalf of the beneficial owner.
- (vii) Save as otherwise provided in (iv) above, the depository as the registered owner of the securities shall not have any rights or any other rights in respect of the securities held by it.
- (viii) Every person holding securities of the Company and whose name is entered as the beneficial owner in the records of the Depository shall be deemed to be a member/ shareholder of the Company. The beneficial owner of securities shall be entitled to all the rights and benefits and be subject to all the liabilities in respect of his securities which are held by a depository.
- (ix) Notwithstanding anything contained in the Act or the Articles to the contrary, where securities are held in Depository, the records of the beneficial ownership may be served by such Depository on the Company by means of electronic mode or by delivery of floppies or discs or any other drive.
- (x) The Register and Index of Beneficial Owners maintained by a Depository under section 11 of the Depositories Act, 1996 shall be deemed to be the corresponding Register and Index of Members and Security holders for the purpose of the Articles.
- (xi) The Company shall cause to be kept a register of members and index of members indicating separately for each class of equity and preference shares held by each member residing in or outside India, register of debentures and register of any other security holders either in physical form or in electronic form.
- (xii) The register and index of Beneficial Owners maintained by a Depository under the Depositories Act shall be deemed to be a register and index of members for the purposes of this Act.
- (xiii) Notwithstanding anything contained in the Act or these Articles to the contrary, where Securities are held in a Depository, the records of the beneficial ownership may be served by such Depository on the Company by means of electronic mode or by delivery of the physical papers.
- (xiv) Except as specifically provided in these Articles, the provisions relating to joint holders of shares, calls, lien on shares, forfeiture of shares and transfer and transmission of shares shall be applicable to shares held in Depository so far as they apply to shares held in physical form subject to the provisions of the Depositories Act.
- (xv) The Company shall intimate such Depository the details of allotment of share to enable the Depository to enter in its records the name of such person as the beneficial owner of that share.
- (xvi) The provisions of these Articles shall mutatis mutandis apply to securities other than shares and any reference to member herein shall apply to the holder of the concerned security.
- (xvii) Persons appearing as beneficial owners as per the register maintained by the Depository shall be entitled to covered thereby and the Depository shall be the registered owner of such shares only for the purpose of effecting transfer of ownership of such shares on behalf of the beneficial owner.
- (xviii) The members shall bear all charges of the depository participant.
- (xix) If a member having dematerialised his holdings of shares opts for rematerialisation of his holding of shares or a part thereof, share certificates will be issued to him on a written request received for that purpose through the depository participant.
- (xx) The dematerialized shares can be transferred / transmitted as per rules of the Depository
- (xxi) The records of members holding as maintained by the Depository and depository participants shall be the basis for all purpose of holdings of the members, who have opted for the dematerialization.
- (xxii) There will be no distinctive numbers for the dematerialised shares.

### ***Registers***

93. (i) The Company shall keep and maintain at its registered office or at any other place in India as may be permitted by the Act and rules, all statutory registers including, register of charges, register of members, register of debenture holders, register of any other security holders, the register and index of beneficial owners and annual return, register of loans, guarantees, security and acquisitions, register of investments not held in its own name and register of contracts and arrangements for such duration as the Board may, unless otherwise prescribed, decide, and in such manner and containing such particulars as prescribed by the Act and the Rules.

(ii) In accordance to the provisions of Section 94 of the Act, the registers required to be kept and maintained by a company under section 88 and copies of the annual return filed under section 92 may also be kept at any other place in India in which more than one-tenth of the total number of members entered in the register of members reside, if approved by a special resolution passed at a General Meeting of the company and the Registrar has been given a copy of the proposed special resolution in advance. Provided further that the period for which the registers, returns and records are required to be kept shall be such as may be prescribed under the Act.

(iii). The Register and index of beneficial owner maintained by a Depository under Section 11 of the Depositories Act shall also be deemed to be the Register and index of members/debenture holders/other security holders for the purpose of the Act and any amendment or re-enactment thereof.

(iv). The Company may exercise the powers conferred on it by Section 88 of the Act with regard to the keeping of a foreign register; and the Board may (subject to the provisions of that section) make and vary such regulations as it may think fit respecting the keeping of any such register.

(v) The registers and copies of annual return shall be open for inspection during business hours on all working days, at the registered office of the Company by the persons entitled thereto on payment, where required, of such fees as may be fixed by the Board but not exceeding the limits prescribed by the Rules.

#### *Constructive Notice*

94 The Article of Association is a public document and the person performing business or investing in the company is considered to be fully aware of the rules and regulations of the company.



## SECTION X – OTHER INFORMATION

### MATERIAL CONTRACTS AND DOCUMENTS FOR INSPECTION

*The following contracts (not being contracts entered into in the ordinary course of business carried on by the Company or entered into more than two years before the date of the Draft Red Herring Prospectus) which are or may be deemed material have been entered or to be entered into by the Company which are or may be deemed material will be attached to the copy of the Draft Red Herring Prospectus, delivered to the Registrar of Companies, for filing. Copies of the abovementioned contracts and also the documents for inspection referred to hereunder, may be inspected at the registered office between 10 A.M. and 5 P.M. on all Working Days from the date of this Draft Red Herring Prospectus until the Issue Closing Date.*

#### Material Contracts

1. Agreement dated September 04, 2024 between our Company and the Book Running Lead Manager to the Issue.
2. Agreement dated September 04, 2024 executed between our Company and the Registrar to the Issue.
3. Banker to the Issue Agreement dated [●] among our Company, Book Running Lead Manager, Banker to the Issue and the Registrar to the Issue.
4. Market Making Agreement dated [●] between our Company, Book Running Lead Manager and Market Maker.
5. Underwriting Agreement dated [●] between our Company, Book Running Lead Manager and Underwriter.
6. Syndicate Agreement dated [●] between our Company, Book Running Lead Manager and Registrar to the Issue and Syndicate Members.
7. Tripartite Agreement dated August 21, 2024 among CDSL, the Company and the Maashitla Securities Private Limited.
8. Tripartite Agreement dated August 12, 2024 among NSDL, the Company and the Maashitla Securities Private Limited.

#### Material Documents

1. Certified copies of the Memorandum and Articles of Association of the Company as amended.
2. Fresh Certificate of Incorporation consequent upon conversion from partnership firm to Public Company dated June 19, 2024 issued by the Registrar of Companies, Central Registration Centre.
3. Copy of the Board Resolution dated August 20, 2024 authorizing the Issue and other related matters.
4. Copy of Shareholder's Resolution dated August 21, 2024 authorizing the Issue and other related matters.
5. Copies of Audited Financial Statements of our Company for the financial year ended March 31, 2024, March 31, 2023 and March 31, 2022.
6. Statutory Auditors Report dated September 14, 2024 on the Restated Financial Statements for the financial years ended March 31, 2024, March 31, 2023 and March 31, 2022.
7. Copy of the Statement of Tax Benefits dated September 14, 2024 from the Statutory Auditor.
8. Certificate on KPI's issued by Peer Review Auditor dated September 16, 2024.
9. Consents of the Book Running Lead Manager, Legal Advisor to the Issue, Registrar to the Issue, Market Maker, Underwriter, Syndicate Member, Banker to the Issue/ Sponsor Bank, Statutory Auditor of the Company, Peer Review Auditor, Advisors to the Issue, Bankers to our Company, Promoters, Directors, Company Secretary and Compliance Officer and Chief Financial Officer, as referred to, in their respective capacities.
10. Board Resolution dated August 20, 2024 for approval of Draft Red Herring Prospectus, dated [●] for approval of Red Herring Prospectus.
11. Approval from NSE vide letter dated [●] to use the name of NSE in the RHP/ Prospectus for listing of Equity Shares on the NSE Emerge (SME Platform) of the NSE.
12. Due Diligence Certificate from Book Running Lead Manager dated [●].

## DECLARATION

I certify and declare that all relevant provisions of the Companies Act, 2013 and the rules, regulations and guidelines issued by the Government of India, or the regulations or guidelines issued by SEBI, established under section 3 of the Securities and Exchange Board of India Act, 1992, as the case may be, have been complied with and no statement made in this Draft 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. I further certify that all the statements in this Draft Red Herring Prospectus are true and correct.

### SIGNED BY THE BOARD OF DIRECTORS AND CFO OF OUR COMPANY:

Name and Designation	Signature
Narendra Laljibhai Ghelani Managing Director, Chairman, and Executive Director DIN: 02246080	Sd/-

Date: August 20, 2024

Place: Vadodara, Gujarat

## DECLARATION

I certify and declare that all relevant provisions of the Companies Act, 2013 and the rules, regulations and guidelines issued by the Government of India, or the regulations or guidelines issued by SEBI, established under section 3 of the Securities and Exchange Board of India Act, 1992, as the case may be, have been complied with and no statement made in this Draft 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. I further certify that all the statements in this Draft Red Herring Prospectus are true and correct.

### SIGNED BY THE BOARD OF DIRECTORS OF OUR COMPANY:

Name and Designation	Signature
Prafullaben Narendrakumar Ghelani Whole Time Director and Executive Director DIN: 09114476	Sd/-

Date: August 20, 2024

Place: Vadodara, Gujarat

## DECLARATION

I certify and declare that all relevant provisions of the Companies Act, 2013 and the rules, regulations and guidelines issued by the Government of India, or the regulations or guidelines issued by SEBI, established under section 3 of the Securities and Exchange Board of India Act, 1992, as the case may be, have been complied with and no statement made in this Draft 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. I further certify that all the statements in this Draft Red Herring Prospectus are true and correct.

### SIGNED BY THE BOARD OF DIRECTORS OF OUR COMPANY:

Name and Designation	Signature
Bhaveshkumar Popatlal Upadhyay Non - Executive Director DIN: 08384922	Sd/-

Date: August 20, 2024

Place: Ahmedabad, Gujarat

## DECLARATION

I certify and declare that all relevant provisions of the Companies Act, 2013 and the rules, regulations and guidelines issued by the Government of India, or the regulations or guidelines issued by SEBI, established under section 3 of the Securities and Exchange Board of India Act, 1992, as the case may be, have been complied with and no statement made in this Draft 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. I further certify that all the statements in this Draft Red Herring Prospectus are true and correct.

### SIGNED BY THE BOARD OF DIRECTORS OF OUR COMPANY:

Name and Designation	Signature
Shivani Pathak Independent Director DIN: 10481354	Sd/-

Date: August 20, 2024

Place: Ahmedabad, Gujarat

## DECLARATION

I certify and declare that all relevant provisions of the Companies Act, 2013 and the rules, regulations and guidelines issued by the Government of India, or the regulations or guidelines issued by SEBI, established under section 3 of the Securities and Exchange Board of India Act, 1992, as the case may be, have been complied with and no statement made in this Draft 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. I further certify that all the statements in this Draft Red Herring Prospectus are true and correct.

### SIGNED BY THE BOARD OF DIRECTORS OF OUR COMPANY:

Name and Designation	Signature
Vinod Kanubhai Rana Independent Director DIN: 08160972	Sd/-

Date: August 20, 2024

Place: Ahmedabad, Gujarat

## DECLARATION

I certify and declare that all relevant provisions of the Companies Act, 2013 and the rules, regulations and guidelines issued by the Government of India, or the regulations or guidelines issued by SEBI, established under section 3 of the Securities and Exchange Board of India Act, 1992, as the case may be, have been complied with and no statement made in this Draft 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. I further certify that all the statements in this Draft Red Herring Prospectus are true and correct.

### SIGNED BY THE BOARD OF DIRECTORS OF OUR COMPANY:

Name and Designation	Signature
Hitesh Singh Parihar Company Secretary & Compliance Officer PAN: AQNPJ8274C	Sd/-

Date: August 20, 2024

Place: Madhya Pradesh

## DECLARATION

I certify and declare that all relevant provisions of the Companies Act, 2013 and the rules, regulations and guidelines issued by the Government of India, or the regulations or guidelines issued by SEBI, established under section 3 of the Securities and Exchange Board of India Act, 1992, as the case may be, have been complied with and no statement made in this Draft 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. I further certify that all the statements in this Draft Red Herring Prospectus are true and correct.

### SIGNED BY THE BOARD OF DIRECTORS OF OUR COMPANY:

Name and Designation	Signature
Narsinhbhai Ratnabhai Koladia Chief Financial Officer PAN: ADIPK1097N	Sd/-

Date: August 20,2024

Place: Vadodara, Gujarat