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**Draft Red Herring Prospectus**

Dated: November 12, 2024

(The Draft Red Herring Prospectus will be updated upon filing with the RoC)

Please Read Section 26 and 32 of Companies Act, 2013

**100% Book Built Issue**



**NUTRIKOSH INDIA LIMITED**

**CORPORATE IDENTITY NUMBER: U01100UP2021PLC147207**

REGISTERED & CORPORATE OFFICE	CONTACT PERSON	TELEPHONE AND EMAIL	WEBSITE
(41Y5) Vishwa Nath, H No. 16, Amrit Puram, Kanpur-208011	Shikha Sanduja Company Secretary and Compliance Officer	<b>Email:</b> cs@nkosh.in <b>Tel. No.:</b> +91 75100 01507	www.nkosh.in

**OUR PROMOTERS: ASHUTOSH TIWARI, ALOK CHAUDHARY, ANANDKUMAR SRIRAM MAHTO AND RAHUL SAINI**

**DETAILS OF THE ISSUE**

TYPE	FRESH ISSUE	OFS Size*	TOTAL ISSUE SIZE	ELIGIBILITY
Fresh Issue	18,03,200 Equity Shares aggregating up to ₹[●] lakhs	NIL	₹ [●] lakhs	The Issue is being made pursuant to Regulation 229(1) of SEBI (ICDR) Regulations. For details of Share reservation among QIBs, NIIs and RIIs, see "Issue Structure" beginning on page 213.

\*OFS – Offer for sale

**RISKS IN RELATION TO THE FIRST ISSUE**

This being the first public issue of Equity Shares of our Company, there has been no formal market for the Equity Shares. The face value of the Equity Shares is ₹5 each. The Floor Price, the Cap Price and the Issue Price to be determined by our Company in consultation with the Book Running Lead Manager, in accordance with the SEBI (ICDR) Regulations, 2018 and on the basis of the assessment of market demand for our Equity Shares by way of the Book Building Process, as disclosed in "Basis for Issue Price" on page 79 or in case where, Price Band is not disclosed otherwise, will be advertised in two national daily newspapers (one each in English and in Hindi) with wide circulation and one daily regional newspaper with wide circulation at least two working days prior to the Bid / Issue Opening Date, should not be taken to be indicative of the market price of the Equity Shares after the Equity Shares are listed. No assurance can be given regarding an active or sustained trading in the Equity Shares or regarding the price at which the Equity Shares will be traded after listing.

**GENERAL RISK**

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 this 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 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 contents of this Draft Red Herring Prospectus. Specific attention of the investors is invited to section titled "Risk Factors" appearing on page 23 of this Draft Red Herring Prospectus.

**ISSUER'S ABSOLUTE RESPONSIBILITY**

Our Company, having made all reasonable inquiries, accepts responsibility for and confirms that this Draft Red Herring Prospectus contains all information with regard to our Company and the Issue, which is material in the context of the Issue, that the information contained in this Draft 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 Emerge Platform of National Stock Exchange of India Limited (NSE Emerge) in terms of the Chapter IX of the SEBI (ICDR) Regulations, 2018 as amended from time to time. For this Issue, the Designated Stock Exchange will be the National Stock Exchange of India Limited ("NSE")

**BOOK RUNNING LEAD MANAGER**

Name and Logo of the Book Running Lead Manager	Contact Person	Email and Telephone
 Sarthi Capital Advisors Private Limited	Pankaj Chaurasia	<b>Email Id:</b> ipo@sarthiwm.in <b>Tel No.:</b> +91 22 2652 8671/ 72

**REGISTRAR TO THE ISSUE**

Name and Logo of the Registrar	Contact Person	Email and Telephone
 Link Intime India Private Limited	Shanti Gopalkrishnan	<b>Email:</b> nutrikosh.smeipo@linkintime.co.in <b>Tel No.:</b> +91 810 811 4949

**BID/ISSUE PERIOD**

<b>ANCHOR PORTION ISSUE OPENS/CLOSES ON*</b>	●
<b>BID/ISSUE OPENS ON</b>	●
<b>BID/ISSUE CLOSES ON**</b>	● ^

\*Our Company may in consultation with the BRLM, 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.

\*\*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.

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

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## NUTRIKOSH INDIA LIMITED

Our Company was originally formed as a Private Limited Company in the name and style of "Nutrikosh India Private Limited" under the provisions of the Companies Act, 2013 on June 11, 2021 vide Certificate of Incorporation issued by Registrar of Companies, Kanpur bearing CIN: U01100UP2021PTC147207. Subsequently, our Company was converted into a Public Limited Company under the Companies Act, 2013 pursuant to a special resolution passed by the shareholders of our Company on July 18, 2024 and the name was changed to "Nutrikosh India Limited" pursuant to a fresh Certificate of Incorporation dated September 19, 2024 issued by the Registrar of Companies, Central Processing Centre, bearing CIN: U01100UP2021PLC147207. For further information, please refer chapter "Our History and Certain Other Corporate Matters" on page 117 of this Draft Red Herring Prospectus.

**Registered and Corporate Office:** (41Y5) Vishwa Nath, H NO. 16, Amrit Puram, Kanpur-208011, Uttar Pradesh; **Tel. No:** +91 7510001507;  
**E-mail:** cs@nkosh.in; **Website:** www.nkosh.in; **Contact Person:** Shikha Sanduja, Company Secretary and Compliance Officer  
**Corporate Identity Number:** U01100UP2021PLC147207

### OUR PROMOTERS: ASHUTOSH TIWARI, ALOK CHAUDHARY, ANANDKUMAR SRIRAM MAHTO AND RAHUL SAINI

**INITIAL PUBLIC OFFERING UP TO 18,03,200 EQUITY SHARES OF ₹5/- EACH ("EQUITY SHARES") OF NUTRIKOSH INDIA LIMITED (THE "COMPANY") FOR CASH AT A PRICE OF ₹[●]/- PER EQUITY SHARE (THE "ISSUE PRICE"), AGGREGATING TO ₹[●] LAKHS ("THE ISSUE"). OUT OF THE ISSUE, [●] EQUITY SHARES AGGREGATING TO ₹[●] LAKHS WILL BE RESERVED FOR SUBSCRIPTION BY MARKET MAKER ("MARKET MAKER RESERVATION PORTION"). THE ISSUE LESS THE MARKET MAKER RESERVATION PORTION I.E. ISSUE OF [●] EQUITY SHARES OF FACE VALUE OF ₹5/- EACH AT AN ISSUE PRICE OF ₹[●]/- PER EQUITY SHARE AGGREGATING TO ₹[●] LAKHS IS HERINAFTER REFERRED TO AS THE "NET ISSUE". THE ISSUE AND THE NET ISSUE WILL CONSTITUTE [●]% AND [●]%, RESPECTIVELY OF THE POST ISSUE PAID UP EQUITY SHARE CAPITAL OF OUR COMPANY.**

**THE FACE VALUE OF THE EQUITY SHARES IS ₹5/- EACH AND THE FLOOR PRICE AND CAP PRICE ARE [●] TIMES AND [●] TIMES OF THE FACE VALUE OF THE EQUITY SHARES, RESPECTIVELY.**

The price band and the minimum bid lot will be decided by our company, in consultation with the book running lead manager and will be advertised in all editions of [●] (which are widely circulated English daily newspaper) and all editions of [●] (which are widely Hindi daily newspaper), Hindi being regional language of Uttar Pradesh, where our registered office is located), at least two working days prior to the bid/ issue opening date and shall be made available to national stock exchange of India limited ("NSE", "stock exchange") for the purpose of uploading on their respective website.

This Issue is being made through the Book Building Process, in terms of Rule 19(2)(b) of the Securities Contracts (Regulation) Rules, 1957, as amended ("SCRR") read with Regulation 229 of the SEBI ICDR Regulations and in compliance with Regulation 253 of the SEBI ICDR Regulations wherein not more than 50.00% of the Net Issue shall be available for allocation on a proportionate basis to Qualified Institutional Buyers ("QIBs") (the "QIB Portion"), provided that our Company in consultation with the BRLM may allocate up to 60.00% of the QIB Portion to Anchor Investors on a discretionary basis ("Anchor Investor Portion"). One-third of the Anchor Investor Portion shall be reserved for domestic Mutual Funds, subject to valid Bids being received from the domestic Mutual Funds at or above the Anchor Investor Allocation Price in accordance with the SEBI ICDR Regulations. 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 (other than the Anchor Investor Portion) ("Net QIB Portion"). Further, 5.00% of the Net QIB Portion shall be available for allocation on a proportionate basis to Mutual Funds only, and the remainder of the Net 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. However, if the aggregate demand from Mutual Funds is less than 5.00% 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 15.00% of the Net Issue shall be available for allocation on a proportionate basis to Non-Institutional Investors and not less than 35.00% of the Net Issue shall be available for allocation to Retail Individual Investors in accordance with the SEBI ICDR Regulations, subject to valid Bids being received from them at or above the Issue Price. All Bidders, other than Anchor Investors, are required to participate in the Issue by mandatorily utilising the Application Supported by Blocked Amount ("ASBA") process by providing details of their respective ASBA Account (as defined hereinafter) in which the corresponding Bid Amounts will be blocked by the Self Certified Syndicate Banks ("SCSBs") or 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" on page 217 of this Draft Red Herring Prospectus.

### RISKS IN RELATION TO THE FIRST ISSUE

This being the first public issue of Equity Shares of our Company, there has been no formal market for the Equity Shares of our Company. The face value of the Equity Shares is ₹5 each. The Floor Price or the Price Band as stated under the chapter titled "Basis for the Issue Price" beginning on page 79 of this Draft Red Herring Prospectus should not be taken to be indicative of the market price of the Equity Shares after such Equity Shares are listed. No assurance can be given regarding an active and/or sustained trading in the Equity Shares or 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 the Issue unless they can afford to take the risk of losing their investment. Investors are advised to read the risk factors carefully before taking an investment decision in 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 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 contents of this Draft Red Herring Prospectus. Specific attention of the investors is invited to "Risk Factors" on page 23.

### ISSUER'S ABSOLUTE RESPONSIBILITY

Our Company, having made all reasonable inquiries, accepts responsibility for and confirms that this Draft Red Herring Prospectus contains all information with regard to our Company and the Issue which is material in the context of this 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 make 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, once issued through the Draft Red Herring Prospectus are proposed to be listed on the Emerge Platform of National Stock Exchange of India Limited in terms of the Chapter IX of the SEBI (ICDR) Regulations, 2018 as amended from time to time. Our Company has received an approval letter dated [●] from National Stock Exchange of India Limited for using its name in the Draft Red Herring Prospectus for listing of our shares on the Emerge Platform of National Stock Exchange of India Limited. For the purpose of this Issue, National Stock Exchange of India Limited shall be the Designated Stock Exchange.

### BOOK RUNNING LEAD MANAGER TO THE ISSUE

### REGISTRAR TO THE ISSUE

 <p><b>Sarthi Capital Advisors Private Limited</b>                  CIN: U65190DL2012PTC238100                  401, 4<sup>th</sup>Floor, Manek Plaza, 167, Vidyanagari Marg, Kalina, Santacruz (E), Mumbai – 400 098                  Tel No.: +91 22 2652 8671/ 72                  Email Id: ipo@sarthiwm.in                  Website: www.sarthiwm.in                  Contact Person: Pankaj Chaurasia                  SEBI Registration No.: INM000012011</p>	 <p><b>Link Intime India Private Limited</b>                  CIN: U67190MH1999PTC118368                  C-101, 247 Park, L B S Marg, Vikhroli (West), Mumbai - 400083                  Tel. No.: +91 810 811 4949; <b>Email:</b> nutrikosh.smeipo@linkintime.co.in  <b>Investor Grievance E-Mail:</b> nutrikosh.smeipo@linkintime.co.in                  Contact Person: Shanti Gopalkrishnan                  SEBI Registration No.: INR000004058                  Website: www.linkintime.co.in</p>
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### ISSUE PROGRAMME

<b>ANCHOR INVESTOR BIDDING DATE</b>	[●]*
<b>BID/ISSUE OPENS ON</b>	[●]*
<b>BID/ISSUE CLOSES ON**</b>	[●]^

\*Our Company and the Promoter Selling Shareholder may, in consultation with the BRLM, consider participation by Anchor Investors in accordance with the SEBI ICDR Regulations. The Anchor Investor Bidding Date shall be one Working Day prior to the Bid/Issue Opening Date.

\*\*Our Company and the Promoter Selling Shareholder 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.

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

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## SECTION I – GENERAL

### DEFINATION AND ABBREVIATION

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, policy, circular, notification, clarification, direction or policies shall be to such legislation, act, regulation, rule, guideline, policy, circular, notification or clarifications, modifications, replacements or re-enactments thereto, as amended, from time to time and any reference to a statutory provision shall include any subordinate legislation made from time to time under that provision. In case of any inconsistency between the definitions given below and the definitions contained in the General Information Document (as defined below), the definitions given below shall prevail.

The words and expressions used in this Draft Red Herring Prospectus but not defined herein, shall have, to the extent applicable, the meanings ascribed to such terms under the Companies Act, the SEBI (ICDR) Regulations, the SCRA, the Depositories Act or the rules and regulations made thereunder.

Notwithstanding the foregoing, terms used in the sections “Statement of Special Tax Benefits”, “Financial Information of the Company” and “Main Provisions of the Articles of Association” on page 80, 141 and 250 respectively, shall have the meaning ascribed to such terms in such sections.

#### General Terms

Term	Description
“NKOSH” or “the Company” or “our Company or “the issuer company”	Nutrikosh India Limited a Public Limited Company incorporated under the provisions of the Companies Act, 2013 and having its Registered Office at (41Y5) Vishwa Nath, H NO. 16, Amrit Puram, Kanpur-208011.
“we” or “us”, or “our”	Unless the context otherwise indicates or implies, our Company on the date of this Draft Red Herring Prospectus.

#### Company Related Terms

Term	Description
Articles or Articles of Association or AOA	The Articles of Association of our Company, as amended from time to time.
Auditor/Statutory Auditor	The Auditor of the Company being PMH and Associates LLP Chartered Accountants having their Office at AB/03, 2nd Floor, Safdarjung Enclave, Delhi-110029.
Audit Committee	The Committee of the Board of Directors constituted in accordance with Section 177 of the Companies Act, 2013 as described in the chapter titled "Our Management" beginning on page 120 of this Draft Red Herring Prospectus.
Banker to our Company	State Bank of India
“Board” or “Board of Directors” or “our Board”	The Board of Directors of our Company, as duly constituted from time to time, or committee(s) thereof.
Chief Financial Officer/ CFO	Vandana Sharma
Company Secretary and Compliance Officer	Shikha Sanduja
Director(s)	The Director(s) of our Company, unless otherwise specified
Equity Shares	Equity Shares of our Company of Face Value of ₹5 each
Executive Directors	Executive Director(s) on our Board, as described in “Our Management” on page 120 of the Draft Red Herring Prospectus.
Equity Shareholders	Persons/Entities holding Equity Shares of our Company

<b>Term</b>	<b>Description</b>
Group Companies	Companies which are covered under the applicable accounting standards and other companies as considered material by our Board, and disclosed in the chapter titled “Our Group Companies” beginning on page 139 of this Draft Red Herring Prospectus.
ISIN	International Securities Identification Number. In this case being INE13U601019
Key Management Personnel	Key management personnel of our Company in terms of regulation 2(1)(bb) of the SEBI Regulations, 2018 and section 2(51) of the Companies Act, 2013 and as disclosed in the section titled “Our Management” on page 120 of this Draft Red Herring Prospectus.
Materiality Policy	The policy on identification of group companies, material creditors and material litigation, adopted by our Board on September 26, 2024, in accordance with the requirements of the SEBI (ICDR) Regulations, 2018.
Memorandum of Association or Memorandum or MOA	The Memorandum of Association of our Company, as amended from time to time.
“Promoter” or “our Promoters”	Promoters of our Company being Ashutosh Tiwari, Alok Chaudhary, Anandkumar Sriram Mahto and Rahul Saini.
Promoter Group	Includes such persons and entities constituting our Promoter group in terms of Regulation 2(1)(pp) of the SEBI (ICDR) Regulations, 2018 and a list of which is provided in the chapter titled “Our Promoters and Promoter Group” beginning on page 133 of this Draft Red Herring Prospectus.
Registered Office	The Registered Office of our Company is located at (41Y5) Vishwa Nath, H No. 16, Amrit Puram, Kanpur-208011.
Restated Financial Information	The Restated financial information of the Company comprising of the restated financial statement of assets and liabilities for the period ended September 30, 2024 and for the year ended March 31, 2024, March 31, 2023 and March 31, 2022, the restated financial statement of profit and loss and the restated financial statement of cash flows for the period ended September 30, 2024 and for the financial years ended March 31, 2024, March 31, 2023 and March 31, 2022 and the summary of significant accounting policies and explanatory notes and notes to restated financial statement.
ROC	Registrar of Companies, Kanpur
SEBI (ICDR) Regulations /ICDR 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 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.
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 "Our Management" beginning on page 120 of this Draft Red Herring Prospectus

#### **Issue Related Terms**

<b>Term</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 a bidder as proof of registration of the Application.

<b>Term</b>	<b>Description</b>
Allocation / Allocation of Equity Shares	Allocation of Equity Shares of our Company pursuant to Fresh Issue of Equity Shares to the successful Applicants.
Allotment Advice	Note or advice or intimation of Allotment sent to the Bidders who have been allotted Equity Shares after the Basis of Allotment has been approved by the Designated Stock Exchange.
Allotment/ Allot/ Allotted	Issue and allotment of Equity Shares of our Company pursuant to Fresh Issue of the Equity Shares to the successful Applicants.
Allottee(s)	Successful Applicants to whom Equity Shares of our Company shall have been allotted.
Anchor Investor	A Qualified Institutional Buyer, applying under the Anchor Investor Portion in accordance with the requirements specified in the SEBI ICDR Regulations and the Red Herring Prospectus and who has Bid for an amount of at least ₹200.00 lakhs.
Anchor Investor Allocation Price	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.
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 the Prospectus.
Anchor Investor Bid/Issue Period or Anchor Investor Bidding Date	The day, being one Working Day prior to the Bid/Issue Opening Date, on which Bids by Anchor Investors shall be submitted, prior to and after which the Book Running Lead Manager will not accept any Bids from Anchor Investors, and allocation to the Anchor Investors shall be completed.
Anchor Investor Offer 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 determined by our Company in consultation with the Book Running Lead Manager.
Anchor Investor Pay- in Date	With respect to Anchor Investor(s), it shall be the Anchor Investor Bidding Date, and in the event the Anchor Investor Allocation Price is lower than the Offer Price, not later than two Working Days after the Bid/ Issue Closing Date.
Anchor Investor Portion	Up to 60.00% 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.
Applicant	Any prospective investor who makes an application for Equity Shares of our Company in terms of this Draft Red Herring Prospectus.
Application Amount	The amount at which the Applicant makes an application for Equity Shares of our Company in terms of this Draft Red Herring Prospectus.
Application Form	The Form in terms of which the prospective investors shall apply for our Equity Shares in the Issue.
Application Supported by Blocked Amount or ASBA	An application, whether physical or electronic, used by ASBA Bidders, to make a Bid and authorising an SCSB to block the Bid Amount in the ASBA Account and will include applications made by UPI Bidders using UPI

Term	Description
	Mechanism where the Bid Amount will be blocked upon acceptance of UPI Mandate Request by the UPI Bidders using the UPI Mechanism
ASBA Account	A bank account maintained by an ASBA Bidder 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 amount specified in the ASBA Form submitted by such ASBA Bidder and includes a bank account maintained by a UPI Bidders linked to a UPI ID, which will be blocked by the SCSB upon acceptance of the UPI Mandate Request in relation to a Bid by a UPI Bidders 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, Ahmedabad, Rajkot, Bangalore, Hyderabad, Pune, Baroda and Surat.
ASBA Investor/ASBA applicant	Any prospective investor(s)/applicant(s) in this Issue who apply (ies) through the ASBA process except Anchor Investors.
Banker(s) to the Issue/ Public Offer Bank(s).	The banks which are clearing members and registered with SEBI as Banker to an Issue with whom the Public Issue Account will be opened and, in this case, being [●].
Basis of Allotment	The basis on which Equity Shares will be Allotted to the successful Applicants under the Issue. For details, see “Issue Procedure” beginning on page 215 of this Draft Red Herring Prospectus.
Bid	An indication to make an offer during the Bid/Issue Period by an ASBA Bidder pursuant to submission of the ASBA Form, or during the Anchor Investor Bidding Date 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 and in terms of the Red Herring Prospectus and the relevant Bid cum Application Form. The term “Bidding” shall be construed accordingly
Bid Lot	[●] Equity Shares of Face Value of ₹5 each and in multiples of [●] Equity Shares of Face Value of ₹5 each thereafter.
Bid/Issue Closing Date	<p>Except in relation to any Bids received from the Anchor Investors, the date after which the Designated Intermediaries will not accept any Bids, being [●], which shall be published in [●] (a widely circulated English national daily newspaper), [●], a Hindi national daily newspaper, (a widely circulated Hindi Newspaper, Hindi also being the regional language of Uttar Pradesh, where our Registered Office is located)</p> <p>Our Company in consultation with the BRLM, may, 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. In case of any revision, the extended Bid/ Issue Closing Date shall be widely disseminated by notification to the Stock Exchanges, and also be notified on the websites of the BRLM and at the terminals of the Syndicate Members, if any and communicated to the Designated Intermediaries and the Sponsor Bank, which shall also be notified in an advertisement in same newspapers in which the Bid/ Issue Opening Date was published, as required under the SEBI ICDR Regulations.</p>
Bid/Issue Opening Date	Except in relation to any Bids received from the Anchor Investors, the date on which the Designated Intermediaries shall start accepting Bids, which shall be published in [●] (a widely circulated English national daily newspaper), [●], a Hindi national daily newspaper, (a widely circulated Hindi

<b>Term</b>	<b>Description</b>
	Newspaper, Hindi also being the regional language of Uttar Pradesh, where our Registered Office is located)
Bid/ Issue Period	<p>Except in relation to Anchor Investors, the period between the Bid/ Issue Opening Date and the Bid/ Issue Closing Date, inclusive of both days, during which prospective Bidders can submit their Bids, including any revisions thereof in accordance with the SEBI ICDR Regulations and the terms of the Red Herring Prospectus. Provided, however, that the Bidding shall be kept open for a minimum of three Working Days.</p> <p>Our Company in consultation with the Book Running Lead Manager may consider closing the Bid/Issue Period for the QIB Portion One Working Day prior to the Bid/Issue Closing Date which shall also be notified in an advertisement in same newspapers in which the Bid/Issue Opening Date was published, in accordance with the SEBI ICDR Regulations.</p> <p>In cases of force majeure, banking strike or similar circumstances, our Company may, in consultation with the BRLM, 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.</p>
Bidder	Any prospective investor who makes a Bid pursuant to the terms of the Red Herring Prospectus and the Bid cum Application Form and unless otherwise stated or implied, includes an ASBA Bidder and an Anchor Investor.
Book Building Process	Book building process, as provided in Part A of Schedule XIII of the SEBI ICDR Regulations, 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 Sarthi Capital Advisors Private Limited, SEBI Registered Category I Merchant Banker.
Cap Price	The higher end of the Price Band, subject to any revisions thereto, above which the Offer Price and Anchor Investor Offer Price will not be finalised and above which no Bids will be accepted. The Cap Price shall be at least 105% of the Floor Price and less than or equal to 120% of the Floor Price.
Controlling Branch	Such branch of the SCSBs which coordinate Applications under this Issue by the ASBA Applicants with the Registrar to the Issue and the Stock Exchange and a list of which is available at <a href="http://www.sebi.gov.in">http://www.sebi.gov.in</a> , or at such other website as may be prescribed by SEBI from time to time.
Demographic Details	The demographic details of the Applicants such as their Address, PAN, name of the bidder father/husband, investor status, occupation and Bank Account details.
Depository Participant	A Depository Participant as defined under the Depositories Act, 1996.
Designated Branches	Such branches of the SCSBs which shall collect the ASBA Forms from the ASBA Applicants and a list of which is available at <a href="http://www.sebi.gov.in">www.sebi.gov.in</a> , or at such other website as may be prescribed by SEBI from time to time.
Designated Date	The date on which funds are transferred from the amount blocked by the SCSBs is transferred from the ASBA Account to the Public Issue Account or the instructions are given to the SCSBs to unblock the ASBA Accounts including the accounts linked with UPI ID, as appropriate, after the Issue is closed, following which the Equity Shares shall be allotted/transfer to the successful Applicants.
Designated Stock Exchange	National Stock Exchange of India Limited (NSE) (Emerge Platform).
Draft Red Herring Prospectus	The Draft Red Herring Prospectus issued in accordance with section 26 of the Companies Act, 2013 and filed with the NSE under SEBI (ICDR) Regulations 2018.
Eligible NRIs	NRIs from jurisdictions outside India where it is not unlawful to make an issue or invitation under the Issue and in relation to whom this Draft Red

<b>Term</b>	<b>Description</b>
	Herring Prospectus constitutes an invitation to subscribe to the Equity Shares issued herein.
Emerge Platform of NSE	The Emerge Platform of NSE for Listing of Equity Shares issued under Chapter IX of SEBI (ICDR) Regulations which was approved by SEBI as an NSE Emerge on October 14, 2011.
First/ Sole Applicant	The Applicant whose name appears first in the Application Form or Revision Form and in case of joint bids, whose name shall also appear as the first holder of the beneficiary account or UPI linked account number held in joint names.
Floor Price	The lower end of the Price Band, subject to any revision(s) thereto, not being less than the face value of Equity Shares, at or above which the Issue Price and the Anchor Investor Issue Price will be finalised and below which no Bids will be accepted
Fugitive Economic Offender	An individual who has committed the specified offence(s) under the Fugitive Economic Offenders Act, 2018 involving an amount of one hundred crore rupees or more and has absconded from India or refused to come back to India to avoid or face criminal prosecution in India.
General Information Document	The General Information Document for investing in public issues prepared and issued in accordance with the circular CIR/CFD/DIL/12/2013 dated October 23, 2013, and updated pursuant to the circular CIR/CFD/POLICYCELL/11/2015 dated November 10, 2015 and SEBI/HO/CFD/DIL/CIR/P/2016/26 dated January 21, 2016 and SEBI/HO/CFD/DIL2/CIR/P/2018/138 dated November 01, 2018 notified by SEBI suitably modified and included in "Issue Procedure" beginning on page 215 of this Draft Red Herring Prospectus.
Listing Agreement	The Equity Listing Agreement to be signed between our Company and the National Stock Exchange of India Limited.
Market Making Agreement	Market Making Agreement dated [●], between our Company, BRLM and Market Maker.
Market Maker	Market Maker appointed by our Company from time to time, in this case being [●], who has agreed to receive or deliver the specified securities in the market making process for a period of three years from the date of listing of our Equity Shares or for any other period as may be notified by SEBI from time to time.
Market Maker Reservation Portion	The Reserved Portion of [●] Equity Shares of Face Value of ₹5 each fully paid for cash at a price of ₹[●] per Equity Share aggregating ₹[●] for the Market Maker in this Issue.
Mutual Fund(s)	A mutual fund registered with SEBI under the SEBI (Mutual Funds) Regulations, 1996, as amended from time to time.
NIF	National Investment Fund set up by resolution F. No. 2/3/2005-DD-II dated November 23, 2005 of Government of India published in the Gazette of India.
Net Issue	The Issue, excluding the Market Maker Reservation Portion, of [●] Equity Shares of Face Value of ₹5 each fully paid for cash at a price of ₹[●] Equity Share aggregating ₹[●] Lakhs by our Company.
Net Proceeds	The Issue Proceeds, less the Issue related expenses, received by the Company. For further information about use of the Issue Proceeds and the Issue expenses, please refer to the chapter titled "Objects of the Issue" beginning on page 73 of this Draft Red Herring Prospectus.
Non-Institutional Investors	All Applicants that are not Qualified Institutional Buyers or Retail Individual Investors and who have Applied for Equity Shares for an amount more than ₹2,00,000 (but not including NRIs other than Eligible NRIs).
OCB/Overseas Corporate Body	A company, partnership, society or other corporate body owned directly or indirectly to the extent of at least 60.00% by NRIs, including overseas trusts in which not less than 60.00% of beneficial interest is irrevocably held by

<b>Term</b>	<b>Description</b>
	NRIs directly or indirectly as defined under the Foreign Exchange Management (Deposit) Regulations, 2000, as amended from time to time. OCBs are not allowed to invest in this Issue.
Issue/ Issue Size/ Initial Public Offer/ Initial Public Offering/ IPO	Public Issue of 18,03,200 Equity Shares of Face Value of ₹5 each fully paid of Nutrikosh India Limited for cash at a price of ₹[●] per Equity Share (including a premium of ₹[●] per Equity Share) aggregating ₹[●] Lakhs.
Issue Agreement	The agreement dated November 05, 2024 between our Company and the Book Running Lead Manager, pursuant to which certain arrangements are agreed to in relation to the Issue.
Issue Price	The final price at which Equity Shares will be Allotted to ASBA Bidders in terms of the Red Herring Prospectus and the Prospectus. Equity Shares will be Allotted to Anchor Investors at the Anchor Investor Offer Price in terms of the Red Herring Prospectus. The Offer Price and discount (if any) will be decided by our Company, in consultation with the Book Running Lead Manager, on the Pricing Date in accordance with the Book Building Process and the Red Herring Prospectus.
Issue Proceeds	Proceeds from the Issue that will be available to our Company, being ₹[●] Lakhs.
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.
Public Issue Account	Account opened with the Banker to the Issue/Public Issue Bank i.e. [●] by our Company to receive monies from the Escrow Account and the SCSBs from the bank accounts of the ASBA Applicants on the Designated Date.
Public Issue Account Agreement	Agreement to be entered into by our Company, the Registrar to the Issue, the Book Running Lead Manager, and the Public Issue Bank/Banker to the Issue for collection of the Application Amounts.
Qualified Institutional Buyers or QIBs	QIBs, as defined in terms of Regulation 2(1) (ss) of the SEBI ICDR Regulations, 2018.
QIB Bidders	QIBs who Bid in the Issue
QIB Portion	The portion of the Issue (including the Anchor Investor Portion) being not more than 50% of the Issue, consisting of [●] Equity Shares which shall be Allotted to QIBs, including the Anchor Investors on a proportionate basis, including the Anchor Investor Portion (which allocation shall be on a discretionary basis, as determined by our Company, in consultation with the Book Running Lead Managers up to a limit of 60% of the QIB Portion) subject to valid Bids being received at or above the Issue Price or Anchor Investor Issue Price (for Anchor Investors), as applicable.
Red Herring Prospectus	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 Issued 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 on or after the Pricing Date.
Refund Account (s)	The 'no-lien' and 'non-interest bearing' account opened with the Refund Bank Account(s), from which monies to be refunded to the Applicants shall be transferred from the Public Issue Account in case listing of the Equity Shares does not occur.

<b>Term</b>	<b>Description</b>
Refund Bank(s) / Refund Banker(s)	Bank(s) which is / are clearing member(s) and registered with the SEBI as Bankers to the Issue at which the Refund Accounts will be opened in case listing of the Equity Shares does not occur, in this case being [●].
Registrar /Registrar to the Issue	Registrar to the Issue, in this case being Link Intime India Private Limited, having office at C-101, 247 Park, L B S Marg, Vikhroli (West), Mumbai 400083
Retail Individual Investor	Individual Applicants, or minors applying through their natural guardians, including HUFs (applying through their Karta) and ASBA Applicants, who apply for an amount less than or equal to ₹2,00,000.
Revision Form	The form used by the Applicants to modify the quantity of Equity Shares in any of their Application Forms or any previous Revision Form(s). QIB Bidders and Non-Institutional Bidders are not allowed to withdraw or lower their Bids (in terms of quantity of Equity Shares or the Bid Amount) at any stage. Retail Individual Bidders Bidding in the Retail Portion can revise their Bids during the Bid/Issue Period and withdraw their Bids until Bid/Issue Closing Date.
SCSB/ Self Certified Syndicate Banker.	It shall mean a Banker to an Issue registered under SEBI (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?doRecognisedFpis&amp;intmId=35">https://www.sebi.gov.in/sebiweb/other/OtherAction.do?doRecognisedFpis&amp;intmId=35</a> or at such other website as may be prescribed by SEBI from time to time.
Sponsor Bank	It Shall mean a Banker to the Issue registered with SEBI which is appointed by the issuer to act as a conduit between the Stock Exchanges and National Payments Corporation of India in order to push the mandate collect requests and/or payment instructions of the retail investors into the UPI.
Underwriter	Underwriter in this issue being [●].
Underwriting Agreement	The agreement dated [●], which will be entered into between the Underwriter and our Company.
UPI Mechanism	The bidding mechanism that may be used by a RII to make an application in the Issue in accordance with SEBI circular SEBI/HO/CFD/DIL2/CIR/P/2018/138 dated November 01, 2018.
Unified Payments Interface	It is an instant payment system developed by National Payments Corporation of India which allows instant transfer of money between any two persons' bank accounts using a payment address which uniquely identifies a person's Bank account.
UPI ID	ID created on Unified Payment Interface.
UPI Mandate Request	A request (intimating the RII by way of a notification on the UPI application and by way of a SMS directing the RII to such UPI application) to the RII initiated by the Sponsor Bank to authorize blocking of funds on the UPI application equivalent to Application Amount and subsequent debit of funds in case of Allotment.
UPI PIN	Password to authenticate transaction through UPI mechanism.
Wilful Defaulter	As defined under Regulation 2(1) (III) of SEBI (ICDR) Regulations, 2018 which means a person or an issuer who or which is 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.
Working Day	Unless the context otherwise requires: Working Days shall be as defined under Regulation 2(1)(mmm) of SEBI (ICDR), 2018 and all trading days of stock exchange excluding Sundays and

Term	Description
	bank holidays in accordance with the SEBI circular no. SEBI/HO/CFD/DIL/CIR/P/2016/26 dated January 21, 2016.

### Technical and Industry Terms

Term	Description
AI	Artificial Intelligence
APMC	Agriculture Produce Market Committee
AS	Agri Solution
FPO	Farmer Producer Organisation
ATI	AgriTech Innovations
HTS	HarvestTech Solutions
ICAR	Indian Council of Agricultural Research
IoT	Internet of Things
ML	Machine Learning
SHG's	Self Help Group
UAVs	Unmanned Aerial Vehicles

### Conventional and General Terms/ Abbreviations

Term	Description
A/C	Account
Act	Unless specified otherwise, this would imply to the provisions of the Companies Act, 2013 (to the extent notified) and /or Provisions of Companies Act, 1956 w.r.t. the sections which have not yet been replaced by the Companies Act, 2013 through any official notification.
AGM	Annual General Meeting
Articles	Articles of Association of the Company as originally framed or as altered from time to time in pursuance of any previous companies' law or of this Act.
AS	Accounting Standards as issued by the Institute of Chartered Accountants of India.
A.Y.	Assessment Year
ASBA	Applications Supported by Blocked Amount
B. A	Bachelor of Arts
B. Com	Bachelor's Degree in Commerce
BIFR	Board for Industrial and Financial Reconstruction
BSE	BSE Limited
CAGR	Compounded Annual Growth Rate
Category I Alternate Investment Fund / Category I AIF	AIFs who are registered as "Category I Alternative Investment Funds" under the SEBI AIF Regulations
Category I Foreign Portfolio Investor(s) / Category I FPIs	FPIs who are registered as "Category I foreign portfolio investors" under the SEBI FPI Regulations
Category II Alternate Investment Fund / Category II AIF	AIFs who are registered as "Category II Alternative Investment Funds" under the SEBI AIF Regulations
Category II Foreign Portfolio Investor(s) / Category II FPIs	FPIs who are registered as "Category II foreign portfolio investors" under the SEBI FPI Regulations
Category III Alternate Investment Fund / Category III AIF	AIFs who are registered as "Category III Alternative Investment Funds" under the SEBI AIF Regulations
CDSL	Central Depository Services (India) Limited
CESTAT	Customs, Excise and Service Tax Appellate Tribunal
CENVAT	Central Value Added Tax
CFO	Chief Financial Officer
CIN	Corporate Identification Number

<b>Term</b>	<b>Description</b>
Companies Act	Unless specified otherwise, this would imply to the provisions of the Companies Act, 2013 (to the extent notified) and /or Provisions of Companies Act, 1956 w.r.t. the sections which have not yet been replaced by the Companies Act, 2013 through any official notification.
COVID- 19	Novel Coronavirus, 2019
CS	Company Secretary
CSO	Central Statistical Organization
Depositories	NSDL and CDSL; Depositories registered with the SEBI under the Securities and Exchange Board of India (Depositories and Participants) Regulations, 1996, as amended from time to time.
Depositories Act	The Depositories Act, 1996, as amended from time to time.
DIN	Director Identification Number
DP	Depository Participant
DP ID	Depository Participant's Identity
DB	Designated Branch
EBIDTA	Earnings before Interest, Depreciation, Tax, Amortization and extraordinary items.
ECS	Electronic Clearing Services
EGM	Extraordinary General Meeting
ESIC	Employee State Insurance Corporation
ESOP	Employee Stock Option Plan
EPS	Earnings per Share
FDI	Foreign Direct Investment
FCNR Account	Foreign Currency Non-Resident Account
FEMA	Foreign Exchange Management Act, 1999 as amended from time to time and the regulations framed there under.
FEMA Regulations	FEMA (Transfer or Issue of Security by Person Resident Outside India) Regulations, 2000 and amendments thereto.
FII(s)	Foreign Institutional Investors
Fis	Financial Institutions
FIPB	The Foreign Investment Promotion Board, Ministry of Finance, Government of India.
FV	Face Value
FVCI	Foreign Venture Capital Investor registered under the Securities and Exchange Board of India (Foreign Venture Capital Investor) Regulations, 2000.
F. Y	Financial Year
GAAP	Generally Accepted Accounting Principles
GDP	Gross Domestic Product
GOI	Government of India.
GST	Goods & Service Tax
HNI	High Net Worth Individual
HUF	Hindu Undivided Family
ICDR Regulations/ SEBI Regulations/ SEBI (ICDR) Regulations	SEBI (Issue of Capital and Disclosure Requirements) Regulations, 2018 as amended from time to time.
Indian GAAP	Generally accepted accounting principles in India.
ICAI	Institute of Chartered Accountants of India
ICSI	Institute of Company Secretaries of India
IFRS	International financial reporting standards.
Ind AS	Indian Accounting Standards
IPC	Indian Penal Code
IPO	Initial Public Offering
IPR	Intellectual Property Right
IT	Information Technology

<b>Term</b>	<b>Description</b>
IT Act	The Income-tax Act, 1961 as amended from time to time except as stated otherwise.
IT Rules	The Income-tax Rules, 1962, as amended from time to time
INR	Indian National Rupee
JV	Joint venture
KMP	The officers declared as a Key Managerial Personnel and as mentioned in the chapter titled “Our Management” beginning on page 120 of this Draft Red Herring Prospectus.
Ltd.	Limited
MBA	Master in Business Administration
M.Com	Master Degree in Commerce
MD	Managing Director
MOU	Memorandum of Understanding
MNC	Multinational corporation
N/A or NA	Not Applicable
NAV	Net Asset Value
NECS	National Electronic Clearing Services
NEFT	National Electronic Fund Transfer
Net Worth	The aggregate of the paid-up share capital, and all reserves created out of the profit [securities premium account and debit or credit balance of profit and loss account], after deducting the aggregate value of the accumulated losses, deferred expenditure and miscellaneous expenditure not written off, as per the audited balance sheet, but does not include reserves created out of revaluation of assets, write-back of depreciation and amalgamation.
NOC	No Objection Certificate
NPV	Net Present Value
NR	Non-Resident
NRE Account	Non-Resident External Account
NRI	Non-Resident Indian, is a person resident outside India, who is a citizen of India or a person of Indian origin and shall have the same meaning as ascribed to such term in the Foreign Exchange Management (Deposit) Regulations, 2000, as amended from time to time.
NRO Account	Non-Resident Ordinary Account
NSE	National Stock Exchange of India Limited
NSDL	National Securities Depository Limited.
p.a.	Per Annum
PAN	Permanent Account Number
PAT	Profit After Tax
PMLA	Prevention of Money Laundering Act
PML Rules	Prevention of Money Laundering Rules
Pvt.	Private
PBT	Profit Before Tax
P/E Ratio	Price Earnings Ratio
POA	Power of Attorney
PIO	Persons of Indian Origin
QIB	Qualified Institutional Buyer
RBI	Reserve Bank of India
RBI Act	The Reserve Bank of India Act, 1934, as amended from time to time
Ron	Return on Net Worth.
Rs. / INR	Indian Rupees
RTGS	Real Time Gross Settlement
SCRA	Securities Contracts (Regulation) Act, 1956
SCRR	Securities Contracts (Regulation) Rules, 1957
SCSB	Self-Certified Syndicate Bank

<b>Term</b>	<b>Description</b>
SEBI	Securities and Exchange Board of India.
SEBI Act	Securities and Exchange Board of India Act, 1992, as amended from time to time.
SEBI Depository Regulations	Securities and Exchange Board of India (Depositories and Participants) Regulations, 2018.
SEBI (ICDR) Regulations/ Regulations	Securities and Exchange Board of India (Issue of Capital and Disclosure Requirements) Regulations, 2018.
SEBI Listing Regulations	Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015.
SEBI Insider Trading Regulations	The SEBI (Prohibition of Insider Trading) Regulations, 2015, as amended from time to time, including instructions and clarifications issued by SEBI from time to time.
SEBI Takeover Regulations /Takeover Regulations / Takeover Code	Securities and Exchange Board of India (Substantial Acquisition of Shares and Takeovers) Regulations, 2011, as amended from time to time, including instructions and clarifications issued by SEBI from time to time.
Sec.	Section
SME	Small and Medium Enterprise
SICA	Sick Industrial Companies (Special Provisions) Act, 1985, as amended from time to time.
SSI	Small Scale Industry
SSI Undertaking	Small Scale Industrial Undertaking
Stock Exchange	National Stock Exchange of India Limited
Sq.	Square
Sq. mtr	Square Meter
TAN	Tax Deduction Account Number
TRS	Transaction Registration Slip
TIN	Taxpayers Identification Number
TNW	Total Net Worth
u/s	Under Section
UIN	Unique Identification Number
US/ U.S. / USA	United States of America
USD or US\$	United States Dollar
U.S. GAAP	Generally accepted accounting principles in the United States of America
UPI	Unified Payment Interface
UOI	Union of India
Venture Capital Fund(s)/ VCF(s)	Venture capital funds as defined and registered with SEBI under the Securities and Exchange Board of India (Venture Capital Fund) Regulations, 1996, as amended from time to time.
WDV	Written Down Value
w.e.f.	With effect from
YoY	Year over Year

Notwithstanding the following:

- (i) In the section titled ‘Main Provisions of the Articles of Association’ beginning on page 250 of this Draft Red Herring Prospectus, defined terms shall have the meaning given to such terms in that section;
- (ii) In the section titled ‘Financial Information’ beginning on page 141 of this Draft Red Herring Prospectus, defined terms shall have the meaning given to such terms in that section;
- (iii) In the chapter titled “Statement of Possible Tax Benefits” beginning on page 83 of this Draft Red Herring Prospectus, defined terms shall have the meaning given to such terms in that chapter.

## CERTAIN CONVENTIONS; PRESENTATION OF FINANCIAL, INDUSTRY AND MARKET DATA

### Certain Conventions

All references in the Draft Red Herring Prospectus to “India” are to the Republic of India and its territories and possessions and all references to the “Government”, “Indian Government”, “GOI”, “Central Government” or the “State Government” are to the Government of India, central or state, as applicable. All references in the Draft Red Herring Prospectus to the “U.S.”, “USA” or “United States” are to the United States of America and its territories and possessions.

In this Draft Red Herring Prospectus, the terms “we”, “us”, “our”, the “Company”, “our Company”, “Nutrikosh India Limited”, and, unless the context otherwise indicates or implies, refers to Nutrikosh India Limited. 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 / Lakh” means “one hundred thousand”, the word “million (mn)” means “Ten Lac / Lakh”, the word “Crore” means “ten million” and the word “billion (bn)” means “one hundred crore”. 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.

### Financial Data

Unless stated otherwise, the financial data included in this Draft Red Herring Prospectus are extracted from the restated financial statements of our Company, prepared in accordance with the applicable provisions of the Companies Act, IndAS or Indian GAAP and restated in accordance with SEBI (ICDR) Regulations, as stated in the report of our Peer Reviewed Auditors, set out in the section titled ‘Financial Information beginning on page 141 of this Draft Red Herring Prospectus. Our restated financial statements are derived from our audited financial statements prepared in accordance with Indian GAAP and the Companies Act and have been restated in accordance with the SEBI (ICDR) Regulations.

Our fiscal year commences on 1<sup>st</sup> April of each year and ends on 31<sup>st</sup> March of the next year. All references to a particular fiscal year are to the 12 months’ period ended 31<sup>st</sup> March of that year. In this Draft Red Herring Prospectus, any discrepancies in any table between the total and the sums of the amounts listed are due to rounding-off. All decimals have been rounded off to two decimal points.

There are significant differences between Indian GAAP, 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 this 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 and Indian GAAP and restated in accordance with SEBI (ICDR) Regulations, as stated in the report of our Peer Reviewed Auditors, set out in the section titled ‘Financial Information’ beginning on page 141 of this Draft Red Herring Prospectus.

### Currency of Presentation

In this Draft Red Herring Prospectus, references to “Rupees” or “Rs.” or “INR” are to Indian Rupees, the official currency of the Republic of India. All references to “\$”, “US\$”, “USD”, “U.S. \$” or “U.S. Dollars” are to United States Dollars, the official currency of the United States of America.

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

## Exchange rates

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

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

Currency	September 30, 2024	Exchange Rate		
		Fiscal 2024	Fiscal 2023	Fiscal 2022
1 USD	83.79	83.37	82.22	75.81

*(Source: RBI reference rate)*

*Note: If the reference rate is not available on a particular date due to a public holiday, exchange rates of the previous Working Day has been disclosed. The reference rates are rounded off to two decimal places.*

## 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, the section titled “Basis for Issue Price” on page 79 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.

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## FORWARD-LOOKING STATEMENTS

This Draft Red Herring Prospectus contains certain statements which are not statements of historical fact and may be described as “forward-looking statements”. These forward looking statements include statements which can generally be identified by words or phrases such as “aim”, “anticipate”, “are likely”, “believe”, “continue”, “can”, “could”, “expect”, “estimate”, “intend”, “may”, “likely”, “objective”, “plan”, “project”, “propose”, “seek to”, “shall”, “will”, “will achieve”, “will continue”, “will likely”, “will pursue” or other words or phrases of similar import. Similarly, statements that describe the strategies, objectives, plans or goals of our Company are also forward-looking statements. However, these are not the exclusive means of identifying forward-looking statements.

By their nature, certain market risk disclosures are only estimates and could be materially different from what actually occurs in the future. These forward-looking statements are based on our management’s belief and assumptions, current plans, estimates and expectations, which in turn are based on currently available information. As a result, actual results could be materially different from those that have been estimated. Forward-looking statements reflect our current views as of the date of this Prospectus and are not a guarantee of future performance.

Although we believe that the assumptions on which such statements are based are reasonable, any such assumptions as well as statements based on them could prove to be inaccurate. Actual results may differ materially from those suggested by such forward-looking statements. All forward-looking statements are subject to risks, uncertainties, expectations, and assumptions about us that could cause actual results to differ materially from those contemplated by the relevant forward-looking statement. This may be due to risks or uncertainties associated with our expectations with respect to, but not limited to, regulatory changes pertaining to the industries we cater to and our ability to respond to them, our ability to successfully implement our strategies, our growth and expansion, technological changes, our exposure to market risks, general economic and political conditions in India which have an impact on our business activities or investments, the monetary and fiscal policies of India, inflation, deflation, unanticipated turbulence in interest rates, foreign exchange rates, equity prices or other rates or prices, the performance of the financial markets in India and globally, changes in domestic laws, regulations and taxes, changes in competition in our industry and incidence of any natural calamities and/or acts of violence. 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.

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

1. Our Company has experienced negative cash flows in the past. We cannot assure you that we will achieve or sustain profitability and not continue to incur losses going forward.
2. The strength of our brand is crucial to our growth and our business may be adversely affected if we are unable to maintain and grow our brand image.
3. We operate in a competitive business environment and our inability to compete effectively may adversely affect our business, results of operations, financial condition and cash flows.
4. If we fail to safeguard the personal information data of the farmers that we gather, our reputation could be significantly harmed.
5. Our Company requires significant amount of working capital for a continuing growth. Our inability to meet our working capital requirements may adversely affect our results of operations.

Forward-looking statements reflect the current views of our Company as of the date of this Draft Red Herring Prospectus and are not a guarantee of future performance. These statements are based on our management’s beliefs, assumptions, current plans, estimates and expectations, which in turn are based on currently available information. Although we believe the assumptions upon which these forward-looking statements are based are reasonable, any of

these assumptions could prove to be inaccurate, and the forward-looking statements based on these assumptions could be incorrect.

Neither our Company, our Directors, our Promoters, the Book Running Lead Manager, the Syndicate Members nor any of their respective affiliates or advisors have any obligation to update or otherwise revise any statements reflecting circumstances arising after the date hereof or to reflect the occurrence of underlying events, even if the underlying assumptions do not come to fruition. In accordance with the SEBI ICDR Regulations, our Company will ensure that investors in India are informed of material developments pertaining to our Company and the Equity Share forming part of the Issue from the date of this Draft Red Herring Prospectus until the time of the grant of listing and trading permission by the Stock Exchange.

*[Remainder of this page has been left intentionally blank]*

## SUMMARY OF THE OFFER DOCUMENT

This section is a general summary of 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”, “Our Business”, “Industry Overview”, “Capital Structure”, “The Issue”, “Financial Information”, “Objects of the Issue”, “Management’s Discussion and Analysis of Financial Position and Results of Operations” and “Outstanding Litigation and Material Developments” on pages 23, 94, 85, 62, 48, 141, 73, 167 and 185 respectively of this Draft Red Herring Prospectus.

### Summary of Primary Business of our Company

Nutrikosh is an agritech company that combines physical and digital elements to create a farmer-focused platform, improving agricultural transactions. It supports farmers, Self-Help Groups (SHGs), and Farmer Producer Organizations (FPOs) by enabling them to order quality agricultural inputs through an app, which delivers directly to their farms. After harvest, the platform connects farmers with buyers like traders and retailers, helping them sell their produce at competitive prices. Local representatives, called Krishi Saarthi, assist farmers throughout the process and ensure timely payments. Our Company also provides logistics to transport produce to buyers.

### Industry Overview

India plays a major role in global agriculture, providing livelihoods for about 55% of its population. It has the largest cattle herd and significant areas planted with wheat, rice, and cotton. India is the top producer of milk, pulses, and spices, and ranks second in fruits, vegetables, and several other crops. The agriculture sector contributes approximately USD 278 billion and 14.52% to the country’s annual Gross Value Added (GVA) for FY2023-24. For 2022-24, food grain production is estimated at a record 3,288.52 Lakh tonnes, just to some extent below the previous year's production.

*For further details, see the section titled “Our Industry” on page 85.*

### Our Promoters

Ashutosh Tiwari, Alok Chaudhary, Anandkumar Sriram Mahto and Rahul Saini are our Promoters.

*For further details, see the section titled “Our Promoters and Promoter Group” on page 133.*

### The Issue

Fresh Issue of up to 18,03,200 Equity Shares of face value ₹5 each for cash at price of ₹[●] per Equity Share of face value of ₹5 each (including a premium of ₹[●] per Equity Share of face value of ₹5 each), aggregating to ₹[●].

For further details, see “The Issue” and “Issue Structure” on pages 48 and 213 respectively.

The Issue is subject to finalization of the Basis of Allotment.

The Issue has been authorized by a resolution of our Board dated September 26, 2024 and has been approved by a Special Resolution dated September 30, 2024 passed by our Shareholders.

### Objects of the Issue

The Net Proceeds are proposed to be utilized towards the following objects:

(₹ in Lakhs)	
Particulars	Estimated amount
Funding working capital requirements of our Company	1,350.00
General Corporate Purposes*	[●]

Particulars	Estimated amount
<b>Net Proceeds</b>	[●]

\*The amount utilized for general corporate purposes shall not exceed 25% of the Gross Proceeds

For further details, see the section titled “Objects of the Issue” on page 73.

#### Aggregate Pre-Issue and Post-Issue shareholding of our Promoters and the members of our Promoter Group:

The aggregate Pre-Issue and Post-Issue shareholding of our Promoters and the members of our Promoter Group as a percentage of the Pre-Issue Paid-up Equity Share capital and Post-Issue Paid-up Equity Share capital of our Company, as on the date of this Draft Red Herring Prospectus is set out below:

Sr. No.	Name of the Shareholder	Pre-Issue Equity Share capital		Post-Issue Equity Share capital	
		No. of Equity Shares of face value of ₹5 each held	% of paid-up Equity Share of capital	No. of Equity Shares of face value of ₹5 each held	% of paid-up Equity Share capital
<b>A. Promoters:</b>					
1.	Ashutosh Tiwari	10,75,000	21.50%	10,75,000	15.80%
2.	Alok Chaudhary	9,20,000	18.40%	9,20,000	13.52%
3.	Anandkumar Sriram Mahto	9,15,000	18.30%	9,15,000	13.45%
4.	Rahul Saini	9,05,000	18.10%	9,05,000	13.30%
<b>Total (A)</b>		<b>38,15,000</b>	<b>76.30%</b>	<b>38,15,000</b>	<b>56.08%</b>
<b>B. Promoters Group:</b>					
1.	Shashi Tiwari	5,000	0.10%	5,000	0.07%
<b>Total (B)</b>		<b>5,000</b>	<b>0.10%</b>	<b>5,000</b>	<b>0.07%</b>
<b>Total (A+B)</b>		<b>38,20,000</b>	<b>76.40%</b>	<b>38,20,000</b>	<b>56.15%</b>

For further details, see section titled “Capital Structure” on page 62

#### Summary of Restated Financial Information:

The details of certain financial information as set out under the SEBI ICDR Regulations for the period ended September 30, 2024 and for the Fiscal, 2024, Fiscal 2023, and Fiscal 2022 as derived from the Restated Financial Information are set forth below:

(Figures in Lakhs except stated otherwise)

Particulars	For the Period ended September 30, 2024	Fiscal 2024	Fiscal 2023	Fiscal 2022
Equity share capital	250.00	1.00	1.00	1.00
Net worth	465.71	255.54	25.64	(0.30)
Revenue from operations	2,509.05	2,843.49	303.36	-
EBITDA	303.00	334.03	35.44	(1.41)
EBITDA Margin (%)	12.06%	11.75%	11.33%	-
Profit/(Loss) for the year/period	210.17	229.90	25.94	(1.30)
PAT Margin (%)	12.04%	11.73%	11.17%	-
Earnings/(Loss) per Equity Share of face value of ₹5 each Basic (₹)/ Diluted (₹)	4.20	4.60	0.52	(0.03)
Net Asset Value per Equity Share of face value of ₹5 each	9.31	5.11	0.54	(0.01)
Short Term Borrowing	384.70	356.83	14.62	-
Long Term Borrowings	83.25	-	-	-

For further details, see the section titled “Restated Financial Information” on page 141.

#### Qualifications of the Statutory Auditors which have not been given effect to in the Restated Financial Information:

There are no qualifications included by the Statutory Auditors in their audit reports and hence no effect is required to be given in the Restated Financial Information.

#### Summary of Outstanding Litigations:

Category of individuals / entities	No. of Criminal Proceedings	No. of Tax Proceedings (direct and indirect tax)	No. of Statutory or Regulatory Proceedings	Disciplinary actions by SEBI or Stock Exchanges against our Promoters in the last five years, including outstanding action	No. of Material civil litigation <sup>#</sup>	Aggregate amount involved* (₹ in lakhs)
<b>Company</b>						
By the Company	-	-	-	-	-	-
Against the Company	-	-	-	-	-	-
<b>Directors</b>						
By the Directors	-	-	-	-	-	-
Against the Directors	-	-	-	-	-	-
<b>Promoters</b>						
By the Promoters	-	-	-	-	-	-
Against the Promoters	-	-	-	-	-	-
<b>Group Companies</b>						
By the Group Company	-	-	-	-	-	-
Against the Group Company	-	-	-	-	-	-

For further details, see the section titled “Outstanding Litigation and Material Developments” on page 185.

#### Risk Factors:

The following are the top 10 (Ten) Risk Factors:

1. Our Company has experienced negative cash flows in the past. We cannot assure you that we will achieve or sustain profitability and not continue to incur losses going forward.
2. The strength of our brand is crucial to our growth and our business may be adversely affected if we are unable to maintain and grow our brand image.
3. We operate in a competitive business environment and our inability to compete effectively may adversely affect our business, results of operations, financial condition and cash flows.
4. If we fail to safeguard the personal information data of the farmers that we gather, our reputation could be significantly harmed.
5. Our Company requires significant amount of working capital for a continuing growth. Our inability to meet our working capital requirements may adversely affect our results of operations.
6. As of September 30, 2024, ₹ 2,466.64 lakhs of our revenue was derived from Uttar Pradesh accounting for 98.64% of our total revenue. Accordingly, a significant portion of our revenue is derived from customers concentrated in Uttar Pradesh and any adverse developments affecting such state could have an adverse effect on our business, results of operations and financial condition.
7. We derive a certain portion of our revenue from certain customers, and dependence on one or more such customers in future, could adversely affect our business, results of operations, financial condition and cash flows
8. We depend on third party transportation and logistics providers for offering our logistics and supply chain management services. The buyer is responsible for covering the transportation costs directly. Any disruptions in these services or significant increases in freight costs could adversely affect the buyer's ability to receive goods

on time and may impact the overall supply chain, potentially affecting our business, financial condition and results of 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.
10. Our operations are dependent on our ability to attract and retain qualified personnel, including our Key Managerial Personnel and Senior Management Personnel and any inability on our part to do so, could adversely affect our business, results of operations and financial condition.

*Specific attention of Bidders is invited to the section titled “Risk Factors” on page 23. Bidders are advised to read the Risk Factors carefully before taking an investment decision in the Issue.*

#### **Summary of contingent liabilities:**

The Company has no contingent liabilities as on the date of this Draft Red Herring Prospectus.

#### **Summary of Related Party Transactions:**

The summary of related party transactions entered into by us for the period ended September 30, 2024 and for the Fiscal 2024, Fiscal 2023 and Fiscal 2022 as derived from the Restated Financial Information are as set out in the table below:

(Figures in Lakhs except stated otherwise)

Particular	Name of Related Party	Period ended September 30, 2024	Fiscal 2024	Fiscal 2023	Fiscal 2022
Loan Received During the year	Helium Solar	-	3.75	15.90	1.90
	Helium Renewables Energy Private Limited	-	36.50	-	-
	Alok Chaudhary	-	0.60	2.90	-
Loan Repaid During the year	Helium Solar	-	13.50	6.08	-
	Alok Chaudhary	-	2.90	-	-
Closing Balance	Helium Solar	1.97	1.97	11.72	1.90
	Helium Renewables Energy Private Limited	36.50	36.50	-	-
	Alok Chaudhary	0.60	0.60	2.90	-
Remuneration	Rahul Saini	3.00	-	-	-
	Ashutosh Tiwari	3.00	-	-	-

For details of the related party transactions, as per the requirements under Accounting Standard ‘Related Party Disclosures’ and as reported in the chapter titled Restated Financial Information, see “Restated Financial Information- Note 24: Related Parties” on page 141.

#### **Financing arrangements:**

There have been no financing arrangements whereby our Promoters, members of our Promoter Group, our Directors and their relatives (as defined under Companies Act, 2013) have financed the purchase by any other person of securities of our Company during a period of three years immediately preceding the date of this Draft Red Herring Prospectus.

#### **Weighted average price at which specified securities were acquired by our Promoters in the last one year preceding the date of this Draft Red Herring Prospectus:**

The weighted average price at which the Equity Shares of face value of ₹5 each were acquired by our Promoters in the last one year preceding the date of this Draft Red Herring Prospectus is set forth below:

Name of Promoter	Number of Equity Shares of face value of ₹5 each acquired in the last one year	Weighted average price of acquisition per Equity Share(₹)*
Ashutosh Tiwari	10,70,700	Nil <sup>#</sup>
Alok Chaudhary	9,16,320	
Anandkumar Sriram Mahto	9,11,340	
Rahul Saini	9,01,380	

*#The Weighted Average Price is nil due to shares acquired through a bonus issue.*

*\*As certified by P M H & Associates, Chartered Accountants, pursuant to their certificate dated November 8, 2024.*

#### **Average cost of acquisition of Equity Shares of face value of ₹5 each by our Promoters:**

The average cost of acquisition of Equity Shares of face value of ₹5 each by our Promoters as at the date of this Draft Red Herring Prospectus is set forth below:

Name of Promoter	Number of Equity Shares of face value of ₹5 each held	Average cost of acquisition per Equity Share of face value of ₹5 each*
Ashutosh Tiwari	10,75,000	0.02
Alok Chaudhary	9,20,000	0.02
Anandkumar Sriram Mahto	9,15,000	0.02
Rahul Saini	9,05,000	0.02

*\*As certified by P M H & Associates, Chartered Accountants, pursuant to their certificate dated November 8, 2024.*

#### **Details of the price at which specified securities were acquired in the last three years immediately preceding the date of this Draft Red Herring Prospectus by our Promoters:**

Except as stated below, there have been no Equity Shares of face value of ₹5 each that were acquired in the last three years preceding the date of this Draft Red Herring Prospectus, by our Promoters, members of the Promoter Group (other than our Promoters) and the shareholders with rights to nominate directors or other rights on the Board of our Company:

Particulars	Date of acquisition	Number of Equity Shares of face value of ₹5 each	Acquisition price per Equity Share of face value of ₹5 each
<b>Promoters</b>			
Ashutosh Tiwari	April 18, 2023	36	100
	July 15, 2024	10,70,700	Nil <sup>#</sup>
Alok Chaudhary	April 18, 2023	36	100
	July 15, 2024	9,16,320	Nil <sup>#</sup>
Anandkumar Sriram Mahto	April 18, 2023	36	100
	July 15, 2024	9,11,340	Nil <sup>#</sup>
Rahul Saini	April 18, 2023	36	100
	July 15, 2024	9,01,380	Nil <sup>#</sup>
<b>Promoter Group</b>			
Shashi Tiwari	March 30, 2024	1	100
	July 15, 2024	4,980	Nil <sup>#</sup>

*\*For further details please refer "Capital Structure" at page 62*

*# Shares allotted pursuant to Bonus Issue*

Note: There are no other shareholders with a right to nominate Directors or any other right

#### **Details of Pre-IPO placement:**

Our Company has not undertaken a pre-IPO placement.

**Issue of equity shares of face value of ₹5 each of our Company for consideration other than cash in the last one year:**

Except as disclosed below, our Company has not issued any equity shares of face value of ₹5 each for consideration other than cash in the one year preceding the date of this Draft Red Herring Prospectus.

Date of allotment	Name(s) of allottee(s)	Nature of allotment	No. of Equity Shares of face value of ₹5 each allotted	Face value per Equity Share of face value of ₹5 each (in ₹)	Issue price per Equity Share of face value of ₹5 each (in ₹)	Nature of consideration
September 26, 2024	Ashutosh Tiwari	Bonus Issue	10,70,700	5	Nil	Other than Cash
	Alok Chaudhary		9,16,320			
	Anandkumar Sriram Mahto		9,11,340			
	Rahul Saini		9,01,380			
	Vikas Pandey		6,77,280			
	Govind Yadav		4,98,000			
	Shashi Tiwari		4,980			

**Split or consolidation of equity shares of face value of ₹5 each in the last one year:**

The company has reclassified its Equity Shares from Face Value of ₹100.00 to Face value of ₹5 each by passing a Special Resolution in General Meeting held on July 15, 2024.

**Exemption from complying with any provisions of securities laws, if any, granted by the Securities and Exchange Board of India:**

Our Company has not sought for any exemptions from SEBI for complying with any provisions of securities laws, as on the date of this Draft Red Herring Prospectus.

*[Remainder of this page has been left intentionally blank]*

## SECTION II-RISK FACTORS

*An investment in Equity Shares involves a high degree of risk. You should carefully consider all the information in this Draft Red Herring Prospectus, including the risks and uncertainties described below, before making an investment in Equity Shares. The risks and uncertainties described in this section are not the only risks that we currently face. Additional risks and uncertainties not presently known to us or that we currently deem immaterial may also have an adverse effect on our business. If any or a combination of the following risks, or other risks that are not currently known or are now deemed immaterial, actually occurs, our business, financial condition, results of operations and cash flows could suffer, the price of our Equity Shares could decline, and you may lose all or part of your investment. Furthermore, some events may be material collectively rather than individually.*

*The financial and other related implications of risks concerned, wherever quantifiable, have been disclosed in the risk factors mentioned below. However, there are risks where the effect is not quantifiable and hence have not been disclosed in the applicable risk factors. Prospective investors should read this section together with “Our Business”, “Industry Overview” and “Management’s Discussions and Analysis of Financial Condition and Results of Operations” on pages 94, 85 and 167, respectively, as well as the other financial and statistical information contained in this Draft Red Herring Prospectus. In making an investment decision, prospective investors should rely on their own examination of us and the terms of the Issue, including the merits and risks involved. You should consult your tax, financial and legal advisors about the particular consequences to you of an investment in our Equity Shares. Potential investors should pay particular attention to the fact that our Company is incorporated under the laws of India and is subject to legal and regulatory environment which may differ in certain respects from that of other countries.*

*This Draft Red Herring Prospectus also contains forward-looking statements that involve risks and uncertainties where actual results could materially differ from those anticipated in these forward-looking statements. For further details, see “Forward-Looking Statements” on page 15.*

*Unless the context requires otherwise, the financial information used in this section is derived from our Restated Financial Information on page 141. Our fiscal year ends on March 31 of each year, and references to a particular fiscal are to the twelve months ended March 31 of that year.*

### **Internal Risk Factors**

#### **Risks Relating to our Business**

- Our Company has experienced negative cash flows in the past. We cannot assure you that we will achieve or sustain profitability and not continue to incur losses going forward.***

We have experienced negative cash flows from investing activities, Financing activities and net decrease in cash and cash equivalents the details are set forth in the table below:

	(₹ in Lakhs)			
Particulars	Period ended September 30, 2024	Fiscal 2024	Fiscal 2023	Fiscal 2022*
Net Cash Flows from Operating Activities (A)	5.12	(208.88)	(5.12)	2.15
Net Cash Flows used in Investing Activities (B)	(4.90)	(0.14)	(6.46)	(2.83)
Net Cash Flows used in Financing Activities (C)	89.39	325.86	20.61	1.00
<b>Net increase/(decrease) in cash and cash equivalents (D=A+B+C)</b>	<b>89.61</b>	<b>116.84</b>	<b>9.03</b>	<b>0.32</b>

*\*The Company was incorporated on June 11, 2021. However, no revenue was generated during the Fiscal Year 2022 as the Company was focused on setting up its infrastructure, engaging with farmers to build its business, and completing training under the RKVY RAFTAAR scheme, facilitated by the Ministry of Agriculture and Farmers Welfare in partnership with IIM Kashipur.*

Cash flow of a company is a key indicator to show the extent of cash generated from operations to meet its capital expenditure, pay dividends, repay loans, meet enhanced working capital requirements and make new investments without raising finance from external resources. If we are not able to generate sufficient cash flow, it may adversely affect our business and financial operations.

We cannot assure you that our net cash flows will be positive in the future. Negative cash flows over extended periods, or significant negative cash flows in the short term, could materially impact our ability to operate our business and implement our growth plans. As a result, our cash flows, business, future financial performance and results of operations could be materially and adversely affected. For further details, see “*Restated Financial Information*” and “*Management’s Discussion and Analysis of Financial Condition and Results of Operations*” on pages 141 and 167, respectively.

**2. *The strength of our brand is crucial to our growth and our business may be adversely affected if we are unable to maintain and grow our brand image.***

Our brand is one of our most important assets, and we believe our brand and reputation are significant in attracting customers to our products and services, especially given our focus on rural customers. We also believe that continuing to develop our reputation and awareness of our brand through focused and consistent business development initiatives among our customers is important for our ability to increase our sales volumes and our revenues, grow our existing market share and expand into new markets.

Although we take many steps to increase awareness of our products and protect the value of our brand through marketing, our business is dependent on customers’ perception of our reputation and brand. If we are unable to maintain our customer relationships, we may only incur expenses without the benefit of higher revenues. Our competitors also may launch promotional activities, which may increase their brand visibility and we may not be able to match them. Further, we may not be able to invest adequately in marketing or customer engagement which could lead to loss of customers to competitors. Further, our reputation and brands could be damaged by negative publicity in traditional or social media or by claims or perceptions about the quality of products and solutions, regardless of whether such claims or perceptions are true. While we have not experienced any such events in the past, we cannot assure you that we will be able to prevent them in the future. If we fail to preserve the value of our brands, maintain our reputation, or attract consumers to our products, our business, results of operations and financial condition could be adversely impacted.

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

The industry in which the Company operates is fairly competitive and our results of operations and financial condition are sensitive to, and may be materially adversely affected by competitive pricing and other factors. Competition may result in pricing pressures, reduced profit margins, lost market share or a failure to grow our market share, any of which could substantially harm our business and results of operations. The market in which we operate is fragmented and fairly competitive. We compete primarily on the basis of quality of our services, customer satisfaction and marketing. Thus, some of our competitors may have certain other advantages over us, including established track record, superior service offerings, larger portfolio of services, technology and greater market penetration, which may allow our competitors to better respond to market trends. They may also have the ability to spend more aggressively on marketing initiatives and may have more flexibility to respond to changing business and economic conditions than we do. We believe that in order to compete effectively, we must continue to maintain our reputation, be flexible and prompt in responding to rapidly changing market demands and customer preferences, and offer customer quality services at competitive prices. There can be no assurance that we can effectively compete with our competitors in the future, and any such failure to compete effectively may have a material adverse effect on our business, financial condition and results of operations.

**4. If we fail to safeguard the personal information data of the farmers that we gather, our reputation could be significantly harmed.**

Through our Krishi Saarthi Kendras, we interact with lot of farmers and collect data pertaining to their information, data of the soil, data of the produce and yield etc., and also help farmers to register themselves with the Nkosh app. We engage with farmers face-to-face at different stages of the value chain, offering fair prices, logistics support, personalized advice and support and crop advice through our Krishi Saarthi Kendras. We receive and process personal information of the farmers along with the information of their agricultural produce and land, which is very sensitive and critical. The Data Protection Bill in India is yet to be notified; however, we ensure that we maintain the highest level of security and protection for all such information regarding the various farmers. If our security and information systems are compromised as a result of data corruption or loss, cyber-attack 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.

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

Our Company's business is working capital intensive and requires working capital for activities including procurement of goods, seasonality, harvest lead time, market demand variability. Presently, we meet our working capital requirements through a mix of internal accruals and working capital facilities from banks and financial institutions. Below are the details of our working capital requirement and source of funding for the quarter ended September 30, 2024 and for Fiscal 2024, Fiscal 2023 & Fiscal 2022;

(₹ in Lakhs)

Particulars	Period ended September 30, 2024	Fiscal 2024	Fiscal 2023	Fiscal 2022
Working Capital Requirement	705.21	477.98	22.43	(3.56)
<b>Funding Pattern:</b>				
Borrowing	467.95	356.83	14.62	-
Internal Accruals	237.26	121.15	7.81	-

Our future success depends on our ability to continue to secure and successfully manage sufficient amounts of working capital. Management of our working capital requirements involves the timely payment of, or rolling over of, our short-term indebtedness and securing new and additional loans on acceptable terms, timely payment of, or re-negotiation of our payment terms for, our trade payables, collection of trade receivables and preparing and following accurate and feasible budgets for our business operations. If we are unable to manage our working capital requirements, our business, results of operations and financial condition could be materially and adversely affected. We cannot assure that we will be able to effectively manage our working capital. Should we fail to effectively implement sufficient internal control procedures and management systems to manage our working capital and other sources of financing, we may have insufficient capital to maintain and grow our business, and we may breach the terms of our financing agreements with banks, face claims under cross-default provisions and be unable to obtain new financing, any of which would have a material adverse effect on our business, results of operations and financial condition. Continued increase in working capital requirements may adversely affect our financial condition and results of operations.

**6. As of September 30, 2024, ₹2,466.64 lakhs of our revenue was derived from Uttar Pradesh accounting for 98.64% of our total revenue. Accordingly, a significant portion of our revenue is derived from customers concentrated in Uttar Pradesh and any adverse developments affecting such state could have an adverse effect on our business, results of operations and financial condition.**

The following table sets forth details of our revenue for the periods indicated:

(₹ in Lakhs)

State	Period ended September 30, 2024		Fiscal 2024		Fiscal 2023		Fiscal 2022 ***	
	(₹ in lakh)	(% of revenue)	(₹ in lakh)	(% of revenue)	(₹ in lakh)	(% of revenue)	(₹ in lakh)	(% of revenue)
Top state*	2,466.64	98.61%	2,573.56	90.57%	97.65	32.28%	NA	NA
Rest of the states**	34.79	1.39%	267.98	9.43%	204.84	67.72%	NA	NA

Notes:

\*The top state refers to Uttar Pradesh.

\*\*The rest of states refer to Maharashtra, Karnataka, Bihar, Chhattisgarh, Andhra Pradesh, West Bengal, Haryana, Uttarakhand and Orissa

\*\*\* The Company was incorporated on June 11, 2021. However, no revenue was generated during the Fiscal Year 2022 as the Company was focused on setting up its infrastructure, engaging with farmers to build its business, and completing training under the RKVY RAFTAAR scheme, facilitated by the Ministry of Agriculture and Farmers Welfare in partnership with IIM Kashipur.

Such geographical concentration of our business in this state heightens our exposure to adverse developments related to competition, as well as economic and demographic changes in this state, which may adversely affect our business prospects, financial conditions and results of operations. We cannot assure you that we will be able to address our reliance on these states, in the future.

**7. We derive a certain portion of our revenue from certain customers, and dependence on one or more such customers in future, could adversely affect our business, results of operations, financial condition and cash flows.**

We have not entered into long term agreements with our customers and the success of our business is accordingly significantly dependent on us maintaining good relationships with them.

Set forth below is the revenue contribution of our top 5 and top 10 customers to our revenue from operations, for the periods indicated:

(₹ in Lakhs)

Category	Period ended September 30, 2024		Fiscal 2024		Fiscal 2023		Fiscal 2022 *	
	Revenue from sales of traded product (₹ in lakh)	(% of revenue sale of traded goods)	Revenue from sales of traded product (₹ in lakh)	(% of revenue sale of traded goods)	Revenue from sales of traded product (₹ in lakh)	(% of revenue sale of traded goods)	Revenue from sales of traded product (₹ in lakh)	(% of revenue sale of traded goods)
Top 1	1,505.63	60.19%	902.73	31.77%	53.75	17.77%	NA	NA
Top 5	2,046.30	81.81%	2,114.92	74.43%	163.30	53.98%	NA	NA
Top 10	2,283.53	91.29%	2,420.73	85.19%	228.04	75.39%	NA	NA

\*The Company was incorporated on June 11, 2021. However, no revenue was generated during the Fiscal Year 2022 as the Company was focused on setting up its infrastructure, engaging with farmers to build its business, and completing training under the RKVY RAFTAAR scheme, facilitated by the Ministry of Agriculture and Farmers Welfare in partnership with IIM Kashipur.

The loss of one or more of these significant customers or a reduction in the amount of business we obtain from them could have an adverse effect on our business, results of operations, financial condition and cash flows. We cannot assure you that we will be able to maintain historic levels of business and/or negotiate and execute long term contracts on terms that are commercially viable with our significant customers or that we will be able to significantly reduce customer concentration in the future.

8. ***We depend on third party transportation and logistics providers for offering our logistics and supply chain management services. The buyer is responsible for covering the transportation costs directly. Any disruptions in these services or significant increases in freight costs could adversely affect the buyer's ability to receive goods on time and may impact the overall supply chain, potentially affecting our business, financial condition and results of operations.***

We offer end-to-end logistics and supply chain management services to ensure the smooth delivery of produce from farmers to buyers, and also includes transportation, packaging, and storage solutions. This not only reduces logistical challenges for farmers and buyers but also minimizes post-harvest losses through proper storage and handling. We use third party transportation and logistics providers, for which we have not entered into any formal contractual agreements and hence we do not have negotiation powers for price or availability of services. Any shortage / non-availability of transport suppliers, transportation strikes, if any, could have an adverse effect on supplies and deliveries to and from our dealers, customers and suppliers. Any unforeseen delays in transit time would result in failure to meet our deadlines, which may result in an increase in supply chain costs, such as storage and warehousing. We may also be affected by an increase in fuel costs, as it will have a corresponding impact on freight charges levied by our third- party transportation providers. While we do not bear the transportation costs, we cannot guarantee that suitable alternative transportation services will always be available at favourable rates, should our transportation providers face disruptions. Transportation strikes may have an adverse effect on supplies and deliveries to and from our customers and suppliers. In case our transportation and logistics service providers are unable to perform their services, we cannot assure you that we will be able to deploy suitable alternative transportation services at favourable rates in a timely manner and may adversely affect our business and results of operations. Although we have not experienced any significant disruptions in the past due to third party transportation and logistics providers in the past, we cannot assure you that there will not be any significant disruptions in our operations in the future.

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.***

Any changes in the regulations and policies in the end-use sectors of our products can also adversely impact our results of operations. For example, any changes in government policies relating to the agriculture sector such as the reduction of government expenditure towards agriculture, the withdrawal of or changes in incentives and subsidies provided to farmers, export restrictions on crops, adverse changes in commodity prices or minimum support prices could affect the ability of farmers to spend on agritech services, which in turn could adversely affect our business and results of operations.

10. ***Our operations are dependent on our ability to attract and retain qualified personnel, including our Key Managerial Personnel and Senior Management Personnel and any inability on our part to do so, could adversely affect our business, results of operations and financial condition.***

Our operations are dependent on our ability to attract and retain qualified personnel. While we believe that we currently have adequate qualified personnel for our operations, we may not be able to continuously attract or retain such personnel, or retain them on acceptable terms, given the demand for such personnel.

Set out below are details of our attrition for our permanent employees for the years indicated:

Particulars	As on September 30, 2024	Fiscal		
		2024	2023	2022**
Total number of permanent employees	26	16	11	4
Attrition rate of our permanent employees*	22.73%	37.50%	36.36%	0.00%

\*Attrition rate has been calculated by dividing the total number of permanent employees who resigned during the relevant year/period with the total headcount of the permanent employees at the end of the year and the number of permanent employees resigned during the year.

\*\* The Company was incorporated on June 11, 2021. However, no revenue was generated during the Fiscal Year 2022 as the Company was focused on setting up its infrastructure, engaging with farmers to build its business, and completing training

under the RKVY RAFTAAR scheme, facilitated by the Ministry of Agriculture and Farmers Welfare in partnership with IIM Kashipur.

For details of the breakdown of our employees by functionalities as of September 30, 2024, see “*Our Business*” on page 94. We may require a long period of time to hire and train replacement personnel when qualified personnel terminate their employment with our Company.

Our business and the implementation of our strategy is also dependent upon our Key Managerial Personnel and our Senior Management Personnel, who oversee our day-to-day operations, strategy and growth of our business. For further details, see “*Our Management – Key Management Personnel and Senior Management*” on page 121. If one or more members of our Key Managerial Personnel and our Senior Management Personnel are unable or unwilling to continue in their present positions, such persons could be difficult to replace in a timely and cost-effective manner. There can be no assurance that we will be able to retain these personnel. The loss of our Key Managerial Personnel or members of our Senior Management or our inability to replace such Key Managerial Personnel or members of our Senior Management may restrict our ability to grow, to execute our strategy, to raise the profile of our brand, to raise funding, to make strategic decisions and to manage the overall running of our operations, which would have a material adverse impact on our business, results of operations, financial position and cash flows.

***11. We are subject to various laws and government regulations and if we fail to obtain, maintain or renew our statutory and regulatory licenses, permits and approvals required in the ordinary course of our business, including environmental, health and safety laws and other regulations, our business financial condition, results of operations and cash flows may be adversely affected.***

Our Company has obtained all the material approvals required to carry on its business activities as on the date of this Draft Red Herring Prospectus. Many of these approvals are granted for a fixed period of time and are required to be renewed from time to time. Non-renewal of the said permits and licenses would adversely affect our operations, thereby having a material effect on our business, results of operations and financial condition.

To foster our growth, our Company may also consider entering into different jurisdictions wherein we may be required to fulfil the state-wise respective compliances, laws and regulatory norms which differ from state to state. In addition, we may need to apply for more approvals, including the renewal of approvals which may expire from time to time, and approvals in the ordinary course of business. We cannot assure you that such approvals will be issued or granted to us in a timely manner, or at all. If we fail to obtain or retain any of these approvals or licenses or renewals thereof, in a timely manner or at all, our business may be adversely affected.

Further, the approvals required by us are subject to numerous conditions and we cannot assure you that these would not be suspended or revoked in the event of non-compliance or alleged non-compliance with any terms or conditions thereof, or pursuant to any regulatory action. Furthermore, any unfavourable changes in or interpretations of existing laws, or the promulgation of new laws, governing our business and operations could require us to obtain additional licenses and approvals. Regulatory authorities could also impose notices and other orders on us if we fail to obtain any required licenses or approvals. If there is any failure by us to comply with the applicable regulations or if the regulations governing our business are amended, we may incur increased costs, be subject to penalties, have our approvals and permits revoked or suffer a disruption in our operations, any of which could adversely affect our business. For details in relation to the approvals required for our business and the status of the same, see “*Government and Other Approvals*” on page 189. Further, for details of certain laws and regulations applicable to our business, see “*Key Regulations and Policies in India*” on page 107.

***12. Our business is subject to climatic conditions. Seasonal variations and unfavourable weather patterns may have an adverse effect on our business, results of operations and financial condition.***

Our business is sensitive to weather conditions such as rains, drought, floods, cyclones and natural disasters, as well as events such as pest and disease infestations. There is growing concern that carbon dioxide and other greenhouse gases in the atmosphere may have an adverse impact on global temperatures, weather patterns and the frequency and severity of extreme weather and natural disasters. Our results of operations are significantly affected by weather conditions in the agricultural regions in which our services are offered and products are used. Adverse

conditions early in the season, especially drought conditions, can result in significantly lower than normal plantings of crops and therefore lower demand for our services and products. This can result in our sales in a particular region varying substantially from year to year. Adverse weather conditions may also cause volatility in the prices of commodities, which may affect farmers' decisions about the types and quantum of crops to plant and may consequently affect the sales of our service offerings. As a result of such seasonal fluctuations, our sales and results of operations may vary by fiscal quarter and may not be relied upon as indicators of the sales or results of operations of other fiscal quarters, or of our future performance.

***13. We may be unable to maintain or establish arrangements with suppliers through whom we procure inputs like seeds, fertilisers and pesticides, and may experience other disruptions or quality control risks in the operations of such parties.***

One of our service offerings, which we offer through our platform is input procurement services, whereby farmers can procure high-quality agricultural inputs such as seeds, fertilizers, and pesticides. Our Company partners with various suppliers to procure these agricultural inputs. While we place orders with our list of suppliers, they are not contractually bound to deal with us exclusively, and we may face the risk of our competitors offering better terms, which may cause them to prefer our competitors over us. Our arrangements with these suppliers could involve various risks, including potential interruption to their operations for factors beyond their or our control, any significant adverse changes in their financial or business condition, as well as low levels of output, quality or efficiency. Any disruption in the operations of these suppliers could have an adverse impact on our financial condition and results of operations.

***14. We provide quality check and grading service as part of our service offering. If we fail to meet these quality checks, we could lose business and damage our reputation, negatively impacting our business prospects and operational results.***

As part of our service offerings, we conduct quality checks and certification services at our Krishi Saarthi Kendra to ensure that produce meets market standards. Quality checks are undertaken by our in-house team through quality samplings, moisture meters, physical checks and assessment. We assess the quality and grade the items to align with the buyer's specifications. Once the buyer confirms an order, our team begins packaging the produce based on the requested quantity. Although we conduct quality check and grading before the produce reaches the buyer, there can be no assurance that such testing and verification on quality of the produce conducted by us will be accurate at all times. We believe that our products and services meet the customer quality specifications required in the industry in which we operate. Our processes are designed to ensure that the goods delivered align with the specific quality expectations of our customers, taking into account factors such as product integrity, packaging standards, and timely delivery. However, there is no guarantee that our quality control measures will always be effective or that it will always meet the highest quality standards. Negative publicity about our services provided due to ineffective quality control could adversely affect our business, brand, operational results, and financial condition.

***15. The COVID-19 pandemic has had a material and adverse impact on our business and operations, and it may continue to have an adverse effect on our business prospects, cash flows and future financial performance.***

The outbreak of the COVID-19 pandemic globally caused a slowdown of economic activity. In many countries, businesses were being forced to cease or limit their operations for long or an indefinite period of time. Government measures were taken to contain the spread of the COVID-19 pandemic, including travel bans, quarantines, social distancing, and closures of non-essential services, which triggered disruptions to the business worldwide, resulting in an economic slowdown and uncertainties pertaining to future operations. As a result of the COVID-19 pandemic, our operations, our ability to perform critical functions of our business, such as planning expansion, engaging with customers and prospective customers, was adversely affected.

The COVID-19 pandemic has resulted in, and similar instance may in the future, result in, significant economic volatility and uncertainty in Indian markets, which could adversely affect the level of demands for our business, the availability and price level of our supplies and our access to capital markets, which could have a material and adverse effect on our business, cash flows, financial condition and prospects.

**16. Our inability to protect or use our intellectual property rights may adversely affect our business. We may also unintentionally infringe upon the intellectual property rights of others, any misappropriation of which could harm our competitive position.**



As on the date of this Draft Red Herring Prospectus, our logo  is registered with the trademark registry under

class 35, bearing trademark no. 5158395 and our logo  is registered with the trademark registry under class 35, bearing trademark no. 5158396, There can be no assurance that our brand name or trademarks will not be adversely affected in the future by actions that are beyond our control including client complaints in relation to intellectual property rights infringement, intellectual property infringements or adverse publicity from any other source in India and abroad. Any damage to our brand name, if not immediately and sufficiently remedied, could have an adverse effect on our reputation, competitive position in India and abroad, business, financial condition, results of operations and cash flows.

While we take care to ensure that we comply with the intellectual property rights of others, we cannot determine with certainty whether we are infringing any existing third-party intellectual property rights which may force us to alter our offerings. We may also be susceptible to objections and claims from third parties asserting infringement and other related claims. While we have not been subject to any such claims in the past three Fiscals, any such claims raised in the future could result in costly litigation, divert management's attention and resources, subject us to significant liabilities and require us to enter into potentially expensive royalty or licensing agreements or to cease certain offerings. Further, necessary licenses may not be available to us on satisfactory terms, if at all. Any of the foregoing could have an adverse effect on our business, results of operations, cash flows and financial condition. If claims or actions are adjudicated against us from third parties asserting infringement and other related claims in India and abroad, we may be required to obtain a license, modify our existing technology or cease the use of such technology and design, or use a new non-infringing technology. In addition, we may decide to settle a claim or action against us, the settlement of which could be costly and time-consuming. We may also be liable for any past infringement. Any of the foregoing could adversely affect our business, financial condition, results of operations and cash flows.

The application of laws governing intellectual property rights in India is uncertain, evolving and could involve substantial risks to us. Further, if we are unable to register our intellectual properties for any reason, including our inability to remove objections to any trademark application, or if any of our unregistered trademarks are registered in favor of or used by a third party in India or abroad, we may not be able to claim registered ownership of such trademark, and as a result, we may not be able to seek remedies for infringement of those trademarks by third parties, which would cause damage to our business prospects, reputation and goodwill in India and abroad. For details, see "Our Business – Intellectual Property" and "Government and Other Approvals" on pages 94 and 189.

**17. Our inability to meet our obligations, including financial and other covenants under our debt financing arrangements could adversely affect our business, results of operations and financial condition.**

As on September 30, 2024, our total outstanding borrowings were ₹ 467.95 lakhs. For further details, see "Financial Indebtedness" on page 184. Our ability to meet our debt service obligations and repay our outstanding borrowings will depend primarily on the cash generated by our business, which depends on the timely payment by our clients. If our future cash flows from operations and other capital resources become insufficient to pay our debt obligations or our contractual obligations, or to fund our other liquidity needs, we may be forced to sell assets or attempt to restructure or refinance our existing indebtedness. Any refinancing of our debt could be at higher interest rates and may require us to comply with more onerous covenants, which could further restrict our business operations.

Typically, the restrictive covenants under financing documents of our Company require obtaining prior consent from the lender for certain events or actions. These include any change in the capital structure of our Company, any change in the Memorandum of Association or Articles of Association of our Company, and any sale, transfer or disposal of all or any of the hypothecated properties, except in the ordinary course of business.

We have received consents from the relevant lenders, in relation to this Issue. Further, while we have been in compliance with the terms of our financing documents in the past three fiscal years, any failure to do so in future could have an adverse effect on our business, results of operations and financial condition. If the obligations under any of our financing agreements are accelerated, we may have to dedicate a substantial portion of our cash flow from operations to make payments under such financing documents, thereby reducing the availability of cash for our business operations. Our future borrowings may also contain similar restrictive provisions.

**18. *We have availed unsecured loans that may be recalled at any time.***

As of September 30, 2024, we have availed unsecured facilities aggregating to ₹108.13 lakhs. Our unsecured loans, including working capital loans, can typically be recalled at any time at the option of the lender. There can be no assurance that the lenders will not recall such borrowings or if we will be able to repay loans advanced to us in a timely manner or at all. In the event that any lender seeks a repayment of any such loan, we would need to find alternative sources of financing, which may not be available on commercially reasonable terms, or at all. As a result, if such unsecured loans are recalled at any time, it may adversely affect our financial condition and results of operations.

**19. *Our Registered Office is operated on leased premises and our inability to renew such lease agreement may adversely affect our business, results of operations and financial condition.***

Our Registered Office is on a lease expiring in March 2025. In the event that the existing lease is terminated, or it is not renewed on commercially acceptable terms, we may suffer a disruption in our operations. If alternative premises are not available at the same or similar costs, sizes or locations in a timely manner, our business, financial condition, cash flows and results of operations may be adversely affected. For information relating to properties that we have leased, see “*Our Business*” on page 94. In addition, the lease agreement is required to be duly registered and adequately stamped under Indian law and if our lease agreement or other agreements entered into by us, are not duly registered and adequately stamped, we may face challenges in enforcing them and they may be inadmissible as evidence in a court in India along with the requisite stamp duty prescribed under applicable Indian law being paid.

**20. *The objects of the Issue for which the funds are being raised have not been appraised by any bank or financial institutions. Any variation in the utilization of our Net Proceeds as disclosed in this Draft Red Herring Prospectus would be subject to certain compliance requirements, including prior Shareholders’ approval.***

We propose to use the Net Proceeds towards projected working capital requirement; and general corporate purposes, as set forth in “*Objects of the Issue*” on page 73. Our management estimates may differ from the value that would have been determined by third party appraisals, which may require us to reschedule or reallocate our expenditure, subject to applicable laws, and may have an adverse impact on our business, financial condition, results of operations and cash flows. The proposed deployment of Net Proceeds has not been appraised by any bank or financial institution or other independent agency and is based on internal management estimates based on current market conditions and historic level of expenditures.

Various risks and uncertainties, including those set forth in this “*Risk Factors*” section, may limit or delay our efforts to use the Net Proceeds to achieve profitable growth in our business, including delaying the schedule of implementation of projects for which the Net Proceeds are intended for. As a consequence of any increased costs, our actual deployment of funds may be higher than our management estimates, for which we may require additional funding that we may not be able to arrange on commercially acceptable terms, or at all. We may also face delays or incur additional costs due to failure to receive regulatory approvals, technical difficulties, human resource, technological or other resource constraints, or for other unforeseen reasons, events or circumstances. We may have to reconsider our estimates or business plans due to changes in underlying factors, some of which are beyond our control, such as interest rate fluctuations, changes in input cost, and other financial and operational factors. Accordingly, prospective investors in the Issue will need to rely upon our management’s judgment with respect to the use of Net Proceeds. If we are unable to deploy the Net Proceeds in a timely or an efficient manner, it may affect our business and the results of operations.

***21. There is no monitoring agency appointed by our Company and the deployment of funds are at the discretion of our Management and our Board of Directors, though it shall be monitored by our Audit Committee.***

As per SEBI (ICDR) Regulations, 2018 appointment of monitoring agency is required only if the issue size is above ₹100.00 Crores. Hence, we are not required to appoint a monitoring agency to monitor the utilization of Issue proceeds. However, the audit committee of our Board will monitor the utilization of Issue proceeds. Further, our Company shall inform about material deviations in the utilization of Issue proceeds to the NSE and shall also simultaneously make the material deviations / adverse comments of the audit committee public.

Further, we propose to utilize the Net Proceeds for purposes identified in the “Objects of the Issue”. The manner of deployment and allocation of such funds is entirely at the discretion of our management and our Board, subject to compliance with the necessary provisions of the Companies Act.

Our Company shall on a half yearly basis disclose to the Audit Committee the uses and application of the Net Proceeds. Additionally, the Audit Committee shall review the report submitted by the Management and make recommendations to our Board for further action, if appropriate. Our Company shall, on an annual basis, prepare a statement of funds utilised for purposes other than those stated in this Draft Prospectus and place it before the Audit Committee. Such disclosure shall be made only till such time that all the Net Proceeds have been utilised in full.

***22. Any defaults or delays in payment by a significant portion of our customers, may have an adverse effect on cash flows, results of operations and financial condition.***

In the normal course of our business operations, we extend credit facilities to our customers, introducing an inherent risk associated with the uncertainty of receiving outstanding amounts. As on September 30, 2024 our trade receivables amounted to Rs.549.56 Lakhs. The robustness of our results of operations and overall profitability is intricately linked to the creditworthiness of our clientele.

It is imperative to note that certain customers may possess weak credit histories, introducing an element of uncertainty regarding their ability to fulfil payment obligations in a timely manner or at all. The viability of our operations are significantly influenced by the financial stability of our customers, and any adverse changes in their financial condition may impede their capacity to meet payment commitments to us. While in the past there have been no such instance, however, the occurrence of defaults or delays in payments, particularly by a substantial portion of our customer base, has the potential to exert adverse effects on our cash flows, results of operations, and overall financial condition. This underscores the critical importance of diligent credit risk management practices to mitigate potential impacts on our financial performance.

***23. We are subject to government regulation in the jurisdictions in which we operate. Any non-compliance with, or changes in, regulations applicable to us may adversely affect our business, results of operations, cash flows and financial condition.***

We are subject to a range of laws and regulations in the jurisdictions in which we operate, which impose controls on our operations. The adoption of stricter interpretations of existing laws, increased governmental enforcement of laws or other developments in the future may require that we make additional capital expenditures, incur additional expenses or take other actions in order to remain compliant and maintain our current operations. Further, complying with, and changes in, laws and regulations or terms of approval may increase our compliance costs and adversely affect our business, prospects, results of operations, cash flows and financial condition.

We are also subject to the laws and regulations governing relationships with employees in such areas as minimum wages and maximum working hours, overtime, working conditions, ring and termination of employees, contract labor and work permits and maintenance of regulatory/ statutory records and making periodic payments. There is a risk that we may inadvertently fail to comply with such regulations, which could lead to enforced shutdowns and other sanctions imposed by the relevant authorities. Any losses that we incur in this regard could have an adverse effect on our reputation, business, and results of operations, cash flows and financial condition.

**24. There are certain defaults/ delay in payment of statutory dues by us. Any further default/ delay in payment of statutory dues may attract financial penalties from the respective government authorities and in turn may have a material adverse impact on our financial condition and cash flows.**

Our Company have at times in the past delayed in the payment of statutory dues such as goods and service tax, ESIC, TDS and EPF to relevant authorities. These delays were due to administrative delays during these periods. Following is the list of delay in payment/filing of statutory return/dues:

**Below are the details of the Delays in GST Filings**

**Uttar Pradesh**

**GSTR 1**

Sr. No.	Financial Year	Tax Period	Due Date	Date of Filing	Delay Days
1.	2021-2022	June	11/07/2021	12/07/2021	1
2.	2021-2022	July	11/08/2021	08/11/2021	89

**GSTR 3B**

Sr. No.	Financial Year	Tax Period	Due Date	Date of Filing	Delay Days
1.	2021-2022	July	20/08/2021	03/09/2021	14

**GSTR 1**

Sr. No.	Financial Year	Tax Period	Due Date	Date of Filing	Delay Days
1	2022-2023	April	11/05/2022	13/05/2022	2
2	2022-2023	August	11/09/2022	20/09/2022	9
3	2022-2023	September	11/10/2022	21/10/2022	10
4	2022-2023	October	11/11/2022	18/11/2022	7
5	2022-2023	November	11/12/2022	29/12/2022	18
6	2022-2023	December	11/01/2023	13/01/2023	2
7	2022-2023	January	11/02/2023	21/02/2023	10
8	2022-2023	February	11/03/2023	21/03/2023	10
9	2022-2023	March	11/04/2023	04/07/2023	84

**GSTR 3B**

Sr. No.	Financial Year	Tax Period	Due Date	Date of Filing	Delay Days
1	2022-2023	April	20/05/2022	22/05/2022	2
2	2022-2023	September	20/10/2022	21/10/2022	1
3	2022-2023	November	20/12/2022	29/12/2022	9
4	2022-2023	January	20/02/2023	21/02/2023	1
5	2022-2023	February	20/03/2023	21/03/2023	1
6	2022-2023	March	20/04/2023	04/07/2023	75

**GSTR 1**

Sr. No.	Financial Year	Tax Period	Due Date	Date of Filing	Delay Days
1	2023-2024	April	11/05/2023	18/08/2023	99
2	2023-2024	May	11/06/2023	22/08/2023	72
3	2023-2024	June	11/07/2023	22/08/2023	42
4	2023-2024	July	11/08/2023	28/09/2023	48
5	2023-2024	August	11/09/2023	07/11/2023	57
6	2023-2024	September	11/10/2023	07/11/2023	27
7	2023-2024	October	11/11/2023	06/01/2024	56
8	2023-2024	November	11/12/2023	16/01/2024	36
9	2023-2024	December	11/01/2024	17/01/2024	6

**GSTR 3B**

Sr. No.	Financial Year	Tax Period	Due Date	Date of Filing	Delay Days
1	2023-2024	April	20/05/2023	22/08/2023	94
2	2023-2024	May	20/06/2023	22/08/2023	63
3	2023-2024	June	20/07/2023	22/08/2023	33
4	2023-2024	July	20/08/2023	28/09/2023	39
5	2023-2024	August	20/09/2023	07/11/2023	48
6	2023-2024	September	20/10/2023	07/11/2023	18
7	2023-2024	October	20/11/2023	06/01/2024	47
8	2023-2024	November	20/12/2023	16/01/2024	27

**GSTR 1**

Sr. No.	Financial Year	Tax Period	Due Date	Date of Filing	Delay Days
1	2024-2025	July	11/08/2024	22/08/2024	11

**GSTR 3B**

Sr. No.	Financial Year	Tax Period	Due Date	Date of Filing	Delay Days
1	2024-2025	July	20/08/2024	25/08/2024	5
2	2024-2025	August	20/09/2024	21/09/2024	1

**Madhya Pradesh****GSTR 3B**

Sr. No.	Financial Year	Tax Period	Due Date	Date of Filing	Delay Days
1	2024-2025	July	20/08/2024	25/08/2024	5
2	2024-2025	September	20/10/2024	21/10/2024	1

**GSTR 9**

Sr. No.	Financial Year	Tax Period	Due Date	Date of Filing	Delay Days
1	2022-2023	2022-2023	31/12/2023	09/11/2024	314

Below are the details of the delayed EPF payments:

Sr. No.	Financial year	Salary month	Due date of Deposit	Date of Payment	Delays Days
1	2024-25	May	June 15, 2024	November 12, 2024	150 Days
2	2024-25	June	July 15, 2024	November 11, 2024	118 Days
3	2024-25	July	August 15, 2024	November 11, 2024	88 Days
4	2024-25	August	September 15, 2024	November 11, 2024	57 Days
5	2024-25	September	October 15, 2024	November 12, 2024	28 Days

Below are the details of the delayed ESIC payments:

Sr. No.	Financial year	Salary month	Due date of Deposit	Date of Payment	Delays Days
1	2024-25	May	June 15, 2024	November 11, 2024	149 Days
2	2024-25	June	July 15, 2024	November 11, 2024	118 Days
3	2024-25	July	August 15, 2024	November 12, 2024	89 Days
4	2024-25	August	September 15, 2024	November 11, 2024	57 Days
5	2024-25	September	October 15, 2024	November 12, 2024	28 Days

Below are the details of the delayed TDS payments:

Sr. No.	Financial Year	Form No.	Quarter	Due Date of Filing	Date of Filing	Delay Days
1	2024-25	27EQ	I	July 15, 2024	July 18, 2024	3

Note:

The Company was incorporated on June 11, 2021. However, no revenue was generated during the Fiscal Year 2022 as the Company was focused on setting up its infrastructure, engaging with farmers to build its business, and completing training under the RKVY RAFTAAR scheme, facilitated by the Ministry of Agriculture and Farmers Welfare in partnership with IIM Kashipur.

There can be no assurance that such defaults/ delay may not arise in the future. This may lead to financial penalties from respective government authorities which may have a material adverse impact on our financial condition and cash flows.

**25. If we fail to maintain an effective system of internal controls, we may not be able to successfully manage, or accurately report, our financial risks. Despite our internal control systems, we may be exposed to operational risks, including fraud, petty theft and embezzlement, which may adversely affect our reputation, business, financial condition, results of operations and cash flows.**

Our management is responsible for establishing and maintaining internal financial controls based on the internal control over financial reporting criteria established by it while taking into account the essential components of internal control stated in the Guidance Note on Audit of Internal Financial Controls over Financial Reporting issued by the Institute of Chartered Accountants of India. Effective internal controls are necessary for us to prepare reliable financial reports and effectively avoid fraud. Moreover, any internal controls that we may implement, or our level of compliance with such controls, may deteriorate over time, due to evolving business conditions.

While our management would be responsible for design, implementation and maintenance of adequate internal financial controls to ensure the orderly and efficient conduct of our business, any inability on our part to adequately detect, rectify or mitigate any such deficiencies in our internal controls may adversely impact our ability to accurately report, or successfully manage, our financial risks, and to avoid fraud, each of which may have an adverse effect on our business, financial condition, results of operations and cash flows. Notwithstanding that the auditors' report issued on the internal financial controls over financial reporting of our Company for Fiscals 2024, 2023 and 2022 did not contain a qualified opinion or disclaimer of opinion, there can be no assurance that deficiencies in our internal controls will not arise in the future, or that we will be able to implement, and continue

to maintain, adequate measures to rectify or mitigate any such deficiencies in our internal controls.

Notwithstanding the internal controls that we have in place, we may be exposed to the risk of fraud or other misconduct by employees, contractors, clients or suppliers. Fraud and other misconduct can be difficult to detect and deter. Certain instances of fraud and misconduct may go unnoticed or may only be discovered and successfully rectified after substantial delays. Even when we discover such instances of fraud or theft and pursue them to the full extent of the law or with our insurance carriers, there can be no assurance that we will recover any of the amounts involved in these cases. In addition, our dependence upon automated systems to record and process transactions may further increase the risk that technical system flaws or employee tampering or manipulation of those systems will result in losses that are difficult to detect, which may adversely affect our reputation, business, financial condition, results of operations and cash flows.

***26. Any failure of our information technology systems could adversely affect our business and our operations.***

We rely on our information technology (“IT”), systems to provide us with connectivity across our business functions through our software, hardware and network systems. Our reputation and ability to attract, retain and serve our consumers depend upon the reliable performance of our website “nkosh.in” and our mobile application “NKOSH”. We facilitate sale and purchase of agri products, crop advisory, mandi information, crop suggestions and recommendations through our website and mobile application. We may experience interruptions in these systems in the future, such as server failures that disrupted the performance of our website and mobile application, which may adversely affect our business, financial condition, cash flows and results of operations. Although we have not experienced any material failure in our IT systems and we do have effective back-up systems in place to tackle any unexpected minor disruption, however, there can be no assurance that our IT systems will not suffer a material failure in the future.

However, these systems are potentially vulnerable to damage or interruption from a variety of sources, which could result in a material adverse effect on our operations. A large-scale information technology malfunction could disrupt our business or lead to disclosure of, and unauthorized access to, sensitive Company information. Our ability to keep our business operating depends on the proper and efficient operation and functioning of various information technology systems, which are susceptible to malfunctions and interruptions (including those due to equipment damage, power outages, computer viruses and a range of other hardware, software and network problems). Such malfunctions or disruptions could interrupt our business operations and result in economic losses. Any failure of our information technology systems could also cause damage to our reputation which could harm our business. Any of these developments, alone or in combination, could have a material adverse effect on our business, financial condition, results of operations and cash flows.

Our systems are also potentially vulnerable to data security breaches, whether by our employees, or our service providers or others that may expose sensitive data to unauthorized persons. We process and transfer data, including personal information, financial information and other confidential data provided to us by our clients. Any such security breaches or compromises of technology systems could result in costs incurred to rectify the breach and institution of legal proceedings against us and potential imposition of penalties which may have an adverse effect on our reputation, business, results of operation, cash flows and financial condition.

Further, unavailability of, or failure to retain, well trained employees capable of constantly servicing our information technology systems may lead to inefficiency or disruption of our information technology systems, thereby adversely affecting our ability to operate efficiently. Any failure in overhauling or updating our information technology systems in a timely manner could cause our operations to be vulnerable to external attacks and inefficient. Hence, any failure or disruption in the operation of these systems or the loss of data due to such failure or disruption (including due to human error or sabotage) may affect our ability to conduct our normal business operations, which may materially adversely affect our business, financial condition, results of operations, cash flows and prospects. In addition, technological advances from time to time may result in our systems, methods or processing facilities becoming obsolete.

Furthermore, we are dependent on various external vendors for certain elements of our operations such as software development services for our website and application, wireless software and internet access are exposed to the

contractual risks and operational risks of these external vendors. Their failure to perform their contractual obligations could materially and adversely affect our business, results of operations and cash flows.

***27. Our operations could be adversely affected by strikes, work stoppages or increased wage demands by our employees or any other kind of disputes with our employees.***

As of September 30, 2024, we had 26 employees across our operations. For further details, see “see “*Our Business*” on page 94. While our employees are not currently unionized, we cannot assure you that our employees will not unionize in the future. Union organizing efforts or collective bargaining negotiations could lead to work stoppage and/or slowdowns and/or strikes by our employees, which could have a material adverse effect on our business, financial condition, results of operations, cash flows and prospects. Furthermore, in the event that all or part of our employees are represented by one or more labor union, we may face higher employee costs and increased risks of work stoppages, slowdowns and/or strikes, which could have a material adverse effect on our business, financial condition, results of operations, cash flows and prospects.

Although we have not experienced any strikes or labor unrest in the six months period ended September 30, 2024 and in the past three Fiscals, we cannot assure you that we will not experience disruptions in future due to disputes or other problems with our work force, which may adversely affect our ability to continue our business operations. In the event our employee relationships deteriorate, or we experience significant labor unrest, strikes and other labor action, work stoppages could occur and there could be an adverse impact on our operations. We are also subject to, and may continue to contest, regulatory claims alleging defaults in relation to employee wage payments and contributions. Any such actions could adversely affect our business, results of operations and financial condition.

We are also subject to a number of stringent labour laws that protect the interests of workers, including legislation that sets forth detailed procedures for dispute resolution and employee removal and legislation that imposes financial obligations on employers upon retrenchment. For further details see, “*Key Regulations and Policies*” on page 107. If labour laws become more stringent, it may become more difficult for us to maintain flexible human resource policies, discharge employees or downsize, any of which could have a material adverse effect on our business, financial condition, results of operations, cash flows and prospects.

***28. Our insurance coverage may not be adequate to protect us against all potential losses, which may have a material adverse effect on our business, financial condition, cash flows and results of operations.***

We maintain insurance coverage, including insurance in relation to burglary insurance. As on September 30, 2024, the total insurance coverage maintained by the Company is ₹400.00 lakhs, and its percentage contribution to our total assets amounted to 96.08%.

While we believe that the amount of our insurance coverage is in line with industry standards, there can be no assurance that any claim under the insurance policies maintained by us will be honored fully, in part or on time. In addition, not all risks associated with our operations may be insurable, on commercially reasonable terms or at all. Although we believe that we have obtained insurance coverage customary to our business, such insurance may not provide adequate coverage in certain circumstances and is subject to certain deductibles, exclusions and limits on coverage. To the extent that we suffer loss or damage that is not covered by insurance or exceeds our insurance coverage, our results of operations and cash flow may be adversely affected. Natural disasters in the future or occurrence of any other event for which we are not adequately or sufficiently insured may cause significant disruption to our operations that could have a material adverse impact on our business and operations. The occurrence of an event for which we are not adequately or sufficiently insured could have an adverse effect on our business, results of operations, financial condition and cash flows. If we are subject to litigation or claims or our operations are interrupted for a sustained period, we cannot assure you that our insurance policies will be adequate to cover the losses that may be incurred as a result of such interruption. For details on Insurance taken by us, refer chapter “*Our Business*” on page 94 of this Draft Red Herring Prospectus.

We may not have identified every risk, and further may not be insured against every risk, including operational risks that may occur, and the occurrence of an event that causes losses more than the limits specified in our policies, or losses arising from events or risks not covered by insurance policies or due to the same being inadequate. Any

of the above could materially harm our financial condition and future results of operations and cash flows. There can be no assurance that any claims filed will be honored fully or in a timely fashion under our insurance policies. In addition, we may not be able to renew certain of our insurance policies upon their expiration, either on commercially acceptable terms or at all.

***29. Our directors do not have prior experience of holding a directorship in a company listed on the Stock Exchanges.***

Our Directors do not have any prior experience in holding a directorship in a company listed on the Stock Exchanges. Our Board members have relevant experience in their respective fields, which benefits the Company, in strategizing the direction and vision of the Company.

Our Company will also be subject to compliance requirements under the SEBI Listing Regulations and other applicable law post listing of the Equity Share on the Stock Exchange. Our Board is capable of efficiently managing such compliance requirements by engaging professionals who have expertise in managing such compliances.

***30. Our Promoters will continue to retain significant shareholding in our Company after the Issue, which will allow them to exercise influence over us.***

After the completion of the Issue, our Promoters will continue to hold 56.08% of the paid-up Equity Share capital of our Company. Further, the involvement of our Promoter Directors in our operations, including through strategy, direction and customer relationships have been integral to our development and business and the loss of any of our Promoter Directors may have a material adverse effect on our business and prospects.

Our Promoters will continue to exercise influence over all matters requiring shareholders' approval, including the composition of our Board of Directors, the adoption of amendments to our constitutional documents, the approval of mergers, strategic acquisitions or joint ventures or the sales of substantially all of our assets, and the policies for dividends, investments and capital expenditures. This concentration of ownership may also delay, defer or even prevent a change in control of our Company and may make some transactions more difficult or impossible without the support of our Promoters. The interests of our Promoters could conflict with our Company's interests, your interests or the interests of our other shareholders. There is no assurance that our Promoters will act to resolve any conflicts of interest in our Company's or your favor.

***31. Our Directors and Promoters may enter into ventures which are in businesses similar to ours.***

The interests of our Directors or Promoters may not align with the interests of our other Shareholders due to their involvement in other ventures which are in businesses similar to ours or that may compete with our business or may benefit from preferential treatments when doing business with our Company. Our Directors, or Promoters, as applicable, may, for business considerations or otherwise, in transactions with other ventures where they have interest, cause our Company to take actions, or refrain from taking actions, in order to benefit themselves instead of our Company's interests or the interests of its other Shareholders and which may be harmful to our Company's interests or the interests of our other Shareholders, which may materially adversely impact our business, financial condition, results of operations and cash flows.

As a result, conflicts of interest may arise when we sell our solutions to such Promoter Group at lower prices, or give it any other form of preferential treatment. There can be no assurance that our Promoters or any company controlled by our Promoters will not enter into businesses similar to ours or compete with our existing business or any future business that we may undertake or that their interests will not conflict with ours. Any such present and future conflicts could have a material adverse effect on our reputation, business, results of operations, cash flows and financial condition.

**32. For our business, we rely heavily on our Promoters namely, Ashutosh Tiwari, Alok Chaudhary, Anandkumar Mahto and Rahul Saini. Our business performance may have an adverse effect by their departure or by our failure to recruit or keep them.**

Our Promoters are in charge of our day-to-day operations, strategy, and business expansion. They are also responsible for the execution of our business plan. The Promoters have been a part of our Company since its inception and it may be challenging to find a suitable replacement for one or more of our Promoter Directors in a timely and economical manner if they are unable to continue in their current roles. Our ability to keep the Promoter Directors on board cannot be guaranteed. Our ability to grow, execute our strategy, build brand awareness, raise capital, make strategic decisions, and oversee the day-to-day operations of our business could be hampered by the loss of our Promoter Directors or our inability to find suitable replacements. Further, there could be a materially negative effect on our operations, financial position, cash flows, and business.

**33. Our Promoters have provided personal guarantees as security for certain facilities availed by our Company. If these guarantees are revoked, we may be unable to procure alternative guarantees satisfactory to our lenders, which may adversely affect our business, results of operations, cash flows and financial condition.**

Our Promoters, Ashutosh Tiwari, Alok Chaudhary, Anandkumar Mahto and Rahul Saini have provided personal guarantees as security for certain facilities availed by our Company, which amounted to ₹300 lakhs. The table below sets forth details of the personal guarantees provided by our Promoters:

Name of the Lender	Name of the Promoter/Promoter Group/ Director/ Group Company	Name of the facility	Amount of guarantee
State Bank of India	1. Ashutosh Tiwari, 2. Alok Chaudhary, 3. Anandkumar Mahato, and 4. Rahul Saini	Cash Credit facility	Rs.300.00 Lakhs

If any of the abovementioned guarantees are revoked, our lenders may require alternative guarantees or cancel such facilities, entailing repayment of amounts outstanding under such facilities. If we are unable to procure alternative guarantees satisfactory to our lenders, we may need to seek alternative sources of capital, which may not be available to us at commercially reasonable terms or at all, or to agree to more onerous terms under our financing agreements, which may limit our operational flexibility. Accordingly, our business, results of operations, cash flows and financial condition may be adversely affected by the revocation of all or any of the guarantees provided by our Promoters in connection with our Company's borrowings. For further details, see “*Financial Indebtedness*” on page 184.

**34. Certain of our Promoters, Directors and Key Managerial Personnel and members of Senior Management may have interests in us other than reimbursement of expenses incurred and normal remuneration or benefits.**

Certain of our Promoters, Directors, Key Managerial Personnel and members of Senior Management may be regarded as having an interest in our Company other than reimbursement of expenses incurred and normal remuneration, commission or benefits. Certain Directors and Promoters may be deemed to be interested to the extent of Equity Shares, as applicable, held by them and by members of our Promoter Group, to the extent applicable, as well as to the extent of any dividends, bonuses or other distributions on such Equity Shares. Certain of our promoters and directors are interested in the promotion of our Company. For further details, see “*Capital Structure*”, “*Our Promoters and Promoter Group*” and “*Our Management*” on pages 62, 133 and 121, respectively.

The borrowings availed by our Company from certain lenders are secured by the guarantees provided by our Promoters. Any default or failure by us to repay our loans in a timely manner or at all could trigger repayment obligations on the part of our Promoters, in respect of such loans. This could have an adverse effect on our business, results of operation, and financial condition. We may not be successful in procuring guarantees to supplement or substitute the guarantees provided by our Promoters in a manner satisfactory to the lenders, and as a result may need to repay outstanding amounts under such facilities or seek additional sources of capital, which could affect

our business prospects, financial condition, results of operations, and cash flows.

**35. *We cannot assure payment of dividends on the Equity Shares in the future.***

Our Company adopted a formal dividend policy on September 26, 2024. Our Company has not declared dividends on the Equity Shares during the last three Fiscals, and the period from April 1, 2024, until the date of this Draft Red Herring Prospectus.

Our ability to pay dividends in the future will depend upon our future results of operations, financial condition, cash flows, sufficient profitability, working capital requirements and capital expenditure requirements and other factors considered relevant by our Directors and Shareholders. Any future determination as to the declaration and payment of dividends will be at the discretion of our Board and will depend on factors that our Board deems relevant, including among others, profitable growth of our Company and specifically profits earned during the relevant fiscal, earning stability and outlook, past dividend pattern, cash flow position of our Company, capital expenditure to be incurred by our Company, accumulated reserves, statutory requirements like transfer to statutory reserve fund, liquidity position of our Company including its working capital requirements and debt servicing obligations. In addition, our ability to pay dividends may be impacted by a number of factors such as economic environment, changes in the Government policies, industry specific rulings and regulatory provisions, industry outlook for the future years, and inflation rate. Our ability to pay dividends may also be restricted under certain financing arrangements that we may enter into. We cannot assure you that we will be able to pay dividends on the Equity Shares at any point in the future. For details pertaining to our dividend policy, see “*Dividend Policy*” on page 140.

**36. *We have entered, and will continue to enter, into related party transactions which may potentially involve conflicts of interest.***

We have in the past entered into transactions with several related parties. For further details in relation to our related party transactions for the six months period September 30, 2024 and for the Fiscals 2024, 2023 and 2022, see “*Summary of the Offer Document-Summary of Related Party Transactions*” and “*Restated Financial Information-Note 24: Related Party Transactions*” on pages 17 and 141, respectively.

While we believe that all such related party transactions that we have entered into have been conducted at arm's length with approvals from the Audit Committee, the Board and/or our shareholders, as applicable, and in accordance with applicable laws, we cannot assure you these arrangements or any future related party transactions that we may enter into, individually or in the aggregate, will not have an adverse effect on our business, financial condition, results of operations, cash flows and prospects. The transactions we have entered into and any future transactions with our related parties may have involved or could potentially involve conflicts of interest which may be detrimental to our Company. After the completion of the Issue, all related-party transactions that our Company may enter into will be subject to Audit Committee, Board or shareholder approval, as may be required under the Companies Act, 2013 and the SEBI Listing Regulations. We cannot assure you that such approvals will be received in a timely manner or at all. Further, we cannot assure you that such transactions, individually or in the aggregate, will not have an adverse effect on our financial condition and results of operations or that our Company could not have undertaken such transactions on more favorable terms with any unrelated parties or that any dispute that may arise between us and related parties will be resolved in our favor.

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

**37. *The determination of the Price Band is based on various factors and assumptions and the Issue Price of the Equity Shares may not be indicative of the market price of the Equity Shares upon listing on the Stock Exchange.***

The determination of the Price Band and discount, if any, is based on various factors and assumptions, and will be determined by our Company, in consultation with the Book Running Lead Manager. Furthermore, the Issue Price of the Equity Shares will be determined by our Company, in consultation with the Book Running Lead Manager through the Book Building Process. These will be based on numerous factors, including those described under “Basis for Issue Price” on page 79, and may not be indicative of the market price of the Equity Shares upon listing on the Stock Exchange.

The factors that could affect the market price of the Equity Shares include, among others, broad market trends, financial performance and results of our Company post-listing, and other factors beyond our control. We cannot assure you that an active market will develop or sustained trading will take place in the Equity Shares or provide any assurance regarding the price at which the Equity Shares will be traded after listing.

***38. Pursuant to listing of the Equity Shares, we may be subject to pre-emptive surveillance measures like Additional Surveillance Measure (ASM) and Graded Surveillance Measures (GSM) by the Stock Exchanges in order to enhance market integrity and safeguard the interest of investors.***

SEBI and the Stock Exchanges have introduced various pre-emptive surveillance measures in order to enhance market integrity and safeguard the interests of investors, including ASM and GSM. ASM and GSM are imposed on securities of companies based on various objective criteria such as significant variations in price and volume, concentration of certain client accounts as a percentage of combined trading volume, average delivery, securities which witness abnormal price rise not commensurate with financial health and fundamentals such as earnings, book value, fixed assets, net worth, price / earnings multiple and market capitalization.

Upon listing, the trading of our Equity Shares would be subject to differing market conditions as well as other factors which may result in high volatility in price, low trading volumes, and a large concentration of client accounts as a percentage of combined trading volume of our Equity Shares. The occurrence of any of the abovementioned factors or other circumstances may trigger any of the parameters prescribed by SEBI and the Stock Exchanges for placing our securities under the GSM and/or ASM framework or any other surveillance measures, which could result in significant restrictions on trading of our Equity Shares being imposed by SEBI and the Stock Exchanges. These restrictions may include requiring higher margin requirements, requirement of settlement on a trade for trade basis without netting off, limiting trading frequency, reduction of applicable price band, requirement of settlement on gross basis or freezing of price on upper side of trading, as well as mentioning of our Equity Shares on the surveillance dashboards of the Stock Exchanges. The imposition of these restrictions and curbs on trading may have an adverse effect on market price, trading and liquidity of our Equity Shares and on the reputation and conditions of our Company.

## **External Risk Factors**

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

The occurrence of natural disasters, including cyclones, storms, floods, earthquakes, tsunamis, tornadoes, fires, explosions, pandemic disease and man-made disasters, including acts of terrorism and military actions, could adversely affect our results of operations, cash flows or financial condition. Terrorist attacks and other acts of violence or war may adversely affect the Indian securities markets. In addition, any deterioration in international relations, especially between India and its neighboring countries, may result in investor concern regarding regional stability which could adversely affect the price of the Equity Shares. In addition, India has witnessed local civil disturbances in recent years, and it is possible that future civil unrest as well as other adverse social, economic or political events in India could have an adverse effect on our business. Such incidents could also create a greater perception that investment in Indian companies involves a higher degree of risk and could have an adverse effect on our business and the market price of the Equity Shares.

***40. Political, economic or other factors that are beyond our control may have an adverse effect on our business, cash flows and results of operations.***

We are dependent on domestic, regional and global economic and market conditions. Our performance, growth and market price of our Equity Shares are and will be dependent to a large extent on the health of the economy in which we operate. There have been periods of slowdown in the economic growth of India. Demand for our solutions may be adversely affected by an economic downturn in domestic, regional and global economies. Our results of operations are significantly affected by factors influencing the Indian economy. Economic growth in India is affected by various factors including:

- domestic consumption and savings, and prevailing income conditions among consumers and corporations in India;
- any increase in Indian interest rates or inflation;
- political instability, terrorism or military conflict in India or in countries in the region or globally, including in India's various neighboring countries;
- any scarcity of credit or other financing in India, resulting in an adverse impact on economic conditions in India and scarcity of financing for our expansions;
- volatility in, and actual or perceived trends in trading activity on India's principal stock exchanges;
- changes in India's tax, trade, fiscal or monetary policies;
- balance of trade movements, namely export demand and movements in key imports (oil and oil products);
- any downgrading of India's debt rating by a domestic or international rating agency;
- financial instability in financial markets;
- global economic uncertainty and liquidity crisis and volatility in exchange currency rates; and
- other significant regulatory or economic developments in or affecting India or its flexible workspace industry.

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

***41. We may be affected by competition law in India and any adverse application or interpretation of the Competition Act could in turn adversely affect our business and cash flows.***

The Competition Act was enacted for the purpose of preventing practices that have or are likely to have an adverse effect on competition in India and has mandated the Competition Commission of India to regulate such practices. Under the Competition Act, any arrangement, understanding or action, whether formal or informal, which causes or is likely to cause an appreciable adverse effect on competition is void and attracts substantial penalties.

Further, any agreement among competitors which, directly or indirectly, involves determination of purchase or sale prices, limits or controls production, or shares the market by way of geographical area or number of subscribers in the relevant market is presumed to have an appreciable adverse effect 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 Central Government notified and brought into force the Competition Commission of India (Procedure in regard to the transaction of business relating to combinations) Regulations ("**Combination Regulations**") under the Competition Act with effect from June 1, 2011. The Combination Regulations 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. Additionally, on May 11, 2011, the Competition Commission of India issued the Competition Commission of India (Procedure for Transaction of Business Relating to Combinations) Regulations, 2011, 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 Competition Commission of India has extraterritorial 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 impact of the provisions of the Competition Act on the agreements entered into by us cannot be predicted with certainty at this stage. We do not have any outstanding notices in relation to non-compliance with the Competition Act or the agreements entered into by us.

The Government of India has also passed the Competition (Amendment) Act, 2023, which has proposed several amendments to the Competition Act, such as introduction of deal value thresholds for assessing whether a merger or acquisition qualifies as a “combination”, expedited merger review timelines, codification of the lowest standard of “control” and enhanced penalties for providing false information or a failure to provide material information.

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 Competition Commission of India, or any adverse publicity that may be generated due to scrutiny or prosecution by the Competition Commission of India or if any prohibition or substantial penalties are levied under the Competition Act, it would adversely affect our business and cash flows.

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

The regulatory and policy environment in which we operate is evolving and subject to change. Unfavorable changes in or interpretations of existing, or the promulgation of new, laws, rules and regulations including foreign investment and stamp duty laws governing our business and operations could result in us being deemed to be in contravention of such laws and may require us to apply for additional approvals. For instance, the Supreme Court of India has in a decision clarified the components of basic wages which need to be considered by companies while making provident fund payments, which resulted in an increase in the provident fund payments to be made by companies. Any such decisions in future or any further changes in interpretation of laws may have an impact on our results of operations.

Further, any future amendments may affect our tax benefits such as exemptions for income earned by way of dividend from investments in other domestic companies and units of mutual funds, exemptions for interest received in respect of tax-free bonds, and long-term capital gains on equity shares. The Government of India has announced the union budget for Fiscal 2025, and the Finance Act, 2024 was tabled before the Lok Sabha, which has proposed certain amendments to taxation laws in India. We have not fully determined the impact of these recent and proposed laws and regulations on our business. We cannot predict whether the amendments made pursuant to the Finance Act, 2024 would have an adverse effect on our business, financial condition, future cash flows and results of operations.

Furthermore, changes in capital gains tax or tax on capital market transactions or the sale of shares could affect investor returns. As a result, any such changes or interpretations could have an adverse effect on our business and financial performance. For further discussion on capital gains tax, see “-Investors may be subject to Indian taxes arising out of income arising from distribution of dividend and sale of the Equity Shares” on chapter titled “Risk Factors” on page 23.

We cannot predict the impact of any changes in or interpretations of existing, or the promulgation of, new laws, rules, and regulations applicable to us and our business. Unfavorable changes in or interpretations of existing, or the promulgation of new laws, rules and regulations including foreign investment and stamp duty laws governing our business and operations could result in us, our business, operations, or group structure being deemed to be in contravention of such laws and/or may require us to apply for additional approvals. We may incur increased costs and expend resources relating to compliance with such new requirements, which may also require significant management time, and any failure to comply may adversely affect our business, results of operations and prospects. Uncertainty in the applicability, interpretation, or implementation of any amendment to, or change in, governing law, regulation or policy, including by reason of an absence, or a limited body, of administrative or judicial precedent may be time consuming as well as costly for us to resolve and may impact the viability of our current business or restrict our ability to grow our business in the future.

**43. Under Indian law, foreign investors are subject to investment restrictions that limit our ability to attract foreign investors, which may adversely affect the trading price of the Equity Shares.**

Under foreign exchange regulations currently in force in India, transfer of shares between non-residents and residents are freely permitted (subject to compliance with sectoral norms and certain other exceptions), if they comply with the pricing guidelines and reporting requirements specified by the RBI. If a transfer of shares, which are sought to be transferred, is not in compliance with such requirements and fall under any of the exceptions specified by the RBI, then the RBI's prior approval is required. Additionally, shareholders who seek to convert Rupee proceeds from a sale of shares in India into foreign currency and repatriate that foreign currency from India require a non-objection or a tax clearance certificate from the Indian income tax authorities. We cannot assure you that any required approval from the RBI or any other governmental agency can be obtained on any particular terms or at all.

In addition, pursuant to the Press Note No. 3 (2020 Series), dated April 17, 2020, issued by the DPIIT, which has been incorporated as the proviso to Rule 6(a) of the FEMA Rules, investments where the beneficial owner of the equity shares is situated in or is a citizen of a country which shares a land border with India, can only be made through the Government approval route, as prescribed in the Consolidated FDI Policy dated October 15, 2020 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 of India. These investment restrictions shall also apply to subscribers of offshore derivative instruments. We cannot assure investors that any required approval from the RBI or any other governmental agency can be obtained on any particular terms or conditions or at all. For further information, see "*Restrictions on Foreign Ownership of Indian Securities*" on page 248.

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

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

**45. Our Equity Shares have never been publicly traded, and after the Issue, the Equity Shares may experience price and volume fluctuations, and an active trading market for the Equity Shares may not develop. Further, the Issue Price may not be indicative of the market price of the Equity Shares after the Issue.**

Prior to the Issue, there has been no public market for the Equity Shares, and an active trading market for our Equity Share on the Stock Exchanges may not develop or be sustained after the Issue. Listing and quotation do not guarantee that a market for the Equity Shares will develop, or if developed, the liquidity of such market for the Equity Shares. Furthermore, the Issue Price of the Equity Shares will be determined through the Book Building Process. These will be based on numerous factors, including factors as described under "*Basis for Issue Price*" on page 79 and may not be indicative of the market price for the Equity Shares after the Issue.

For further details, see "*Other Regulatory and Statutory Disclosures – Price information of past issues handled by the Book Running Lead Manager*" commencing on page 195. The market price of the Equity Shares may be subject to significant fluctuations in response to, among other factors, the failure of security analysts to cover the Equity Shares after this Issue, or changes in the estimates of our performance by analysts, the activities of competitors and suppliers, future sales of the Equity Shares by our Company or our shareholders, variations in our operating results of our Company, market conditions specific to the industry we operate in, developments relating to India, volatility in securities markets in jurisdictions other than India, variations in the growth rate of financial indicators, variations in revenue or earnings estimates by research publications, and changes in economic, legal and other regulatory factors. We cannot assure you that an active market will develop, or sustained trading will take place in the Equity Shares or provide any assurance regarding the price at which the Equity Shares will be traded after listing.

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 Issue Price.

***46. Our Company has issued Equity Shares during the preceding one year at a price that may be below the Issue Price.***

In the preceding one year from the date of this Draft Red Herring Prospectus, our Company has issued Equity Shares at a price that may be lower than the Issue Price. The price at which Equity Shares have been issued by our Company in the preceding one year is not indicative of the price at which they will be issued or traded after listing. For details on such allotments, see "*Capital Structure*" on page 62.

***47. Investors may be subject to Indian taxes arising out of income arising from distribution of dividend and sale of the Equity Shares.***

Under the current Indian tax laws and regulations, unless specifically exempted, 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, are subject to long term capital gains tax in India at specified rates, depending on certain factors, such as STT paid, the quantum of gains and any available treaty exemptions.

The Finance (No. 2) Bill, 2024 ("the Finance Bill"), which has received the President's assent on August 16, 2024, seeks to amend certain sections of the Income Tax Act, 1961, with effect from July 23, 2024. Accordingly, long term capital gains exceeding the exempted limit of ₹125,000 arising from the sale of listed equity shares on the stock exchange are subject to tax at the rate of 12.5% (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 ₹100,000.

Further, any capital gains realized on the sale of listed equity shares held for a period of 12 months or less immediately preceding the date of transfer will be subject to short term capital gains tax in India. 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) for transfers taking place before July 23, 2024. However, per the amendment sought by the Finance Bill, short-term capital gains will be taxed at 20% for transfers taking place after July 23, 2024.

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, is specified at 0.015% (on a delivery basis) and 0.003% (on a non-delivery basis) of the consideration amount. As such, there is no certainty on the effect that the Finance Act, 2019 may have on our business and operations.

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. 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.

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 and are likely be subject to tax deduction at source. Our 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 the source from such dividend. Investors should consult their own tax advisors about the consequences of investing or trading in our Equity Shares.

We cannot predict whether any tax laws or other regulations impacting our business and operations will be enacted or predict the nature and impact of any such laws or regulations or whether, if at all, any laws or regulations would have an adverse effect on our business, financial condition, cash flows and results of operations

***48. 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, a company having share capital and 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. However, if the laws of the jurisdiction that you are in does not permit the exercise of such pre-emptive rights without our 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. 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 our Company would be reduced.

***49. Future issuances or sales of Equity Shares, or convertible securities or other equity-linked securities could adversely affect the trading price of the Equity Shares.***

Our future issuances of Equity Shares, convertible securities or securities linked to the Equity Shares by us (including under employee stock option plans) or the disposal of Equity Shares by our Promoter or any of our other principal shareholders or the perception that such issuance or sales may occur, including to comply with the minimum public shareholding norms applicable to listed companies in India, may significantly affect the trading price of the Equity Shares and our ability to raise capital through an issue of our securities. There can be no assurance that we will not issue further Equity Shares or that the shareholders will not dispose of, pledge or otherwise encumber the Equity Shares. Any future issuances could also dilute the value of your investment in our Company.

***50. Fluctuation in the exchange rate of the Rupee and other currencies could have an adverse effect on the value of our Equity Shares, independent of our operating results.***

Subject to requisite approvals, on listing, our Equity Shares will be quoted in Rupees on the Stock Exchanges. Any dividends, if declared, in respect of our Equity Shares will be paid in Rupees and subsequently converted into the relevant foreign currency for repatriation, if required. Any adverse movement in exchange rates during the time that it takes to undertake such conversion may reduce the net dividend to such investors. In addition, any adverse movement in exchange rates during a delay in repatriating the proceeds from a sale of Equity Shares outside India, for example, because of a delay in regulatory approvals that may be required for the sale of Equity Shares may reduce the net proceeds received by shareholders.

The exchange rate of the Rupee has changed substantially in the last two decades and could fluctuate substantially in the future, which may have a material adverse effect on the value of the Equity Shares and returns from the Equity Shares, independent of our operating results.

***51. Investors will not be able to sell immediately on an Indian stock exchange any of the Equity Shares they purchase in the Issue.***

Subject to requisite approvals, the Equity Shares will be listed on the Stock Exchanges. Pursuant to applicable Indian laws, certain actions must be completed before the Equity Shares can be listed and trading in the Equity Shares may commence. Investors' book entry, or 'demat' accounts with depository participants in India, are expected to be credited within one working day of the date on which the Basis of Allotment is approved by the Stock Exchanges. The Allotment of Equity Shares in this Issue and the credit of such Equity Shares to the applicant's demat account with depository participant could take approximately two Working Days from the Bid / Issue Closing Date and trading in the Equity Shares upon receipt of final listing and trading approvals from the Stock Exchanges is expected to commence within three Working Days of the Bid/Issue Closing Date. There could be a failure or delay in listing of the Equity Shares on the Stock Exchanges. Any failure or delay in obtaining the approval or otherwise commence

trading in the Equity Shares would restrict investors' ability to dispose of their Equity Shares. There can be no assurance that the Equity Shares will be credited to investors' demat accounts, or that trading in the Equity Shares will commence, within the time periods specified in this risk factor. We could also be required to pay interest at the applicable rates if allotment is not made, refund orders are not dispatched or demat credits are not made to investors within the prescribed time periods. For further details, see "*Issue Procedure*" on page 217.

## SECTION III INTRODUCTION

### THE ISSUE

Equity Shares Issued <sup>(1)</sup>	Up to 18,03,200 Equity Shares of face value of ₹5 each aggregating up to ₹[●] lakhs
<b><i>The Issue consists of</i></b>	
<b>A. QIB Portion<sup>(2)</sup></b>	Not more than [●] Equity Shares
Of which:	
Anchor Investor Portion	Up to [●] Equity Shares of face value of ₹5 each
Net QIB Portion (assuming the Anchor Investor Portion is fully subscribed)	Up to [●] Equity Shares of face value of ₹5 each
<i>Of which:</i>	
Available for allocation to Mutual Funds only (5% of the QIB Portion (excluding Anchor Investor Portion))	At least [●] Equity Shares of face value of ₹5 each
Balance of QIB Portion for all QIBs including Mutual Funds	[●] Equity Shares of face value of ₹5 each
<b>B. Non-Institutional Category<sup>(3)</sup></b>	Not less than [●] Equity Shares of face value of ₹5 each
<b>C. Retail Portion<sup>(3)</sup></b>	Not less than [●] Equity Shares of face value of ₹5 each
<b>Pre and Post-Issue Equity Shares</b>	
Equity Shares outstanding prior to the Issue	50,00,000 Equity Shares of face value of ₹5 each
Equity Shares outstanding after the Issue	68,03,200 Equity Shares of face value of ₹5 each
<b>Utilisation of Net Proceeds</b>	See “Objects of the Issue” beginning on page 73 for information about the use of the Net Proceeds.

#### Notes

- 1) The present Issue in terms of Draft Red Herring Prospectus has been authorized pursuant to a resolution passed by our Board of Directors dated September 26, 2024 and by special resolution passed under Section 62(1) (c) of the Companies Act, 2013 held on September 30, 2024.
- 2) 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. 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 within the offer price band. 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 215 of this Draft Red Herring Prospectus.
- 3) This Offer is being made in terms of Regulation 253(1) of Chapter IX of the SEBI (ICDR) Regulations 2018, as amended from time to time which permits the issue of securities through the Book Building method 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.

## SUMMARY OF FINANCIAL STATEMENTS

### Restated Statement of Assets and Liabilities

*(₹ in lakhs, unless otherwise stated)*

Particulars	As at September 30, 2024	Fiscals		
		March 2024	March 2023	March 2022
<b>Equity and Liabilities</b>				
<b>Shareholders' Funds</b>				
Share Capital	250.00	1.00	1.00	1.00
Reserves and Surplus	215.71	254.54	24.64	(1.30)
	<b>465.71</b>	<b>255.54</b>	<b>25.64</b>	<b>(0.30)</b>
<b>Non-Current Liabilities</b>				
Long Term Borrowings	83.25	-	-	-
Deferred Tax Liability	0.13	0.07	0.07	-
	<b>83.38</b>	<b>0.07</b>	<b>0.07</b>	<b>-</b>
<b>Current Liabilities</b>				
Short-term Borrowings	384.70	356.83	14.62	-
Trade Payables	82.06	186.08	42.36	-
Other Current Liabilities	15.84	12.64	43.11	3.90
Short-Term Provisions	163.84	93.21	8.57	-
	<b>646.44</b>	<b>648.76</b>	<b>108.66</b>	<b>3.90</b>
<b>Total</b>	<b>1,195.53</b>	<b>904.37</b>	<b>134.37</b>	<b>3.60</b>
<b>ASSETS</b>				
<b>Non-Current Assets</b>				
Property, Plant, Equipment and Intangible Asset				
Property, Plant and Equipment	2.93	0.46	0.49	0.52
Intangible Assets	3.29	1.35	1.60	2.06
Deferred Tax Assets	-	-	-	0.36
Long-Term Loans and Advances	6.56	6.46	6.46	-
<b>Total Non-Current Assets</b>	<b>12.78</b>	<b>8.27</b>	<b>8.55</b>	<b>2.94</b>
<b>Current Assets</b>				
Inventories	410.09	438.76	66.86	-
Trade Receivables	549.56	251.02	48.53	-
Cash and Cash Equivalents	215.80	126.19	9.35	0.32
Other Current Assets	7.30	80.13	1.08	0.34
<b>Total Current Assets</b>	<b>1,182.75</b>	<b>896.10</b>	<b>125.82</b>	<b>0.66</b>
<b>Total</b>	<b>1,195.53</b>	<b>904.37</b>	<b>134.37</b>	<b>3.60</b>

## Restated Statement of Profit and Loss

*(₹ in lakhs, unless otherwise stated)*

Particulars	Period ended September 30, 2024	Fiscal		
		March, 2024	March, 2023	March 2022
<b>Income</b>				
Revenue from Operations (Gross)	2,509.05	2,843.49	303.36	-
Other Income	3.98	0.30	9.49	-
<b>Total Revenue</b>	<b>2,513.03</b>	<b>2,843.79</b>	<b>312.85</b>	<b>-</b>
<b>Expenditure</b>				
Purchase of Traded Goods	2,113.53	2,833.49	320.23	-
Changes in Inventory	28.67	(371.90)	(66.86)	-
Employee Benefits Expense	43.06	33.06	14.20	-
Finance Cost	21.73	16.35	0.01	-
Other Expenses	24.77	15.11	9.84	1.41
Depreciation and Amortization Expense	0.41	0.49	0.49	0.25
<b>Total</b>	<b>2,232.17</b>	<b>2,526.60</b>	<b>277.91</b>	<b>1.66</b>
<b>Profit/(Loss) before tax (VII-VIII)</b>	<b>280.86</b>	<b>317.19</b>	<b>34.94</b>	<b>(1.66)</b>
Tax Expenses:				
Current Tax	70.63	87.29	8.57	-
Prior Year Tax Adjustments	-	-	-	-
Deferred Tax	0.06	-	0.43	(0.36)
<b>Total Tax Expense</b>	<b>70.69</b>	<b>87.29</b>	<b>9.00</b>	<b>(0.36)</b>
<b>Profit/(Loss) for the Year</b>	<b>210.17</b>	<b>229.90</b>	<b>25.94</b>	<b>(1.30)</b>
<i>Earnings Per Equity Share [Nominal Value of Share ₹ 5 (March 31, 2024: ₹100; March 31, 2023: ₹100; March 31, 2022: ₹100)]</i>				
Basic and Diluted (₹)	4.20	4.60	0.52	(0.03)

## Restated Cash Flow Statement

*(₹ in lakhs, unless otherwise stated)*

Particulars	Period ended September 30, 2024	Fiscal		
		March 31, 2024	March 31, 2023	March 31, 2022
<b>A. Cash Flow from Operating Activities</b>				
<b>Net Profit Before Taxation</b>	280.86	317.19	34.94	(1.66)
Adjustments for:				
Depreciation	0.41	0.49	0.49	0.25
Finance Cost	21.73	16.35	0.01	-
Interest Received on Investment	(0.02)	(0.07)	-	-
Government Subsidy	-	-	(6.00)	-
(Profit)/Loss on Sale of Fixed Assets	-	-	-	-
<b>Operating Profit Before Working Capital Changes</b>	<b>302.98</b>	<b>333.96</b>	<b>29.44</b>	<b>(1.41)</b>
Movements in Working Capital				
Decrease / (Increase) in Trade Receivables	(298.54)	(202.49)	(48.53)	-
Decrease / (Increase) in Inventories	28.67	(371.90)	(66.86)	-
Decrease / (Increase) in Other Current Assets	72.83	(79.05)	(0.74)	(0.34)
(Decrease) / Increase in Trade Payables	(104.02)	143.72	42.36	-
(Decrease) / Increase in Other Current Liabilities	3.20	(30.47)	39.21	3.90
<b>Cash Generated from Operating Activities</b>	<b>5.12</b>	<b>(206.23)</b>	<b>(5.12)</b>	<b>2.15</b>
Income Tax Paid	-	(2.65)	-	-
<b>Net Cash Flow Generated from Operating Activities (A)</b>	<b>5.12</b>	<b>(208.88)</b>	<b>(5.12)</b>	<b>2.15</b>
<b>B. Cash Flows from Investing Activities</b>				
Payment towards Purchase of Fixed Assets	(4.82)	(0.21)	-	(2.83)
Security Deposit	(0.10)	-	(6.46)	-
Interest Received	0.02	0.07	-	-
<b>Net Cash Flow from Investing Activities (B)</b>	<b>(4.90)</b>	<b>(0.14)</b>	<b>(6.46)</b>	<b>(2.83)</b>
<b>C. Cash Flows from Financing Activities</b>				
Proceeds from Issue of Shares	-	-	-	1.00
Finance cost	(21.73)	(16.35)	(0.01)	-
Government Subsidy Received	-	-	6.00	-
Proceeds from Long-term Borrowings	83.25	-	-	-
Proceeds from Short-term Borrowings	27.87	342.21	14.62	-
<b>Net Cash Flow from Financing Activities (C)</b>	<b>89.39</b>	<b>325.86</b>	<b>20.61</b>	<b>1.00</b>
<b>Net Increase In Cash and Cash Equivalents (A+B+C)</b>	<b>89.61</b>	<b>116.84</b>	<b>9.03</b>	<b>0.32</b>
Cash and Cash Equivalents at the Beginning of the Year	126.19	9.35	0.32	-
<b>Cash and Cash Equivalents at the End of the Year</b>	<b>215.80</b>	<b>126.19</b>	<b>9.35</b>	<b>0.32</b>

## GENERAL INFORMATION

Our Company was originally formed as a Private Limited Company in the name and style of "Nutrikosh India Private Limited" under the provisions of the Companies Act, 2013 on June 11, 2021 vide Certificate of Incorporation issued by Registrar of Companies, Kanpur bearing CIN: U01100UP2021PTC147207. Subsequently, our Company was converted into a Public Limited Company under the Companies Act, 2013 pursuant to a special resolution passed by the shareholders of our Company on July 18, 2024 and the name was changed to "Nutrikosh India Limited" pursuant to a fresh Certificate of Incorporation dated September 19, 2024 issued by the Registrar of Companies, Central Processing Centre, bearing CIN: U01100UP2021PLC147207.

For further details, please refer to chapter titled 'Our History and Certain Other Corporate Matters' beginning on Page 117 of this Draft Red Herring Prospectus.

### Registered Office of our Company

#### Nutrikosh India Limited

(41y5) Vishwa Nath, H No. 16,  
Amrit Puram, Kanpur-208011.

**Tel. No.:** +91 7510001507

**E-mail:** info@nkosh.in

**Website:** www.nkosh.in

**Registration Number:** 147207

**Corporate Identification Number:** U01100UP2021PLC147207

### Registrar of Companies

#### The Registrar of Companies, Kanpur

F9C4+J2P, Kursawan, Patkapur,  
Kanpur-208001.

### Designated Stock Exchange

#### National Stock Exchange of India Limited (NSE)

Exchange Plaza, Plot no. C/1, G Block,  
Bandra- Kurla Complex, Bandra (E)  
Mumbai-400051.

For details in relation to the changes to the name of our Company, please refer to the chapter titled, "Our History and Certain Other Corporate Matters" beginning on page 117 of this Draft Red Herring Prospectus.

### Board of Directors of our Company

Sr. No.	Name	Designation	Address	DIN
1)	Ashutosh Tiwari	Managing Director	265/3, Shastri Nagar, Hans Nagar, Kanpur Nagar-208005.	09201271
2)	Rahul Saini	Whole-Time Director	Laksar, Bhurni Khatipur, Haridwar-247663.	09201272
3)	Alok Chaudhary	Whole-Time Director	16 Amritpuram, New Azad Nagar, Kidwai Nagar, Kanpur Nagar-208011.	08330872
4)	Tanya Gupta	Additional Independent Director	House no.184, Mohalla Sahukara, Puranpur Pilibhit, Uttar Pradesh-262122	10713103
5)	Aditya Sharma	Additional Independent Director	C-18, New Acharya Kriplani road, Adarsh Nagar, North West, Delhi-110033	10788626
6)	Mani Maheshwari	Additional Independent Director	F-2305, Ajnara Ambrosia, Sector-118, Gautam Buddha Nagar, Noida-201301	10763364

For further details of our Directors, please refer to the chapter titled "Our Management" beginning on page 120 of this Draft Red Herring Prospectus.

### Company Secretary & Compliance Officer

Shikha Sanduja  
**Nutrikosh India Limited**  
(41y5) Vishwa Nath, H NO. 16,  
Amrit Puram, Kanpur, Kanpur-208011.  
**Tel No:** +91 7510001507  
**Email:** cs@nkosh.in

### Chief Financial Officer

Vandana Sharma  
**Nutrikosh India Limited**  
(41y5) Vishwa Nath, H NO. 16,  
Amrit Puram, Kanpur, Kanpur-208011.  
**Tel No:** +91 7510001507  
**Email:** cfo@nkosh.in

**Investors may contact the Compliance Officer and / or the Registrar to the Issue and / or the BRLM to the Issue in case of any Pre-Issue or Post-Issue related matter such as non-receipt of letters of Allotment, credit of allotted Equity Shares in the respective beneficiary account, unblocking of amount in ASBA etc.**

All grievances relating to the application process may be addressed to the Registrar to the Issue, with a copy to the concerned SCSB, giving full details such as name, address of the applicant, number of Equity Shares applied for, amount blocked, ASBA Account number, UPI ID used by the Applicant and the Designated Branch of the SCSB where the ASBA Application Form was submitted by the ASBA Applicant.

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

### Key Intermediaries to the Issue:

<b>Book Running Lead Manager to the Issue</b>
<b>Sarathi Capital Advisors Private Limited</b> 401, 4 <sup>th</sup> Floor, Manek Plaza, 167, Vidyanagari Marg, Kalina, Santacruz (E), Mumbai-400098 <b>Tel:</b> +91 22 26528671/72 <b>Contact Person:</b> Pankaj Chaurasia <b>Email:</b> ipo@sarthiwm.in <b>Website:</b> www.sarathi.in <b>SEBI Registration No.:</b> INM000012011
<b>Legal Advisor to the Issue</b>
<b>Kanga &amp; co.</b> Readymoney Mansion, 43 Veer Nariman Road, Mumbai-400001 <b>Tel. No.:</b> +91 22 66230000, 66332288 <b>Contact Person:</b> Mr. Chetan Thakkar <b>Email:</b> chetan.thakkar@kangacompany.in <b>Website:</b> www.kangacompany.com
<b>Registrar to The Issue</b>
<b>Link Intime India Private Limited</b> C-101, 247 Park, L B S Marg, Vikhroli (West), Mumbai-400083 <b>Tel:</b> +91 81081 14949 <b>E-mail:</b> nutrikosh.smeipo@linkintime.co.in <b>Website:</b> linkintime.co.in <b>Contact Person:</b> Shanti Gopalkrishnan <b>SEBI Registration No.:</b> INR000004058

<b>Banker to the Company</b>
<b>State Bank of India</b> Phoolbagh, Kanpur-208001 <b>Tel. No.:</b> 0512-2362362 <b>Contact Person:</b> Rishabh Srivastava-CBM <b>Email id:</b> sbi.00242@sbi.co.in
<b>Statutory Auditor and Peer Reviewed Auditor</b>
<b>PMH and Associates LLP</b> Chartered Accountants AB/03, 2 <sup>nd</sup> Floor, Safdarjung Enclave, Delhi-110029 <b>Tel. No.:</b> +91 95604 44584 <b>Email:</b> manas@pmh.co.in <b>Contact Person:</b> Manas Piyush <b>Firm Registration No.:</b> 026443N/N500054 <b>Membership No.:</b> 517928 <b>Peer Review Certificate No.:</b> 016415
<b>Banker To the Issue/ Public Issue Bank/Sponsor Bank/Refund Bank</b>
[•]* <i>*will be finalized prior to the filing of the Red Herring Prospectus</i>

## SELF CERTIFIED SYNDICATE BANKS

The lists of banks that have been notified by SEBI to act as SCSB for the Applications Supported by Blocked Amount (ASBA) Process are provided on <https://www.sebi.gov.in/sebiweb/other/OtherAction.do?doRecognisedFpi=yes&intmId=35> and updated from time to time. For details on Designated Branches of SCSBs collecting the ASBA Application Form, please refer to the above-mentioned SEBI link.

Further, as notified by SEBI vide its circular no. SEBI/HO/CFD/DIL2/CIR/P/2019/85 dated July 26, 2019; the applications through UPI in IPOs can be made only through the SCSBs / mobile applications whose name appears on the SEBI website [www.sebi.gov.in](http://www.sebi.gov.in) at the following path:

Home » Intermediaries/Market Infrastructure Institutions » Recognised intermediaries » Self Certified Syndicate Banks eligible as Issuer Banks for UPI.

Investor shall ensure that when applying in IPO using UPI, the name of his Bank appears in the list of SCSBs displayed on the SEBI website which are live on UPI. Further, he/she shall also ensure that the name of the app and the UPI handle being used for making the application is also appearing in the aforesaid list.

Application made using incorrect UPI handle or using a bank account of a SCSBs or bank which is not mentioned in the aforesaid list is liable to be rejected.

## Credit Rating

This being an issue of Equity shares, credit rating is not required.

## IPO Grading

Our Company has not obtained any IPO grading for this issue from any credit rating agency.

## Appraisal and Monitoring Agency

As per Regulation 41(1) SEBI (ICDR) Regulations, 2018, the requirement of Monitoring Agency is not mandatory if the Issue size is below ₹10,000 Lakhs. Since the Issue size is below ₹10,000 Lakhs, our Company has not appointed

any monitoring agency for this Issue. However, as per Section 177 of the Companies Act, 2013, the Audit Committee of our Company, would be monitoring the utilization of the proceeds of the Issue.

#### **Inter-se allocation of Responsibilities**

Since Sarthi Capital 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 Managers is not applicable.

#### **Expert Opinion**

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

Our Company has received a written consent dated October 28, 2024, from M/s P M H and Associates, Chartered Accountants, to include their name as required under section 26(5) of the Companies Act, 2013 read with SEBI ICDR Regulations, in the 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 Statutory Auditor, and in respect of their (a) examination report dated October 25, 2024 on the Restated Financial Information, and (b) report dated October 28, 2024, on the statement of special tax benefits available to the Company. Such consent has not been withdrawn as on the date of the Draft Red Herring Prospectus.

#### **Debenture Trustee**

Since this is not a debenture issue, appointment of debenture trustee is not required.

#### **Filing of Offer Document**

The Draft Red Herring Prospectus is being filed with National Stock Exchange of India Limited, Exchange Plaza, C-1, Block-G, Bandra Kurla Complex, Bandra (East), Mumbai-400051. The Draft Red Herring Prospectus will not be filed with SEBI, nor will SEBI issue any observation on the Offer 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 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 26 & 32 of the Companies Act, 2013 will be filed with RoC and a copy of the Prospectus to be filed under Section 26 of the Companies Act, 2013 will be filed to the RoC through the electronic portal at <http://www.mca.gov.in>.

#### **Underwriter**

In terms of Regulation 260 (1) of the SEBI (ICDR) Regulations, 2018, the Initial Public Offer shall be underwritten for hundred per cent of the Issue and shall not be restricted up to the minimum subscription level and as per sub regulation (2) the Book Running Lead Manager shall underwrite at least fifteen percent of the Issue size on their own account.

Our Company and BRLM to the Issue hereby confirm that the Issue will be 100.00% Underwritten. The Company in consultation with the BRLM will appoint the Underwriter for the Issue and the same details shall be updated in the Red Herring Prospectus.

Pursuant to the terms of the Underwriting Agreement dated [●] entered into by Company and the 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 (Rs. In Lakhs)</b>	<b>% of Total Issue Size Underwritten</b>
[●]	[●]	[●]	[●]

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.

#### Changes in Auditors During the last three Financial Years

Particulars	Period of appointment	Date of Appointment	Reason for change
<b>PMH and Associates LLP</b> <b>Chartered Accountants</b> AB/03, 2 <sup>nd</sup> Floor, Safdarjung Enclave, Delhi-110029 <b>Tel. No.:</b> +91 95604 44584 <b>Contact Person:</b> Manas Piyush <b>Email:</b> manas@pmh.co.in	April 01, 2024 To March 31, 2028	September 30, 2024	Appointment of the Peer Reviewed Statutory Auditors of our Company.
<b>M/s Murmuria &amp; Associates</b> <b>Chartered Accountants</b> 53/C Nandkunj, Motilal Neheru Road, Kolkata-700029. <b>Tel. No.:</b> +91 95826 06707 <b>Contact Person:</b> Sunil Murmuria <b>E-mail:</b> murmuriaassoc@gmail.com	April 01, 2023 To March 31, 2024	September 29, 2023	Completion of tenure
<b>M/s M Kaushik &amp; Co.</b> <b>Chartered Accountants</b> C-7, Shyam Vihar, Phase-1, 3 <sup>rd</sup> Floor, Near Krishna Market, Njafgardh-110043, Delhi <b>Tel. No.:</b> +91 99998 53295/95823 23414 <b>Contact Person:</b> Manish Kaushik <b>E-mail:</b> camanishkaushik993@gmail.com	April 01, 2022 To March 31, 2027	September 29, 2022	Casual Vacancy
<b>M/s. Pradeep &amp; Associates</b> 27/78 A Gagandee, Birhana Road, Kanpur-208001 <b>Tel. No.:</b> +91 98390 37148/78000 06161 <b>Contact Person:</b> Sandeep Sharma <b>E-mail:</b> pradeepgupta.ca1979@gmail.com	June 11, 2021 To March 31, 2022	July 06, 2021	The Auditor was not Re-elected in the First Annual General Meeting

#### Book Building Process

Book Building, with reference to the Issue, refers to the process of collection of Bids on the basis of the Red Herring Prospectus within the Price Band. The Price Band shall be determined by our Company 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 [●] 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, 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 Sarthi Capital Advisors Private Limited,
- The Syndicate Member(s) who are intermediaries registered with SEBI / registered as brokers with BSE or 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 and;
- 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.

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 may 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 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, 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 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 215 of the Draft Red Herring Prospectus.

The process of Book Building under the SEBI ICDR Regulations 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 215 of this Draft Red Herring Prospectus.

## Illustration of the Book Building and Price Discovery Process:

For an illustration of the Book Building Process and the price discovery process, please refer to the chapter titled “Issue Procedure” on page 215 of this Draft Red Herring Prospectus.

### Bid/Issue Program

Event	Indicative Date
Bid/ Issue Opening Date	on or about [●]
Bid/ Issue Closing Date	on or about [●]
Finalization of Basis of Allotment with the Designated Stock Exchange	on or about [●]
Initiation of Allotment/ Refunds/ Unblocking of Funds from ASBA Account or UPI Id Linked Bank Account	on or about [●]
Credit of Equity Shares to Demat Accounts of Allottees	on or about [●]
Commencement of Trading of The Equity Shares on the Stock Exchange	

*The above timetable 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.*

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. 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 Applicant on Bid/Issue Closing Date may be 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 Applicants are not allowed to withdraw or lower the size of their Application (in terms of the quantity of the Equity Shares or the Application amount) at any stage. Retail Individual Applicants can revise or withdraw their Bid Cum Application Forms prior to the Bid/Issue Closing Date. Allocation to Retail Individual Applicants, in this Issue will be on a proportionate basis.

In case of discrepancy in the data entered in the electronic book vis-à-vis the data contained in the physical Bid Cum Application Form, for a particular Applicant, the details as per the file received from Stock Exchange may be taken as the final data for the purpose of Allotment. In case of discrepancy in the data entered in the electronic book vis-à-vis

the data contained in the physical or electronic Bid Cum Application Form, for a particular ASBA Applicant, the Registrar to the Issue shall ask the relevant SCSBs/ RTAs / DPs / stock brokers, as the case may be, for the rectified data.

### **Withdrawal of the Issue**

Our Company, in consultation with the Book Running Lead Manager, reserves the right not to proceed with the Issue at any time before the Issue Opening Date without assigning any reason thereof.

If our Company withdraws the Issue any time after the Issue Opening Date but before the allotment of Equity Shares, a public notice will be issued by our Company within two (2) Working Days of the Issue Closing Date, providing reasons for not proceeding with the Issue. 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 Book Running Lead Manager, through the Registrar to the Issue, will instruct the SCSBs to unblock the ASBA Accounts within one (1) working Day from the day of receipt of such instruction.

If our Company withdraws the Issue after the Issue Closing Date and subsequently decides to proceed with an Issue of the 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 with respect to the Equity Shares issued through the Red Herring Prospectus, which our Company will apply for only after Allotment; and (ii) the final RoC approval of the Prospectus.

### **Details of the Market Making Arrangement**

Our Company and the Book Running Lead Manager will enter into a tripartite agreement dated with the following Market Maker, duly registered with National Stock Exchange of India Limited to fulfill the obligations of Market Making:

**Name:** [●]

**Address:** [●]

**Tel:** [●]

**E-mail:** [●]

**Contact Person:** [●]

**SEBI Registration No.:** [●]

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 Issue.

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

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

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

1. 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).

2. The prices quoted by Market Maker shall be in compliance with the Market Maker Spread Requirements and other particulars as specified or as per the requirements of the NSE (NSE EMERGE) and SEBI from time to time.
3. The minimum depth of the quote shall be Rs.1,00,000/-. However, the investors with holdings of value less than Rs. 1,00,000/- shall be allowed to offer their holding to the Market Maker(s) (individually or jointly) in that scrip provided that he sells his entire holding in that scrip in one lot along with a declaration to the effect to the selling broker.
4. The Market Maker shall not sell in lots less than the minimum contract size allowed for trading on the NSE EMERGE platform (in this case currently the minimum trading lot size is [●] equity shares; however, the same may be changed by the NSE EMERGE platform from time to time).
5. 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 into 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.
6. 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.
7. Execution of the order at the quoted price and quantity must be guaranteed by the Market Maker(s), for the quotes given by him.
8. There would not be more than five Market Makers for a scrip at any point of time and the Market Makers may compete with other Market Makers for better quotes to the investors.
9. 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.
10. The Market maker may also be present in the opening call auction, but there is no obligation on him to do so.
11. 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.
12. 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.
13. **Risk containment measures and monitoring for Market Makers:** Stock Exchange 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. Stock Exchange can impose any other margins as deemed necessary from time-to-time.

14. **Punitive Action in case of default by Market Makers:** SME Platform of National Stock Exchange of India Limited (NSE EMERGE) 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.
15. **Price Band and Spreads:** The price band shall be 20% and the market maker spread (difference between the sell and the buy quote) shall be within 10% or as intimated by Exchange from time to time.
16. Pursuant to SEBI Circular number CIR/MRD/DSA/31/2012 dated November 27, 2012, limits on the upper side for market makers during market making process has been made applicable, based on the Issue size and as follows:

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

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

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 ₹)	Proposed Spread (in % to sale price)
1.	Up to 50	9
2.	50 to 75	8
3.	75 to 100	6
4.	Above 100	5

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

## CAPITAL STRUCTURE

The Equity Share capital of our Company as on the date of this Draft Red Herring Prospectus is as set forth below:

(₹ in lakhs)

Sr. No.	Particulars	Aggregate Value	
		Face Value	Issue Price
A	<b>Authorized Share Capital</b>		
	2,00,00,000 Equity Shares of Face Value of ₹5 each	1,000.00	-
B	<b>Issued, Subscribed and Paid-up Share Capital</b>		
	50,00,000 fully paid up Equity Shares of Face Value of ₹5 each issued & fully paid	250.00	-
C	<b>Present offer in Terms of the Draft Red Herring Prospectus*</b>		
	18,03,200 Equity Shares of Face Value of ₹5 each	90.16	[●]
	<b>Which comprises of</b>		
	[●] Equity Shares of Face Value of ₹5 each at a premium of ₹[●] per Equity Share reserved as Market Maker portion	[●]	[●]
	Net Issue to Public of [●] Equity Shares of Face Value of ₹5 each at a premium of ₹[●] per Equity Share to the Public	[●]	[●]
	<b>Of which</b>		
	QIB portion of up to [●] Equity shares		
	[●] Equity Shares of Face Value of ₹5 each at a premium of ₹[●] per Equity Share will be available for allocation to Investors up to ₹2,00,000	[●]	[●]
[●] Equity Shares of Face Value of ₹5 each at a premium of ₹[●] per Equity Share will be available for allocation to Investors above ₹2,00,000	[●]	[●]	
D	<b>Issued, Subscribed and Paid-up Share Capital after the Issue</b>		
	68,03,200 Equity Shares of Face Value of ₹5 each	340.16	-
E	<b>Securities Premium Account</b>		
	Before the Issue		-
	After the Issue		[●]

\*Subject to finalization of Basis of Allotment.

<sup>(1)</sup> The Issue has been authorized by a resolution of our Board dated September 26, 2024 and the same has been authorised by a resolution of our Shareholders dated September 30, 2024.

### Class of Shares

As on date, our Company has only one class of Share Capital i.e. Equity Share

Further, our Company has no outstanding convertible instrument as on the date of this Draft Red Herring Prospectus.

### Changes in the authorized share capital of our Company

For details of the changes to the authorized share capital of our Company, see “History and Certain Corporate Matters-Amendments to our Memorandum of Association” on page 117

## 1. Notes on Capital Structure

a) The following table sets forth Equity Share capital history of our Company:

Date of Allotment of the Equity shares	No. of Equity Shares Allotted	Face Value (₹)	Issue Price (₹)	Nature of Allotment	Nature of Consideration	Details of Allottees	Cumulative No. of Shares	Cumulative Paid up Capital
On Incorporation June 11, 2021	1,000	100	100	Subscription to MoA	Cash	<i>Allotment of Equity Shares to:</i> 1. Alok Chaudhary - 500 2. Ashutosh Tiwari - 250 3. Rahul Saini - 250	1,000	1,000
<b>Total Equity Share Pre-Split</b>	<b>1,000</b>	<b>100</b>	-	-	-	-	-	-
July 15, 2024	20,000	5	-	Split of shares*	-	-	20,000	-
<b>Total Equity Share Post-Split</b>	<b>20,000</b>	<b>5</b>	-	-	-	-	<b>20000</b>	-
September 26, 2024	49,80,000	5	Nil	Bonus Issue	Other than Cash	<i>Allotment of Equity Shares to:</i> 1. Ashutosh Tiwari-10,70,700 2. Alok Chaudhary-9,16,320 3. Anand Kumar Mahto-9,11,340 4. Rahul Saini-9,01,380 5. Vikas Pandey-6,77,280 6. Govind Yadav-4,98,000 7. Shashi Tiwari-4,980	50,00,000	2,50,00,000

\*The company has split the face value of its Equity Shares from face value of ₹100 per share to ₹5 per share through resolution dated July 15, 2024, resulting in an increase of no. of Equity shares to 20,000 of face value ₹5 each.

b) History of preference share capital

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

2. **Details of Equity Shares issued for consideration other than cash:**

Except as disclosed below, our Company has not issued Equity Shares for consideration other than cash during the last one year immediately preceding the date of filing the Draft Red Herring Prospectus.

Date of allotment	Name of allottees	Number of Shares allotted	Face value per Share (₹)	Issue price per Share (₹)	Reasons for allotment
September 26, 2024	Ashutosh Tiwari	10,70,700	5	N. A	Bonus Issue
	Alok Chaudhary	9,16,320			
	Anand Kumar Mahto	9,11,340			
	Rahul Saini	9,01,380			
	Vikas Pandey	6,77,280			
	Govind Yadav	4,98,000			
	Shashi Tiwari	4,980			

3. **Issue of Equity Shares under Sections 230 to 234 of the Companies Act, 2013**

Our Company has not issued or allotted any Equity Shares pursuant to any scheme of arrangement approved under sections 230-234 of the Companies Act 2013.

4. **Equity Shares issued pursuant to Employee Stock Option Scheme**

As on the date of this Draft Red Herring Prospectus, our Company does not have an Employee stock option plan.

5. **Issue of Equity Shares which may be at a price lower than Issue price in the last one (1) year**

Except mentioned below our Company has not issued any Equity Shares at a price that may be lower than the Issue Price during the last one year;

Date of allotment	Name of allottees	Number of Shares allotted	Face value per Share (₹)	Issue price per Share (₹)	Reasons for allotment
September 26, 2024	Ashutosh Tiwari	10,70,700	5	N.A	Bonus Issue
	Alok Chaudhary	9,16,320			
	Anand Kumar Mahto	9,11,340			
	Rahul Saini	9,01,380			
	Vikas Pandey	6,77,280			
	Govind Yadav	4,98,000			
	Shashi Tiwari	4,980			

*[Remainder of this page has been left intentionally blank]*

## 6. Shareholding Pattern of our Company:

The table below presents the current shareholding pattern of our Company as on the date of this Draft Red Herring Prospectus:

Category Code	Category of shareholder	No. Of shareholders	No. of fully paid up equity shares held of face value of ₹5 each	No. of Partly paid up equity shares of face value of ₹5 each held	No. of shares underlying Depository Receipts	Total nos. shares held	Shareholding as a % of total no. of shares (calculated as per SCRR, 1957)	Number of Voting Rights held in each class of securities*				No. of Shares Underlying Outstanding convertible securities (including Warrants)	Shareholding, as a % assuming full conversion of convertible securities (as a percentage of diluted share Capital)	Number of locked in Shares		Number of Shares pledged or otherwise encumbered		Number of shares held in dematerialized form	
								As a % of (A+B+C2)	No. of Voting Rights					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)
									Equity Shares of face value of ₹5 each ^	Other Class	Total								
<b>I</b>	<b>II</b>	<b>III</b>	<b>IV</b>	<b>V</b>	<b>VI</b>	<b>VII= IV+ V+ V I</b>	<b>VIII</b>	<b>IX</b>				<b>X</b>	<b>XI= VII+ X</b>	<b>XII</b>		<b>XIII</b>		<b>XIV</b>	
(A)	<b>Promoter and Promoter Group</b>	5	38,20,000	-	-	38,20,000	76.40%	38,20,000	-	38,20,000	76.40%	-	-	-	-	-	-	38,20,000	
	<b>Public</b>																		
	Govind Yadav		5,00,000			5,00,000	10.00%	5,00,000		5,00,000	10.00%							5,00,000	
	Vikas Pandey		6,80,000			6,80,000	13.60%	6,80,000		6,80,000	13.60%							6,80,000	
	<b>Total</b>	<b>2</b>	<b>11,80,000</b>	<b>-</b>	<b>-</b>	<b>11,80,000</b>	<b>23.60%</b>	<b>11,80,000</b>		<b>11,80,000</b>	<b>23.60%</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>11,80,000</b>	
(C)	Non-Promoter-Non Public	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	
(C1)	Shares underlying DRs	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	
(C2)	Shares held by Employee Trusts	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	
	<b>Total</b>	<b>7</b>	<b>50,00,000</b>	<b>-</b>	<b>-</b>	<b>50,00,000</b>	<b>100%</b>	<b>50,00,000</b>	<b>-</b>	<b>50,00,000</b>	<b>100%</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>50,00,000</b>	

Note:

- As on date of this Draft Red Herring Prospectus, one (1) Equity Share of face value of ₹5 each holds one (1) vote.
- We have only one class of Equity Share of face value of ₹5 each.

7. **Details of equity shareholding of major shareholders of our Company**

- a. Set forth below is a list of Shareholders holding 1.00% or more of the paid-up Equity Share capital of our Company on a fully diluted basis and the number of Equity Shares held by them, as on the date of this Draft Red Herring Prospectus:

Sr. No.	Name of the Shareholder	Number of Equity Shares held of face value of ₹5 each	% of the pre-Issue equity share capital
1)	Ashutosh Tiwari	10,75,000	21.50%
2)	Alok Chaudhary	9,20,000	18.40%
3)	Anandkumar Sriram Mahto	9,15,000	18.30%
4)	Rahul Saini	9,05,000	18.10%
5)	Govind Yadav	5,00,000	10.00%
6)	Vikas Pandey	6,80,000	13.60%
<b>Total</b>		<b>49,95,000</b>	<b>99.90%</b>

- b. Set forth below is a list of Shareholders holding 1.00% or more of the paid-up Equity Share capital of our Company on a fully diluted basis and the number of Equity Shares held by them, as of 10 days prior to the date of this Draft Red Herring Prospectus:

Sr. No.	Name of the Shareholder	Number of Equity Shares held of face value of ₹5 each	% of the pre-Issue equity share capital
1)	Ashutosh Tiwari	10,75,000	21.50%
2)	Alok Chaudhary	9,20,000	18.40%
3)	Anandkumar Sriram Mahto	9,15,000	18.30%
4)	Rahul Saini	9,05,000	18.10%
5)	Govind Yadav	5,00,000	10.00%
6)	Vikas Pandey	6,80,000	13.60%
<b>Total</b>		<b>49,95,000</b>	<b>99.90%</b>

- c. Set forth below is a list of shareholders holding 1.00% or more of the paid-up Equity Share capital of our Company, on a fully diluted basis, and the number of Equity Shares held by them, as of one year prior to the date of this Draft Red Herring Prospectus:

Sr. No.	Name of the Shareholder	Number of Equity Shares*	% of the pre-Issue equity share capital*
1)	Alok Chaudhary	216	21.60%
2)	Ashutosh Tiwari	216	21.60%
3)	Rahul Saini	216	21.60%
4)	Anandkumar Sriram Mahto	216	21.60%
5)	Vikas Pandey	136	13.60%
<b>Total</b>		<b>1,000</b>	<b>100.00%</b>

\*Pre-Split Equity shares i.e having Face Value of ₹100 each

- d. Set forth below is a list of shareholders holding 1.00% or more of the paid-up Equity Share capital of our Company, on a fully diluted basis, and the number of Equity Shares held by them, as of two years prior to the date of this Draft Red Herring Prospectus:

Sr. No.	Name of the Shareholder	Number of Equity Shares*	% of the pre-Issue equity share capital*
1)	Alok Chaudhary	200	20.00%
2)	Ashutosh Tiwari	200	20.00%
3)	Rahul Saini	200	20.00%
4)	Anandkumar Sriram Mahto	200	20.00%
5)	Bhupendra Chauhan	200	20.00%
<b>Total</b>		<b>1,000</b>	<b>100.00%</b>

\*Pre-Split Equity shares i.e having Face Value of ₹100 each

8. Our Company presently does not intend or propose to alter its capital structure for a period of six (6) months from the Bid/Issue Opening Date, by way of split or consolidation of the denomination of Equity Shares, or by way of further issue of Equity Shares (including issue of securities convertible into or exchangeable, directly or indirectly for Equity Shares), whether on a preferential basis, or by way of issue of bonus shares, or on a rights basis, or by way of further public issue of Equity Shares, or otherwise. However, if business needs of our Company so require, our Company may alter the capital structure by way of split/ consolidation of the denomination of the Equity Shares/ issue of Equity Shares on a preferential basis or issue of bonus or rights or public or preferential issue of Equity Shares or any other securities during the period of six (6) months from the date of opening of the Issue or from the date the application moneys are refunded on account of failure of the Issue, after seeking and obtaining all the approvals which may be required.

9. **History of build-up of Promoters' shareholding and Lock-in of Promoters' shareholding (including Promoters' contribution):**

a) History of build-up of Promoters' shareholdings.

As on the date of this Draft Red Herring Prospectus, our Promoters hold 38,15,000 Equity Shares which constitutes 76.30% of the pre-Issue issued, subscribed and paid-up Equity Share Capital of our Company. Further, none of the Equity Shares held by our Promoters are pledged.

(i) **Alok Chaudhary**

Date of Allotment/ Transfer*	No. of Equity Shares	Face value per Share (₹)	Issue / Acquisition / Transfer price (₹)	Nature of Transactions	Pre-issue shareholding %	Post- issue shareholding %	No. of Shares Pledged	% of Shares Pledged
June 11, 2021	500	100	100	Subscription to MoA <sup>(1)</sup>	0.01%	0.01%	-	-
August 25, 2021	(300)	100	100	Transfer <sup>(2)</sup>	-0.01%	0.00%	-	-
March 10, 2023	(20)	100	100	Transfer <sup>(3)</sup>	0.00%	0.00%	-	-
April 18, 2023	45	100	100	Transfer <sup>(4)</sup>	0.00%	0.00%	-	-
April 18, 2023	(9)	100	100	Transfer <sup>(5)</sup>	0.00%	0.00%	-	-
March 30, 2024	(32)	100	100	Transfer <sup>(6)</sup>	0.00%	0.00%	-	-
<b>Total Pre-Split Shares</b>	<b>184</b>	<b>100</b>	-	-	-	-	-	-
The company has split its Equity Shares Capital from face value of ₹100 per share to ₹5 per share through resolution dated July 15, 2024, resulting in an increase of no. of Equity shares to 20,000 of face value ₹5 each.								
<b>Total Post-Split Shares</b>	<b>3,680</b>	<b>5</b>	-	-	0.07%	0.05%	-	-
September 26, 2024	9,16,320	5	N.A.	Bonus <sup>(7)</sup>	18.33%	13.47%	-	-
<b>Total</b>	<b>9,20,000</b>	<b>5</b>	-	-	<b>18.40%</b>	<b>13.52%</b>	-	-

\*All the Equity shares held by our promoter were fully paid up as on respective dates of acquisition of such Equity Shares.

**Notes:**

(1) Initial Subscribers to Memorandum of Associations

(2) Transfer of 100 Equity Shares to Anand Sriram Mahto and 200 Equity shares to Bhupendra Chauhan

(3) Transfer of 20 Equity shares to Vikas Pandey

(4) Transfer of 45 Shares from Bhupendra Chauhan

(5) Transfer of 9 Equity shares to Vikas Pandey

(6) Transfer of 32 Equity shares to Govind Yadav.

(7) Bonus issue in the ratio of 249:1

(ii) **Ashutosh Tiwari**

Date of Allotment/ Transfer*	No. of Equity Shares	Face value per Share (₹)	Issue / Acquisition / Transfer price (₹)	Nature of Transactions	Pre-issue shareholding %	Post- issue shareholding %	No. of Shares Pledged	% of Shares Pledged
June 11, 2021	250	100	100	Subscription to MoA <sup>(1)</sup>	0.01%	0.00%	-	-
August 25, 2021	(50)	100	100	Transfer <sup>(2)</sup>	0.00%	0.00%	-	-
March 10, 2023	(20)	100	100	Transfer <sup>(3)</sup>	0.00%	0.00%	-	-
April 18, 2023	45	100	100	Transfer <sup>(4)</sup>	0.00%	0.00%	-	-
April 18, 2023	(9)	100	100	Transfer <sup>(5)</sup>	0.00%	0.00%	-	-
<b>March 30, 2024</b>	<b>(1)</b>	<b>100</b>	<b>100</b>	<b>Transfer<sup>(6)</sup></b>	<b>0.00%</b>	<b>0.00%</b>	<b>-</b>	<b>-</b>
<b>Total Pre-Split Shares</b>	<b>215</b>	<b>100</b>	-	-	-	-	-	-
The company has split its Equity Shares Capital from face value of ₹100 per share to ₹5 per share through resolution dated July 15, 2024, resulting in an increase of no. of Equity shares to 20,000 of face value ₹5 each.								

Date of Allotment/ Transfer*	No. of Equity Shares	Face value per Share (₹)	Issue / Acquisition / Transfer price (₹)	Nature of Transactions	Pre-issue shareholding %	Post- issue shareholding %	No. of Shares Pledged	% of Shares Pledged
<b>Total Post-Split Shares</b>	<b>4,300</b>	<b>5</b>	-	-	0.09%	0.06%	-	-
September 26, 2024	<b>10,70,700</b>	<b>5</b>	<b>N.A</b>	<b>Bonus<sup>(7)</sup></b>	21.41%	15.74%	-	-
<b>Total</b>	<b>10,75,000</b>	-	-	-	<b>21.50%</b>	<b>15.80%</b>	-	-

\*All the Equity shares held by our promoter were fully paid up as on respective dates of acquisition of such Equity Shares

**Notes:**

- (1) Initial Subscribers to Memorandum of Associations
- (2) Transfer of 50 Equity Shares to Anand Kumar Sriram Mahto
- (3) Transfer of 20 Equity shares to Vikas Pandey
- (4) Transfer of 45 shares from Bhupendra Chauhan
- (5) Transfer of 9 Equity shares to Vikas Pandey
- (6) Transfer of 1 Equity Shares to Shashi Tiwari
- (7) Bonus issue in the ratio of 249:1

**(iii) Rahul Saini**

Date of Allotment/ Transfer*	No. of Equity Shares	Face value per Share (₹)	Issue / Acquisition / Transfer price (₹)	Nature of Transactions	Pre-issue shareholding %	Post- issue shareholding %	No. of Shares Pledged	% of Shares Pledged
June 11, 2021	250	100	100	Subscription to MoA <sup>(1)</sup>	0.01%	0.00%	-	-
August 25, 2021	(50)	100	100	Transfer <sup>(2)</sup>	0.00%	0.00%	-	-
March 10, 2023	(20)	100	100	Transfer <sup>(3)</sup>	0.00%	0.00%	-	-
April 18, 2023	45	100	100	Transfer <sup>(4)</sup>	0.00%	0.00%	-	-
April 18, 2023	(9)	100	100	Transfer <sup>(5)</sup>	0.00%	0.00%	-	-
March 30, 2024	(35)	100	100	Transfer <sup>(6)</sup>	0.00%	0.00%	-	-
<b>Total Pre-Split Shares</b>	<b>181</b>	<b>100</b>	-	-	-	-	-	-
The company has reclassified its share capital, reducing the face value from ₹100 per share to ₹5 per share by passing a resolution on July 15, 2024, resulting in an increase of no. of Equity shares to 20,000 of face value ₹5 each.								
<b>Total Post-Split Shares</b>	<b>3,620</b>	<b>5</b>	-	-	0.07%	0.05%	-	-
September 26, 2024	<b>9,01,380</b>	<b>5</b>	<b>N.A</b>	<b>Bonus<sup>(7)</sup></b>	18.03%	13.25%	-	-
<b>Total</b>	<b>9,05,000</b>	-	-	-	<b>18.10%</b>	<b>13.30%</b>	-	-

\*All the Equity shares held by our promoter were fully paid up as on respective dates of acquisition of such Equity Shares

**Notes:**

- (1) Initial Subscribers to Memorandum of Associations
- (2) Transfer of 50 Equity shares to Anand Kumar Mahto
- (3) Transfer of 20 Equity shares to Vikas Pandey
- (4) Transfer of 45 Equity shares from Bhupendra Chauhan
- (5) Transfer of 9 Equity shares to Vikas Pandey
- (6) Transfer of 35 Equity shares to Govind Yadav.
- (7) Bonus issue in the ratio of 249:1

**(iv) Anandkumar Sriram Mahto**

Date of Allotment/ Transfer*	No. of Equity Shares	Face value per Share (₹)	Issue / Acquisition / Transfer price (₹)	Nature of Transactions	Pre-issue shareholding %	Post- issue sharehold ng %	No. of Shares Pledged	% of Shares Pledged
August 25, 2021	200	100	100	Transfer <sup>(1)</sup>	0.00%	0.00%	-	-
March 10, 2023	(20)	100	100	Transfer <sup>(2)</sup>	0.00%	0.00%	-	-
April 18, 2023	45	100	100	Transfer <sup>(3)</sup>	0.00%	0.00%	-	-
April 18, 2023	(9)	100	100	Transfer <sup>(4)</sup>	0.00%	0.00%	-	-
March 30, 2024	(33)	100	100	Transfer <sup>(5)</sup>	0.00%	0.00%	-	-
<b>Total Pre-Split Shares</b>	<b>183</b>	<b>100</b>	-	-	-	-	-	-
The company has reclassified its share capital, reducing the face value from ₹100 per share to ₹5 per share by passing a resolution on July 15, 2024, resulting in an increase of no. of Equity shares to 20,000 of face value ₹5 each.								
<b>Total Post- Split Shares</b>	<b>3,660</b>	<b>5</b>	-	-	0.07%	0.05%	-	-
September 26, 2024	<b>9,11,340</b>	<b>5</b>	<b>Nil</b>	<b>Bonus<sup>(6)</sup></b>	18.23%	13.40%	-	-

Date of Allotment/ Transfer*	No. of Equity Shares	Face value per Share (₹)	Issue / Acquisition / Transfer price (₹)	Nature of Transactions	Pre-issue shareholding %	Post- issue shareholding %	No. of Shares Pledged	% of Shares Pledged
<b>Total</b>	<b>9,15,000</b>				<b>18.30%</b>	<b>13.45%</b>	-	-

\*All the Equity shares held by our promoter were fully paid up as on respective dates of acquisition of such Equity Shares

**Notes:**

- (1) Transfer of 100 equity shares from Alok Chaudhary, 50 equity shares from Ashutosh Tiwari and 50 equity shares from Rahul Saini
- (2) Transfer of 20 Equity shares to Vikas Pandey
- (3) Transfer of 45 shares from Bhupendra Chauhan
- (4) Transfer of 9 Equity shares to Vikas Pandey
- (5) Transfer of 33 Equity shares to Govind Yadav
- (6) Bonus issue in the ratio of 249:1

b) All Equity Shares of face value of ₹5 each held by our Promoters and Promoter Group in the Company are in dematerialized form as on the date of this Draft Red Herring Prospectus.

**c) Details of Lock-in:**

1. Details of Promoter’s Contribution locked in for three years:

Pursuant to Regulation 236 and 238 of SEBI (ICDR) Regulations, 2018 an aggregate of 20.00% of the post Issue capital, held by our Promoters shall be considered as Promoter’s Contribution (“Promoter’s Contribution”) and locked-in for a period of three years from the date of commencement of commercial production or date of allotment, whichever is later. The lock-in of the Promoter’s Contribution would be created as per applicable law and procedure and details of the same shall also be provided to the Stock Exchange before listing of the Equity Shares.

Our Promoters i.e. [●] has granted their consents to include such number of Equity Shares held by him as may constitute [●] of the post-issue Equity Share Capital of our Company as Promoter’s Contribution and has agreed not to sell or transfer or pledge or otherwise dispose of in any manner, the Promoter’s Contribution from the date of filing of this Draft Red Herring Prospectus until the commencement of the lock-in period specified above.

Date of allotment	Date when made fully paid up	No. of Shares	Face Value	Issue Price	Nature of Allotment	% of Post Issue Capital
[●]	[●]	[●]	[●]	[●]	[●]	[●]
<b>Total (A)</b>						[●]

We further confirm that the aforesaid minimum Promoter’s Contribution of 20.00% which is subject to lock-in for three years does not consist of:

- Equity Shares acquired during the preceding three years for consideration other than cash and out of revaluation of assets or capitalization of intangible assets or bonus shares out of revaluation reserves or reserves without accrual of cash resources.
- Equity Shares acquired by the Promoter during the preceding one year, at a price lower than the price at which Equity Shares are being offered to public in the Initial Public Offer.
- The Equity Shares held by the Promoter and offered for minimum Promoter’s Contribution are not subject to pledge with any creditor.
- Equity shares issued to our Promoter on conversion of partnership firm or limited liability partnership into Private limited company during the preceding one year, at a price lower than the price at which Equity Shares are being issued to public in the Initial Public Offer.
- Equity Shares for which specific written consent has not been obtained from the shareholders for inclusion of their subscription in the minimum Promoter’s Contribution subject to 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 as a collateral security for a loan granted by a schedule commercial bank or a public financial institution or a systematically important non-banking finance company or a housing finance company, provided that the pledge of the Equity Shares is one of the terms of the sanction of the loan. 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 Promoter may be transferred to and among the Promoter Group or to 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 (including promoter and promoter group) holding the equity shares which are locked-in as per Regulation 239 of the SEBI ICDR Regulations, 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 has ended and in compliance with the Takeover Code, as applicable.

## 2. Details of share capital locked in for one year

In addition to minimum 20.00% of the Post-Issue shareholding of our Company held by the Promoter (locked in for three years as specified above), in accordance with regulation 238 (b) of SEBI (ICDR) Regulations, 2018, the entire pre-issue share capital of our Company shall be locked in for a period of one year from the date of Allotment in this Issue.

The Equity Shares held by persons other than our Promoters and locked-in for a period of one year from the date of Allotment, in accordance with regulation 239 of SEBI (ICDR) Regulations, 2018, in the Issue may be transferred to any other person holding Equity Shares which are locked-in, subject to the continuation of the lock-in in the hands of transferees for the remaining period and compliance with the Takeover Regulations.

## 10. Details of the shareholding of our Promoters and members of the Promoter Group is as below:

Our Promoters and Promoter Group holds 76.40% of the pre-Issue Equity Share capital of our Company. Except as stated below, our Promoters and the members of our Promoter Group do not hold any Equity Shares in our Company as on date of this Draft Red Herring Prospectus:

Sr. No.	Name of the Shareholder	Pre-Issue Equity Share capital		Post-Issue Equity Share capital	
		No. of Equity Shares of face value of ₹5 each held	% of paid-up Equity Share of capital	No. of Equity Shares of face value of ₹5 each held	% of paid-up Equity Share capital
<b>A. Promoters:</b>					
5.	Ashutosh Tiwari	10,75,000	21.50%	10,75,000	15.80%
6.	Alok Chaudhary	9,20,000	18.40%	9,20,000	13.52%
7.	Anandkumar Sriram Mahto	9,15,000	18.30%	9,15,000	13.45%
8.	Rahul Saini	9,05,000	18.10%	9,05,000	13.30%
	<b>Total (A)</b>	<b>38,15,000</b>	<b>76.30%</b>	<b>38,15,000</b>	<b>56.08%</b>
<b>B. Promoters Group:</b>					
11.	Shashi Tiwari	5,000	0.10%	5,000	0.07%
	<b>Total (B)</b>	<b>5,000</b>	<b>0.10%</b>	<b>5,000</b>	<b>0.07%</b>
	<b>Total (A+B)</b>	<b>38,20,000</b>	<b>76.40%</b>	<b>38,20,000</b>	<b>56.15%</b>

11. None of the Equity Shares held by our Promoters and the members of our Promoter Group are pledged or otherwise encumbered.

12. As on the date of filing of this Draft Red Herring Prospectus, our Company has 7 (Seven) Shareholders.

13. None of the members of our Promoter Group, the Promoter or our Directors or their relatives have sold or purchased Equity Shares of our Company during the six (6) months immediately preceding the date of this Draft Red Herring Prospectus.

14. Except as disclosed in “Our Management - Shareholding of the Directors” and “Our Management” on page 120, none of the Directors, Key Managerial Personnel or Senior Management hold any Equity Shares as on the date of this Draft Red Herring Prospectus.

15. There are no financing arrangements whereby the members of our Promoter Group, the Directors of our Company and their relatives have financed the purchase by any other person of securities of the Issuer during the period of 6 (six) months immediately preceding the date of filing this Draft Red Herring Prospectus.
16. Our Company, our Directors and the BRLM have not entered into any buy-back or similar arrangements for the purchase of Equity Shares of our Company, offered through this Draft Red Herring Prospectus from any person.
17. The Equity Shares are fully paid-up and there are no partly paid-up Equity Shares as on the date of this Draft Red Herring Prospectus. The Equity Shares to be issued or transferred pursuant to the Issue shall be fully paid-up at the time of Allotment.
18. As on the date of the Draft Red Herring Prospectus, our Company doesn't have any Employee Stock Option Scheme (hereinafter called as "ESOP") / Employee Stock Purchase Scheme (hereinafter called as "ESPS") for our employees and we do not intend to allot any shares to our employees under ESOP and ESPS from the proposed offer.
19. The BRLM and their associates (as defined in the Securities and Exchange Board of India (Merchant Bankers) Regulations, 1992 do not hold any Equity Shares in our Company as on the date of filing of this Draft Red Herring Prospectus. The BRLM and their respective affiliates may engage in the transactions with and perform services for our Company in the ordinary course of business or may, in the future, engage in investment banking transactions with our Company, for which they may receive customary compensation.
20. There are no outstanding warrants, options or rights to convert debentures, loans or other instruments into, or which would entitle any person any option to receive Equity Shares of our Company, as on the date of this Draft Red Herring Prospectus.
21. Except as disclosed below, there have been no acquisition of equity shares in the immediately preceding three years (including the immediately preceding one year) by our Promoters and Promoter Group:

Name of the Person	Date of acquisition	Number of Equity Shares	Nature of Acquisition	Acquisition price per Equity Share (in ₹)
<b>Promoters</b>				
Alok Chaudhary	April 18, 2023	45	Transfer from Bhupendra Chauhan	100
Ashutosh Tiwari	April 18, 2023	45		100
Rahul Saini		45		100
Anandkumar Sriram Mahto		45		100
<b>Promoter Group</b>				
Shashi Tiwari	March 30, 2024	1	Transfer from Ashutosh Tiwari	100

22. The average cost of acquisition of or subscription of shares by our Promoters is set forth in the table below:

Sr. No.	Name of the Promoters	No. of Shares held	Average cost of Acquisition* (₹ per share)
1)	Ashutosh Tiwari	10,75,000	0.02
2)	Alok Chaudhary	9,20,000	0.02
3)	Anandkumar Sriram Mahto	9,15,000	0.02
4)	Rahul Saini	9,05,000	0.02

\*As certified by P M H & Associates, Chartered Accountants, pursuant to their certificate dated November 8, 2024.

23. An applicant cannot make an application more than the number of Equity Shares being issued through this Issue, subject to the maximum limit of investment prescribed under relevant laws applicable to each category of investors.
24. The BRLM, our Company, members of the Syndicate, our Directors, our Promoters, our Promoter Group and/ or any person connected with the Issue shall not 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 Applicant, for making an Application.

25. Except as disclosed in “Capital Structure-Notes on the Capital Structure” on page 62 our Company has not made any public issue or rights issue of any kind or class of securities since its incorporation.
26. There will be no further issue of Equity Shares whether by way of issue of bonus shares, preferential allotment, rights issue or in any other manner during the period commencing from submission of this Draft Red Herring Prospectus until the Equity Shares to be issued pursuant to the Issue have been listed or all application monies have been refunded, as the case may be.
27. In case of over-subscription in all categories the allocation in the Issue shall be as per the requirements of Regulation 253 of SEBI ICDR Regulations.
28. As per Regulation 268(2) of SEBI (ICDR) Regulations, 2018, an over-subscription to the extent of 10% of the Issue can be retained for the purpose of rounding off while finalizing the basis of allotment to the nearest integer during finalizing the allotment, subject to minimum allotment lot. Consequently, the actual allotment may go up by a maximum of 10% of the Issue, as a result of which, the post issue paid up capital after the Issue would also increase by the excess amount of allotment so made. In such an event, the Equity Shares held by the Promoters and subject to lock-in shall be suitably increased to ensure that 20% of the post issue paid-up capital is locked-in.
29. Under subscription, if any, in any of the categories, would be allowed to be met with spill-over from any of the other categories or a combination of categories at the discretion of our Company in consultation with the BRLM and the Designated Stock Exchange. Such inter-se spill over, if any, would be affected in accordance with applicable laws, rules, regulations and guidelines.
30. The unsubscribed portion in any reserved category, if any, may be added to any other reserved category.
31. There are no Equity Shares against which depositories receipts have been issued.
32. At any given point of time there shall be only one denomination of the Equity Shares, unless otherwise permitted by law.
33. As per RBI regulations, OCBs are not allowed to participate in this Issue.
34. Our Company has not raised any bridge loans against the proceeds of the Issue.
35. Our Company shall comply with such disclosure and accounting norms as may be specified by stock exchange, SEBI and other regulatory authorities from time to time.
36. Our Promoters and Promoter Group will not participate in this Issue.
37. This Issue is being made through Book Building method.
38. There are no safety net arrangements for this Issue.
39. All transactions in Equity Shares by our Promoters and members of the Promoter Group, if any, between the date of filing of the Red Herring Prospectus and the Issue Closing Date will be reported to the Stock Exchanges within 24 hours of such transactions being completed.
40. Neither our Company nor any of its Promoter Group or any other related entities have been involved in the act of money mobilization in any manner. Further, no regulatory authority or agency has at any time sought any information in any manner.

## OBJECTS OF THE ISSUE

The Issue includes a fresh Issue of upto 18,03,200 Equity Shares of face value of ₹5 each of our Company at an Issue Price of ₹[●] per Equity Share aggregating upto ₹ [●] lakhs.

The net proceeds of the Fresh Issue, i.e. gross proceeds of the Fresh Issue less the issue expenses (“*Net Proceeds*”) are proposed to be utilized in the following manner:

- 1) Funding working capital requirements of our Company; and
- 2) General Corporate Purposes

(Collectively, herein referred as the “**Objects**”)

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 SME Platform of NSE (NSE Emerge). 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 and objects ancillary to the main objects, as set out in our Company’s Memorandum of Association, enable our Company to undertake our existing business activities and the activities proposed to be funded from the Net proceeds.

### Net Proceeds

The details of the Net Proceeds of the Issue are set out below:

Particulars	Amount
Gross proceeds of the Issue*	[●]
(Less) Issue-related expenses in relation to the Issue*	[●]
<b>Net Proceeds</b>	[●]

\* To be finalized upon determination of the Issue Price and updated in the Prospectus prior to filing with the RoC.

### Requirement of funds and utilization of Net Proceeds

The Net Proceeds are proposed to be utilized in accordance with the details provided in the following table:

Particulars	Amount
Funding working capital requirements of our Company	1,350.00
General Corporate Purposes*	[●]
<b>Net Proceeds</b>	[●]

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

### Proposed schedule of implementation and deployment of funds

As estimated by our management, the Net proceeds from the Fresh Issue shall be utilized as follows:

Particulars	Total Funds	Estimated Balance deployment	
		Fiscal 2026	Fiscal 2027
Funding incremental working capital requirements of our Company	1,350.00	650.00	700.00
General Corporate Purposes <sup>#</sup>	[●]	[●]	[●]

<sup>#</sup>To be finalized upon determination of the Issue Price and updated in the Prospectus at the time of filing with the RoC.

The fund requirements, the deployment of funds and the intended use of the Net Proceeds as described herein are based on our current business plan, management estimates and other commercial and technical factors. However, such fund requirements and deployment of funds have not been appraised by any bank, or financial institution. We may have to revise our funding requirements and deployment on account of a variety of factors such as our financial and market condition, business and strategy, competition and other external factors such as changes in the business environment and interest or exchange rate fluctuations, 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 our management, subject to compliance with applicable laws.

In the event that the estimated utilization of the Net Proceeds in a scheduled fiscal year is not completely met, due to the reasons stated above, the same shall be utilized in the next fiscal year, as may be determined by our Company, in accordance with applicable laws. Subject to applicable laws, in the event of any increase in the actual utilization of funds earmarked for the purposes set forth above, such additional funds for a particular activity will be met by way of means available to us, including from internal accruals and any additional equity and/or debt arrangements. Further, if the actual utilisation towards any of the Objects is lower than the proposed deployment such balance will be used for future growth opportunities including funding other existing objects of the Fresh Issue, if required and towards general corporate purposes to the extent that the total amount to be utilized towards general corporate purposes will not exceed 25% of the Net Proceeds in accordance with the SEBI ICDR Regulations.

### Means of Finance

The fund requirements set out for the aforesaid objects of the issue are proposed to be met entirely from the Net Proceeds and Internal accruals. Accordingly, our Company confirms that there is no requirement to make firm arrangements of finance through verifiable means towards at least 75% of the stated means of finance, excluding the amount to be raised from the Fresh Issue and existing identifiable accruals as required under the SEBI ICDR Regulations.

### Details of Utilization of Net Proceeds:

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

#### 1. Funding working capital requirements of our Company

Our business is working capital intensive and we fund a majority of our working capital requirements in the ordinary course of business from internal accruals/equity and borrowings from banks. Our Company requires additional working capital for funding its incremental working capital requirements in Fiscals 2026 and fiscal 2027 and we propose to utilize ₹1,350.00 lakhs from the net proceeds to fund our projected working capital requirement for fiscal 2026 and fiscal 2027. The funding of the additional working capital requirements for our company will support the execution of our business plan resulting in growth of the business.

#### Details of Historical Working Capital requirement are as follows:

The details of our Company's working capital requirements for the fiscal 2022, fiscal 2023, fiscal 2024 and for period ended September 30, 2024 based on restated financial statements and funding of the same are as set out in the table below:

Particulars	(₹ in lakhs)			
	Fiscal 2022*	Fiscal 2023	Fiscal 2024	April to September 2024
<b>Current Assets</b>				
Inventories	-	66.86	438.76	410.09
Trade Receivables	-	48.53	251.02	549.56
Other Current Assets	0.34	1.08	80.13	7.30
<b>Total Current Asset (A)</b>	<b>0.34</b>	<b>116.47</b>	<b>769.91</b>	<b>966.95</b>
<b>Current Liabilities</b>				
Trade Payables	-	42.36	186.08	82.06
Other Current Liabilities	3.90	43.11	12.64	15.84
Short-Term Provisions	-	8.57	93.21	163.84
<b>Total Current Liabilities (B)</b>	<b>3.90</b>	<b>94.04</b>	<b>291.93</b>	<b>261.74</b>
<b>Working Capital Requirement (C) = (A-B)</b>	<b>(3.56)</b>	<b>22.43</b>	<b>477.98</b>	<b>705.21</b>
<b>Funding Pattern:</b>				
Borrowing	-	14.62	356.83	467.95
Internal Accruals	-	7.81	121.15	237.26
<b>Total</b>	<b>-</b>	<b>22.43</b>	<b>477.98</b>	<b>705.21</b>

\*The company was incorporated on June 11, 2021. However, no revenue was generated during the fiscal year 2022 as the company was focused on setting up its infrastructure, engaging with farmers to build its business, and completing training under the RKVY RAFTAAR scheme, facilitated by the Ministry of Agriculture and Farmers Welfare in partnership with IIM Kashipur.

### Projected Working Capital

On the basis of historical working capital requirement and projected business plan, the projected working capital requirement of our company for fiscal 2025, fiscal 2026 and fiscal 2027 is ₹903.41 lakhs, ₹1,473.46 lakhs and ₹1,772.76 lakhs.

For fiscal 2025, we will fund the working capital requirement from internal accruals and borrowings and for fiscal 2026 and fiscal 2027 we will utilise the proceeds of the IPO apart from internal accruals and borrowings as set out in the table below:

(₹ in lakhs)			
Particulars	Fiscal 2025	Fiscal 2026	Fiscal 2027
<b>Current Assets</b>			
Inventories	620.90	890.20	1,006.46
Trade Receivables	689.89	989.12	1,184.07
Other Current Assets	50.21	80.79	101.85
<b>Total Current Asset (A)</b>	<b>1,361.00</b>	<b>1,960.11</b>	<b>2,292.38</b>
<b>Current Liabilities</b>			
Trade Payables	310.45	296.73	251.61
Other Current Liabilities	13.27	13.94	14.63
Short-Term Provisions	133.86	175.98	253.37
<b>Total Current Liabilities (B)</b>	<b>457.58</b>	<b>486.65</b>	<b>519.62</b>
<b>Working Capital Requirement (C) = (A-B)</b>	<b>903.41</b>	<b>1,473.46</b>	<b>1,772.76</b>
<b>Funding Pattern:</b>			
Borrowing	339.07	339.07	339.07
Internal Accruals	564.34	484.39	733.69
From IPO Proceeds	-	650.00	700.00
<b>Total</b>	<b>903.41</b>	<b>1,473.46</b>	<b>1,772.76</b>

As per certificate dated November 09, 2024 issued by Amit Mehra and Company, Chartered Accountants.

### Holdings Levels

Provided below are the holding levels in days:

Particulars	Historical				Estimated		
	Fiscal 2022	Fiscal 2023	Fiscal 2024	April to September 2024	Fiscal 2025	Fiscal 2026	Fiscal 2027
Inventory	-	10	75	17	44	54	51
Trade Receivable	-	6	37	20	42	50	50
Other Current Assets	-	-	12	-	3	4	4
Trade Payable Days	-	6	32	3	22	18	13
Other Current Liabilities*	6	8	18	8	10	12	14

\*Other Current Liabilities includes Short Term provisions

### Justification for Projected Working Capital Requirement

Our business requires working capital in ordinary course of operations and is directly related to sales volume, we have to make purchase of agricultural goods in advance for maintaining sufficient inventory levels to fulfill the demand from traders, manufacturers, retailers etc. In this process our payable days are lower than the inventory and trade receivable days which creates cash outflow and to meet this cash requirement, we finance our working capital through internal equity / working capital facility from banks.

The table below sets forth the key assumptions and justifications for holding levels:

Particulars	Assumptions
<b>Current Assets</b>	
Inventory	Inventory levels tends to be depended on sales volume, as we have to keep the inventory to meet the purchase orders from manufacturer, traders and retailers. Our inventory levels in terms of Cost of Goods Sold has been in the range of 10 days

Particulars	Assumptions
	to 75 days from fiscal 2023 to September 2024. We have assumed the inventory levels to be 44 days 54 days and 51 days for the projected fiscal 2025, fiscal 2026 and fiscal 2027 respectively.
Trade Receivables	Trade receivables has been in the range of 6 days to 37 days from fiscal 2023 to September 2024. Based on our assumption to add new states for procurement and increase the volumes from the current locations, we will have to extend the credit period. We have estimated trade receivable days to be in the range of 42 days, 50 days and 50 days for the projected fiscal 2025, fiscal 2026 and fiscal 2027 respectively.
Other Current Assets	Other assets comprise of advances to suppliers, statutory receivables, TDS receivables, prepaid expenses etc. Other current assets days for fiscal 2024 was 12 days and was marginal for fiscal 2023 and 6-month period ending September 30, 2024 in terms of revenue. We have estimated it to 3 days and 4 days each for the projected fiscal 2025, fiscal 2026 and fiscal 2027 respectively.
<b>Current Liabilities</b>	
Trade Payable	Trade Payables are largely on account of cost of goods sold of agricultural product. Payables days has been inconsistent in the past fiscals. It was 6 days in fiscal 2023 then gone up to 32 days in fiscal 2024 and for 6-month period ending September 30, 2024 it was only 3 days. However, with wide reach and brand value of the company going forward, we have estimated trade payable days to be 22 days, 18 days and 13 days for the projected fiscal 2025, fiscal 2026 and fiscal 2027 respectively.
Other Current Liabilities	Other Current Liabilities consist of salary payable, expense payable, statutory dues etc. and short term provisions (income tax provisions). This has been in the range of 6 days to 18 days from fiscal 2022 to 6-month period ending September 30, 2024. We have estimated it to be 10 days, 12 days and 14 days for projected fiscal 2025, fiscal 2026 and fiscal 2027 respectively

As per certificate dated November 09, 2024 issued by Amit Mehra and Company, Chartered Accountants.

## 2. General Corporate Purpose

The Net Proceeds will first be utilized for the Objects as set out above. Subject to this, our Company intends to deploy the balance Net Proceeds towards general corporate purposes and the business requirements of our Company, as approved by our Board, from time to time, subject to such utilisation for general corporate purposes not exceeding 25.00% of the Gross Proceeds from the Fresh Issue, in compliance with the SEBI ICDR Regulations, 2018.

Our Company will have the flexibility in applying ₹[●] Lakhs for general corporate purpose towards brand building exercises, financing normal capital expenditure, strategic initiatives, expanding into new geographies, preoperative expenses, funding routine working capital if any and strengthening our marketing capabilities. Our Management, in accordance with the policies of our Board, will have the flexibility in utilizing the proceeds earmarked for general corporate purposes.

### Public Issue Expenses

The total estimated Issue Expenses are ₹[●], 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 Manager Fees including Underwriting Commission	[●]	[●]	[●]
Fees Payable to Registrar to the Issue	[●]	[●]	[●]
Fees Payable Advertising, Marketing Expenses and Printing Expenses	[●]	[●]	[●]
Fees Payable to Regulators including Stock Exchanges and other Intermediaries	[●]	[●]	[●]
Fees payable to Legal Advisors			
Fees payable to Peer Review Auditor	[●]	[●]	[●]

Activity	(₹ In Lakh) *	As a % of Estimates Issue Expenses	As a % of Issue Size
Fees Payable to Market Maker (for three years)	[●]	[●]	[●]
Escrow Bank Fees	[●]	[●]	[●]
<b>Total Estimated Issue Expenses</b>	[●]	<b>100.00%</b>	[●]

a) Our Company has incurred ₹7.87 lakhs towards issue related expenses out of internal accruals as certified by P M H & Associates, chartered accountant vide their certificate dated November 08, 2024

b) 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.

### Appraisal by Appraising Agency

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

### Interim Use of Funds

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

### Bridge Financing Facilities

Our Company has not raised any bridge loans as on the date of this Draft Red Herring Prospectus, which are proposed to be repaid from the Net Proceeds. However, depending on business exigencies, our Company may consider raising bridge financing for the Net Proceeds for Object of the Issue.

### Monitoring Utilization of Funds

As the Net Proceeds of the Issue will be less than ₹10,000 Lakhs, under Regulation 262 of SEBI (ICDR) Regulations, 2018 it is not mandatory for us to appoint a monitoring agency.

Our Board and the management will monitor the utilization of the Net Proceeds through its audit committee. Pursuant to Regulation 32 of the Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015, our Company shall on half-yearly basis disclose to the Audit Committee the applications of the proceeds of the Issue. On an annual basis, our Company shall prepare a statement of funds utilized for purposes other than stated in this Draft Red Herring Prospectus and place it before the Audit Committee. Such disclosures shall be made only until such time that all the proceeds of the Issue have been utilized in full. The statement will be certified by the Statutory Auditors of our Company.

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

### Variation in Objects

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

Registered Office is situated. Our Promoters will be required to provide an exit opportunity to such shareholders who do not agree to the above stated proposal, at a price as may be prescribed by SEBI, in this regard.

### **Special Tax Benefits**

For details regarding special tax benefits to the company and the shareholders, kindly refer the “*Statement of Tax benefits*” on Page No. 83 of this Draft Red Herring Prospectus.

### **Other Confirmations**

None of our Promoters, Directors, Key Managerial Personnel or members of our Promoter Group will receive any portion of the Net Proceeds. Our Company has not entered into or is not planning to enter into any arrangement/ agreements with the Promoters, the Directors, the Key Managerial Personnel or members of the Promoter Group in relation to the utilisation of the Net Proceeds of the Issue. Further, except in the ordinary course of business, there is no existing or anticipated interest of such individuals and entities in the objects of the Fresh Issue as set out above.

Further, pursuant to the Issue, the Net Proceeds received by our Company shall only be utilized for objects identified by our Company and for general corporate purposes and none of our Promoter, member of our Promoter Group and associates of our Company, as applicable, shall receive any part of the Net Proceeds, directly or indirectly.

*[Remainder of this page has been left intentionally blank]*

## BASIS FOR ISSUE PRICE

Price Band/ Issue Price shall be 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 through the Book Building Process and on the basis of the qualitative and quantitative factors as described in this section. The face value of the Equity Shares is ₹5 each and the Issue Price is [●] times of the face value at the lower end of the Price Band and [●] times of the face value at the upper end of the Price Band.

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 23, 94 and 141 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.

### Qualitative Factors

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

1. We offer comprehensive "Phygital" (Physical + Digital) tech enabled farmer centric agri-business platform that integrates both physical and digital elements to enhance the efficiency and transparency of agricultural transactions by revolutionizing the agricultural supply chain.
2. Our platform offers direct market access to both buyer and seller in agricultural value chain. Thus, by eliminating middleman cost ensuring full transparency of transaction.
3. Our Company offers digital book-keeping at Nkosh platform.
4. Our Company also provide crop advisory and soil testing facility to farmers through Nkosh platform.
5. Our Company has strong relationship with farmers, where we provide direct service to farmers and direct purchase of crops at farm gate by offering competitive price. Our buyers include Manufacturer, trader, retailers and Farmers Producer Organisation (FPO's) who can directly purchase the quality product and fair price.

*For more details on qualitative factors, refer to chapter “Our Business” on page 94 of this Draft Red Herring Prospectus.*

### Quantitative Factors

The information presented below relating to our Company is based on the Restated Financial Statements. For details, please refer section titled “Financial Information of the Company” on page 141 of this Draft Red Herring Prospectus.

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

#### a) Basic & Diluted Earnings per share (EPS):

Year/Month ended	EPS (₹)	Weight
March 31, 2022	(0.03)	1
March 31, 2023	0.52	2
March 31, 2024	4.60	3
<b>Weighted Average</b>	<b>2.47</b>	
<b>September 30, 2024 (Not Annualised)</b>	<b>4.20</b>	

**Note:**

*The EPS has been computed by dividing net profit as restated in financials, attributable to equity shareholders by weighted average number of equity shares outstanding during the year.*

b) Price to Earnings (P/E) ratio in relation to Issue Price of ₹[●] per Equity Share of face value of ₹5 each.

Particulars	P/E at Floor Price	P/E at Cap Price
P/E ratio based on Basic EPS for FY 2024-25	[●]	[●]
P/E ratio based on Weighted Average EPS	[●]	[●]

c) Average Return on Net worth (RoNW) for the preceding three years.

Year/Month ended	RoNW (₹)	Weight
March 31, 2022	433.33%	1
March 31, 2023	204.74%	2
March 31, 2024	163.53%	3
<b>Weighted Average</b>	222.23%	
<b>September 30, 2024 (Not Annualised)</b>	58.28%	

*Note: The RoNW has been computed by dividing net profit after tax as restated, by Net Worth as at the end of the year excluding miscellaneous expenditure to the extent not written off.*

d) Net Asset Value (NAV)

(Amount in ₹)

Particulars	Amount
March 31, 2024	5.11
Period ending September 30, 2024	9.31
NAV per Equity Share after the Issue	[●]
(i) At Floor Price	[●]
(ii) At Cap Price	[●]
Issue Price	[●]

\*NAV per Equity Share has been calculated as Net Worth as divided by number of Equity Shares.

e) Comparison with listed peers

Companies	Face Value (₹)	Sales (₹ in Lakhs.)	PAT (₹ in Lakhs.)	EPS (₹)	P/E Ratio	RoNW (%)	CMP (₹)
Nutrikosh India Limited	5	2,509.05	210.17	4.20	-	58.28%*	-
<b>Peer Groups: *</b>							
<b>NIL</b>							

*The figures of the Company are based on the restated results for the period ended September 30, 2024.*

*\*No Listed peers are available as on the date of Draft Red Herring Prospectus.*

f) Key Performance Indicators

The KPIs disclosed below have been approved by a resolution of our Audit Committee dated November 12, 2024 and the members of the Audit Committee have verified the details of all KPIs pertaining to our Company. Further, the members of the Audit Committee have confirmed that there are no KPIs pertaining to our Company that have been disclosed to any investors at any point of time during the three years' period prior to the date of filing of this Draft Red Herring Prospectus. The KPIs disclosed below have been used historically by our Company to understand and analyze the business performance, which in result, help us in analyzing the growth of various verticals in comparison to our peers. The KPIs herein have been certified by P M H & Associates, Chartered Accountants, by their certificate dated November 12, 2024

(₹ in lakhs)

Particulars	April to September 2024 *	Fiscal 2024	Fiscal 2023	Fiscal 2022
Revenue from Operations <sup>1</sup>	2,509.05	2,843.49	303.36	-
Total Revenue <sup>2</sup>	2,513.03	2,843.79	312.85	-
EBITDA	303.00	334.03	35.44	(1.41)
EBIT	302.59	333.54	34.95	(1.66)
EBT	280.86	317.19	34.94	(1.66)
PAT	210.17	229.90	25.94	(1.30)
EBITDA Margin <sup>3</sup>	12.06%	11.75%	11.33%	-
EBIT Margin <sup>4</sup>	12.04%	11.73%	11.17%	-

Particulars	April to September 2024 *	Fiscal 2024	Fiscal 2023	Fiscal 2022
EBT Margin <sup>5</sup>	11.18%	11.15%	11.17%	-
PAT Margin <sup>6</sup>	8.36%	8.08%	8.29%	-
Debt / Equity <sup>7</sup>	1.00	1.40	0.57	-
RoE <sup>8</sup>	58.28%	163.53%	204.74%	433.33%
RoCE <sup>9</sup>	31.95%	53.31%	86.64%	553.33%

\*Not Annualised

#### Explanation for Key Performance Indicators

1.	Revenue from operations refers to revenue from sales of traded products.
2.	Total Revenue refers to Revenue from operations plus Other Income.
3.	EBITDA Margin is an indicator to measure efficiency of generating core profitability of company.
4.	EBIT Margin is an indicator use to measure the efficiency of company to generate operating profits.
5.	EBT Margin used as indicator to calculate profitability before tax as percent of Total Revenue.
6.	PAT Margin used as measure of calculation profit available to shareholders as percent of Total Revenue.
7.	Debt / Equity ratio measures leverage of company, it is also a measure of capital structure that provides relative proportion of Shareholders equity and debt used to finance the assets of company.
8.	RoE measure the ability to gauge how much shareholders are earning on their investments. It exhibits how well the company has utilised the shareholder's money.
9.	RoCE indicates how efficiently capital is being used in the business. It provides the ability of the company to generates the returns against the capital it put to use.

#### Note:

1. EBITDA (Earnings Before Interest, Tax, Depreciation and Amortisation) is calculated as sum of Profit Before Tax, Finance Cost & Depreciation and Amortization
2. EBIT (Earnings Before Interest & Tax) is calculated as EBITDA less Depreciation
3. EBT (Earnings Before Tax) is calculated as EBIT less Finance Cost
4. PAT (Profit After Tax) is calculated as EBT less Tax
5. EBITDA Margin is calculated as EBITDA divided by Total Revenue
6. EBIT Margin is calculated as EBIT divided by Total Revenue
7. EBT Margin is calculated as EBT divided by Total Revenue
8. PAT Margin is calculated as PAT divided by Total Revenue
9. Debt / Equity is calculated as Total Debt (Short Term Borrowing + Long Term Borrowing) divided by Equity (Net Worth)
10. RoE (Return on Equity) is calculated as PAT divided by Average Net worth
11. RoCE (Return on Capital Employed) is calculated as EBIT divided by Capital Employed

#### Comparison of KPI with listed industry peers

Note: No listed industry peers available for Comparison of KPI.

#### Weighted average cost of acquisition ("WACA"), Floor price and Cap Price:

##### Primary Transactions:

There has been no primary / new issue of shares (equity/convertible securities), excluding shares issued under ESOP/ESOS and issuance of bonus shares, during the 18 months preceding the date of filing of the DRHP, where such issuance is equal to or more than 5 per cent of the fully diluted paid-up share capital of the Issuer 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

##### Secondary Acquisition:

There have been no secondary sale/transfers or acquisition of any Equity Shares or convertible securities, where the Promoters, members of the Promoter Group, the Selling Shareholders or Shareholders having the right to nominate Directors to the Board of our Company are a party to the transaction (excluding gifts), during the 18 months preceding the date of this Draft Red Herring Prospectus, where either acquisition or sale is equal to or more than 5% of the fully diluted paid up share capital of our 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.

Floor price and cap price being [●] times the weighted average cost of acquisition (WACA) based on primary/ secondary transaction(s) as disclosed in terms of clause (a) and (b) or Note 1 above, shall be disclosed in the following manner:

Types of transactions	Weighted average cost of acquisition (Rs. per Equity Shares)	Floor Price is ₹[●]	Cap Price is ₹[●]
WACA of Equity Shares that were issued by our Company	N.A.	[●]	[●]
WACA of Equity Shares that were acquired or sold by way of secondary transactions	N.A.	[●]	[●]

The Issue price is [●] times of the Face Value of the Equity Shares.

The Issue Price of ₹[●] has been determined by our Company in consultation with the BRLM, on the basis of market demand from investors for Equity Shares through the Book Building Process.

Investors should read the abovementioned information along with “Risk Factors”, “Our Business”, “Management’s Discussion and Analysis of Financial Condition and Results of Operations” and “Financial Statements” on pages 23, 94, 167 and 141, respectively, to have a more informed view.

*[Remainder of this page has been left intentionally blank]*

## STATEMENT OF TAX BENEFITS

### Statement of Special Tax Benefits available to the Company and its shareholders

To,  
**The Board of Directors**  
**Nutrikosh India Limited**  
(Formerly known as Nutrikosh India Private Limited)  
Vishwa Nath, H No. 16,  
Amrit Puram, Kanpur  
Uttar Pradesh, India-208011

#### **Statement of Special Tax Benefits (“Statement”) available to Nutrikosh India Limited (“Company”) and its shareholders prepared in accordance with the requirement in Schedule VI of Securities and Exchange Board of India (Issue of Capital Disclosure Requirements) Regulations, 2018 (“The Regulation”).**

We refer to the proposed Issue of the shares of Nutrikosh India Limited, formerly known as Nutrikosh India Private Limited (‘Company’). We enclose herewith the statement showing the special tax benefits available to the Company and the shareholders of the Company under the Income - Tax Act, 1961 (‘Act’), as applicable to the Assessment Year 2022-23, 2023-24, 2024-25 & YTD September 2025-26 relevant to the Financial Year 2021-22, 2022-2023, 2023-24 & YTD September 2024-25 for inclusion in the Prospectus (“Offer Document”) for the proposed Issue of shares.

Several of these benefits are dependent on the Company or its shareholders fulfilling the conditions prescribed under the relevant provisions of the Income-Tax Act, 1961. Hence, the ability of the Company or its shareholders to derive these direct and indirect tax benefits are dependent upon their fulfilling such conditions, which is based on the business imperatives, the company or its shareholders may or may not choose to fulfil.

The benefits discussed in the enclosed statement are neither exhaustive nor conclusive. The contents stated in the Annexure are based on the information and explanations obtained from the Company. This statement is only intended to provide general information to guide the investors and is neither designed nor intended to be a substitute for professional tax advice. In view of the individual nature of the tax consequences and the changing tax laws, each investor is advised to consult their own tax consultant with respect to specific tax implications arising out of participation in the issue. We are neither suggesting nor are we advising the investor to invest money or not to invest money based on this statement.

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

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

#### **ANNEXURE TO THE STATEMENT OF SPECIAL TAX BENEFITS AVAILABLE TO NUTRIKOSH INDIA LIMITED (“COMPANY”) AND ITS SHAREHOLDERS UNDER THE APPLICABLE TAX LAWS IN INDIA**

The information provided below sets out the special tax benefits available to the Company and the Equity Shareholders under the Income Tax Act, 1961 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 fact that 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.

#### **1. Special Direct & Indirect Tax Benefits available to the Company**

There are no special direct & indirect tax benefits available to the Company.

## **2. Special Direct & Indirect Tax Benefits available to the shareholders of the Company**

There are no special direct & indirect tax benefits available to the shareholders of the Company.

### **Notes:**

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. The above statement covers only certain relevant direct & indirect tax law benefits.
3. No assurance is given that the revenue authorities/courts will concur with the views expressed herein. Our views are based on the existing provisions of law and its interpretation, which are subject to changes from time to time. We do not assume responsibility to update the views consequent to such changes. 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

**For P M H & ASSOCIATES**  
**Chartered Accountants**

Sd/-

**Manas Piyush**

**Partner**

**Membership No: 517928**

**ICAI Firm Registration No.: 026443N/ N500054**

**UDIN: 24517928BKFCES7185**

**Place: New Delhi**

**Date: October 28, 2024**

*[Remainder of this page has been left intentionally blank]*

## SECTION IV-ABOUT THE COMPANY

### OUR INDUSTRY

#### Global Economy Overview and Growth Outlook

The global battle against inflation has largely been won, even though price pressures persist in some countries. After peaking at 9.4% year over year in the third quarter of 2022, headline inflation rates are now projected to reach 3.5% by the end of 2025, below the average level of 3.6% between 2000 and 2019.

Moreover, despite a sharp and synchronized tightening of monetary policy around the world, the global economy has remained unusually resilient throughout the disinflationary process, avoiding a global recession. Growth is projected to hold steady at 3.2% in 2024 and 2025, even though a few countries, especially low-income developing countries, have seen sizable downside growth revisions, often as a result of increased conflicts.

The return of inflation to near central bank targets paves the way for a much-needed policy triple pivot. The first on monetary policy has started. Since June, major central banks in advanced economies have started to cut their policy rates, moving their policy stance toward neutral. This will support activity at a time when many advanced economies' labor markets are showing signs of weakness, with rising unemployment rates. It will also help ward off the downside risks.

Global growth is expected to remain stable yet underwhelming. At 3.2% in 2024 and 2025, the growth projection is virtually unchanged from those in both the July 2024. However, notable revisions have taken place beneath the surface, with upgrades to the forecast for the United States offsetting downgrades to those for other advanced economies in particular, the largest European countries. Likewise, in emerging market and developing economies, disruptions to production and shipping of commodities especially oil conflicts, civil unrest, and extreme weather events have led to downward revisions to the outlook for the Middle East and Central Asia and that for sub-Saharan Africa. These have been compensated for by upgrades to the forecast for emerging Asia, where surging demand for semiconductors and electronics, driven by significant investments in artificial intelligence, has bolstered growth. The latest forecast for global growth five years from now—at 3.1% remains mediocre compared with the prepandemic average. Persistent structural headwinds such as population aging and weak productivity are holding back potential growth in many economies.

#### Inflation Outlook:

Cyclical imbalances have eased since the beginning of the year, leading to a better alignment of economic activity with potential output in major economies. This adjustment is bringing inflation rates across countries closer together and on balance has contributed to lower global inflation. Global headline inflation is expected to fall from an annual average of 6.7 percent in 2023 to 5.8 percent in 2024 and 4.3 percent in 2025, with advanced economies returning to their inflation targets sooner than emerging market and developing economies. As global disinflation continues to progress, broadly in line with the baseline, bumps on the road to price stability are still possible. Goods prices have stabilized, but services price inflation remains elevated in many regions, pointing to the importance of understanding sectoral dynamics and of calibrating monetary policy accordingly.

World Economic Outlook July 2024	2023	Projection	
		2024	2025
<b>World Output</b>	<b>3.3</b>	<b>3.2</b>	<b>3.2</b>
<b>Advanced Economies</b>	<b>1.7</b>	<b>1.08</b>	<b>1.8</b>
United States	2.9	2.8	2.2
<b>Euro Area</b>	<b>0.4</b>	<b>0.8</b>	<b>1.2</b>
Germany	-0.3	0.0	0.8
France	1.1	1.1	1.1
Italy	0.7	0.7	0.8
Spain	2.7	2.9	2.1
Japan	1.7	0.3	1.1
United Kingdom	0.3	1.1	1.5
Canada	1.2	1.3	2.4
Other Advanced Economies	1.8	2.1	2.2
<b>Emerging Market and Developing Economies</b>	<b>4.4</b>	<b>4.2</b>	<b>4.2</b>
<b>Emerging and Developing Asia</b>	<b>5.7</b>	<b>5.3</b>	<b>5.0</b>

Word Economic Outlook July 2024	2023	Projection	
		2024	2025
China	5.2	4.8	4.5
India	8.2	7.0	6.5
<b>Emerging and Developing Europe</b>	<b>3.3</b>	<b>3.2</b>	<b>2.2</b>
Russia	3.6	3.6	1.3
<b>Latin America and the Caribbean</b>	<b>2.2</b>	<b>2.1</b>	<b>2.5</b>
Brazil	2.9	3.0	2.2
Mexico	3.2	1.5	4.6
<b>Middle East and Central Asia</b>	<b>2.1</b>	<b>2.4</b>	<b>3.9</b>
Saudi Arabia	-0.8	1.5	4.6
<b>Sub-Saharan Africa</b>	<b>3.6</b>	<b>3.6</b>	<b>4.2</b>
Nigeria	2.9	2.9	3.2
South Africa	0.7	1.1	1.5

Source: World Economic Outlook October 2024

## Indian Economy

### Introduction:

India has emerged as the fastest-growing major economy in the world and is expected to be one of the top three economic powers in the world over the next 10-15 years, backed by its robust democracy and strong partnerships. Despite challenging global conditions, India remains the world's fastest growing major economy, growing at a rapid clip of 8.2% in FY223-24. Growth was spurred by public investment in infrastructure and rising household investments in real estate. A buoyant manufacturing sector grew by 9.9%, while services remained resilient, compensating for the underperformance in agriculture. Government initiatives have sought to boost the manufacturing sector by improving the business environment, enhancing logistics infrastructure, improving tax efficiency and rationalizing tax rates.

Since the pandemic, urban unemployment has improved gradually, especially for female workers, falling from 14.3% in FY2021-22 to 9% in FY2024-25. Unemployment among urban youth, however, remained elevated at 16.8% in FY2024-25.

### Key Economic Indicator:

#### National Income:

Real GDP at Constant (2011-12) Prices in the year 2023-24 is estimated at Rs. 173.82 lakh crores, against the First Revised Estimates (FRE) of GDP for the year 2022-23 of Rs. 160.71 lakh crores. The growth in real GDP during 2023-24 has grown by 8.2% as compared to 7.0% in 2022-23. Gross Value added is estimated at ₹158.74 lakh crore in the year 2023-24, against the FRE for the year 2022-23 of ₹148.05 lakh crore, registering a growth rate of 7.2% as compared to 6.7% in 2022-23. Nominal GVA is estimated to attain a level of ₹267.62 lakh crore during FY 2023-24, against ₹246.59 lakh crore in 2022-23, showing a growth rate of 8.5%.

Real GVA for 2023-24 was estimated at Rs 158.74 lakh crore compared to Rs 148.05 lakh crore in 2022-23. Real GVA has grown by 7.2% in 2023-24 over 6.7% in 2022-23. This GVA growth has been mainly due to significant growth of 9.9% in Manufacturing sector in 2023-24 over -2.2% in 2022- 23 and growth of 7.1% in 2023-24 over 1.9% in 2022-23 for Mining & Quarrying sector.

Component of Annual GVA (Rs Trillion)	FY22-23 FRE	FY23-24 PE	FY24 Growth YoY
Agriculture, Forestry & Fishing	22.72	23.05	1.44%
Mining & Quarrying	3.15	3.38	7.09%
Manufacturing	25.05	27.52	9.86%
Electricity, Gas, Water Supply and Other Utility Services	3.48	3.74	7.53%
Construction	13.06	14.36	9.94%
Trade, Hotels, Transport, Communication and Services Related to Broadcasting	27.78	29.56	6.41%
Financial, Real Estate and Professional Services	34.05	36.92	8.40%
Public Administration, Defence and Other Services	18.75	20.22	7.81%
<b>GVA (Gross Value Added)</b>	<b>148.05</b>	<b>158.74</b>	<b>7.22%</b>

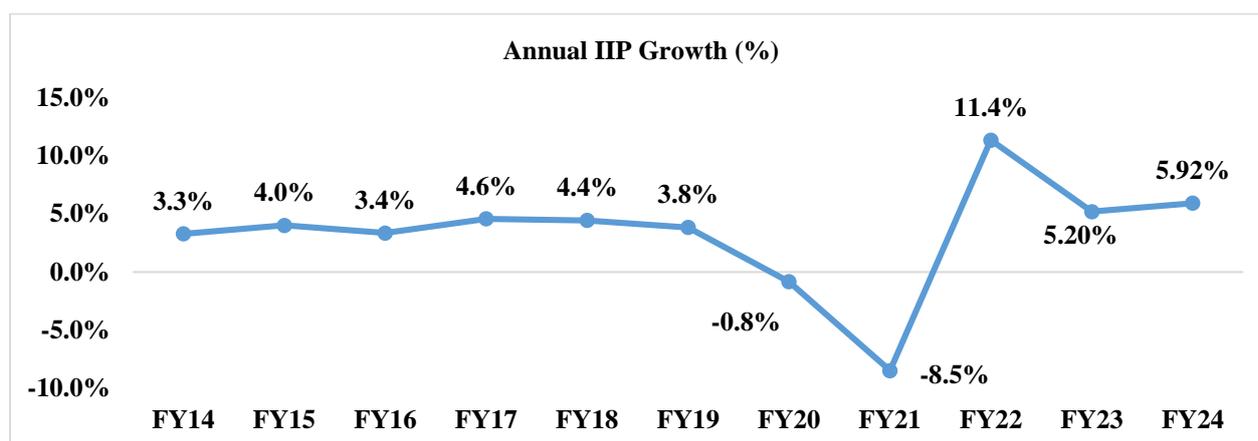
For the first quarter of fiscal 2024-25 ending June 2024, real GDP was reported at Rs 43.64 lakh crore compared to Rs 40.91 lakh crore same period of last year, the real GDP grew by 14.01% in the first quarter fiscal 2024-25 as against 8.23% in the same period last year. Also, GVA has grown by 12.22% to Rs 40.73 lakh crore compared to Rs 38.12 lakh crore in the same period last year.

Source: MOSPI

Component of GVA in First Quarter (Rs Trillion)	Q1FY23	Q1FY24	Q1FY25	Growth YoY	
				Q1FY24	Q1FY25
Agriculture, Forestry & Fishing	5.03	5.22	5.32	3.74%	2.00%
Mining & Quarrying	0.80	0.86	0.92	7.07%	7.18%
Manufacturing	6.10	6.40	6.85	4.95%	7.05%
Electricity, Gas, Water Supply and Other Utility Services	0.91	0.94	1.04	3.17%	10.40%
Construction	3.08	3.35	3.70	8.58%	10.51%
Trade, Hotels, Transport, Communication and Services Related to Broadcasting	5.88	6.45	6.82	9.69%	5.72%
Financial, Real Estate and Professional Services	9.03	10.17	10.89	12.61%	7.09%
Public Administration, Defence and Other Services	4.38	4.74	5.19	8.25%	9.52%
<b>GVA (Gross Value Added)</b>	<b>35.21</b>	<b>38.12</b>	<b>40.73</b>	<b>8.27%</b>	<b>6.84%</b>

### Industrial Production:

Index of Industrial Production (IIP) for fiscal 2023-24 stood at 146.7 compared to 138.5 in fiscal 2022-23, showing the surge of 5.9% compared to the previous year. In FY2022-23 IIP rose by 5.2%. As per Used Based Classification, Primary goods grew by 6.18%, Capital Goods grew by 6.49%, Intermediate goods grew by 5.46%, Infrastructure and Construction Goods grew by 10.12%, Consumer Durables surged by 3.67%, and Consumer Non-Durables grew by 5.56% in fiscal 2023-24 compared to fiscal 2022-23.



Source: RBI

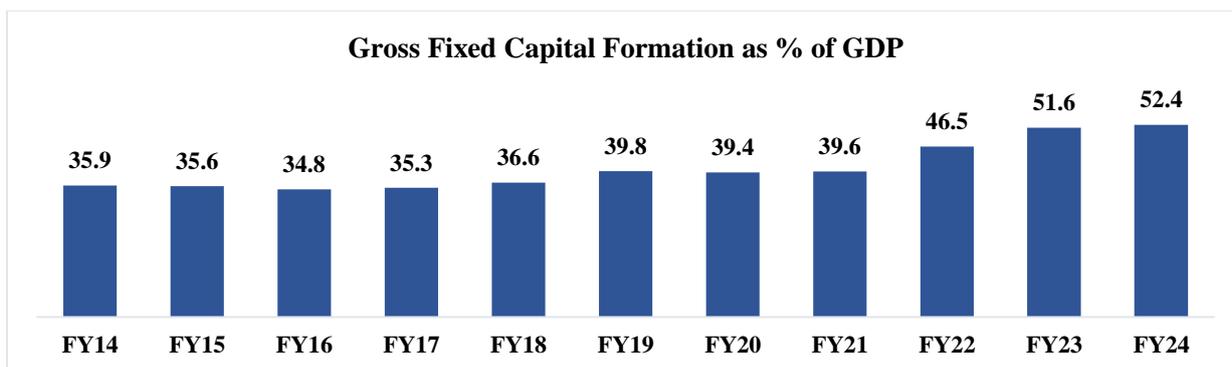
### Inflation:

Consumer Price Index (CPI) which measures the retail Inflation in the economy, grew at 5.4% in fiscal 2023-24 compared to 6.7% in fiscal 2022-23.

Wholesale Price Index (WPI) rose to 151.4 level for the fiscal 2023-24 compared to 152.5 in fiscal 2022-23, showing the decline of 0.7% in wholesale inflation.

### Gross Fixed Capital Formation:

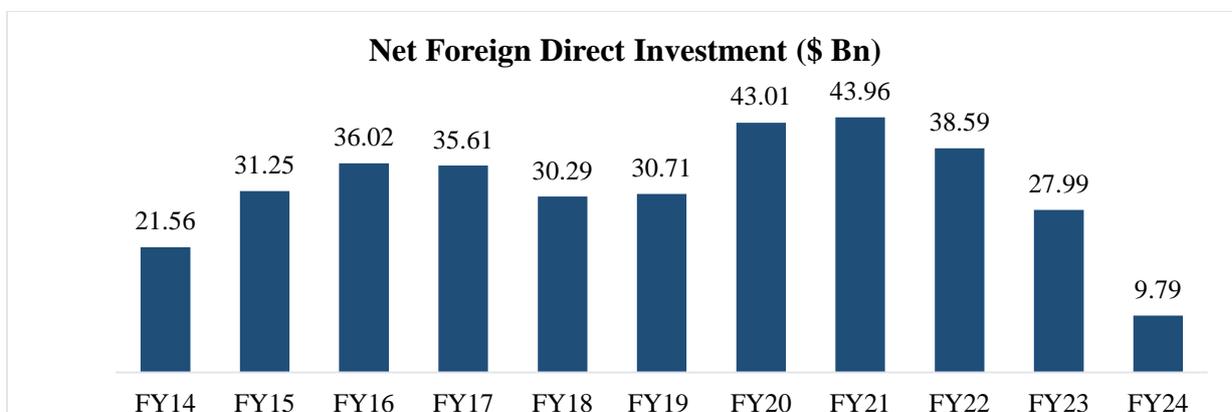
Gross Fixed Capital Formation (GFCF) for the financial year fiscal 2023-24, reported at Rs 91.07 lakh crore as compared to Rs 82.87 lakh crore in fiscal 2022-23. As a percent of GDP it was reported at 52.4% of fiscal 2023-24 which was 51.6% of the GDP in fiscal 2022-23.



Source: RBI

#### FDI Inflows:

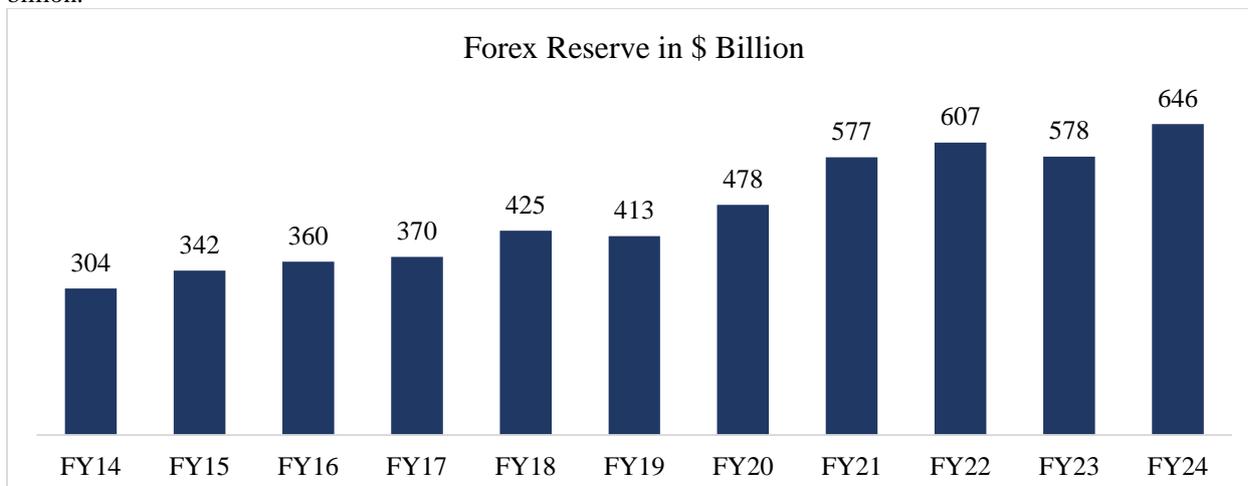
During the financial year fiscal 2023-24, Net foreign direct investment declined by 65% compared to fiscal 2022-23 to \$9.79 bn compared to \$27.99 bn in fiscal 2022-23



Source: RBI

#### Forex Reserves:

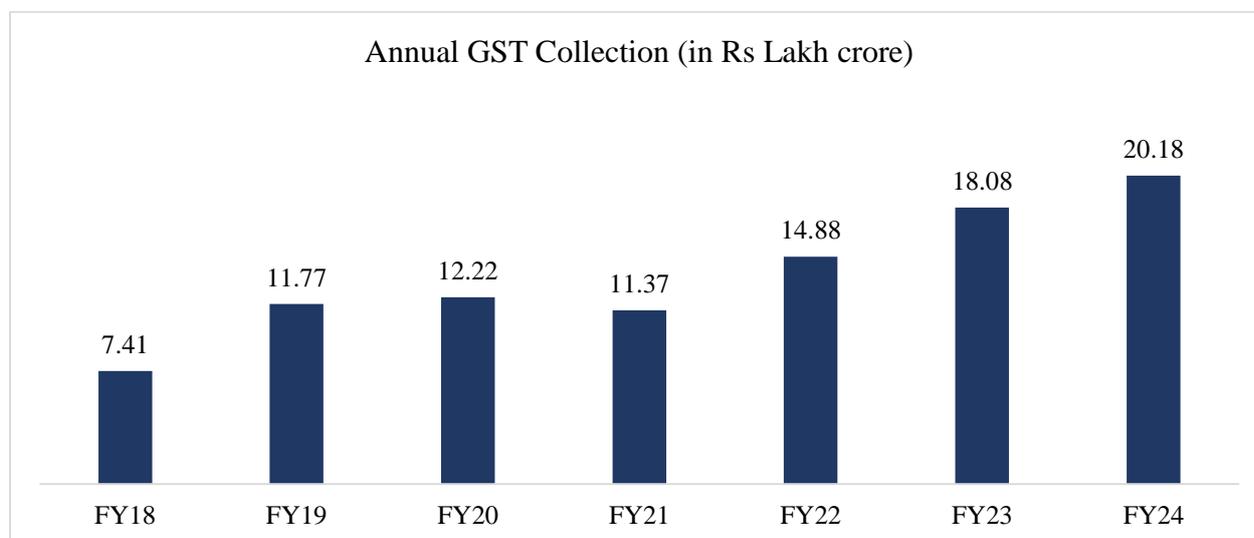
During the financial year fiscal 2023-24, RBI holds forex reserves of \$ 646 billion as compared to \$ 578 billion in fiscal 2022-23. Forex reserves in fiscal 2023-24 has registered the growth of 12% compared to -5% growth in fiscal 2022-23. Of the total forex reserve in FY2023-24 foreign currency assets contributes 88.32% to \$570.95 billion.



Source: RBI

#### GST Collection:

GST Collection during the financial year fiscal 2023-24 surged by 12% to Rs 20.18 lakh crore compared to Rs 18.08 lakh crore in fiscal 2022-23. IGST contributed 50.89% to the total GST collection in fiscal 2023-24 to Rs, 10.27 lakh crore.



Source: GST portal

## Agriculture and Agritech in India: A New Era of Innovation

### Overview of Indian Agriculture

India is one of the major players in the agriculture sector worldwide and it is the primary source of livelihood for ~55% of India's population. India has the world's largest cattle herd (buffaloes), the largest area planted for wheat, rice, and cotton, and is the largest producer of milk, pulses, and spices in the world. It is the second-largest producer of fruit, vegetables, tea, farmed fish, cotton, sugarcane, wheat, rice, cotton, and sugar. 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. Thus, farmers become an integral part of the sector to provide us with a means of sustenance.

Agriculture contributed USD 278\* billion and 14.52% in FY2023-24 to annual Gross Value Added (GVA) as compared to USD 283\* billion in FY2022-23 at basic prices.

As per the third estimates of 2022-24, released by Ministry of Agriculture and Farmer Welfare, the total food grain production in India for 2022-24 was estimated at record 3,288.52 Lakh tonnes compared to production of food grains of 3,296.87 Lakh tonnes achieved during 2022-23.

\* GVA and Agriculture is taken from RBI, and USD values haven taken from annual average from RBI

### Production of Major Crop as Follows\*\*:

- Total production of Rice during 2022-24 is estimated at record 1,378.25 Lakh tonnes. It is higher by 20.70 Lakh tonnes than previous year's Rice production of 1,357.55 Lakh tonnes.
- Production of Wheat during 2022-24 is estimated at record 1,132.29 Lakh tonnes. It is higher by 26.75 Lakh tonnes than previous year's wheat production of 1,105.54 Lakh.
- Production of Shri Anna/Nutri Cereals is estimated to be 175.72 Lakhs tonnes, higher by 2.51 Lakhs tonnes compared to 173.21 Lakhs tonnes in 2022-23.
- Cereals production during 2023.24 is estimated at 3,080.52 Lakh tonnes which is higher by 44.24 Lakh tonnes compared to 3,036.28 Lakh tonnes in previous year.

- Total Pulses production during 2023.24 is estimated at 242.46 Lakh tonnes which is lower by 18.12 Lakh tonnes compared to 260.56 Lakh tonnes in previous year.
- Total Food grains production during 2023.24 is estimated at 3,322.98 Lakh tonnes which is higher by 26.11 Lakh tonnes compared to 3,296.87 Lakh tonnes in previous year.
- Total Oilseeds production in the country during 2024-23 is estimated at record 396.69 Lakh tonnes which is lower by 16.86 Lakh tonnes than the oilseed production during 2022-23.
- Production of Sugarcane in the country during 2023.24 is estimated at 4,531.58 Lakh tonnes. The production of sugarcane during 2023-24 is lower by 373.75 Lakh tonnes than the previous year sugarcane production of 4,905.33 Lakh tonnes.
- Production of Cotton is estimated at 325.22 Lakh bales (of 170 kg each) is lower by 15.62 Lakh bales than the previous year's cotton production.

**Source**

\* *GVA and Agriculture is taken from RBI, and USD values haven taken from annual average from RBI*

Particulars	Production Estimates for 2023-24 (Lakh Tonnes)**				
	2019-20	2020-21	2021-22	2022-23	2023-24
Rice	1,188.70	1,243.68	1,294.71	1,357.55	1,378.25
Wheat	1,078.61	1,095.86	1,077.42	1,105.54	1,132.29
Shri Anna/Nutri Cereals	172.61	180.21	160	173.21	175.72
Cereals	2,744.79	2,852.79	2,883.14	3,036.28	3,080.52
Total Pulses	230.25	254.63	273.02	260.58	242.46
Total Food Grains	2,975.04	3,107.42	3,156.16	3,296.87	3,322.98
Total Oilseeds	332.19	359.46	379.63	413.55	396.69
Sugarcane	3,705.00	4,053.99	4,394.25	4,905.33	4,531.58
Cotton	360.65	352.48	311.18	336.6	352.22

\*\*Source: *Final Estimates of Crop Production for the 2023-24, Ministry of Agriculture & Farmers Welfare.*

### **Agritech in India: Where Technology Meets Tradition**

India is recognised as a global agricultural powerhouse because of its great argo-ecological diversity. India's agriculture business contributes significantly to the country's economy, accounting for roughly 18% of GDP and employing 45% of the national workforce (Redseer Strategy Consultants). According to the Press Bureau of India (PIB), India ranks 8<sup>th</sup> with a share of 2.33% among the world's top agricultural exporters. Agritech firms in India present a US\$ 24 billion opportunities, although the market is still largely untapped (with only 1.5% penetration).

When fully developed, the agritech ecosystem has the potential to increase the incomes of Indian farmers by 25 to 35% and contribute US\$ 95 billion to the country's GDP through lower input costs, increased productivity and price realisation, more affordable finance, additional sources of income (NITI Aayog). Between 2020 and 2027, the global agritech industry is expected to grow at a compound annual growth rate (CAGR) of 12.1% (Ernst & Young report). Due to its huge demand in India and the global market, the agritech industry is one of the most crucial pillars for constructing a sustainable future. According to the Economic Survey of India 2022-23, India's agriculture sector has increased by 4.6% during the last six years, with over 1300+ agritech start-ups emerging in the sector. Infrastructural development is critical to the establishment of a viable agritech sector. The Indian government has prioritised the agritech industry and is aiming towards a comprehensive strategy for sustainable development. The government is relentlessly encouraging all players in the sector to adopt digitalization in order to boost yield and efficiency while decreasing reliance on unavoidable variables such as climatic and socioeconomic uncertainties.

**Source:**

<https://www.ibef.org/blogs/agritech-landscape>  
 inindia#:~:text=The%20market%20size%20of%20agritech,US%24%2025 %20billion%20by%202027

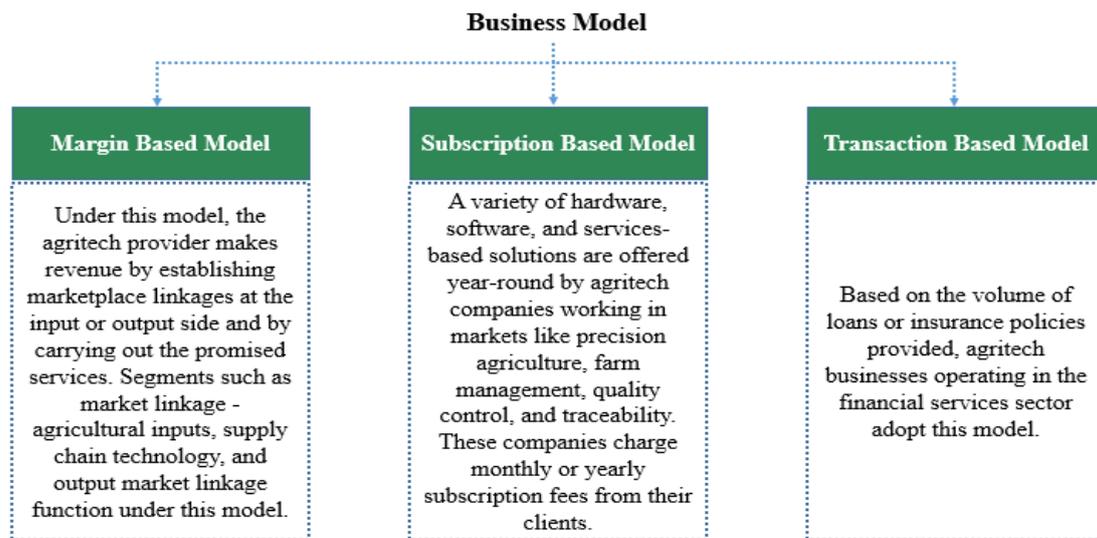
## Overview of the Agritech Sector in India

Agriculture is anticipated to contribute roughly US\$ 600 billion to India's GDP by 2030, a 50% increase over its contribution in 2020. The agribusiness ecosystem includes all business operations from farm to fork, encompassing the complete value chain, from agricultural input supply to agricultural product manufacture and transformation, and distribution to final customers. This ecosystem has developed to include categories such as e-commerce and hyperlocal, driven by causes such as rapid urbanisation, diet diversity, changing consumer preferences, and the expansion of food markets. The future of Agritech in India is expanding, with innovations ranging from core enterprises in the value chain adopting digital technologies such as "super apps" to start-ups, or "Agri fintechs" and huge technology companies. With less than 1% of the market, India has a US\$ 24 billion agritech sector opportunity. The states of Karnataka and Maharashtra and the Delhi National Capital Region (NCR) are major hubs for Agri-startups in India. However, it remains mainly unorganised and fragmented, with numerous tiers of intermediaries and middlemen present across the agriculture value chain.

With a vast underlying agriculture market size of US\$ 493 billion and a current tech penetration of barely 0.8%, the growth potential is enormous. Trading and auction systems are expected to transact approximately US\$ 8 billion in produce. Farm gate warehousing intends to manage more than US\$ 10 billion in agri-commodities. Agri fintech is predicted to expedite loan disbursements worth more than US\$ 3 billion, while quality evaluation is estimated to cover a GMV of US\$ 5 billion in produce.

The market size of agritech is expected to more than double from 2022 to 2027, rising from US\$ 4 billion to a whopping US\$ 34 billion. The food crop segment alone is predicted to rise from US\$ 3 billion to US\$ 25 billion by 2027. Fibre crops, cattle and dairy, poultry, and aquaculture are all expected to grow significantly.

## Indian Agritech Business Model:



## Technology Landscape

- **Drones**

Unmanned Aerial Vehicles (UAVs), commonly known as drones, have the potential to transform the agricultural industry by introducing a range of innovative advancements. These devices can perform a variety of functions, such as aerial planting, precise pesticide application, and remote data collection for research purposes, contributing to increased efficiency and improved outcomes in modern farming practices.

- **Biotechnology**

Biotechnology has facilitated the development of crops with enhanced yield potential, improved resistance to pests and diseases, and greater tolerance to drought. These advancements have led to increased crop productivity, reduced losses, and improved overall crop quality.

- **Food processing and preservation**

Technological advancements have led to the development of safer food processing and preservation methods that extend shelf life. As a result, food waste has been reduced, and harvests can now be transported and stored more efficiently.

- **Market Access**

Technology has improved farmers' access to both domestic and international markets. Through the use of e-commerce platforms, farmers can now connect directly with customers and sell their products, bypassing intermediaries and increasing their profit margins.

- **Agri-startups**

Agri-tech start-ups play a pivotal role in driving agricultural reforms by incorporating advanced technologies and innovative farming methods. These start-ups can revolutionize agriculture by enhancing farming practices, increasing productivity, improving access to capital, and contributing to overall efficiency and sustainability in the sector.

- **Precision agriculture**

Drones, sensors, and GPS are some of the technologies used to monitor crops, soil, and weather. As a result, farmers can make data-driven decisions and better manage resources like water and fertiliser.

- **Farm machinery**

Mechanization has been instrumental in boosting agricultural productivity. Advanced equipment such as tractors, harvesters, and seed drills have enabled farmers to increase efficiency while reducing labor costs, leading to higher output and more streamlined operations.

## **Evolving Technologies in Agritech Segment**

Artificial intelligence, machine learning, and blockchain technologies are transforming agriculture and food production by enhancing sustainability. These innovations help reduce production waste, lower carbon footprints, and increase agricultural output, contributing to more efficient and environmentally friendly farming practices.

- **Internet of Things**

The application of Internet of Things (IoT) devices in agriculture is focused on the accurate measurement and monitoring of data such as soil health, food chemical and physical composition, equipment efficiency, supplier analytics, and climatic conditions. One of the biggest uses of the Internet of Things, which is revolutionising agritech, is precision agriculture. IoT-enabled equipment like sensors, drones, and cameras can collect data on variables such as soil moisture, temperature, and nutrient levels, as well as crop growth and health.

- **Artificial Intelligence**

**Quality control:** AI-powered cameras and sensors are automating data traceability, real-time quality monitoring, and crop inspection in order to help minimise waste and improve, monitor, and control the quality of food from farm to fork.

**Supply chain management:** AI has the ability to improve supply chain efficiency by facilitating trustworthy transactions, boosting data transparency, reducing the risk of product spoilage, and optimising logistics and transportation.

**Automation:** Using AI-powered robots and drones to automate labour-intensive processes like harvesting and cutting can enhance efficiency and save costs.

**Predictive Maintenance:** Applications of artificial intelligence have helped to reduce downtime, increase shelf life, and anticipate post-harvest mechanical repairs.

**Predictive modelling:** By predicting agricultural yields, identifying disease outbreaks, and figuring out the best time to harvest, artificial intelligence (AI) can assist farmers in streamlining their operations and improving harvests.

- **Regenerative Agriculture:**

**Soil Health:** Regenerative agriculture emphasizes improving soil health by enhancing its capacity to absorb nutrients and retain water. This approach can lead to higher crop yields and greater resilience against environmental stressors, such as drought, thereby promoting sustainable and productive farming.

**Reduced use of synthetic chemicals:** This form of modern farming enhances the quality and safety of agricultural products, reduces the environmental impact of soil degradation, and promotes overall soil health. It encourages the use of natural inputs such as compost, mulch, and cover crops, while minimizing the reliance on synthetic chemicals.

- **Blockchain Technology:**

Blockchain technology is making big changes in agricultural commerce by improving global food supply chains. As the need for better tracking, data management, food safety, and supply chain transparency grows, blockchain helps meet these demands. It ensures accurate data, verifies where products come from, and securely records transactions, making agricultural trade safer and more reliable. Many industry leaders are adopting smart farming practices, which is expected to drive the rapid growth of blockchain in the industry.

## Government Initiatives

- **Development of Agri stack:**

India is creating a centralized database of agricultural data that will be linked to individual farmers based on their land holdings. This system will help agritech companies customize their products and services to meet farmers' specific needs, which differ according to factors like land size, crop type, and soil conditions.

- **Easier Digital Reach:**

The government has supported farmer-producer organisations (FPOs), funding US\$ 750 million over the next five years to establish over 10,000 FPOs. FPOs unite the otherwise dispersed farmer base, allowing agritech firms to readily access and scale up their business models.

- **Digital Soil Health card:**

A digital soil-health-card programme comprises mapping soil composition and quality at the farmer level. It could help agritech businesses in India in promoting initiatives for precision farming initiatives and customising their products for particular farmer groups.

- **Direct Benefit Transfer:**

This scheme provides direct subsidies to farmers for fertiliser and other items. It validates the farmer's identity at points of sale and through verification. It has the potential to greatly increase fertiliser uptake while also reducing leakages in transportation, hence ensuring affordability for smallholder farmers.

- **National Agricultural Market:**

By linking existing Agriculture Produce Market Committee (APMC) mandis, this pan-Indian electronic online trading site creates a unified national market for agricultural commodities that guarantees better pricing for farmers through a transparent auction process.

*Source:*

*<https://www.ibef.org/blogs/agritech-landscape-in-india#:~:text=The%20market%20size%20of%20agritech,US%24%2025%20billion%20by%202027>*

## OUR BUSINESS

*Some of the information 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 "Forward-Looking Statements" on page 15 for a discussion of the risks and uncertainties related to those statements. Our actual results may differ materially from those expressed in or implied by these forward-looking statements. Also read "Risk Factors" and "Management's Discussion and Analysis of Financial Condition and Results of Operations" beginning on pages 23 and 167, respectively, for a discussion of certain factors that may affect our business, financial condition or results of operations. Our fiscal year ends on March 31 of each year, and references to a particular fiscal year are to the twelve months ended March 31 of that year.*

*The manner in which operational and financial performance indicators are calculated and presented, and the assumptions and estimates used in calculation, may vary from that used by other companies in India and other jurisdictions. Investors are accordingly cautioned against placing undue reliance on such information in making an investment decision and should consult their own advisors and evaluate such information in the context of the Restated Financial Information and other information relating to our business and operations included in this Draft Red Herring Prospectus.*

*Unless otherwise indicated or the context otherwise requires, the financial information for the Fiscal 2024, 2023, 2022 and for the period ended September 30, 2024, included herein is derived from the Restated Financial Information, included in this Draft Red Herring Prospectus. Unless otherwise indicated or the context otherwise requires, in this section, references to "Nkosh", "we" or "us" mean Nutrikosh India Limited for further information relating to various defined terms used in our business operations, see "Definitions and Abbreviations" on page 1*

### Overview

Nutrikosh India Limited, incorporated on June 11, 2021, in Kanpur, is an agritech company that offers comprehensive "Phygital" (Physical + Digital) tech enabled farmer centric agri-business platform that integrates both physical and digital elements to enhance the efficiency and transparency of agricultural transactions by revolutionizing the agricultural supply chain. This innovative approach allows Nkosh to address the critical needs of farmers, MSMEs, and buyers by offering end-to-end solutions that cover the entire agricultural value chain from pre- harvesting to post-harvesting activities.

We enable farmers, SHGs (Self-Help Groups), and FPOs (Farmer Producer Organizations) to order high-quality agricultural inputs through our app, which delivers directly to their farms. After harvest, our platform helps farmers sell their produce to a network of traders, retailers, and institutional buyers. Operating across 10 states in India, we have 9 Nkosh Krishi Saarthi Kendra Centers. Our Nkosh Farmer App provides services such as crop advisory in Eleven regional languages, consultations with agricultural experts, and features like commodity bidding and farm gate solutions.

We connect farmers and buyers-such as corporates, traders, and FPOs - through our Krishi Saarthi Kendra and the Nkosh App. Our local representatives, called Krishi Saarthi, assist farmers in selling their produce directly from their farms at competitive prices and ensure timely payments. We also arrange, logistics services to collect and deliver produce to corporate buyers and traders at agreed-upon locations.

### Our Platform

Our "Phygital" (Physical + Digital) platform connects all participants in the agricultural supply chain, enhancing efficiency and transparency in transactions.

### Physical Platform

The **Krishi Saarthi Kendra** is a vital element of Nkosh's innovative "**Phygital**" platform, designed to seamlessly integrate digital solutions with on-ground agricultural practices. These centers act as strategic physical touchpoints in rural areas, offering farmers and stakeholders in the agricultural value chain direct access to a comprehensive range of services, support, and resources.

The primary goal of Krishi Saarthi Kendra is to ensure that farmer to sell their produce directly from their farm gates, eliminating the challenges of finding buyers and arranging logistics while securing the best possible price.

Additionally, we ensure that Nkosh’s digital platform is accessible and beneficial to all stakeholders, especially small and marginal farmers who may face difficulties in accessing or utilizing digital technologies. These centers serve as a bridge between Nkosh’s technological solutions and the practical, everyday needs of the agricultural community.



#### Number of Krishi Saarthi Kendra:

Particulars	As on September 2024	Fiscal 2023	Fiscal 2024
No of Krishi Saarthi Kendra	9	7	4

#### How Krishi Saarthi Kendra Works:



#### Presence in Rural Areas:

Krishi Saarthi Kendras are located in important agricultural regions, often in villages and small towns. This ensures that farmers and small businesses can access Nkosh’s services, even without reliable digital infrastructure. Each Kendra is run by a trained local representative, known as a Krishi Saarthi. They help farmers to register themselves, teach them how to use the Nkosh app, and provide personalized advice and support.

#### Capacity Building and Training:

The Kendras also serve as training centers, where farmers and small businesses can learn about new techniques, sustainable practices and market trends. Regular workshops are held to enhance skills and knowledge.

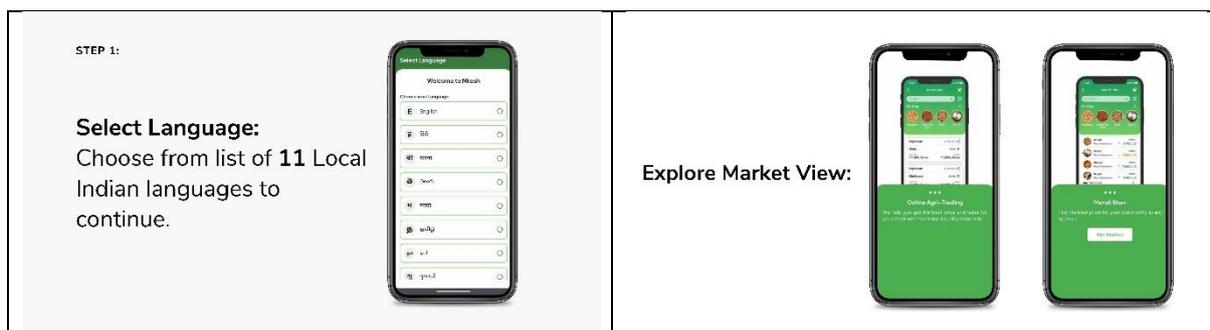
## Feedback and Continuous Improvement:

Krishi Saarthi gather feedback from farmers, which is shared with Nkosh's central team. This feedback is crucial for improving the platform and meeting user needs.

## Our Digital Platform



Our Digital Platform Powered by the Nkosh application offers a range of services designed to meet needs of various stakeholders in agricultural value chain. Below is the user manual to use, help navigate and make the most of the features and services available.



STEP 2:

**Log In with Contact :**  
Enter your mobile number to access your account securely.



STEP 3:

**Verify with OTP:**  
Enter the OTP sent to your mobile to verify your account.



STEP 4:



**Access Dashboard:**  
Explore personalized features like My Farm, Mandi Rates & Crop Doctor to enhance farming experience.



STEP 5:

**Set Up Your Farm:**

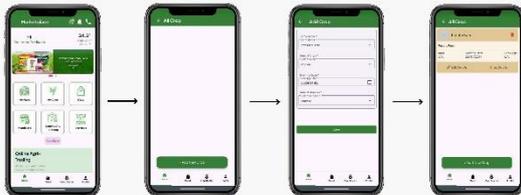
Add your **farm details** to receive tailored advice and updates specific to your crops and region.



STEP 6:

**Add Your Crop:**

Add your **Crop details**, including sowing and harvesting dates, to monitor your crop's progress.



STEP 7:

**Select Shop:**

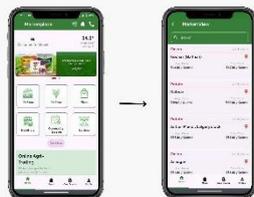
"Select **'Shop'** to purchase crop and care products for your farming needs!"



STEP 8:

**Select Mandi:**

"Select **'Mandi'** to check daily mandi rates and stay updated on market prices for every crops"



STEP 9:

**Bid Agri Commodity :**

"Select **'Commodity Bidding'** to place a bid for your crops and maximize your selling potential."



STEP 10:

**Create Trade (I want to Buy/Sell):**

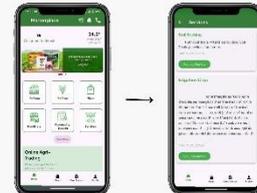
"Select **'Create Trade'** to easily buy or sell crops and connect with potential buyers and sellers."

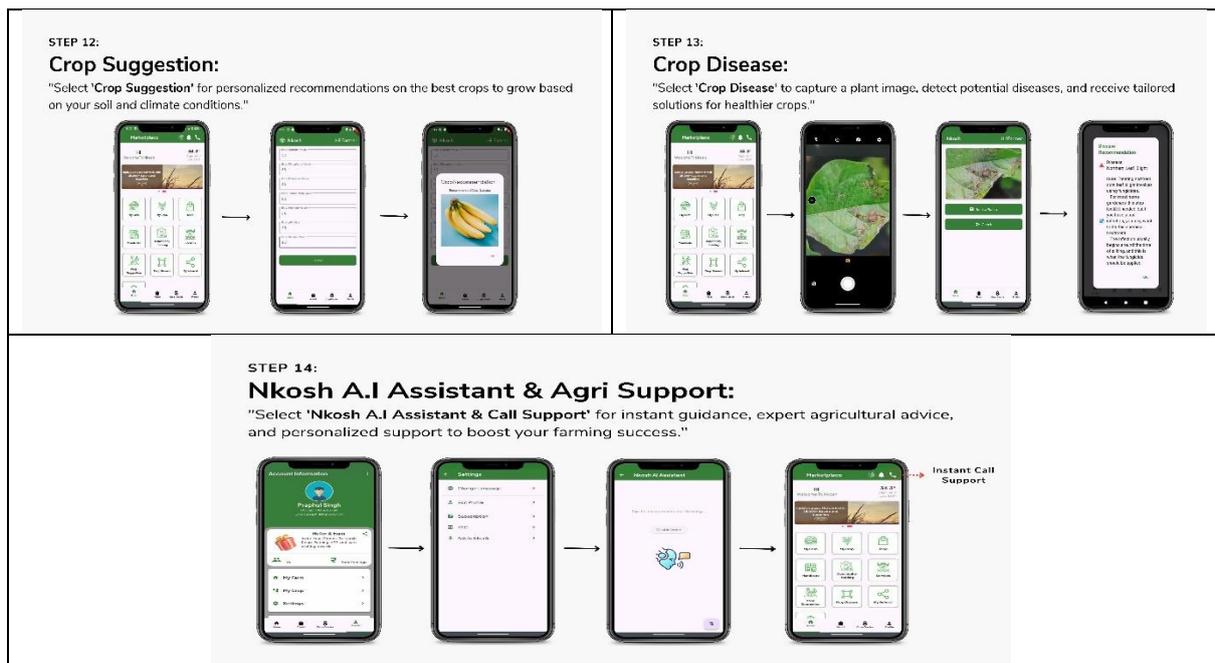


STEP 11:

**Select Services:**

"Select **'Services'** to explore Nkosh's offerings, including soil testing, irrigation solutions, and crop advisory for optimized farming."





## Solution and Services Offered at Nkosh Platform

### a) Direct Market Access:

We help farmers connect directly with buyers like wholesalers, traders, and corporations, eliminating the need for middlemen. This allows farmers to get better prices for their produce while ensuring buyers receive high-quality products.

*Benefits:*

- Eliminates middlemen, leading to higher profits for farmers.
- Ensures transparency in transactions.
- Provides buyers with reliable and quality-assured produce.

### b) Crop Advisory Services:

Our digital platform provides AI-driven crop advisory services that give farmers real-time insights and recommendations. These services address important farming areas like crop selection, pest and disease management, irrigation, and fertilization.

*Benefits:*

- Helps farmers optimize crop yields and reduce losses.
- Provides personalized advice based on local conditions and crop types.
- Enhances decision-making through data-driven insights.

### c) Quality Assurance and Certification:

To ensure produce meets market standards, we provide quality checks and certification services at our Krishi Saarthi Kendra. Here, produce is inspected and certified before being listed on the Nkosh platform.

*Benefits:*

- Assures buyers of the quality and consistency of the produce.
- Enables farmers to command better prices for certified produce.
- Reduces the risk of rejection or disputes during transactions.

**d) Digital Book-keeping:**

We offer digital book-keeping tools that assist farmers and MSMEs in managing their finances, tracking income, and monitoring expenses. These tools are integrated into the Nkosh app, making it simple for users to keep accurate financial records.

*Benefits:*

- Simplifies financial management for farmers and small businesses.
- Enhances transparency and accountability in financial transactions.
- Helps users make informed financial decisions.

**e) Logistics and Supply Chain Management:**

We offer end-to-end logistics and supply chain management services to ensure the smooth delivery of produce from farmers to buyers. This includes transportation, packaging, and storage solutions.

*Benefits:*

- Reduces logistical challenges for farmers and buyers.
- Ensures timely and efficient delivery of produce.
- Minimizes post-harvest losses through proper storage and handling.

**f) Input Procurement Services:**

Through our platform, farmers can procure high-quality agricultural inputs such as seeds, fertilizers, and pesticides. Nkosh partners with trusted suppliers to ensure that farmers have access to the best inputs at competitive prices.

*Benefits:*

- Provides farmers with access to high- quality inputs that enhance productivity.
- Reduces the cost and effort of sourcing inputs.
- Ensures the availability of inputs that are suited to local conditions.

**g) Training and Capacity Building:**

Offers training and capacity-building programs for farmers and MSMEs. These programs are conducted at Krishi Saarthi Kendras and include workshops, demonstrations, and hands-on training sessions on modern agricultural practices and business management.

*Benefits:*

- Improves the skills and knowledge of farmers and MSMEs.
- Promotes the adoption of sustainable and efficient farming practices.
- Empowers users to leverage technology and innovation in their operations.

**h) Data Analytics and Market Insights:**

We provide data analytics and market insights to help farmers and MSMEs make informed decisions. These insights include market trends, price forecasts, and demand-supply analysis, which are crucial for strategic planning.

*Benefits:*

- Enhances decision-making with accurate and timely information.
- Helps users identify market opportunities and optimize their operations.
- Provides a competitive edge through data-driven strategies.

**i) Customized Solutions for MSMEs:**

We offer customized solutions tailored to the needs of MSMEs in the agricultural sector. These solutions include business planning, marketing support, and access to new markets, helping MSMEs grow and expand their businesses.

*Benefits:*

- Provides MSMEs with the tools and support needed to scale their operations.
- Enhances market access and visibility for rural enterprises.
- Supports the development of sustainable and profitable business models.

**j) Partnership and Collaborations:**

Nkosh actively collaborates with NGOs, government bodies, financial institutions, and other agritech companies. These partnerships help us to expand our services and reach a wider audience.

*Benefits:*

- Expands the range of services available to users.
- Enhances the platform’s reach and impact in the agricultural sector.
- Fosters innovation through collaboration with industry leaders.

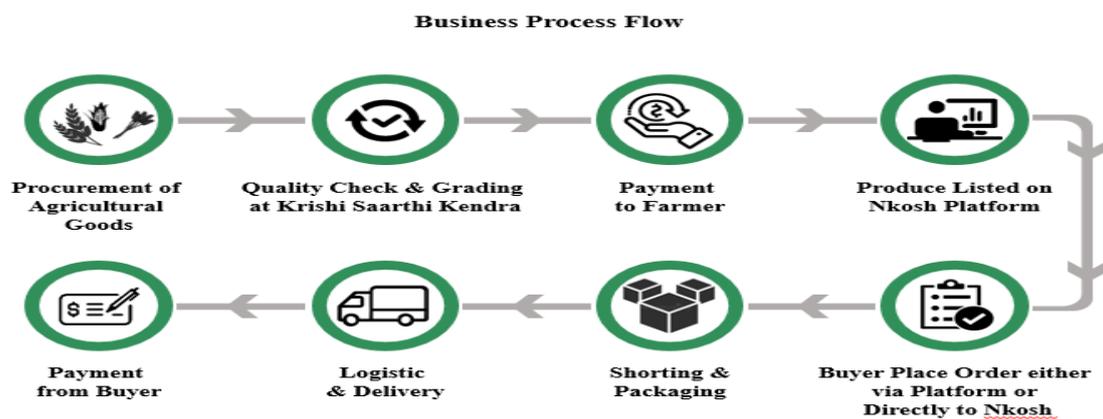
**k) Advertising and Promotion:**

Nkosh offers advertising and promotional opportunities for agribusinesses, input suppliers, and other related industries. These opportunities include banner ads, sponsored listings, and featured products on the Nkosh platform.

*Benefits:*

- Expands the range of services available to users.
- Enhances the platform’s reach and impact in the agricultural sector.
- Fosters innovation through collaboration with industry leaders.

**Process flow of our Business**



a) **Procurement of Agricultural Goods:** Post harvesting, farmers connect to our local representative at Krishi Saarthi Kendra or list their produce on the Nkosh Digital platform to sell the produce.

b) **Quality Check & Grading:** After reaching the agricultural goods at the local Krishi Saarthi Kendra, the produce is checked for quality and grading is done accordingly to suit the buyer’s requirement.

- c) **Payment for Procurement of Agri Products:** As soon as product passes the quality assessment, payment is made to farmer and others from where we have procured agri products.
- d) **Product Listing on Nkosh Digital Platform:** We list the product on our platform post quality check with full detail regarding the Grade, Quality, Quantity and Price.
- e) **Buyers Order:** Buyer, Wholesaler, Trader puts the order by bidding on the platform or directly calling the Krishi Sarthi Kendra after enquiry. If buyer is satisfied with the quality and competitiveness of price, he puts the purchase order to deliver the produce.
- f) **Sorting & Packaging:** As soon as order is confirmed from the buyer, our backend team starts packaging of the produce according to the quantity ordered.
- g) **Logistics & Delivery:** We have arrangement with third party logistics to deliver the ordered quantity to desired location of the buyer so accordingly logistics is arranged to deliver the goods.
- h) **Payment:** Our company raises the invoice for the payment and accordingly we receive the payment as per the agreed quantity and price of the produce including logistics and other charges.

## Revenue Model

Our revenue model is based on sourcing agricultural products directly from farmers and enhancing the value of their produce through a combination of services and strategic market access. The key components of this model are:

### 1. Sourcing of Products from Farmers:

- **Direct Farmgate Sourcing:** Nkosh is connected to farmers from the pre-harvest stage, providing them with critical services such as soil testing, crop advisory, and guidance on market trends. By engaging with farmers early in the agricultural cycle, Nkosh ensures access to high-quality raw materials at lower costs.
- **Quality Assurance:** Throughout the pre-harvest period, Nkosh works closely with farmers, offering advice on sorting, grading, and packaging based on current market demands. This process significantly enhances the marketability of their produce, ensuring it meets buyer expectations and commands higher prices.

### 2. Farmer Engagement and Retention:

- **No Cost for Advisory Services:** Nkosh provides soil testing, crop advisory, and guidance on packaging at no charge to farmers. This approach fosters deeper engagement and loyalty, increasing farmers' long-term commitment to working with Nkosh. By offering these value-added services without direct fees, Nkosh strengthens its relationships with farmers, leading to increased product volume and consistent quality.

### 3. Market Access for Farmers:

- **Geographical Expansion:** Nkosh provides farmers with access to multiple geographies by connecting them with a chain of verified buyers across various markets. This increased exposure allows farmers to sell their products at competitive prices across different regions.
- **Verified Buyer Network:** Nkosh has built a network of trusted buyers, including traders, retailers, and manufacturers, ensuring that the produce sourced from farmers reaches credible markets, further enhancing its value.

### 4. Revenue Generation Through Premium Sale:

- **Earning Premiums on Quality Produce:** Due to the quality checks and assurance processes put in place, Nkosh is able to sell the crops sourced from farmers at a premium price. These premium prices are achieved by maintaining high standards for sorting, grading, and packaging, making the produce more attractive to multiple buyers across various sectors, including traders, retailers, and manufacturers.

- **Sales to Multiple Buyer Segments:** By selling to a diversified buyer base, Nkosh captures value at different levels of the supply chain, ensuring stable and high returns for both Nkosh and its farmers.

## Revenue Generation

The table set forth the Geography Wise Revenue:

(Rs in Lakhs)

Category	April to September 2024	% of Total Revenue	Fiscal 2024	% of Total Revenue	Fiscal 2023	% of Total Revenue	Fiscal* 2022	% of Total Revenue
Uttar Pradesh	2,466.64	98.61%	2,573.56	90.57%	97.65	32.28%	-	-
Maharashtra	24.75	0.99%	10.78	0.38%	4.92	1.63%	-	-
Karnataka	10.04	0.40%	14.54	0.51%	59.95	19.82%	-	-
Bihar	-	-	184.51	6.49%	103.09	34.08%	-	-
Chattisgarh	-	-	-	-	23.97	7.92%	-	-
Andhra Pradesh	-	-	4.14	0.15%	12.92	4.27%	-	-
West Bengal	-	-	3.40	0.12%	-	-	-	-
Haryana	-	-	35.25	1.24%	-	-	-	-
Uttarakhand	-	-	8.55	0.30%	-	-	-	-
Orissa	-	-	6.76	0.24%	-	-	-	-

*The company was incorporated on June 11, 2021. However, no revenue was generated during the fiscal year 2022 as the company was focused on setting up its infrastructure, engaging with farmers to build its business, and completing training under the RKVY RAFTAAR scheme, facilitated by the Ministry of Agriculture and Farmers Welfare in partnership with IIM Kashipur.*

The table set forth the User Wise Revenue:

(Rs in Lakhs)

Category of Users	April to September 2024	% of Total Revenue	Fiscal 2024	% of Total Revenue	Fiscal 2023	% of Total Revenue	Fiscal 2022	% of Total Revenue
Farmer	0.14	-	-	-	-	-	-	-
Manufacturer	934.46	37.36%	1,423.87	50.11%	53.75	17.77%	-	-
Retailer	44.50	1.78%	296.78	10.44%	167.68	55.43%	-	-
Traders	1,502.48	60.06%	1,104.94	38.89%	81.06	26.80%	-	-
FPO	19.85	0.79%	15.84	0.56%	-	-	-	-
NGO	-	-	0.06	0.00%	-	-	-	-
<b>Revenue from Sale of Traded Goods</b>	<b>2,501.42</b>	<b>100.00%</b>	<b>2,841.49</b>	<b>100.00%</b>	<b>302.49</b>	<b>100.00%</b>	-	-

*Note: The company was incorporated on June 11, 2021. However, no revenue was generated during the fiscal year 2022 as the company was focused on setting up its infrastructure, engaging with farmers to build its business, and completing training under the RKVY RAFTAAR scheme, facilitated by the Ministry of Agriculture and Farmers Welfare in partnership with IIM Kashipur.*

## Our Competitive Strength

Over the years, we've built strong relationships with stakeholders in the agricultural value chain. We connect farmers, buyers, small businesses, and service providers, making it easy for them to meet their various needs.

### Our Relationship with Farmers

We operate in 10 states in North India and have strong relationships with farmers. Our success comes from providing services directly at the farm and consistently delivering quality solutions at fair prices. We engage with farmers face-to-face at different stages of the value chain, offering fair prices, logistics support, and crop advice through our Krishi Saarthi Kendra.

We also connect with farmers through our tech-enabled platform, making it easy for them to access our services. This close relationship helps us understand their needs and future plans, allowing us to improve planning and services, which leads to better productivity, efficiency, and profits.

### Our Relationship with Buyers

We have strong relationships with corporates, wholesalers, and traders who want high-quality agricultural products directly from farmers at fair prices. We supply these products from the farm gate to their chosen location, reducing lead times and costs. Additionally, we serve as a single contact point for bulk purchases, ensuring timely delivery and quality products.

### ***Direct Market Access***

Nkosh empowers small and marginal farmers by connecting them directly with buyers, without intervention of any intermediaries. This increases farmers' profits and ensures fair pricing. Through Nkosh's platform, farmers can sell their produce directly, improving market connections and helping them get better prices. Buyers benefit by accessing quality-assured agricultural products. The platform also streamlines transactions between farmers and buyers, it transparency and trust in the value chain.

### ***Tech Enabled Digital Support Tool***

Nkosh uses advanced technologies like artificial intelligence and machine learning to provide innovative solutions, such as crop disease detection through a simple photo, farm intelligence, and tailored agricultural support. These AI-driven insights help farmers make better decisions, leading to higher yields and improved produce quality. The platform also offers digital tools for farmers to manage their finances, track income and expenses, and monitor payments. For buyers, Nkosh provides real-time data on market prices, availability, and product quality, enabling them to make informed purchasing decisions.

### ***Krishi Saarthi Kendra (Physical on ground support)***

Through our Krishi Saarthi Kendra, we provide on-ground support to farmers, helping them with crop advisory, connecting them with ready buyers, and ensuring fair market prices with instant payments and transparent transactions. Our local representatives, known as Krishi Saarthi, are available 24/7 for any agricultural support needs. This promotes a trustworthy relationship, assuring farmers of access to larger buyers, prompt payments, and competitive prices while eliminating middlemen and saving time and costs. Additionally, we offer services like soil testing, farm intelligence, and tailored agricultural support at our Kendra.

## **Marketing & Sales**

Our company has implemented a comprehensive and innovative sales and marketing strategy tailored to penetrate the agricultural sector and expand operations throughout India. This strategy is specifically designed to address the unique challenges of reaching a diverse and geographically dispersed customer base, including farmers, MSMEs, and buyers.

### **Our Marketing Strategy:**

#### **1. Target Market Segment**

- **Farmer:** Our business depends on how we source the product at competitive price, sourcing of product is crucial for any business. Demand is not constraint in India, however availability of right quality and fair price is the key. We have on ground relationship with small and marginal farmers looking for better market access, quality inputs, and financial services.
- **Buyers:** We have target buyer segment that includes MSME, Traders, Wholesalers etc. and rural entrepreneur who is involved in agri-business and looking for market place for better access of quality inputs at competitive price directly from farmers. This segmentation allows us to tailor the marketing messages and sales approaches to meet the specific needs of each group.

#### **2. Omni Channel Marketing Approach**

To make the faster reach in digital era we employ an Omni channel marketing strategy to reach its diverse target audience. The key channels include:

##### ***Digital Marketing***

- **Social Media Campaigns:** For social media campaign, we use various platforms like Facebook, WhatsApp, and YouTube to engage with farmers, MSMEs, and buyers. These platforms are ideal for sharing success stories, promoting features of the Nkosh app and providing agricultural tips.
- **Content Marketing:** Nkosh publishes blogs, case studies, and educational content that resonate with their audience, positioning themselves as thought leaders in the agritech space.

### 3. Traditional Marketing

- **Field Marketing:** From time to time we conduct on-ground campaigns in rural areas through Krishi Saarthi Kendra (physical centers) where representatives engage directly with farmers and MSMEs and promote our company so that they can be a part of the value chain and access the benefits which we offer at our Krishi Kendra and with Digital App, so that they can access the direct market place for buying and selling of products.
- **Print Media Advertising:** These mediums are particularly effective in rural areas where internet penetration might be lower. Newspaper ads in local languages help raise awareness about Nkosh's offerings.
- **Partnership with Local Influencers:** Collaborating with local leaders and influencers helps in gaining trust and establishing credibility in rural communities.

### **Our Sales Strategy**

Our sales strategy is designed to be both direct and partnership-driven, focusing on building strong relationships with all stakeholders in the agricultural value chain.

We employ three methods for Sales strategy as given below:

#### 1. Direct Sales

- **Field Sales Representatives:** Our Company deploys a team of sales representatives who visit villages and rural markets to onboard farmers and MSMEs directly onto the platform. These representatives demonstrate the benefits of using Nkosh, provide training on how to use the app, Krishi Saarthi Kendra and assist with the registration process.
- **App Driven Sales:** The Nkosh app is a critical tool in the sales process. Users can easily sign up, browse products, make transactions, and access services directly through the app. The app also facilitates in-app promotions and notifications that drive sales.

#### 2. Partnership & Collaboration

- **Strategic Alliance:** Our company partners with agricultural cooperatives, FPOs (Farmer Producer Organizations), and NGOs to scale its reach. These partnerships enable our company to tap into existing networks of farmers and rural entrepreneurs.
- **Institutional Sales:** Nkosh collaborates with institutions like agri-banks, microfinance organizations, and government agencies to promote their services. These institutions often refer their clients to Nkosh for agricultural services and financial products.

#### 3. Referral Programs

We incentivize our existing users to refer new users to the platform. Farmers and MSMEs who refer others can earn rewards or discounts, which helps in organic growth through word-of-mouth.

### **Business Strategy**

Our company's future growth strategy is centered on expanding its impact, using modern technology and strengthening its value proposition to further empower stakeholders across the agricultural value chain. The company is committed to accelerating its growth by prioritizing the following key strategic areas:

#### a) *Network Expansion*

Nkosh aims to substantially increase its farmer network. This growth will be driven by direct sales initiatives, strategic partnerships with cooperatives and NGOs, and robust on-ground support. By expanding into underserved regions, our company seeks to extend the benefits of its platform to a wider audience, enhancing both accessibility and adoption.

### ***b) Geographical Expansion***

To provide with better support to farmers, particularly in rural areas with limited digital access, our company plans to expand its presence across key agricultural regions. This increased geographical reach will enable direct engagement with more marginal farmers, providing them with advisory services, agricultural commodity procurement, input procurement, and quality assurance checks. By doing so, Nkosh aims to deepen its relationship with farmers and strengthen trust within the community.

### ***c) Enhancement & Adoption of New Technologies***

Technology remains the cornerstone for our operations, and the company will continue to invest in advanced solutions such as Artificial Intelligence (AI), Machine Learning (ML), and block chain. These innovations will enhance the platform's capabilities in areas such as crop disease detection, yield forecasting, and supply chain traceability. Simultaneously, the user experience of the Nkosh app will be continuously refined to drive higher engagement and adoption.

### ***d) Diversification in Revenue Streams***

To ensure long-term financial sustainability, company will continue to diversify its revenue sources. Alongside transaction fees, subscription services, and advertising, the company will explore new revenue models such as licensing its platform technology, white-labeling solutions for other agritech companies, and establishing B2B partnerships that generate recurring revenue.

## **Competition**

Nkosh is focused on improving app performance and helping Indian startups grow in the competitive agritech sector. Competing with startups like NinjaCart, AgroStar, DeHaat, and Bijak, our aim is to enhance the agricultural value chain. With its innovative approach and technology-driven solutions, Nkosh is equipped to make a lasting impact on agriculture in India and beyond.

## **Insurance**

We uphold insurance coverage through diverse policies, including Fire Insurance Policy, Burglary Insurance Policy, while we are confident that the extent of our insurance coverage is reasonably sufficient to address typical risks inherent in our business operations, it's acknowledged that we may not have policies encompassing all conceivable events. For further details refer "Risk Factors" section on page 23.

## **Safety**

We consider our employees to be our most valuable asset, so their safety and health are our top priorities. We are dedicated to providing and upholding a safe and healthy workplace environment.

## **Human Resource**

As on September 30, 2024 we have an employee base of 26 employees:

The following table sets forth a breakdown of employees by function:

<b>Sr. No.</b>	<b>Department</b>	<b>No. of Employee</b>
1.	Accounting and Finance	2
2.	Legal and Compliance	1
3.	HR & Admin	3
4.	Operations	7
5.	Sales & Marketing	9
6.	I.T	4
<b>Total</b>		<b>26</b>

## Property

The table set forth the property taken on lease by the company;

Location of the Property	Agreement date	Lessor	Sale Consideration/Lease Rent /License Fee	Valid till	Purpose
(41Y5) Vishwa Nath, H No. 16, Amrit Puram, Kanpur-208011	August 13, 2024	Mr. R S Chaudhary	Rs.1,000 Per month	March 31, 2025	Registered Office
Limbodi, 1 <sup>st</sup> Floor, Building No.94, Indore Khandwa Road, Indore-452001	May 21, 2024	Mr. Gopal Prasad Tamkhane	Rs.3,000 Per month	April 21, 2025	Guest house

## Trademark

Our Company has the following trademarks:

Sr. No.	Logo	Type of Trademark	Country	Date of Application/Approval Date	Application No.	Class	Current Status
1.		Logo	India	October 02, 2021	5158396	35	Registered
2.		Logo	India	October 02, 2021	5158395	35	Registered

## KEY INDUSTRY REGULATIONS AND POLICIES

*In carrying on our business as described in the section titled “Our Business” on page 94 of this Draft Red Herring Prospectus, we are regulated by the following legislations in India. The following description is a summary of the relevant regulations and policies as prescribed by the Government of India and other regulatory bodies that are applicable to our business. The information detailed in this chapter has been obtained from the various legislations, including rules and regulations promulgated by the regulatory bodies and the bye laws of the local authorities that are available in the public domain. The regulations and policies set out below may not be exhaustive and are only intended to provide general information to the investors and are neither designed nor intended to be a substitute for professional legal advice. For details of Government Approvals obtained by the Company and its Subsidiaries in compliance with these regulations, see “Government and Other Statutory Approvals” on page 189 of this Draft Red Herring Prospectus.*

Our Company is engaged in the e-commerce sector as a tech enabled farmer centric agri-business platform. Our business is governed by various central and state legislations that regulate the substantive and procedural aspects of our business. We are required to obtain and regularly renew certain licenses/ registrations and / or permissions required statutorily under the provisions of various Central and State Government regulations, rules, bye-laws, acts and policies.

Given below is a brief description of the certain relevant legislations that are currently applicable to the business carried on by us:

### A. INDUSTRY RELATED LEGISLATION

#### 1. 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.

#### 2. 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.

### **3. The Seeds (Control) Order, 1983**

No person shall carry on the business of selling, exporting or importing seeds at any place except under and in accordance with the terms and conditions of licence granted to him under this order. Every licence under this Order, shall, unless previously suspended or cancelled, remain valid for three years from the date of its issue. Every holder of licence desiring to renew the licence, shall, before the date of expiry of the licence, make an application for renewal in duplicate, to the licensing authority in Form 'C' together with a fee of rupees twenty for renewal. On receipt of such application, together with such fee, the licensing authority may renew the licence. If any application for renewal is not made before the expiry of the licence, but is made within one month from the date of expiry of the licence, the licence may be renewed on payment of additional fee of rupees twenty-five, in addition to the fee for renewal of licence. The licensing authority may, after giving the holder of the licence an opportunity of being heard, suspend or cancel the licence on the following grounds, namely: - (a) that the licence had been obtained by misrepresentation as to a material particular; or (b) that any of the provisions of this Order or any condition of licence has been contravened. Every dealer shall maintain such books, accounts and records relating to his business as may be directed by the State Government. Every dealer shall submit monthly return relating to his business for the preceding month in Form 'C' to the licensing authority by the 5<sup>th</sup> day of every month.

### **4. Information Technology Act, 2000 and the rules made thereunder ("IT Act")**

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. The IT Act also provides for civil and criminal liability including compensation, fines and imprisonment for various computer related offences. These include offences relating to unauthorized access to computer systems, damaging such systems or modifying their contents without authorization, unauthorized disclosure of confidential information and committing of fraudulent acts through computers. The Department of Information Technology under the then Ministry of Communications and Information Technology has also notified the Information Technology (Reasonable Security Practices and Procedures and Sensitive Personal Data or Information) Rules, 2011 (the "**IT Personal Data Protection Rules**") under Section 43A of the IT

Act and notified the Information Technology (Intermediaries Guidelines) Rules, 2011 and Information Technology (Reasonable security practice and procedure and sensitive personal data or information) Rules, 2011 (the “**IT Intermediaries Rules**”) under Section 79(2) of the IT Act. The IT Personal Data Protection Rules prescribe directions for the collection, disclosure, transfer and protection of sensitive personal data. The IT Intermediaries Rules require persons receiving, storing, transmitting or providing any service with respect to electronic messages to not knowingly host, publish, transmit, select or modify any information prohibited under the Intermediaries Rules and to disable such information after obtaining knowledge of it.

#### **5. Information Technology (Reasonable Security Practices & Procedure & Sensitive Personal Data or Information) Rules, 2011**

Information Technology (Reasonable security practices and procedures and sensitive personal data or information) Rules, 2011 came into effect on April 11, 2011. It provides rules for collection, disclosure, transfer and security of data. The Personal Data Protection Rules further require the Body Corporate to provide a privacy policy for handling and dealing on personal information, including sensitive personal data. Such policy is required to be published on the website of the Body Corporate. Disclosure of information to any third party is mandate to be permitted by the concerned authority and from the provider of that information. The security standards are to be certified and audited on a regular basis.

#### **6. Information Technology (Intermediaries Guidelines) Rules 2011**

Government has notified Information Technology (Intermediaries guidelines) Rules, 2011 under Section 79 of the Information Technology Act, 2000. These rules provide for the intermediaries which includes social networking sites to observe due diligence and safeguards for prevention of hosting of obscene, blasphemous, pornographic, paedophilic, defamatory etc. material on their website. Further, sections 67, 67A and 67B of the Information Technology Act, 2000 provides stringent punishment and fine for publishing or transmitting obscene material in electronic form as well as for publishing or transmitting material containing sexually explicit act, or depicting children engaged in sexually explicit act. The Intermediaries Rules require persons receiving, storing, transmitting or providing any service with respect to electronic messages to not host, publish, transmit or share any information prohibited under the Intermediaries Rules and to disable such information after obtaining knowledge of it. Further, the Department of Personnel and Training under the Ministry of Personnel, Public Grievances and Pensions, GoI has proposed to introduce a new legal framework that would balance national interest with concerns of privacy, data protection and security.

#### **7. Information Technology (Intermediary Guidelines and Digital Media Ethics Code) Rules, 2021**

The Department of Information Technology & Communication notified the Information Technology (Intermediary Guidelines and Digital Media Ethics Code Rules, 2021 (the “IT Intermediary and Digital Media Rules”) under the IT Act, 2000, in supersession of the Information Technology (Intermediary Guidelines) Rules, 2011. The IT Intermediary and Digital Media Rules prescribe a framework for the regulation of content published online. They lay down the due diligence obligations of the intermediaries, require intermediaries to prominently publish rules and regulations, privacy policy and user agreement and require intermediaries to inform their users, at least once a year, in case of a non-compliance. In terms of the IT Intermediary and Digital Media Rules, Intermediaries are obligated to establish a grievance redressal mechanism and publish on contact details of the grievance officer on their website. It further requires intermediaries receiving, storing, transmitting or providing any service with respect to electronic messages to not knowingly host, publish, transmit, select or modify any information prohibited under these IT Intermediaries and Digital Media Rules and to disable hosting, publishing, transmission, selection or modification of such information once they become aware of it.

#### **8. Digital Personal Data Protection Act, 2023 (“DPDP Act”)**

The Parliament passed the DPDP Act on August 9, 2023. The DPDP Act to replace the existing data protection provision, as contained in Section 43A of the IT Act. The DPDP Act seeks to balance the rights of individuals to protect their personal data, with the need to process personal data for lawful and other incidental purposes. The DPDP Act provides that personal data may be processed only for a lawful purpose after obtaining the consent of the individual and a notice has to be given before seeking consent.

An individual whose data is being processed (data principal), will have the right to inter alia(i) obtain information about processing; (ii) seek correction and erasure of personal data; and (iii) nominate another

person to exercise rights in the event of death or incapacity. The DPDP Act lays down several duties for the data principal. As per the DPDP Act, data principal shall not inter alia (i) register a false or frivolous grievance or complaint; and (ii) furnish any false particulars or impersonate another person in specified cases.

It further imposes certain obligations on data fiduciaries including (i) make reasonable efforts to ensure the accuracy and completeness of data, (ii) build reasonable security safeguards to prevent a data breach, (iii) inform the Data Protection Board of India (the “DPB”) and affected persons in the event of a breach, and (iv) erase personal data as soon as the purpose has been met and retention is not necessary for legal purposes (storage limitation). In case of government entities, storage limitation and the right of the data principal to erasure will not apply. The Central Government will prescribe details such as the number of members of the DPB and the selection process.

## **B. EMPLOYEE AND LABOUR RELATED LEGISLATIONS:**

The various labour and employment related legislation that may apply to our operations, from the perspective of protecting the workers’ rights and specifying registration, reporting and other compliances, and the requirements that may apply to us as an employer, would include, among others, the following: (i) The Child Labour and Adolescent (Prohibition and Regulation) Act, 1986 (ii) Relevant state specific shops and commercial establishment legislations; (iii) Employees’ Provident Funds and Miscellaneous Provisions Act, 1952; (iv) Employees’ State Insurance Act, 1948; (v) Minimum Wages Act, 1948; (vi) Payment of Bonus Act, 1965; (viii) Payment of Gratuity Act, 1972; (vii) Payment of Wages Act, 1936; (viii) Maternity Benefit Act, 1961; (ix) Equal Remuneration Act, 1976; and (x) Sexual Harassment of Women at Workplace (Prevention, Prohibition and Redressal) Act, 2013.

In order to rationalize and reform labour laws in India, the Government has enacted the following codes, which will be brought into force on a date to be notified by the Central Government:

### **1. Code on Wages, 2019**

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

### **2. Code on Social Security, 2020**

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

## **C. TAX RELATED LAWS:**

### **1. Income-tax Act, 1961**

Income-tax Act, 1961 (“IT 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 IT 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 Central Goods and Services Tax Act, 2017 (“**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. Integrated Goods and Services Tax Act, 2017**

Integrated Goods and Services Tax Act, 2017 (“**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.

## **4. The Customs Act, 1962 and the Customs Tariff Act, 1975**

The provisions of the Customs Act, 1962 and Rules made there under are applicable at the time of import of goods into India from a place outside India or at the time of export of goods out of India to a place outside India. Any company requiring to import or export any goods is required to get itself registered under this Act and obtain an Importer Exporter Code number. The Customs Tariff Act, 1975 provides the rates at which duties of customs will be levied under the Customs Act, 1962.

## **5. Foreign Trade (Development and Regulation) Act, 1992**

In India, the main legislation concerning foreign trade is Foreign Trade (Development and Regulation) Act, 1992 (“**FTA**”). The FTA read along with relevant rules provides for the development and regulation of foreign trade by facilitating imports into, and augmenting exports from, India and for matters connected therewith or incidental thereto. As per the provisions of the Act, the Government:- (i) may make provisions for facilitating and controlling foreign trade; (ii) may prohibit, restrict and regulate exports and imports, in all or specified cases as well as subject them to exemptions; (iii) is authorised to formulate and announce an export and import policy and also amend the same from time to time, by notification in the Official Gazette; (iv) is also authorised to appoint a 'Director General of Foreign Trade' for the purpose of the Act, including formulation and implementation of the Export-Import Policy. FTA read with the Indian Foreign Trade Policy provides that no export or import can be made by a company without an Importer-Exporter Code number unless such company is specifically exempt. An application for an Importer-Exporter Code number has to be made to the office of the Joint Director General of Foreign Trade, Ministry of Commerce. An Importer Exporter Code number allotted to an applicant is valid for all its branches/ divisions/ units/factories.

## **D. INTELLECTUAL PROPERTY LAWS**

### **1. The Trademarks Act, 1999**

Under the Trademarks Act, 1999 (“**Trademarks Act**”), a trademark is a mark capable of being represented graphically and which is capable of distinguishing the goods or services of one person from those of others used in relation to goods and services to indicate a connection in the course of trade between the goods and some person having the right as proprietor to use the mark. A ‘mark’ may consist of a device, brand, heading, label, ticket, name signature, word, letter, numeral, shape of goods, packaging or combination of colors or any combination thereof. Section 18 of the Trademarks Act requires that any person claiming to be the proprietor of a trade mark used or proposed to be used by him, must apply for registration in writing to the registrar of trademarks. The trademark, once applied for and which is accepted by the Registrar of Trademarks (“**the Registrar**”), is to be advertised in the trademarks journal by the Registrar. Oppositions,

if any, are invited and, after satisfactory adjudications of the same, a certificate of registration is issued by the Registrar. The right to use the mark can be exercised either by the registered proprietor or a registered user. The present term of registration of a trademark is 10 (ten) years, which may be renewed for similar periods on payment of a prescribed renewal fee.

## **E. OTHER APPLICABLE LAWS**

### **1. The Micro, Small and Medium Enterprises Development Act, 2006 read with Industries (Development and Regulation) Act, 1951**

The Act provides for facilitating the promotion and development and enhancing the competitiveness of micro, small and medium enterprises. The Central Government is empowered to classify by notification, any class of enterprises including inter-alia, a company, a partnership, firm or undertaking by whatever name called, engaged in the manufacture or production of goods pertaining to any industry specified in the First Schedule to the Industries (Development and Regulation) Act, 1951 as: (i) a micro enterprise, where the investment in plant and machinery does not exceed Rs. 25,00,000/- (Rupees Twenty-Five Lakhs Only) (ii) a small enterprise, where the investment in plant and machinery is more than Rs. 25,00,000/- (Rupees Twenty-Five Lakh Only) but does not exceed Rs. 5,00,00,000/- (Rupees Five Crores Only); or (iii) a medium enterprise, where the investment in plant and machinery is more than Rs. 5,00,00,000/- (Rupees Five Crores Only) but does not exceed Rs. 10,00,00,000/- (Rupees Ten Crores Only). The MSMED Act inter-alia stipulates that any person who intends to establish, a micro or small enterprise or a medium enterprise engaged in rendering of services, may at his discretion and a medium enterprise engaged in the manufacture or production of goods as specified hereinabove, file a memorandum of micro, small or medium enterprise, as the case may be, with the prescribed authority.

### **2. The Companies Act, 2013**

The Companies Act, 2013 (“**Companies Act**”) deals with laws relating to companies and certain other associations. The Companies Act primarily regulates the formation, financing, functioning, and winding up of companies. The Companies Act prescribes regulatory mechanism regarding all relevant aspects, including organizational, financial, and managerial aspects of companies. It deals with issue, allotment and transfer of securities and various aspects relating to company management. It provides for standard of disclosure in public issues of capital, particularly in the fields of company management and projects, information about other listed companies under the same management, and management perception of risk factors.

### **3. The Consumer Protection Act, 1986**

The Consumer Protection Act, 1986 (“**Consumer Protection Act**”) has been enacted with an intent to protect the interests of consumers and to establish competent authorities in order to timely and effectively administer and settle consumer disputes. Consumer Protection Act provides for establishment of a Central Consumer Protection Authority to regulate, among other things, matters relating to violation of rights of consumers, unfair trade practices and false or misleading advertisements which are prejudicial to the interests of public and consumers. In order to address the consumer disputes ‘redressal mechanism, it provides a mechanism (three tier consumer redressal mechanism at national, state and district levels) for the consumers to file a complaint against a trader or service provider. Consumer Protection Act provides for penalty for, among others, manufacturing for sale or storing, selling or distributing or importing products containing adulterants and for publishing false or misleading advertisements. The scope of the punitive restraint measures employed by the act include both – monetary penalties for amounts as high as ₹5 million to imprisonment which may extend to life sentences, for distinct offences under the Consumer Protection Act.

### **4. The Sale of Goods Act, 1930**

The Sale of Goods Act, 1930 provides for the setting up of contracts where the seller transfers or agrees to transfer the title (ownership) in the goods to the buyer for consideration. It is applicable all over India. Under the act, goods sold from owner to buyer must be sold for a certain price and at a given period of time.

### **5. The Registration Act, 1908**

The Registration Act, 1908 (“**Registration Act**”) was passed to consolidate the enactments relating to the registration of documents. The main purpose for which the Registration Act was designed was 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.

#### **6. The Indian Contract Act, 1872**

The Indian Contract Act, 1872 (“**Contract Act**”) lays down the essentials of a valid contract, it provides a framework of rules and regulations that govern the validity, execution and performance of a contract and codifies the way in which a contract may be entered into, executed, implementation of the provisions of a contract and effects of breach of a contract. The Contract Act consists of limiting factors subject to which contract may be entered into, executed and the breach enforced. The contracting parties themselves decide the rights and duties of parties and terms of agreement.

#### **7. The Specific Relief Act, 1963**

The Specific Relief Act, 1963 (“**Specific Relief Act**”) is complimentary to the provisions of the Contract Act and the Transfer of Property Act, as the Act applies both to movable property and immovable property. The Specific Relief Act applies in cases where the Court can order specific performance of a contract. Specific relief can be granted only for purpose of enforcing individual civil rights and not for the mere purpose of enforcing a civil law. Specific performance’ means Court will order the party to perform his part of agreement, instead of imposing on him any monetary liability to pay damages to other party.

#### **8. Competition Act, 2002**

The Competition Act, 2002 (“**Competition Act**”) aims to prevent anti-competitive practices that cause or are likely to cause an appreciable adverse effect on competition in the relevant market in India. The Competition Act regulates anti-competitive agreements, abuse of dominant position and combinations. The Competition Commission of India (“**Competition Commission**”) which became operational from May 20, 2009, has been established under the Competition Act to deal with inquiries relating to anti-competitive agreements and abuse of dominant position and regulate combinations. The Competition Act also provides that the Competition Commission has the jurisdiction to inquire into and pass orders in relation to an anti-competitive agreement, abuse of dominant position or a combination, which even though entered into, arising, or taking place outside India or signed between one or more non-Indian parties, but causes an appreciable adverse effect in the relevant market in India.

#### **9. Legislations pertaining to Stamp Duty**

Stamp duty in relation to certain specified categories of instruments as specified under Entry 91 of the list, is governed by the provisions of the Indian Stamp Act, 1899 (“**Stamp Act**”) which is enacted by the Central Government. All others instruments are required to be stamped, as per the rates prescribed by the respective State Governments in the respective schedules of the respective legislations pertaining to stamp duty as applicable in the State. Stamp duty is required to be paid on all the documents that are registered and as stated above the percentage of stamp duty payable varies from one State to another. Certain State in India have enacted their own legislation in relation to stamp duty while the other State have adopted and amended the Stamp Act, as per the rates applicable in the State. On such instruments stamp duty is payable at the rates specified in Schedule I of the Stamp Act. 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. The Stamp Act also provides for impounding of instruments which are not sufficiently stamped or not stamped at all. Unstamped and deficiently stamped instruments can be impounded by the authority and validated by payment of penalty. The amount of penalty payable on such instruments may vary from State to State.

### **F. REGULATIONS REGARDING FOREIGN INVESTMENT**

#### **1. Foreign Exchange Management Act, 1999**

Foreign investment in India is governed by the provisions of Foreign Exchange Management Act, 1999 (“**FEMA**”), as amended, along with the rules, regulations and notifications made by the Reserve Bank of India thereunder, The Department for Promotion of Industry and Internal Trade (“**DPIIT**”), Ministry of Commerce and Industry has issued the Consolidated FDI Policy which consolidates the policy framework

on Foreign Direct Investment (“**FDI Policy**”), with effect from October 15, 2020. The FDI Policy consolidates and subsumes all the press notes, press releases, and clarifications on FDI issued by DIPP till October 15, 2020.

In terms of the FDI Policy, foreign investment is permitted (except in the prohibited sectors) in Indian companies either through the automatic route or the Government route, depending upon the sector in which foreign investment is sought to be made. In terms of the FDI Policy, the work of granting government approval for foreign investment under the FDI Policy and the Foreign Exchange Management (Non-debt Instruments) Rules, 2019 has now been entrusted to the concerned Administrative Ministries/Departments. FDI for the items or activities that cannot be brought in under the automatic route may be brought in through the approval route. Where FDI is allowed on an automatic basis without the approval of the Government, the RBI would continue to be the primary agency for the purposes of monitoring and regulating foreign investment. In cases where Government approval is obtained, no approval of the RBI is required except with respect to fixing the issuance price, although a declaration in the prescribed form, detailing the foreign investment, must be filed with the RBI once the foreign investment is made in the Indian company.

Our Company is engaged in the business of providing a marketplace for ecommerce. While foreign investment upto 100% is allowed under the automatic route in entities engaged in marketplace model of ecommerce the same is subject to certain conditionalities as given below:

- (A) Subject to provisions of FDI Policy, e-commerce entities are allowed to engage only in Business to Business (B2B) e-commerce and not in Business to Consumer (B2C) e-commerce. For the purposes of the FDI Policy,
- i. E-commerce- E-commerce means buying and selling of goods and services including digital products over digital & electronic network.
  - ii. E-commerce entity- E-commerce entity means a company incorporated under the Companies Act 1956 or the Companies Act 2013 or a foreign company covered under section 2 (42) of the Companies Act, 2013 or an office, branch or agency in India as provided in section 2 (v) (iii) of FEMA 1999, owned or controlled by a person resident outside India and conducting the e-commerce business.
  - iii. Inventory based model of e-commerce- Inventory based model of e-commerce means an e-commerce activity where inventory of goods and services is owned by e-commerce entity and is sold to the consumers directly.
  - iv. Marketplace based model of e-commerce- Marketplace based model of e-commerce means providing of an information technology platform by an e-commerce entity on a digital & electronic network to act as a facilitator between buyer and seller.

#### **Guidelines for Foreign Direct Investment on e-commerce sector**

100% FDI under automatic route is permitted in marketplace model of e-commerce. FDI is not permitted in inventory-based model of e-commerce.

#### **Other conditions**

- i. Digital & electronic network will include network of computers, television channels and any other internet application used in automated manner such as web pages, extranets, mobiles etc.
- ii. Marketplace e-commerce entity is permitted to enter into transactions with sellers registered on its platform on B2B basis.
- iii. E-commerce marketplace is permitted to provide support services to sellers in respect of warehousing, logistics, order fulfillment, call centre, payment collection and other services.
- iv. E-commerce entity providing a marketplace cannot not exercise ownership or control over the inventory i.e. goods purported to be sold. Such an ownership or control over the inventory will render the business into inventory-based model. Inventory of a vendor is deemed to be controlled by e-commerce marketplace entity if more than 25% of purchases of such vendor are from the marketplace entity or its group companies.
- v. An entity having equity participation by e-commerce marketplace entity or its group companies, or having control on its inventory by e-commerce marketplace entity or its group companies, is not permitted to sell its products on the platform run by such marketplace entity.
- vi. In marketplace model goods/services made available for sale electronically on website should clearly provide name, address and other contact details of the seller. Post sales, delivery of goods to the customers and customer satisfaction will be responsibility of the seller.

- vii. In marketplace model, payments for sale may be facilitated by the e-commerce entity in conformity with the guidelines of the Reserve Bank of India.
- viii. In marketplace model, any warrantee/ guarantee of goods and services sold will be responsibility of the seller.
- ix. E-commerce entities providing marketplace will not directly or indirectly influence the sale price of goods or services and shall maintain level playing field. Services should be provided by e-commerce marketplace entity or other entities in which e-commerce marketplace entity has direct or indirect equity participation or common control, to vendors on the platform at arm's length and in a fair and non-discriminatory manner. Such services will include but not limited to fulfilment, logistics, warehousing, advertisement/ marketing, payments, financing etc. Cash back provided by group companies of marketplace entity to buyers shall be fair and non-discriminatory. For the purposes of this clause, provision of services to any vendor on such terms which are not made available to other vendors in similar circumstances will be deemed unfair and discriminatory.
- x. Guidelines on cash and carry wholesale trading as given in the FDI Policy will apply on B2B e-commerce.
- xi. E-commerce marketplace entity will not mandate any seller to sell any product exclusively on its platform only.
- xii. E-commerce marketplace entity with FDI shall have to obtain and maintain a report of statutory auditor by 30<sup>th</sup> of September every year for the preceding financial year confirming compliance of the e-commerce guidelines.
- xiii. Subject to the conditions of FDI policy on services sector and applicable laws/regulations, security and other conditionalities, sale of services through e-commerce will be under automatic route.

**(B)** Further, we draw your attention to the guidelines prescribed under the extant FDI Policy for calculation of total foreign investment i.e. direct and indirect foreign investment in an Indian Company which are inter-alia as follows:

#### **Counting of direct foreign investment**

All investment directly by a non-resident entity into the Indian company/LLP would be counted towards foreign investment.

#### **Counting of indirect foreign investment**

- (a) The foreign investment through the investing Indian company/LLP would not be considered for calculation of the indirect foreign investment in case of Indian companies/LLPs which are 'owned **and** controlled' by resident Indian citizens and/or Indian Companies/LLPs which are owned and controlled by resident Indian citizens.
- (aa) Downstream investment by an Investment Vehicle shall be regarded as foreign investment if either the Sponsor or the Manager or the Investment Manager is not Indian 'owned and controlled' as defined in Regulation 14 of the principal Regulations as defined in RBI Notification No.362/2015-RB dated February 15, 2016.

Provided that for sponsors or managers or investment managers organized in a form other than companies or LLPs, SEBI shall determine whether the sponsor or manager or investment manager is foreign owned and controlled.

- (b) For cases where condition (a) above is not satisfied or if the investing company is owned **or** controlled by 'non-resident entities', the entire investment by the investing company/LLP into the subject Indian Company would be considered as indirect foreign investment, provided that, as an exception, the indirect foreign investment in only the 100% owned subsidiaries of operating-cum-investing/investing companies, will be limited to the foreign investment in the operating-cum-investing/ investing company. This exception is made since the downstream investment of a 100% owned subsidiary of the holding company is akin to investment made by the holding company and the downstream investment should be a mirror image of the holding company. This exception, however, is strictly for those cases where the entire capital of the downstream subsidiary is owned by the holding company.

The FDI Policy provides several other conditions in relation to foreign direct and indirect investment in Indian companies which may also apply to the Company.

Subject to compliance of the above conditionalities, no approvals of the Administrative Ministries/Departments or the RBI are required for such allotment of Equity Shares under this Issue. Our Company will however be required to make certain filings with the RBI after the completion of the Issue.

*[Remainder of this page has been left intentionally blank]*

## OUR HISTORY AND CERTAIN OTHER CORPORATE MATTERS

Our Company was originally formed as a Private Limited Company in the name and style of "Nutrikosh India Private Limited " under the provisions of the Companies Act, 2013 on June 11, 2021 vide Certificate of Incorporation issued by Registrar of Companies, Kanpur bearing CIN: U01100UP2021PTC147207. Subsequently, our Company was converted into a Public Limited Company under the Companies Act, 2013 pursuant to a special resolution passed by the shareholders of our Company on July 18, 2024 and the name was changed to "Nutrikosh India Limited" pursuant to a fresh Certificate of Incorporation dated September 19, 2024 issued by the Registrar of Companies, Central Processing Centre, bearing CIN: U01100UP2021PLC147207.

For information on the Company's activities, market, growth and managerial competence, please see the chapters "Our Management", "Our Business" and "Our Industry" beginning on pages 120, 94 and 85 respectively of this Draft Red Herring Prospectus.

### Change in Registered Office

At present our registered office is located at (41Y5) Vishwa Nath, H NO. 16, Amrit Puram, Kanpur-208011. Prior to this, following change were made in the location of our registered office:

Effective Date of change	Particulars	Reason for change
On Incorporation	H No. 16 Ram Puram, Kanpur, Uttar Pradesh	-
July 31, 2021	(41Y5) Vishwa Nath, H NO. 16, Amrit Puram, Kanpur-208011	Due to administrative convenience.

### Our Main Object(s)

The main object(s) of our Company, as contained in our Memorandum of Association, are as set forth below:

1. To carry on the production processing and business of aggregation & selling of produce and or products derived from Agriculture (cereals, pulses, millets, fibers), Horticulture (fruits, flowers, vegetables), Sericulture, Apiculture, Pisciculture (inland), & from allied activities such as Dairy Farming milk & milk products), Sheep & Goat rearing, (wool, meat), Poultry Farming (eggs, meat), all value added products from the above and also selling quality inputs needed for farming such as Seeds, Bio-fertilizers, Bio-growth promoters, Bio-pesticides, agricultural implements and equipment's, Other production requirements, livestock feed (cattle feed, poultry feed), supplementary feed ingredients, tarpaulins, solar powered systems for production & domestic needs in India or elsewhere.
2. To promote and support activities undertaken as mentioned above by facilitating creation of need based infrastructure such as green houses, warehouses and godowns, cold storage and processing plants or any substitutes and or supplements for any of them associated with the farming interests and to set up these facilities of the production, procurement, processing, marketing and other activities mentioned above of the company in India or elsewhere.
3. To manufacture, sell or supply machinery, equipment's, consumables, technical Know-how required in Agriculture, Horticulture and allied activities such as Dairy, Poultry, Sheep & Goat farming in India or elsewhere.
4. Agribusiness will be inclusive of business of productive resources like feed, seed, fertilizer, equipment, energy, machinery etc. agricultural commodities like raw and processed commodities of food and fibers. Company will also provide facilitative services like marketing, storage, processing, transportation, packing etc. and end-to-end solutions and services either without or with the help of AI-enabled technologies through an intuitive APP which will help individuals and businesses to sell their products online and also to revolutionize supply chain and production efficiency for Trading of all kinds of General consumer products & services.

## Amendments to the Memorandum of Association

Since incorporation, the following changes have been made to our Memorandum of Association:

Date of Shareholders Approval	Amendment
July 15, 2024	Clause V of the Memorandum of Association was amended to reflect the increase in authorised share capital of our Company from ₹15,00,000 divided in to 15,000 Equity Shares of face value of ₹100 each to ₹10,00,00,000 divided in to 10,00,000 Equity Shares of ₹100 each.
	Clause V of the Memorandum of Association was amended to reflect the re-classification of its authorised share capital of our Company from ₹10,00,00,000 divided in to 10,00,000 Equity Shares of face value of ₹100 each to ₹10,00,00,000 divided in to 2,00,00,000 Equity Shares of ₹5 each.

## Key Events and Milestones in the History of our Company

Year	Events
2021	Incorporated as Nutrikosh India Private Limited, an Agritech startup Company with mission to transform the agricultural landscape
2021	Recognized as a Startup by Department of IT & Electronics-Uttar Pradesh
2023	Farmer on boarding, app launch “NKOSH”
2024	Conversion into a Public Limited Company
2024	Best start up Award from Chhatrapati Shahu Ji Maharaj Vishwavidyalaya Kanpur

## Significant financial and/or strategic partners

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

## Time and cost over-runs

There has been no time or cost over-runs in respect of our business operations as on the date of this Draft Red Herring Prospectus.

## Defaults or re-scheduling, restructuring of borrowings with financial institutions or banks

There have been no defaults or rescheduling/restructuring of borrowings with financial institutions/ banks in respect of our Company’s borrowings.

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

There have been no mergers, amalgamation, revaluation of assets etc. with respect to our Company in the last 10 years.

## Number of shareholders of our Company

Our Company has 7 (Seven) Equity Shareholders as on the date of this Draft Red Herring Prospectus.

## Shareholders’ agreement and other agreements

There are no shareholders and other material agreements, apart from those entered into in the ordinary course of business carried on or intended to be carried on by us.

## Inter-se agreements between Shareholders

As on the date of this Draft Red Herring Prospectus, our Company, Promoters and Shareholders do not have any inter-se agreements, agreements and clauses / covenants which are material in nature and that there are no other clauses / covenants which are adverse / pre-judicial to the interest of the minority / public shareholders. Also,

there are no other agreements, deed of assignments, acquisition agreements, shareholders' agreement, inter-se agreements, agreements of like nature.

#### **Other agreements**

Neither our Promoters nor any of the Key Managerial Personnel, Directors or employees of our Company have entered into an agreement, either by themselves or on behalf of any other person, with any Shareholder or any other third party with regard to compensation or profit sharing in connection with dealings in the securities of our Company.

#### **Non-Compete agreement**

Our Company has not entered into any non-compete agreement as on the date of filing this Draft Red Herring Prospectus.

#### **Details of Holding Company**

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

#### **Joint Ventures of our Company**

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

#### **Associate**

As on the date of this Draft Red Herring Prospectus, our Company does not have any associate company.

#### **Subsidiary of our Company**

As on the date of this Draft Red Herring Prospectus, our Company does not have any subsidiary company.

#### **Launch of key products or services, entry in new geographies or exit from existing markets**

For details of launch of key products or services, entry in new geographies or exit from existing markets, please refer to the chapter "Our Business" on page 94 of this Draft Red Herring Prospectus.

#### **Lock-out or strikes**

There have been no lock-outs or strikes in our Company since inception.

#### **Changes in the activities of our Company during the last three years**

There has been no change in the business activities of our Company during the last three years from the date of this Draft Red Herring Prospectus which may have had a material effect on the profits and loss account of our Company, including discontinuance of lines of business, loss of agencies or markets and similar factors.

#### **Changes in the management**

For details of change in management, please see the section 'Changes in our Board during the last three years' in the chapter titled "Our Management" on page 120 of this Draft Red Herring Prospectus.

#### **Changes in accounting policies in last three (3) years**

There have been no changes in accounting policies of our Company in last three years.

#### **Guarantees provided by our Promoters**

Except as disclosed in the chapter titled "Financial Indebtedness" on page 184 of this Draft Red Herring Prospectus our Promoters have not given any guarantees to third parties that are outstanding as on the date of filing of this Draft Red Herring Prospectus.

### **Special Rights**

“That no special rights are available to the Promoters / Shareholders in the AoA, at the time of filing of the Draft Red Herring Prospectus.

### **Agreements with Key Managerial Personnel or Senior Management or Directors or Promoters or any other employee**

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

### **Other Confirmations**

Articles of Association (AoA) does not give any special rights of any kind to any person.

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## OUR MANAGEMENT

### Board of Director

In terms of the Companies Act and our Article of Association of our Company is required to have not less than three Directors and not more than fifteen Directors.

As on the date of this Draft Red Herring Prospectus, Our Board comprises of One Managing Director, Two Whole Time Directors and Three Independent Director (out of which one is Woman Director). For details on the strength of our Board, as permitted and required under the AoA, see “Main Provisions of Articles of Association” on page 250 of this Draft Red Herring Prospectus.

Our Company is in compliance with the corporate governance norms prescribed under the SEBI Listing Regulations and Companies Act in relation to the composition of our Board and its committees thereof.

Sr. No.	Name, Father’s/Husband’s Name, Designation, Address, Occupation, Nationality, Term and DIN	Other Directorships/Designated Partner
1)	<p><b>Name:</b> Ashutosh Tiwari</p> <p><b>Date of Birth:</b> May 04, 1992</p> <p><b>Age:</b> 32 years</p> <p><b>Designation:</b> Managing Director</p> <p><b>Address:</b> 265/3, Shastri Nagar, Hans Nagar, Kanpur Nagar-208005.</p> <p><b>Period of Directorship:</b> Director since June 11, 2021</p> <p><b>Term:</b> 5 years w.e.f. September 26, 2024</p> <p><b>Nationality:</b> Indian</p> <p><b>Occupation:</b> Business</p> <p><b>DIN:</b> 09201271</p>	<p><b>A. Private Companies</b></p> <p>NIL</p> <p><b>B. Public Companies</b></p> <p>NIL</p> <p><b>C. Limited Liability Partnership</b></p> <p>NIL</p> <p><b>D. Foreign Companies</b></p> <p>NIL</p>
2)	<p><b>Name:</b> Rahul Saini</p> <p><b>Date of Birth:</b> January 21, 1993</p> <p><b>Age:</b> 31 years</p> <p><b>Designation:</b> Whole Time Director</p> <p><b>Address:</b> Laksar, Bhurni Khatipur, Haridwar-247663.</p> <p><b>Period of Directorship:</b> Director since June 11, 2021</p> <p><b>Term:</b> 5 years w.e.f. September 26, 2024</p> <p><b>Nationality:</b> Indian</p> <p><b>Occupation:</b> Business</p> <p><b>DIN:</b> 09201272</p>	<p><b>A. Private Companies</b></p> <p>NIL</p> <p><b>B. Public Companies</b></p> <p>NIL</p> <p><b>C. Limited Liability Partnership</b></p> <p>NIL</p> <p><b>D. Foreign Companies</b></p> <p>NIL</p>
3)	<p><b>Name:</b> Alok Chaudhary</p> <p><b>Date of Birth:</b> May 03, 1989</p> <p><b>Age:</b> 35 years</p> <p><b>Designation:</b> Whole Time Director</p>	<p><b>A. Private Companies</b></p> <p>1) Helium Renewables Energy Private Limited 2) Helium Power and Projects Private Limited</p> <p><b>B. Public Companies</b></p> <p>NIL</p>

Sr. No.	Name, Father's/Husband's Name, Designation, Address, Occupation, Nationality, Term and DIN	Other Directorships/Designated Partner
	<p><b>Address:</b> 16 Amritpuram, New Azad Nagar, Kidwainagar, Kanpur Nagar-208011.</p> <p><b>Period of Directorship:</b> Director since June 11, 2021</p> <p><b>Term:</b> 5 years w.e.f. September 26, 2024</p> <p><b>Nationality:</b> Indian</p> <p><b>Occupation:</b> Business</p> <p><b>DIN:</b> 08330872</p>	<p><b>C. Limited Liability Partnership</b></p> <p>NIL</p> <p><b>D. Foreign Companies</b></p> <p>NIL</p>
4)	<p><b>Name:</b> Tanya Gupta</p> <p><b>Date of Birth:</b> August 17, 1995</p> <p><b>Age:</b> 29 years</p> <p><b>Designation:</b> Additional Independent Director</p> <p><b>Address:</b> House No.184, Mohalla Sahukara, Puranpur Pilibhit, Uttar Pradesh-262122</p> <p><b>Period of Directorship:</b> Director Since September 26, 2024</p> <p><b>Term:</b> 5 years w.e.f. September 26, 2024</p> <p><b>Nationality:</b> Indian</p> <p><b>Occupation:</b> Professional</p> <p><b>DIN:</b> 10713103</p>	<p><b>A. Private Companies</b></p> <p>1) Wizzpay Technology Services Private Limited</p> <p><b>B. Public Companies</b></p> <p>NIL</p> <p><b>C. Limited Liability Partnership</b></p> <p>NIL</p> <p><b>D. Foreign Companies</b></p> <p>NIL</p>
5)	<p><b>Name:</b> Aditya Sharma</p> <p><b>Date of Birth:</b> July 10, 1994</p> <p><b>Age:</b> 30 years</p> <p><b>Designation:</b> Independent Director</p> <p><b>Address:</b> C-18, New Acharya Kriplani Road, Adarsh Nagar, North West, Delhi-110033</p> <p><b>Period of Directorship:</b> Director Since September 26, 2024</p> <p><b>Term:</b> 5 years w.e.f. September 26, 2024</p> <p><b>Nationality:</b> Indian</p> <p><b>Occupation:</b> Practicing Professional</p> <p><b>DIN:</b> 10788626</p>	<p><b>A. Private Companies</b></p> <p>NIL</p> <p><b>B. Public Companies</b></p> <p>NIL</p> <p><b>C. Limited Liability Partnership</b></p> <p>NIL</p> <p><b>D. Foreign Companies</b></p> <p>NIL</p>
6)	<p><b>Name:</b> Mani Maheshwari</p> <p><b>Date of Birth:</b> November 01, 1992</p> <p><b>Age:</b> 32 years</p> <p><b>Designation:</b> Additional Independent Director</p> <p><b>Address:</b> F-2305, Ajnara Ambrosia, Sector-118, Gautam Buddha Nagar, Noida-201301</p> <p><b>Period of Directorship:</b> Director Since September 26, 2024</p>	<p><b>1) Private Companies</b></p> <p>NIL</p> <p><b>2) Public Companies</b></p> <p>1) Vyasv Industries (India) Limited</p> <p><b>2) Limited Liability Partnership</b></p> <p>NIL</p>

Sr. No.	Name, Father's/Husband's Name, Designation, Address, Occupation, Nationality, Term and DIN	Other Directorships/Designated Partner
	<b>Term:</b> 5 years w.e.f. September 26, 2024 <b>Nationality:</b> Indian <b>Occupation:</b> Professional <b>DIN:</b> 10763364	3) <b>Foreign Companies</b> 4) NIL

### Brief Biographies of our Directors

#### Ashutosh Tiwari

He is the Promoter and Managing Director of the Company. He has been associated with our Company since incorporation. He has completed his Bachelor's degree in Electrical and Electronic Engineering from Graphic Era University (Uttarakhand) in 2014 and a Post Graduate Diploma in Thermal Power Plant Engineering from the National Power Training Institute (Faridabad) in 2016.

As a leader, he forms the company's long-term strategy. He is focused to understand the competition and explore growth opportunities.

#### Alok Chaudhary

He is the Promoter and Whole Time Director of the Company. He has been associated with our Company since our incorporation. He holds a Bachelor of Technology in Electrical and Electronics Engineering from Gautam Buddha Technical University (Lucknow) in 2011.

He builds strong connections within rural networks and developing service partnerships. His expertise is key to driving growth and expanding renewable energy solutions.

#### Rahul Saini

He is the Promoter and Whole Time Director of the Company. He has been associated with our Company since our incorporation. He holds an M. Tech in Environmental Management of Rivers and Lakes from IIT Roorkee in 2017 and a B.Tech in Electrical and Electronics Engineering from Graphic Era University in 2014.

He has experience in product development and marketing for energy conservation, leveraging a strong distribution network. His efforts significantly contribute to environmental conservation and rural development.

#### Tanya Gupta

She is an Additional Independent Director at our company and She has been a member of the Institute of Company Secretaries of India since 2019. With over 5 years of experience, her expertise in corporate law, governance, disclosure and reporting, and secretarial matters.

#### Aditya Sharma

He is an Additional Independent Director of our company. He has been a member of the Institute of Company Secretaries of India since 2019. He has expertise in corporate governance, compliance, legal drafting. His skills include SEBI compliance, managing corporate actions. With a strong background in governance and regulatory management, he is well-equipped to contribute to the Board by promoting compliance, growth, and shareholder value.

#### Mani Maheshwari

She is an Additional Independent Director of our company. She has been a member of the Institute of Company Secretaries of India since 2016 with Eight years of experience in corporate governance, compliance, legal drafting for various companies. Her experience includes drafting legal documents, overseeing e-voting, and ensuring clear communication with shareholders. With her strong background in governance and regulatory

management, she has the skills to contribute to the Board by promoting compliance, growth, and shareholder value.

#### **Confirmations:**

##### **As on the date of this Draft Red Herring Prospectus:**

- a) None of our Directors have held or currently hold directorship in any listed company whose shares have been or were suspended from being traded on any of the stock exchanges in the five years preceding the date of filing of this Draft Red Herring Prospectus with the SEBI, during the term of his/ her directorship in such company.
- b) Further, none of our Directors of our Company are or were associated in the capacity of a director with any listed company which has been delisted from any stock exchange(s) at any time in the past.
- c) None of our Directors have been identified as a willful defaulter, as defined in the SEBI Regulations and there are no violations of securities laws committed by them in the past and no prosecution or other proceedings for any such alleged violation are pending against them
- d) Neither Company nor our Directors are declared as fugitive economic offenders as defined in Regulation 2(1) (p) of the SEBI ICDR Regulations, and have not been declared as a 'fugitive economic offender' under Section 12 of the Fugitive Economic Offenders Act, 2018.
- e) None of our Directors have been debarred from accessing capital markets by the Securities and Exchange Board of India. Additionally, none of our directors are or were, associated with any other company which is debarred from accessing the capital market by the Securities and Exchange Board of India.

#### **Nature of any family relationship between our directors**

As on the date of this Draft Red Herring Prospectus none of the Directors of the Company are related to each other as per Section 2 (77) of Companies Act, 2013.

#### **Details of Borrowing Powers of Directors**

Pursuant to a special resolution passed at an Annual General Meeting of our Company held on September 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 be and are hereby 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 deemed 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 Crore (Rupees Two hundred Crore Only).

#### **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 for the time being in force).

#### **Terms of Appointment of our Managing Director and Whole Time Director**

<b>Particulars</b>	<b>Ashutosh Tiwari</b>	<b>Alok Chaudhary</b>	<b>Rahul Saini</b>
Appointment/Change in Designation	Originally Appointed as Executive Director w.e.f. June 11, 2021. Further Change in designation as Chairman and Managing	Originally Appointed as Executive Director w.e.f. June 11, 2021. Further Change in designation as Whole Time Director	Originally Appointed as Executive Director w.e.f. June 11, 2021. Further Change in designation as Whole Time Director

Particulars	Ashutosh Tiwari	Alok Chaudhary	Rahul Saini
	Director w.e.f. September 26, 2024 for a period of 5 years.	w.e.f. September 26, 2024 for a period of 5 years.	w.e.f. September 26, 2024 for a period of 5 years.
Current Designation	Chairman and Managing Director	Whole Time Director	Whole Time Director
Terms of Appointment	5 years Liable to retire by rotation	5 years Liable to retire by rotation	5 years Liable to retire by rotation
Remuneration & Perquisites	Maximum upto Rs.1,00,000 per month	Maximum upto Rs.1,00,000 per month	Maximum upto Rs.1,00,000 per month

#### **Bonus or Profit-Sharing Plan for our Directors:**

We have no bonus or profit-sharing plan for our directors.

#### **Contingent or deferred compensation payable to our directors.**

There is no contingent or deferred compensation payable to our directors.

#### **Sitting Fees:**

As per Articles of Association of our Company and pursuant to Board Resolution dated September 26, 2024 the remuneration payable in terms of sitting fees to the Directors (other than Managing Director & Whole-time Directors) including Independent Directors for attending the Meetings of the Board and Committee thereof shall not exceed the limits prescribed under Section 197(5) of the Companies Act, 2013 and has approved an amount of maximum upto ₹20,000 for every Board Meeting.

#### **Shareholding of our Directors in our Company**

Our Articles do not require our Directors to hold any qualification shares.

Except as disclosed below, none of our Directors hold any Equity Shares in our Company as on the date of this Draft Red Herring Prospectus:

Particulars	Number of Equity Shares of face value of ₹5 each	% of Pre-Issue Equity Share Capital
Ashutosh Tiwari	10,75,000	21.50%
Alok Chaudhary	9,20,000	18.40%
Rahul Saini	9,05,000	18.10%
<b>Total</b>	<b>29,00,000</b>	<b>58.00%</b>

#### **Interest of our Directors**

Our Directors are interested in our Company in the following manner:

All our Directors may be deemed to be interested to the extent of remuneration and reimbursement of expenses, if any, payable to them, as well as sitting fees and commission, if any, payable to them for attending meetings of our Board and committees thereof.

Our Directors may be deemed as interested in our Company to the extent of the Equity Shares held by them or any Equity Shares that may be subscribed by or allotted to them from time to time. The Directors may also be regarded as interested in the Equity Shares held by them or by their relatives, if any, or that may be subscribed by or allotted to them or the companies, firms and trusts, in which they are interested as directors, members, partners, trustees and promoters, pursuant to this Issue. For further details, please refer to chapter titled “Our Management – Shareholding of directors in our Company” and “Capital Structure” beginning on pages 120 and 62 respectively of this Draft Red Herring Prospectus. Our Directors may also be deemed to be interested to the extent of any dividend, if any, payable and other distributions in respect of the equity shares held by them.

Some of our Directors may be deemed to be interested in the contracts, agreements/arrangements entered into or to be entered into by our Company with any entity which is promoted by them or in which they are members or

in which they hold directorships or any partnership firm in which they are partners in the ordinary course of business, including for purchase of packaging materials. For further details, please see “Financial Statement-Related Party Transactions” on page 141.

Except for Ashutosh Tiwari, Rahul Saini and Alok Chaudhary who may be deemed to be interested in the promotion or formation of our Company, none of our Directors have any interest in promotion or formation of our Company. For further details, please refer to chapter titled “Our Promoter and Promoter Group” beginning on page 133 of this Draft Red Herring Prospectus.

No sum has been paid or agreed to be paid to our Directors or to firms or companies in which they may be members, in cash or shares or otherwise by any person either to induce him/her to become, or to qualify him/her as a Director, or otherwise for services rendered by him/her or by such firm or company, in connection with the promotion or formation of our Company.

#### **Interest of Directors in the property of Our Company:**

None of our Directors are interested in any property acquired by our Company or proposed to be acquired by our Company.

#### **Changes in our Board during the last three years**

The changes in our Board during the three years immediately preceding the date of this Draft Red Herring Prospectus are as follows:

<b>Name</b>	<b>Date of Appointment / Re - Appointment</b>	<b>Reasons for Change</b>
Anandkumar Sriram Mahto	Appointment as Executive Director w.e.f. August 19, 2021	To ensure better Corporate Governance and compliance with Companies Act, 2013
Bhupendra Chauhan	Appointment as Executive Director w.e.f. August 19, 2021	
Bhupendra Chauhan	Cessation w.e.f. June 11, 2023	Resignation due to personal Reason
Mani Maheshwari	Appointment as Independent Director w.e.f. September 26, 2024	To ensure better Corporate Governance and compliance with Companies Act, 2013
Tanya Gupta	Appointment as Independent Director w.e.f. September 26, 2024	
Aditya Sharma	Appointment as Independent Director w.e.f. September 26, 2024	
Alok Chaudhary	Re-Designated as Whole time Director w.e.f. September 26, 2024	
Anandkumar Sriram Mahto	Cessation w.e.f. September 26, 2024	Resignation due to personal Reason
Ashutosh Tiwari	Re-Designated as Managing Director w.e.f. September 26, 2024	To ensure better Corporate Governance and compliance with Companies Act, 2013
Rahul Saini	Re-Designated as Whole time Director w.e.f. September 26, 2024	

#### **Compliance with Corporate Governance**

In addition to the applicable provisions of the Companies Act, 2013, provisions of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 and SEBI (ICDR) Regulations will be applicable to our Company immediately upon the listing of our Company’s Equity Shares on the SME Platform of National Stock Exchange of India Limited (NSE Emerge). The requirements pertaining to the composition of the Board of Directors and the constitution of the committees such as the Audit Committee, Stakeholders Relationship Committee and Nomination and Remuneration Committees as applicable on us, have been complied with.

Our Board has been constituted in compliance with the Companies Act, 2013 and in accordance with the best practices in corporate governance. Our Board functions either as a full board or through various committees constituted to oversee specific operational areas. The executive management provides our Board detailed reports on its performance periodically.

Our Board comprises of One (Managing Director), Two (Whole Time Directors) and Three (Independent Director) (out of which one is Woman Director). The constitution of our Board is in compliance with Section 149 of the Companies Act, 2013.

**The following committees have been formed in compliance with the corporate governance norms:**

- A. Audit Committee
- B. Stakeholders Relationship Committee
- C. Nomination and Remuneration Committee

**A) Audit Committee**

Our Company has constituted an Audit Committee, as per the provisions of Section 177 of the Companies Act, 2013 and Regulation 18 of SEBI (Listing Obligation and Disclosure Requirements) Regulations, 2015, vide resolution passed in the meeting of the Board of Directors held on September 26, 2024.

The terms of reference of Audit Committee complies with the requirements of Companies Act, 2013 and SEBI (Listing Obligation and Disclosure Requirements) Regulations, 2015. The committee presently comprises the following 3 (Three) directors.

**Composition of Audit Committee**

<b>Name of the Director</b>	<b>Status</b>	<b>Nature of Directorship</b>
Mani Maheshwari	Chairman	Independent Director
Tanya Gupta	Member	Independent Director
Aditya Sharma	Member	Independent Director

The Company Secretary of the Company acts as the Secretary to the Audit committee.

**Role of the Audit Committee**

- 1) Overseeing the Company's financial reporting process and the disclosure of its financial information to ensure that the financial statements are correct, sufficient and credible.
- 2) Recommending to the Board, the appointment, re-appointment and, if required, the replacement or removal of the statutory auditor and the fixation of audit fees.
- 3) Approval of payment to statutory auditors for any other services rendered by the statutory auditors.
- 4) Reviewing, with the management, the annual financial statements before submission to the board for approval, with particular reference to:
  - a. Matters required to be included in the Directors Responsibility Statement to be included in the Board's report in terms of clause (c) of sub-section 3 of Section 134 of the Companies Act, 2013.
  - b. Changes, if any, in accounting policies and practices and reasons for the same.
  - c. Major accounting entries involving estimates based on the exercise of judgment by management.
  - d. Significant adjustments made in the financial statements arising out of audit findings.
  - e. Compliance with listing and other legal requirements relating to financial statements.
  - f. Disclosure of any related party transactions.
  - g. Modified opinion(s) in the draft audit report.
- 5) Reviewing, with the management, the half yearly and annual financial statements before submission to the board for approval.

- 6) Reviewing, with the management, the statement of uses / application of funds raised through an issue (public issue, rights issue, preferential issue, etc.), the statement of funds utilized for purposes other than those stated in the offer document/Prospectus/notice and the report submitted by the monitoring agency monitoring the utilization of proceeds of a public or rights issue, and making appropriate recommendations to the Board to take up steps in this matter.
- 7) Reviewing and monitoring the auditor's independence and performance and effectiveness of audit process.
- 8) Approval of any transactions of the Company with Related Parties, including any subsequent modification thereof.
- 9) Scrutiny of inter-corporate loans and investments.
- 10) Valuation of undertakings or assets of the Company, wherever it is necessary.
- 11) Evaluation of internal financial controls and risk management systems.
- 12) Reviewing, with the management, performance of statutory and internal auditors, adequacy of the internal control systems.
- 13) Reviewing the adequacy of internal audit function, if any, including the structure of the internal audit department, staffing and seniority of the official heading the department, reporting structure coverage and frequency of internal audit.
- 14) Discussion with internal auditors on any significant findings and follow up there on.
- 15) Reviewing the findings of any internal investigations by the internal auditors into matters where there is suspected fraud or irregularity or a failure of internal control systems of a material nature and reporting the matter to the board.
- 16) Discussion with statutory auditors before the audit commences, about the nature and scope of audit as well as post-audit discussion to ascertain any area of concern.
- 17) To look into the reasons for substantial defaults in the payment to the depositors, debenture holders, shareholders (in case of non-payment of declared dividends) and creditors.
- 18) To review the functioning of the Whistle Blower mechanism, in case the same exists.
- 19) Approval of appointment of Chief Financial Officer or any other person heading the finance function or discharging that function after assessing the qualifications, experience & background, etc. of the candidate.
- 20) To overview the Vigil Mechanism of the Company and took appropriate actions in case of repeated frivolous complaints against any Director or Employee.
- 21) Monitoring the end use of funds raised through public issues and related matters.

The Audit Committee shall mandatorily review the following information:

- 1) Management Discussion and Analysis of financial condition and results of operations.
- 2) Statement of significant related party transactions (as defined by the Audit Committee), submitted by management.
- 3) Management letters / letters of internal control weaknesses issued by the statutory auditors.
- 4) Internal audit reports relating to internal control weaknesses.
- 5) The appointment, removal and terms of remuneration of the chief internal auditor shall be subject to review by the audit committee.

6) Statement of deviations:

- a) Half yearly statement of deviation(s) including report of monitoring agency, if applicable, submitted to stock exchange(s) in terms of Regulation 32(1) of SEBI (Listing Obligation and Disclosure Requirements) Regulations, 2015.
- b) Annual statement of funds utilized for purposes other than those stated in the offer document/Prospectus/notice in terms of Regulation 32(7) of SEBI (Listing Obligation and Disclosure Requirements) Regulations, 2015.

**Powers of the Audit Committee**

- Investigating any activity within its terms of reference;
- Seeking information from any employee;
- Obtaining outside legal or other professional advice; and
- Securing attendance of outsiders with relevant expertise, if it considers necessary.

**B) Stakeholders Relationship Committee**

Our Company has constituted a Stakeholders Relationship Committee to redress the complaints of the shareholders. The Stakeholders Relationship Committee was constituted as per the provisions of Section 178 (5) of the Companies Act, 2013 and Regulation 20 of SEBI (Listing Obligation and Disclosure Requirements) Regulations, 2015 vide resolution passed at the meeting of the Board of Directors held on September 26, 2024.

**Composition of Stakeholders Relationship Committee**

Name of the Director	Status	Nature of Directorship
Aditya Sharma	Chairman	Independent Director
Tanya Gupta	Member	Independent Director
Ashutosh Tiwari	Member	Managing Director

The Company Secretary of the Company acts as the Secretary to the Stakeholders Relationship Committee.

The Stakeholders Relationship Committee shall oversee all matters pertaining to investors of our Company. The terms of reference of the Stakeholders Relationship Committee include the following:

- 1) Redressal of shareholders'/investors' complaints.
- 2) Reviewing on a periodic basis the approval of transfer or transmission of shares, debentures or any other securities made by the Registrar and Share Transfer Agent;
- 3) Issue of duplicate certificates and new certificates on split/consolidation/renewal.
- 4) Non-receipt of declared dividends, balance sheets of the Company.
- 5) Carrying out any other function as prescribed under the SEBI (Listing Obligation and Disclosure Requirements) Regulations, 2015.

**C) Nomination and Remuneration Committees**

Our Company has constituted a Nomination and Remuneration Committee. The constitution of the Nomination and Remuneration Committee as per the provisions of Section 178 of the Companies Act, 2013 and Regulation 19 of SEBI (Listing Obligation and Disclosure Requirements) Regulations, 2015 was approved by a Meeting of the Board of Directors held on September 26, 2024.

### **Composition of Nomination and Remuneration Committee**

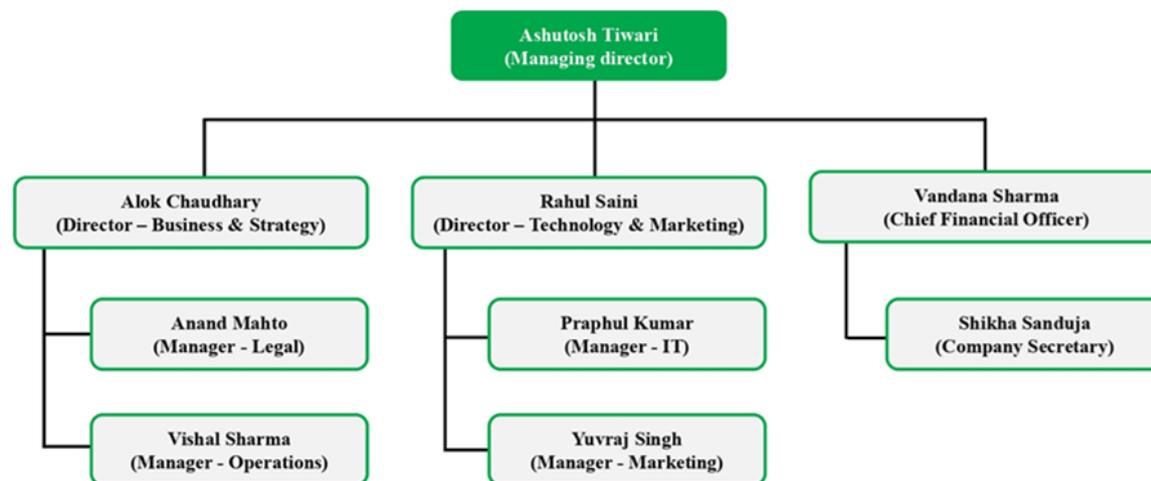
<b>Name of the Director</b>	<b>Status</b>	<b>Nature of Directorship</b>
Aditya Sharma	Chairman	Independent Director
Tanya Gupta	Member	Independent Director
Mani Maheshwari	Member	Independent Director

The Company Secretary of the Company acts as the Secretary to the Nomination and Remuneration Committee.

### **Role of Nomination and Remuneration Committee**

- 1) Formulation of the criteria for determining qualifications, positive attributes and independence of a director and recommend to the Board of Directors a policy relating to, the remuneration of the directors, Key Managerial Personnel and other employees.
- 2) Formulation of criteria for evaluation of performance of Independent Directors and the Board of Directors.
- 3) Devising a policy on diversity of Board of Directors.
- 4) Identifying persons who are qualified to become directors and who may be appointed in senior management in accordance with the criteria laid down, and recommend to the Board of Directors their appointment and removal.
- 5) 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.
- 6) Such other matters as may from time to time be required by any statutory, contractual or other regulatory requirements to be attended to by such committee.

### **Organization Structure**



### **Key Managerial Personnel**

Ashutosh Tiwari (Managing Director), Rahul Saini (Whole Time Director), Alok Chaudhary (Whole Time Director), Vandana Sharma (Chief Financial Officer) and Shikha Sanduja (Company Secretary & Compliance Officer) are the Key Managerial Personnel of our Company as on the date of this Draft Red Herring Prospectus.

For brief profile please see “Our Management - Brief Profiles of our Directors” on page 120 of this Draft Red Herring Prospectus.

#### ***Shikha Sanduja (Company Secretary and Compliance Officer)***

Shikha Sanduja is a Company Secretary and Compliance officer of the Company. She is the member of Institute of Company Secretaries of India since 2019. She has over 5 years of experience in secretarial compliance and

well versed with corporate laws, securities laws and corporate governance matters. She has been entrusted with all the corporate and legal aspects of the Company. She handles all the regulatory and statutory compliances of the Company. At present, she assists and provides independent oversight in improving corporate credibility and governance standards of the Company.

***Vandana Sharma (Chief Financial Officer)***

Vandana Sharma is the Chief Financial Officer (CFO) of the company, holding a Bachelor's degree in Commerce from Delhi University in 2007. She is a member of the Institute of Chartered Accountants of India (ICAI) since 2013 and brings over 10 years of experience in finance. Her expertise includes preparing balance sheets, budgeting, forecasting, and variance analysis. She is also skilled in management reporting, internal and statutory audits, internal controls, risk assessment, and managing accounts payable and receivable. She has been contributing to the company's financial strategy and growth. She has been associated with our company from September 26, 2024,

**The details of other Functional Head/Departmental Head of our Company, as on the date of this Draft Red Herring Prospectus are set forth below:**

**Vishal Sharma (Manager Operation)**

Vishal Sharma aged about 36 years. He holds a Bachelor's degree in Commerce from Dr. Bhimrao Ambedkar University, Agra, which he completed in 2008. His expertise in managing the agriculture product value chain. With strong industry knowledge and strategic management skills and driving value, making him a highly effective leader in the agriculture and agri-business sectors.

**Praphul Kumar (Manager-IT)**

Praphul Kumar aged about 23 years. He has completed his B.Tech in Computer Science from A.P.J. Abdul Kalam Technical University, Uttar Pradesh, in 2022. He specializes in mobile app development and front-end technologies, with a strong foundation in AI/ML. His technical skills and adaptability make him a valuable asset to software development teams, contributing innovative solutions to projects.

**Yuvraj Singh (Manager-Marketing)**

Yuvraj Singh aged about 24 years. He is marketing professional with a Bachelor's degree in Business Administration (BBA) from CSJMU Kanpur, which he completed in 2020. With over 4 years of experience, he specializes in marketing strategy, digital marketing, and performance marketing. His strong analytical skills and strategic mindset help him create and implement effective marketing strategies, making him a valuable contributor in fast-paced business settings.

**Status of Key Managerial Personnel and Senior Management.**

All our Key Managerial Personnel and Senior Management are permanent employees of our Company.

**Bonus or profit-sharing plan for the Key Managerial Personnel and Senior Management**

Except as disclosed in “Our Management-” on page 120 none of our Key Managerial Personnel and Senior Management are party to any bonus or profit-sharing plan of our Company.

**Contingent and deferred compensation payable to Key Managerial Personnel and Senior Management**

None of our Key Managerial Personnel and Senior Management were entitled for any contingent or deferred compensation for Financial Year 2024.

**Shareholding of Key Managerial Personnel**

Except as disclosed below, none of our Key Managerial Personnel hold any Equity Shares as on the date of this Draft Red Herring Prospectus.

Sr. No.	Name of the Key Managerial Personnel	Shareholding	Percentage of Shareholding
1.	Ashutosh Tiwari	10,75,000	21.50%
2.	Alok Chaudhary	9,20,000	18.40%
3.	Rahul Saini	9,05,000	18.10%
<b>Total</b>		<b>29,00,000</b>	<b>58.00%</b>

#### **Service Contracts with Directors, Key Managerial Personnel and Senior Management Personnel and retirement & termination benefits**

Other than statutory benefits upon termination of their employment in our Company or retirement, no officer of our Company, including our Directors or the Key Managerial Personnel or the Senior Management Personnel is entitled to any benefits upon termination of employment under any service contract with our Company. Further, none of our Directors have entered into a service contract with our Company pursuant to which they have been appointed as a director of our Company or their remuneration has been fixed in the preceding two years.

#### **Interest of Key Managerial Personnel and Senior Management**

Except as provided in chapter titled “Our Management– Interest of our Directors” on page 120 and to the extent of the remuneration, benefits, interest of receiving dividends on the Equity Shares held by them, if any, reimbursement of expenses incurred in the ordinary course of business. Certain of our Key Managerial Personnel and Senior Management may be deemed to be interested in the contracts, agreements/arrangements entered into or to be entered into by our Company with any company in which they are members or any partnership firm in which they are partners in the ordinary course of business. For further details, please see “Financial Information – Related Party Transactions” on page 141.

#### **Arrangements and understanding with major shareholders, customers, suppliers or others**

None of our Key Managerial Personnel and Senior Management have been appointed pursuant to any arrangement or understanding with our major shareholders, customers, suppliers or others.

#### **Changes in Key Managerial Personnel and Senior Management during the last three years**

Changes in our Key Managerial Personnel and Senior Management during the three years immediately preceding the date of this Draft Red Herring Prospectus are set forth below.

Name of Key Managerial Personnel	Designation	Nature	Date of Event
Shikha Sanduja	Company Secretary and Compliance Officer	Appointment	September 26, 2024
Vandana Sharma	Chief Financial Officer	Appointment	September 26, 2024
Alok Chaudhary	Whole Time Director	Re-Designated	September 26, 2024
Rahul Saini	Whole Time Director	Re-Designated	September 26, 2024
Ashutosh Tiwari	Managing Director	Re-Designated	September 26, 2024
Anandkumar Sriram Mahto	Executive director	Cessation	September 26, 2024

Other than the above changes, there have been no changes to the Key Managerial Personnel of our company that are not in normal course of employment.

#### **Payment or benefit to officers of our Company**

No non-salary related amount or benefit has been paid or given to any officer of our Company within the two years preceding the date of this Draft Red Herring Prospectus or is intended to be paid or given, other than in the ordinary course of their employment.

## OUR PROMOTER AND PROMOTER GROUP

### Our Promoters:

1. Ashutosh Tiwari
2. Alok Chaudhary
3. Anandkumar Sriram Mahto and
4. Rahul Saini

As on the date of this Draft Red Herring Prospectus, our Promoters hold an aggregate of 38,15,000 Equity Shares of face value of ₹5 each equivalent to 76.30 % of the pre-issued, subscribed and paid-up Equity Share capital of our Company.

For further details on shareholding of our Promoters and Promoter Group, please see the section entitled “Capital Structure” on page 62.

	<p><b>Ashutosh Tiwari</b></p> <p>He is the Promoter and Managing Director of the Company. He has been associated with our Company since incorporation. He has completed his Bachelor’s degree in Electrical and Electronic Engineering from Graphic Era University (Uttarakhand) in 2014 and a Post Graduate Diploma in Thermal Power Plant Engineering from the National Power Training Institute (Faridabad) in 2016.</p> <p>As a leader, he forms the company’s long-term strategy. He is focused to understand the competition and explore growth opportunities.</p> <p>His PAN is <b>ALMPT7496E</b></p>
	<p><b>Alok Chaudhary</b></p> <p>He is the Promoter and Whole Time Director of the Company. He has been associated with our Company since our incorporation. He holds a Bachelor of Technology in Electrical and Electronics Engineering from Gautam Buddha Technical University (Lucknow) in 2011.</p> <p>He builds strong connections within rural networks and developing service partnerships. His expertise is key to driving growth and expanding renewable energy solutions.</p> <p>His PAN is <b>ASAPC2179E</b></p>
	<p><b>Anandkumar Sriram Mahto</b></p> <p>He is the Promoter of the Company and has been associated with our company since August 2021. He holds a Bachelor of Technology in Electrical and Electronics Engineering from Gautam Buddha Technical University (Lucknow), in 2011.</p> <p>With experience in the renewable energy sector, he specializes in delivering energy solutions to rural areas. His expertise lies in building strong local networks and collaborating closely with village leaders to ensure successful implementation and smooth operations of energy projects in underserved communities.</p> <p>His PAN is <b>BPAPM9549E</b></p>

	<p><b>Rahul Saini</b></p> <p>He is the Promoter and Whole Time Director of the Company. He has been associated with our Company since our incorporation. He holds an M. Tech in Environmental Management of Rivers and Lakes from IIT Roorkee in 2017 and a B.Tech in Electrical and Electronics Engineering from Graphic Era University in 2014.</p> <p>He has experience in product development and marketing for energy conservation, leveraging a strong distribution network. His efforts significantly contribute to environmental conservation and rural development.</p> <p>His PAN is <b>JLZPS6803N</b></p>
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### Confirmations/Declarations:

In relation to our Promoters, our Company confirms that the PAN, bank account numbers, passport numbers, Adhaar card number and driving license number shall be submitted to NSE at the time of filing of this Draft Red Herring Prospectus.

### Undertaking/ Confirmations

None of our Promoters or Promoter Group or Group Company or person in control of our Company has been:

- a) Prohibited or debarred from accessing or operating in the capital market or restrained from buying, selling or dealing in securities under any order or direction passed by SEBI or any other authority or
- b) Refused listing of any of the securities issued by such entity by any stock exchange, in India or abroad.
- c) No material regulatory or disciplinary action is taken by any stock exchange or regulatory authority in the past one year in respect of our Promoters, Group Company and Company promoted by the promoters of our company.
- d) There are no defaults in respect of payment of interest and principal to the debenture/ bond/ fixed deposit holders, banks, FIs by our Company, our Promoters, Group Company and Company promoted by the promoters during the past three years.
- e) The litigation record, the nature of litigation, and status of litigation of our Company, Promoters, Group company and Company promoted by the Promoters are disclosed in chapter titled “Outstanding Litigations and Material Developments” beginning on page 185 of this Draft Red Herring Prospectus.
- f) None of our Promoters, person in control of our Company is or have ever been a promoter, director or person in control of any other company which is debarred from accessing the capital markets under any order or direction passed by the SEBI or any other authority.

### Change in the control of our Company

Our Promoters are the original promoters of our Company and there has not been any change in the control of our Company in the three years immediately preceding the date of this Draft Red Herring Prospectus.

### Interest of the Promoters

#### *Interest in the promotion 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, Ashutosh Tiwari, Rahul Saini, Alok Chaudhary and Anandkumar Sriram

Mahto, collectively holds 38,15,000 Equity Shares in our Company i.e. 76.30% 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 for details, please refer chapter titled Restated Financial Information - “Related Party Transactions” beginning on page 141 of this Draft Red Herring Prospectus.

#### **Interest in the property of Our Company**

Our Promoters do not have any 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.

#### **Other Interests in our Company**

For transactions in respect of loans and other monetary transactions entered in past please refer “Related Party Disclosures” forming part of “Restated Financial Statements” on page 141 of this Draft Red Herring Prospectus.

Further, our promoters may be interested to the extent of personal guarantees given by them in favour of the Company, for the details of Personal Guarantee given by Promoters towards Financial facilities of our Company please refer to “*Financial Indebtedness*” and “*Restated Financial Statements*” on page 184 and 141 respectively of this Draft Red Herring Prospectus.

No sum has been paid or agreed to be paid to our Promoters or to a firm or company in cash or shares or otherwise by any person either to induce such person to become, or qualify them as a director or Promoter, or otherwise for services rendered by them or by such firm or company in connection with the promotion or formation of our Company, in respect of a firm or a company in which our Promoters are interested as a member.

For the transactions with our Promoter Group entities please refer to section titled “*Related Party Disclosures*” on chapter titled Financial Statement on page 141 of this Draft Red Herring Prospectus.

Except as stated in chapter titled Restated Financial Information - “*Related Party Transactions*” beginning on page 141 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.

#### **Payment or Benefits to our Promoters and Promoter Group during the last 2 years:**

For details of payments or benefits paid to our Promoters and promoter group, please refer to the paragraph “*Compensation of our Whole-Time Director and Managing Director*” in the chapter titled “*Our Management*” beginning on page 120 also refer “*Related Party Transactions*” forming part of “*Restated Financial Statements*” on page no. 141 and the paragraph titled “*Interest of Promoters*” under the chapter titled “*Our Promoters and Promoter Group*” on page 133 of this Draft Red Herring Prospectus.

#### **Material Guarantees**

Our Promoters have not given any material guarantee to any third party, in respect of the Equity Shares, as of the date of this Draft Red Herring Prospectus.

#### **Companies/Firms with which our Promoters have disassociated in the last (3) three years**

None of our Promoters have disassociated themselves from any company, firms or other entities during the last three years preceding the date of this Draft Red Herring Prospectus.

#### **Other ventures of our Promoters**

Save and except as disclosed chapter titled “*Our Promoters & Promoter Group*” and the chapter titled “*Our Management*”, beginning on page 133 and 120 of this Draft Red Herring Prospectus, there are no ventures promoted by our Promoters in which they have any business interests/ other interests.

**Our Promoter Group:**

In addition to the Promoters named above, the following natural persons are part of our Promoter Group:

**1. 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 Promoters) are as follows:

Name of Promoter	Relationship/ reason for classification as promoter group	Name of the Promoter Group Individual
Ashutosh Tiwari	Father	Suresh Dutt Tiwari
	Mother	Shashi Tiwari
	Brother	Varun Tiwari

Name of Promoter	Relationship/ reason for classification as promoter group	Name of the Promoter Group Individual
Rahul Saini	Father	Om Prakash Saini
	Mother	Sudeshna Devi
	Sister	Rakhi Rani
		Priya Saini
		Amrita Singh
		Rajni Rani

Name of Promoter	Relationship/ reason for classification as promoter group	Name of the Promoter Group Individual
Alok Chaudhary	Father	Ram Sagar Chaudhary
	Mother	Sheela Chaudhary
	Spouse	Anita Chaudhary
	Sister	Pooja Chaudhary
		Neha Chaudhary
	Son	Tanishq Chaudhary
		Aviral Chaudhary
	Spouse Father	Ram Karan Chaudhary
	Spouse Mother	Nirmala Devi Chaudhary
	Spouse Brother	Rajesh Chaudhary
Spouse Sister	Manjeeta Chaudhary	

Name of Promoter	Relationship/ reason for classification as promoter group	Name of the Promoter Group Individual
Anandkumar Sriram Mahto	Mother	Kishlawati Devi
	Spouse	Pinki Devi
	Brother	Abhishek Mahto
	Sister	Shobha Mahto
		Baby Mahto
	Son(s)	Ayu Mahto
	Daughter(s)	Aditi Mahto
	Spouse Father	Deena Nath Prasad
	Spouse Mother	Manju Devi
		Nikki Devi
		Pooja Kumari
Soni Kumari		

**2. 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	Entities
1.	Any Body Corporate in which 20% or more of the share capital is held by the Promoters or an immediate relative of the Promoters or a firm or HUF in which	1. Helium Renewables Energy Private Limited 2. Helium Power and Projects Private Limited

Sr. No.	Nature of Relationship	Entities
	the Promoters or any one or more of his immediate relatives is a member.	
3.	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	N.A.
4.	Any Hindu Undivided Family or firm in which the aggregate share of the promoters and their relatives is equal to or more than twenty per cent. of the total capital;	N.A.

#### Details of entities would form part of our Promoter Group:

Sr. No.	Name of Entity	PAN	Address
1.	Helium Renewables Energy Private Limited	AAGCH9668C	16 Amritpuram New, Azad Nagar Neelsh Guest House, Kidwai Nagar, Kanpur Nagar, Yashoda Nagar, Uttar Pradesh-208011
2.	Helium Power and Projects Private Limited	AAGCH6902H	H.NO 16 Amritpuram, Yashoda Nagar, Kanpur Nagar, Uttar Pradesh- 208011

Other than as disclosed above, our Company has no other companies or entities that form part of our Promoter Group.

#### Shareholding of the Promoter Group in our Company

For details of shareholding of members of our promoter group as on the date of this Draft Red Herring Prospectus please see “Details of shareholding of our Promoters and members of the Promoter Group in our Company” Chapter titled “Capital Structure” on page 62 of this Draft Red Herring Prospectus.

#### Confirmations

The Company hereby confirms that:

- Our Promoters have not been declared as a Wilful Defaulters or Fraudulent Borrower
- Our Promoters and members of the Promoter Group have not been prohibited from accessing or operating in the capital markets under any order or direction passed by SEBI or any other regulatory or governmental authority.
- Our individual Promoter have not been declared as fugitive economic offender under section 12 of the Fugitive Economic Offender Act, 2018.
- Our Promoters are not a promoter, director or person in control of any other company which is prohibited from accessing or operating in the capital markets under any order or direction passed by SEBI or any other regulatory or governmental authority.

#### Related Party Transactions

For details of related party transactions entered into by our Promoters, Promoter Group and our Company during the last financial three years and financial reporting period, the nature of transactions and the cumulative value of transactions, please refer to “*Note-24-Related Party Transactions*” in the chapter titled “*Restated Financial Statements*” on page 141 of this Draft Red Herring Prospectus.

#### Payment or benefits to our Promoters and Promoter Group

Except as stated otherwise under “*Note 24-Related Party Transactions*” in the chapter titled “*Restated Financial Statements*” on page 141 of this Draft Red Herring Prospectus about the related party transactions entered into during the last three (3) financial years and stub period as per AS and in “*Interest of our Promoters*” disclosed in this Chapter, there has been no other payment or benefit to our Promoter or Promoter Group nor is there any intention to pay or give any benefit to our Promoter or Promoter Group as on the date of this Draft Red Herring Prospectus.

### **Disassociation by the Promoters from entities in last three (3) years**

Our Promoters have not disassociated themselves from any company or firm in the three years immediately preceding the date of this Draft Red Herring Prospectus.

### **Change in the management and control of our Company**

There has been no change in management and control of our Company during the last three years immediately preceding the date of filing of this Draft Red Herring Prospectus.

### **Outstanding Litigation**

For details of legal and regulatory proceedings involving our Promoters, please refer chapter titled “*Outstanding Litigation and Material Developments*” beginning on page 185 of this Draft Red Herring Prospectus.

*[Remainder of this page has been left intentionally blank]*

## OUR GROUP COMPANIES

In accordance with the SEBI ICDR Regulations, the term 'group companies' includes (i) such companies (other than promoter(s) and subsidiary(ies) with which there were related party transactions during the period for which financial information is disclosed in this Red Herring Prospectus, as covered under applicable accounting standards, and (ii) any other company, as considered material by our Board.

Subsequently, for (i) above, our Company has considered companies with which there were related party transactions, during the period for which financial information is disclosed in this Draft Red Herring Prospectus, as covered under the applicable accounting standards.

In addition, for the purposes of (ii) above, the Board pursuant to the materiality policy adopted by the Board pursuant to its resolution dated September 26, 2024 has determined that a company (other than the companies covered under the schedule of related party transactions as per the Restated Financial Statements) shall be considered 'material' and will be disclosed as a 'group company' in the offer document and offer documents, if (i) our Company has entered into one or more transactions with such company during the preceding completed Fiscal, which individually or cumulatively in value exceeds 10.00% of the total revenue from operations of our Company for the preceding completed Fiscal as per the Financial Statements or 10.00% of the Net Worth for such financial year.

Accordingly, as based on the parameters outlined above, as on date of this Draft Red Herring Prospectus, our Board has not identified any group companies.

*[Remainder of this page has been left intentionally blank]*

## **DIVIDEND POLICY**

Under the Companies Act, 2013 our Company can pay dividends upon a recommendation by our Board of Directors and approval by a majority of the shareholders at the General Meeting and as per provisions of Articles of Association of our Company. The shareholders of the Company have the right to decrease but not to increase the amount of dividend recommended by the Board of Directors. The dividends may be paid out of profits of our Company in the year in which the dividend is declared or out of the undistributed profits or reserves of previous fiscal years or out of both. The Articles of Association of our Company also gives the discretion to our Board of Directors to declare and pay interim dividends. All Dividends upon recommendation by our Board of Directors and approved by the shareholders at the General Meeting will be paid to credit of registered shareholders by way of cheque or warrant or in any electronic mode.

Our Company does not have any formal dividend policy for 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 will depend on a number of factors, including the results of operations, earnings, capital requirements and surplus, general financial conditions, applicable Indian legal restrictions and other factors considered relevant by our Board of Directors.

Our Company has not paid / declared any dividend in last three years and stub period from date 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.

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## SECTION V: FINANCIAL INFORMATION

### RESTATED FINANCIAL STATEMENTS

#### Independent Auditor's Report on Restated Financial Statements

To,  
**The Board of Directors.**  
**Nutikosh India Limited**  
(Formerly known as "Nutirkosh India Private Limited")  
(41Y5) Vishwa Nath, H No. 16,  
Amrit Puram, Kanpur-208011.

Dear Sirs/Madam,

1. We have examined the accompanying restated financial information of **Nutikosh India Limited ("the Company")**, which comprise the Restated Statement of Assets and Liabilities as at September 30, 2024, March 31, 2024, 2023, and 2022, and the Restated Statement of Profit and Loss Account and the Restated Cash Flow Statement for the six month period ended September 30, 2024 and for the years ended March 31, 2024, 2023, and 2022, the summary statements of significant accounting policies and other explanatory information (collectively known as "restated financial information") as approved by the board of directors at their meeting held on October 25, 2024 for the purpose of inclusion in Draft Red Hearing Prospectus ("DHRP"), prepared by the company in connection with the proposed Initial Public Offering of Equity Shares (IPO) on EMERGE Platform ("IPO" or "EMERGE IPO") of the National Stock Exchange of India Limited ("NSE"), prepared in terms of the requirements of.
  - a. Section 26 of Part - I of Chapter III of Companies Act, 2013 (the "Act") read with Companies (Prospectus and Allotment of Securities) Rules 2014;
  - b. The Securities and Exchange Board of India (Issue of Capital and Disclosure Requirements) Regulations 2018 ("ICDR Regulations") and related amendments / clarifications from time to time issued by the Securities and Exchange Board of India ("SEBI").
  - c. The Guidance Note on Reports in Company Prospectuses (Revised 2019) issued by the Institute of Chartered Accountants of India, as amended from time to time ("the Guidance Note").
2. The Company's Board of Directors is responsible for the preparation of the Restated Financial Information for the purpose of inclusion in the Draft Red-Herring Prospectus/ Red-Herring Prospectus/ Prospectus ("Offer Document") to be filed with Securities and Exchange Board of India ("SEBI"), NSE and Registrar of Companies (Kanpur) in connection with the proposed IPO. The Restated Financial Statements have been prepared by the management of the Company on the basis of preparation stated in Note 1 to the Restated Financial Information. The responsibility of the board of directors of the Company includes designing, implementing and maintaining adequate internal control relevant to the preparation and presentation of the Restated Financial 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.
3. We have examined such Restated Financial Statements taking into consideration:
  - a. The terms of reference and terms of our engagement agreed upon with you in accordance with our engagement letter dated October 1, 2024 in connection with the proposed EMERGE IPO of equity shares of the Issuer;
  - b. 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 Statements;
  - 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.

4. The Restated Financial Statements of the Company have been compiled by the management from
  - a. Audited special purpose interim financial statements for the six months' period ended on September 30, 2024, prepared in accordance with Accounting Standard 25 "Interim Financial Reporting", specified under Section 133 of the Act and other accounting principles generally accepted in India which have been approved by the Board of Directors at their meeting held on October 2, 2024.
  - b. Audited financial statements for the year ended March 31, 2024, 2023, 2022.
5. We have audited the special purpose financial information for the interim period ended September 30, 2024, prepared by the company in accordance with the Accounting Standard for the limited purpose of complying with the requirement of getting its financial statements audited by an audit firm holding a valid peer review certificate issued by the "Peer Review Board" of the ICAI as required by ICDR Regulations in relation to proposed IPO. We have issued our report dated October 25, 2024, on these special purpose financial information to the Board of Directors who have approved these in their meeting held on October 2, 2024. Audit for the financial year ended March 31, 2023, March 31, 2022, March 31, 2021 was conducted by M/s Murmura & Associates (FRN: 0316188E), Chartered accountants vide report dated September 30, 2024, September 30, 2023 and September 30, 2022 respectively.

Audit for the financial year ended March 31, 2024 and March 31, 2023 was conducted by M/s Murmura & Associates (FRN: 0316188E), Chartered accountants vide report dated August 14, 2024 and September 23, 2023 respectively. Audit for the financial year ended March 31, 2022 was conducted by M/s M Kaushik & Co (FRN: 035692N), Chartered accountants vide report dated September 01, 2022.

6. For the purpose of our examination, we have relied on:
  - a. Auditors' reports issued by us dated October 25, 2024 for the six-month period ended September 2024 as referred above; and
  - b. Auditors' Report issued by the Previous Auditors dated August 14, 2024, September 23, 2023 and September 01, 2022 on the financial statements of the Company as at and for the years ended March 31, 2024, 2023 and 2022, as referred above. There are no audit qualifications in the audit reports issued by previous auditors and which would require adjustments in the Restated Financial Statements of the Company. The financial report included for these years is based solely on the report submitted by him.
7. Based on our examination and according to information and explanations given to us, we are of the opinion that the Restated Financial Statements:
  - a. have been prepared after incorporating adjustments for the changes in accounting policies, material errors and regrouping/reclassifications retrospectively in the financial year ended on March 31, 2024, 2023 and 2022.
  - b. do not require any adjustment for modification as there is no modification in the underlying audit reports.
  - c. have no extra-ordinary items that need to be disclosed separately in the accounts and requiring adjustments.
  - d. have been prepared in accordance with the Act, ICDR Regulations and Guidance Note.
8. In accordance with the requirements of the Act including the rules made there under, ICDR Regulations, Guidance Note and engagement letter, we report that:
  - a. The "restated balance sheet" of the Company as at September 30, 2024. March 31, 2024, 2023 and 2022 examined by us, as set out in Annexure to this report read with significant accounting policies, has been arrived at after making such adjustments and regroupings to the audited financial statements of the Company, as in our opinion were appropriate and more fully described in notes to the restated summary statements to this report.
  - b. The "restated statement of profit and loss" of the Company for the period ended September 30, 2024, for financial year ended as at March 31, 2024, 2023 and 2022 examined by us, as set out in Annexure to this report read with significant accounting policies has been arrived at after making such adjustments and

regroupings to the audited financial statements of the Company, as in our opinion were appropriate and more fully described in notes to the restated summary statements to this report.

- c. The “restated statement of cash flows” of the Company for the period ended September 30, 2024, for financial year ended as at March 31, 2024, 2023 and 2022 examined by us, as set out in Annexure to this report read with significant accounting policies has been arrived at after making such adjustments and regroupings to the audited financial statements of the Company, as in our opinion were appropriate and more fully described in notes to the restated summary statements to this report.
9. We have also examined the following other financial information relating to the company prepared by the management and as approved by the board of directors of the company and annexed to this report relating to the company for the period ended as at September 30, 2024 and for financial year ended as at March 31, 2024, 2023 and 2022 proposed to be included in the Offer Document.

**Annexure to Restated Financial Statements of the Company.**

<b>Annexure No.</b>	<b>Particulars</b>
I	Restated Statement of Assets and Liabilities
II	Restated Statement of Profit and Loss
III	Restated Cash Flow Statement
IV	Company Overview
IV 1	Significant Accounting Policies
IV 2	Restated Statement of Share Capital
IV 3	Restated Statement of Reserves and Surplus
IV 4	Restated Statement of Borrowings
IV 5	Restated Statement of Provisions
IV 6	Restated Statement of Trade Payables and Other Liabilities
IV 7	Restated Statement of Property, Plant and Equipment
IV 8	Restated Statement of Deferred Tax Assets/ (Liabilities)
IV 9	Restated Statement of Loan and Advances
IV 10	Restated Statement of Trade Receivable and Other Assets
IV 11	Restated Statement of Inventories
IV 12	Restated Statement of Cash and Cash Equivalents
IV 13	Restated Statement of Revenue from Operations
IV 14	Restated Statement of Other Income
IV 15	Restated Statement of Purchases
IV 16	Restated Statement of Changes In Inventories of Stock- In- Trade
IV 17	Restated Statement of Employee Benefits Expense
IV 18	Restated Statement of Finance Cost
IV 19	Restated Statement of Other Expenses
IV 20	Restated Statement of Depreciation and Amortization
IV 21	Restated Statement of Earnings Per Share (EPS)
IV 22	Restated Statement of SME Status of Company
IV 23	Restated Statement of Retirement and Other Long-Term Employee Benefits
IV 24	Restated Statement of Related Party Disclosures
IV 25	Restated Statement of Financial risk management objectives and policies
IV 26	Restated Statement of Finance Ratios
IV 27	Restated Statement of Segment Reporting
IV 28	Restated Statement of Additional Regulatory Information as required under Revised Schedule III to the Companies Act, 2013.

10. The Restated Financial Information do not reflect the effects of events that occurred subsequent to the respective dates of the reports on the special purpose interim financial statements and audited financial statements mentioned in paragraph [4] above.
11. This report should not in any way be construed as a reissuance or re-dating of any of the previous audit reports issued by us or the Previous Auditors, nor should this report be construed as a new opinion on any of the financial statements referred to herein.

12. We have no responsibility to update our report for events and circumstances occurring after the date of the report.
13. Our report is intended solely for use of the Board of Directors for inclusion in the DRHP/RHP/Prospectus to be filed with Securities and Exchange Board of India, [relevant stock exchanges and Registrar of Companies, Kanpur in connection with the proposed IPO. Our report should not be used, referred to, or distributed for any other purpose except with our prior consent in writing. Accordingly, we do not accept or assume any liability or any duty of care for any other purpose or to any other person to whom this report is shown or into whose hands it may come without our prior consent in writing.

**For P M H & Associates LLP**  
**Chartered Accountants**  
**Firm's Registration No. 026443N/N500054**  
**UDIN: 24517928BKFCEP7101**

**Sd/-**  
**Manas Piyush**  
**Partner**  
**M. No. 517928**

**Place: New Delhi**  
**Date: October 25, 2024**

## Restated Statement of Assets and Liabilities

(₹ in lakhs, unless otherwise stated)

Particulars	As at September 30, 2024	Fiscal		
		March 2024	March 2023	March 2022
<b>Equity and Liabilities</b>				
<b>Shareholders' Funds</b>				
Share Capital	250.00	1.00	1.00	1.00
Reserves and Surplus	215.71	254.54	24.64	(1.30)
	<b>465.71</b>	<b>255.54</b>	<b>25.64</b>	<b>(0.30)</b>
<b>Non-Current Liabilities</b>				
Long Term Borrowings	83.25	-	-	-
Deferred Tax Liability	0.13	0.07	0.07	-
	<b>83.38</b>	<b>0.07</b>	<b>0.07</b>	<b>-</b>
<b>Current Liabilities</b>				
Short-term Borrowings	384.70	356.83	14.62	-
Trade Payables	82.06	186.08	42.36	-
Other Current Liabilities	15.84	12.64	43.11	3.90
Short-Term Provisions	163.84	93.21	8.57	-
	<b>646.44</b>	<b>648.76</b>	<b>108.66</b>	<b>3.90</b>
<b>Total</b>	<b>1,195.53</b>	<b>904.37</b>	<b>134.37</b>	<b>3.60</b>
<b>ASSETS</b>				
<b>Non-Current Assets</b>				
Property, Plant, Equipment and Intangible Asset				
Property, Plant and Equipment	2.93	0.46	0.49	0.52
Intangible Assets	3.29	1.35	1.60	2.06
Deferred Tax Assets	-	-	-	0.36
Long-Term Loans and Advances	6.56	6.46	6.46	-
<b>Total Non-Current Assets</b>	<b>12.78</b>	<b>8.27</b>	<b>8.55</b>	<b>2.94</b>
<b>Current Assets</b>				
Inventories	410.09	438.76	66.86	-
Trade Receivables	549.56	251.02	48.53	-
Cash and Cash Equivalents	215.80	126.19	9.35	0.32
Other Current Assets	7.30	80.13	1.08	0.34
<b>Total Current Assets</b>	<b>1,182.75</b>	<b>896.10</b>	<b>125.82</b>	<b>0.66</b>
<b>Total</b>	<b>1,195.53</b>	<b>904.37</b>	<b>134.37</b>	<b>3.60</b>

**For P M H & Associates**  
Chartered Accountants  
Firm's Registration: 026443N/N500054

Sd/-  
**Manas Piyush**  
Partner  
Membership number: 517928  
UDIN: 24517928BKFCEP7101

Place: New Delhi

**For and on behalf of the Board of Directors of**  
**Nutrikosh India Limited**

Sd/-  
**Ashutosh Tiwari**  
Director  
DIN: 01201271

Sd/-  
**Vandan Sharma**  
Chief Financial Officer  
Place: Kanpur

Sd/-  
**Alok Chaudhary**  
Director  
DIN: 08330872

Sd/-  
**Shikha Sanduja**  
Company Secretary  
Membership No. A60670

## Restated Statement of Profit and Loss

(₹ in lakhs, unless otherwise stated)

Particulars	For the period ended September 30, 2024	Fiscal		
		March, 2024	March, 2023	March 2022
<b>Income</b>				
Revenue from Operations (Gross)	2,509.05	2,843.49	303.36	-
Other Income	3.98	0.30	9.49	-
<b>Total Revenue</b>	<b>2,513.03</b>	<b>2,843.79</b>	<b>312.85</b>	<b>-</b>
<b>Expenditure</b>				
Purchase of Traded Goods	2,113.53	2,833.49	320.23	-
Changes in Inventory	28.67	(371.90)	(66.86)	-
Employee Benefits Expense	43.06	33.06	14.20	-
Finance Cost	21.73	16.35	0.01	-
Other Expenses	24.77	15.11	9.84	1.41
Depreciation and Amortization Expense	0.41	0.49	0.49	0.25
<b>Total</b>	<b>2,232.17</b>	<b>2,526.60</b>	<b>277.91</b>	<b>1.66</b>
<b>Profit/(Loss) before tax (VII-VIII)</b>	<b>280.86</b>	<b>317.19</b>	<b>34.94</b>	<b>(1.66)</b>
Tax Expenses:				
Current Tax	70.63	87.29	8.57	-
Prior Year Tax Adjustments	-	-	-	-
Deferred Tax	0.06	-	0.43	(0.36)
<b>Total Tax Expense</b>	<b>70.69</b>	<b>87.29</b>	<b>9.00</b>	<b>(0.36)</b>
<b>Profit/(Loss) for the Year</b>	<b>210.17</b>	<b>229.90</b>	<b>25.94</b>	<b>(1.30)</b>
<i>Earnings Per Equity Share [Nominal Value of Share ₹ 5 (March 31, 2024: ₹100; March 31, 2023: ₹100; March 31, 2022: ₹100)]</i>				
Basic and Diluted (₹)	4.20	4.60	0.52	(0.03)

**For P M H & Associates**  
Chartered Accountants  
Firm's Registration: 026443N/N500054

Sd/-  
**Manas Piyush**  
Partner  
Membership number: 517928  
UDIN: 24517928BKFCEP7101

Place: New Delhi

**For and on behalf of the Board of Directors of**  
**Nutrikosh India Limited**

Sd/-  
**Ashutosh Tiwari**  
Director  
DIN: 01201271

Sd/-  
**Vandan Sharma**  
Chief Financial Officer  
Place: Kanpur

Sd/-  
**Alok Chaudhary**  
Director  
DIN: 08330872

Sd/-  
**Shikha Sanduja**  
Company Secretary  
Membership No. A60670

## Restated Cash Flow Statement

(₹ in lakhs, unless otherwise stated)

Particulars	Year ended September 30, 2024	Fiscal		
		March 31, 2024	March 31, 2023	March 31, 2022
<b>B. Cash Flow from Operating Activities</b>				
<b>Net Profit Before Taxation</b>	280.86	317.19	34.94	(1.66)
Adjustments for :				
Depreciation	0.41	0.49	0.49	0.25
Finance Cost	21.73	16.35	0.01	-
Interest Received on Investment	(0.02)	(0.07)	-	-
Government Subsidy	-	-	(6.00)	-
(Profit)/Loss on Sale of Fixed Assets	-	-	-	-
<b>Operating Profit Before Working Capital Changes</b>	<b>302.98</b>	<b>333.96</b>	<b>29.44</b>	<b>(1.41)</b>
Movements in Working Capital				
Decrease / (Increase) in Trade Receivables	(298.54)	(202.49)	(48.53)	-
Decrease / (Increase) in Inventories	28.67	(371.90)	(66.86)	-
Decrease / (Increase) in Other Current Assets	72.83	(79.05)	(0.74)	(0.34)
(Decrease) / Increase in Trade Payables	(104.02)	143.72	42.36	-
(Decrease) / Increase in Other Current Liabilities	3.20	(30.47)	39.21	3.90
<b>Cash Generated from Operating Activities</b>	<b>5.12</b>	<b>(206.23)</b>	<b>(5.12)</b>	<b>2.15</b>
Income Tax Paid	-	(2.65)	-	-
<b>Net Cash Flow Generated from Operating Activities (A)</b>	<b>5.12</b>	<b>(208.88)</b>	<b>(5.12)</b>	<b>2.15</b>
<b>B. Cash Flows from Investing Activities</b>				
Payment towards Purchase of Fixed Assets	(4.82)	(0.21)	-	(2.83)
Security Deposit	(0.10)	-	(6.46)	-
Interest Received	0.02	0.07	-	-
<b>Net Cash Flow from Investing Activities (B)</b>	<b>(4.90)</b>	<b>(0.14)</b>	<b>(6.46)</b>	<b>(2.83)</b>
<b>C. Cash Flows from Financing Activities</b>				
Proceeds from Issue of Shares	-	-	-	1.00
Finance cost	(21.73)	(16.35)	(0.01)	-
Government Subsidy Received	-	-	6.00	-
Proceeds from Long-term Borrowings	83.25	-	-	-
Proceeds from Short-term Borrowings	27.87	342.21	14.62	-
<b>Net Cash Flow from Financing Activities (C )</b>	<b>89.39</b>	<b>325.86</b>	<b>20.61</b>	<b>1.00</b>
<b>Net Increase In Cash and Cash Equivalents (A+B+C)</b>	<b>89.61</b>	<b>116.84</b>	<b>9.03</b>	<b>0.32</b>
Cash and Cash Equivalents at the Beginning of the Year	126.19	9.35	0.32	-
<b>Cash and Cash Equivalents at the End of the Year</b>	<b>215.80</b>	<b>126.19</b>	<b>9.35</b>	<b>0.32</b>

**For P M H & Associates**  
Chartered Accountants  
Firm's Registration: 026443N/N500054

Sd/-  
**Manas Piyush**  
Partner  
Membership number: 517928  
UDIN: 24517928BKFCEP7101

Place: New Delhi

**For and on behalf of the Board of Directors of**  
**Nutrikosh India Limited**

Sd/-  
**Ashutosh Tiwari**  
Director  
DIN: 01201271

Sd/-  
**Vandan Sharma**  
Chief Financial Officer  
Place: Kanpur

Sd/-  
**Alok Chaudhary**  
Director  
DIN: 08330872

Sd/-  
**Shikha Sanduja**  
Company Secretary  
Membership No. A60670

## Summary Significant Accounting Policy and Notes to Accounts

### Company Overview

Nutrikosh India Limited (the company) is a Public Company (CIN:U01100UP2021PLC147207) incorporated on 11.06.2021 under the provisions of the Companies Act, 2013 with the Registrar of companies Its registered office is (41Y5) VISHWA NATH, H NO. 16, AMRIT PURAM, Kanpur, KANPUR, Uttar Pradesh, India, 208011. Company is one of the fastest-growing start-ups in the Agri-Tech sector in India, transforming India's Agribusiness sector offering comprehensive end-to-end solutions and services to the farming community.

### Note - 1. Significant accounting policies

#### 1.1. Basis of preparation of financial statements

The financial statements of the company have been prepared under the historical cost convention, in accordance with generally accepted accounting principles in India (Indian GAAP) on an accrual basis. The company has prepared these financial statements to comply in all material respects with the accounting standards notified under the Companies (Accounts) Rules, 2014, and the relevant provisions of the Companies Act, 2013, to the extent applicable and the guidance notes, standards issued by the Institute of Chartered Accountants of India. Accounting policies have been consistently applied except where a newly issued accounting standard is initially adopted or a revision to an existing accounting standard required a change in the accounting policy hitherto in use.

#### 1.2. Use of Estimates

The preparation of financial statements in conformity with Indian GAAP requires the management to make judgments, estimates and assumptions that affect the reported amounts of revenues, expenses, assets and liabilities and the disclosure of contingent liabilities, at the end of the reporting period. Although these estimates are based on the management's best knowledge of current events and actions, uncertainty about these assumptions and estimates could result in the outcomes requiring a material adjustment to the carrying amounts of assets or liabilities in future periods.

#### 1.3. Fixed Assets, Intangible assets and capital work in progress

"Fixed assets are stated at cost less accumulated depreciation and impairment losses if any. Cost comprises the purchase price and directly attributable cost of bringing the asset to its working condition for its intended use. Any trade discounts and rebates are deducted in arriving at the purchase price.

Borrowing costs relating to acquisition of tangible assets which takes substantial period of time to get ready for its intended use are also included to the extent they relate to the period till such assets are ready to be put to use. Assets under installation or under construction as at the Balance Sheet date are shown as Capital Work in Progress.

Intangible assets are recognized when it is probable that the future economic benefits that are attributable to the asset will flow to the enterprise and the cost of the asset can be measured reliably."

#### 1.4. Impairment of Assets

The carrying amounts of assets are reviewed at each balance sheet date if there is any indication of impairment based on internal / external factors. An impairment loss is recognized wherever the carrying amount of an asset exceeds its recoverable amount. The recoverable amount is the greater of the asset's net selling price and value in use. In assessing value in use, the estimated future cash flows are discounted to their present value using a pretax discount rate that reflects current market assessments of the time value of money and risks specific to the asset. Net selling price is the amount obtainable from the sale of an asset in an arm's length transaction between knowledgeable, willing parties, less the costs of disposal. After impairment, depreciation is provided on the revised carrying amount of the asset over its remaining useful life.

## **1.5. Borrowing Costs**

Borrowing costs directly attributable to the acquisition, construction or production of an asset that necessarily takes a substantial period of time to get ready for its intended use or sale are capitalized as part of the cost of the respective asset. All other borrowing costs are expensed in the period they occur. Borrowing costs consist of interest, exchange differences arising from foreign currency borrowings to the extent they are regarded as an adjustment to the interest cost and other costs that an entity incurs in connection with the borrowing of funds.

## **1.6. Depreciation/Amortisation**

"Depreciation on fixed assets is determined based on the estimated useful life of the assets using the straight-line method as prescribed under the schedule II to the Companies Act, 2013. Individual assets costing less than Rs.5000.00 or less are depreciated within a year of acquisition. Depreciation on assets purchased/sold during the period is proportionately charged. Leasehold land is amortized on a straight line basis over the period of lease. Intangible assets, if any, are amortized over their useful life on a straight line method.

Software are amortized over their useful life of 5 years on systematic basis"

## **1.7. Employee benefits**

Short Term benefits are recognized as an expense at the undiscounted amount in the statement of Profit and Loss of the year in which related service is rendered. Retirement benefits in form of gratuity, leave encashment etc. will be accounted for on accrual basis. The company has not incurred any liabilities in this respect till the end of the year. However, there is no liability accrued in this respect as on the end of the financial year.

## **1.8. Government grants**

"Grants and subsidies from the government are recognized when there is reasonable assurance that (i) the company will comply with the conditions attached to them, and (ii) the grant/subsidy will be received.

When the grants or subsidy related to revenue, it is recognized as income on a systematic basis in the statement of profit and loss over the periods necessary to match them with the related costs, which they are intended to compensate. Where the grant relates to an asset, it is recognized as deferred income and released to income in equal amounts over the expected useful life of the related asset.

Government grants of the nature of promoters' contribution are credited to capital reserve and treated as a part of the shareholders' fund."

## **1.9. Investments**

"Investments, which are readily realizable and intended to be held for not more than one year from the date on which such investments are made, are classified as current investments. All other investments are classified as long term investments. Current investments are carried in the financial statements at lower of cost and fair value determined on an individual investment basis. Long term investments are carried at cost. However, provision for diminution in value is made to recognize a decline other than temporary in the value of the investments.

On disposal of an investment, the difference between its carrying amount and net disposal proceeds is charged or credited to the statement of profit and loss."

## **1.10. Inventories**

"All trading goods are valued at lower of cost and net realizable value. Cost of inventories is determined on weighted average cost formula. Scrap is valued at net realizable value.

Net realizable value is the estimated selling price in the ordinary course of business."

### **1.11. Revenue recognition**

"Revenue is recognized to the extent that it is probable that the economic benefits will flow to the company and the revenue can be reliably measured. The following specific recognition criteria must also be met before revenue is recognized:

#### ***Sale of goods***

Revenue from sale of goods is recognized when all the significant risks and rewards of ownership of the goods have been passed to the buyer, usually on delivery of the goods. The company collects taxes and on behalf of the government and, therefore, these are not economic benefits flowing to the company. Hence, they are excluded from the revenue.

#### ***Income from Job work/Services***

Revenue from Job work/ Services is recognized when the contractual obligation is fulfilled and goods/services are delivered to the contractee.

#### ***Interest***

Interest income is recognized on a time proportion basis taking into account the amount outstanding and the applicable rate of interest. Interest income is included under the head "Other Income" in the statement of profit and loss."

### **1.12. Income Taxes**

"Tax expenses comprise current and deferred tax. Current Income tax is measured at the amount expected to be paid to the tax authorities in accordance with the Income Tax Act, 1961. The tax rates and tax laws used to compute the amount are those that are enacted or substantively enacted, at the reporting date.

Deferred Income taxes reflect the impact of timing differences between taxable income and accounting income originating during the current year and reversal of timing differences for the earlier years. Deferred tax is measured using the tax rates and the tax laws enacted or substantively enacted at the reporting date.

Deferred tax liabilities are recognized for all taxable timing differences. Deferred tax assets are recognized for deductible timing differences only to the extent that there is reasonable certainty that sufficient future taxable income will be available against which such deferred tax assets can be realized. In situations where the company has unabsorbed depreciation or carry forward tax losses, all deferred tax assets are recognized only if there is virtual certainty supported by convincing evidences that they can be realized against future taxable profits. Deferred tax assets are reviewed at each reporting date.

Minimum Alternate Tax paid in a year is charged to the statement of profit and loss as current tax. The company recognizes MAT credit available as an asset only to the extent that there is convincing evidence that the company will pay normal income tax during the specified period, i.e., the period for which MAT credit is allowed to be carried forward. In the year in which the company recognizes MAT credit as an asset in accordance with the guidance note on accounting for credit available in respect of minimum alternate tax under the income tax act, 1961, the said asset is created by way of credit to the statement of profit and loss and shown as "MAT Credit Entitlement." The company reviews the "MAT credit entitlement" at each reporting date.

### **1.13. Provisions and contingent liabilities**

The company recognizes a provision when there is a present obligation as a result of a past event that probably requires an outflow of resources and a reliable estimate can be made of the amount of the obligation. A disclosure for a contingent liability is made when there is a present obligation that cannot be estimated reliably or a possible or present obligation that may, but probably will not, require an outflow of resources. Where there is a possible obligation or a present obligation that the likelihood of outflow of resources is remote, no provision or disclosure is made.

#### 1.14. Earnings Per Share

"Earning per share are calculated by dividing the net profit or loss after taxes for the period attributable to equity shareholders by the weighted average number of equity shares outstanding during the period.

For the purpose of calculating, diluted earnings per share, the net profit/ (loss) for the year attributable to equity shareholders and weighted average number of shares outstanding during the year are adjusted for the effects of dilutive potential equity shares."

#### 1.15. Cash Flow Statement

Cash flows are reported using the indirect method, whereby profit / (loss) before extraordinary items and tax is adjusted for the effects of transactions of non-cash nature and any deferrals or accruals of past or future cash receipts or payments. The cash flows from operating, investing and financing activities of the Company are segregated based on the available information.

#### 1.16. Cash and cash equivalent

Cash and cash equivalents for the purposes of cash flow statement comprise cash at bank and in hand and short term deposits with banks with an original maturity of three months or less.

### 2. Share Capital

(Figures in lakhs unless stated otherwise)

Particulars	September 30, 2024	March 31, 2024	March 31, 2023	March 31, 2022
<b>Authorized Shares</b>				
2,00,00,000 Equity Shares of Rs.5 each (March 31, 2024: 15,000 equity shares of Rs.100 each; March 31, 2023: 15,000 equity shares of Rs.100 each; March 31, 2022: 15,000 equity shares of Rs.100 each)	1,000.00	15.00	15.00	15.00
<b>Issued, subscribed and fully paid-up Shares</b>				
50,00,000 Equity Shares of Rs.5 each (March 31, 2024: 1,000 equity shares of Rs.100 each; March 31, 2023: 1,000 equity shares of Rs.100 each; March 31, 2022: 1,000 equity shares of Rs.100 each)	250.00	1.00	1.00	1.00
<b>Total issued, subscribed and fully paid-up share capital</b>	<b>250.00</b>	<b>1.00</b>	<b>1.00</b>	<b>1.00</b>

#### a. Reconciliation of the shares outstanding at the beginning and at the end of the reporting period

##### Equity shares

(Figures in lakhs unless stated otherwise)

Particulars	September 30, 2024		March 31, 2024		March 31, 2023		March 31, 2022	
	No. of shares	Amount	No. of shares	Amount	No. of shares	Amount	No. of shares	Amount
At the beginning of the period	20,000	1.00	1,000	1.00	1,000	1.00	1,000	1.00
Issued during the period	49,80,000	249.00	-	-	-	-	-	-
Outstanding at the end of the period	50,00,000	250.00	1,000	1.00	1,000	1.00	1,000	1.00
On July 15, 2024, the company effected a 20-for-1 share split. 1,000 shares of ₹100 each were split into 20,000 shares of ₹5 each. The share split did not affect the total equity or the retained earnings of the company.								
On September 26, 2024, the company issued bonus shares (249:1) to its existing shareholders.								

## b. Terms/rights attached to equity shares

The Company has only one class of equity shares having a par value of Rs.5 per share. Each holder of equity shares is entitled to one vote per share. The holders of Equity Shares are entitled to receive dividends as declared from time to time. The dividend proposed by the Board of Directors is subject to the approval of the shareholders in the ensuing Annual General Meeting. In the event of liquidation of the company, the holders of equity shares will be entitled to receive remaining assets of the company, after distribution of all preferential amounts. The distribution will be in proportion to the number of equity shares held by the shareholders

## c. Details of shareholders holding more than 5% shares in the company

Particulars	September 30, 2024		March 31, 2024		March 31, 2023		March 31, 2022	
	No. of shares	% holding in the class	No. of shares	% holding in the class	No. of shares	% holding in the class	No. of shares	% holding in the class
<b>Equity Shares (fully paid)</b>								
Alok Chaudhary	920,000	18.40%	184	18.40%	180	18.00%	200	20.00%
Ashutosh Tiwari	10,75,000	21.50%	216	21.60%	180	18.00%	200	20.00%
Rahul Saini	9,05,000	18.10%	181	18.10%	180	18.00%	200	20.00%
Bhupendra Chauhan	-	-	-	-	180	18.00%	200	20.00%
Anand Kumar Sriram Mahto	9,15,000	18.30%	183	18.30%	180	18.00%	200	20.00%
Vikas Pandey	6,80,000	13.60%	136	13.60%	100	10.00%	-	-
Govind Yadav	5,00,000	10.00%	100	10.00%	-	-	-	-

## d. Shares held by promoters at the end of the year

Particulars	September 30, 2024		March 31, 2024		March 31, 2023		March 31, 2022	
	No. of Shares	% of Total Shares	No. of Shares	% of Total Shares	No. of Shares	% of Total Shares	No. of Shares	% of Total Shares
Alok Chaudhary	9,20,000	18.40%	184	18.40%	180	18.00%	200	20.00%
Ashutosh Tiwari	1,07,5000	21.50%	216	21.60%	180	18.00%	200	20.00%
Rahul Saini	9,05,000	18.10%	181	18.10%	180	18.00%	200	20.00%
Anand Kumar Sriram Mahto	9,15,000	18.30%	183	18.30%	180	18.00%	200	20.00%

## 3. Reserves and Surplus

(Figures in lakhs)

Particulars	September 30, 2024	March 31, 2024	March 31, 2023	March 31, 2022
<b>Surplus/(Deficit) in the Statement of Profit and Loss</b>				
Balance as per last financial statements	254.54	24.64	(1.30)	-
Profit for the year	210.17	229.90	25.94	(1.30)
Capitalized for Bonus Issue	(249.00)	-	-	-
Net surplus/(Deficit) in the Statement of Profit and Loss	<b>215.71</b>	<b>254.54</b>	<b>24.64</b>	<b>(1.30)</b>
<b>Total Reserves and Surplus</b>	<b>215.71</b>	<b>254.54</b>	<b>24.64</b>	<b>(1.30)</b>

## 4.1. Long Term Borrowings

(Figures in lakhs)

Particulars	September 30, 2024	March 31, 2024	March 31, 2023	March 31, 2022
<b>Secured / Unsecured</b>				
(a) Secured				
From Clime Finance	60.05	-	-	-
(b) Unsecured				
Bajaj Finance	33.81	-	-	-
SMFG India	35.25	-	-	-
<b>Total Borrowings</b>	<b>129.11</b>	<b>-</b>	<b>-</b>	<b>-</b>

Particulars	September 30, 2024	March 31, 2024	March 31, 2023	March 31, 2022
Current maturities of Long Term Debt	(45.86)	-	-	-
<b>Total</b>	<b>83.25</b>	<b>-</b>	<b>-</b>	<b>-</b>

#### 4.2. Short Term Borrowings

(Figures in lakhs)

Particulars	September 30, 2024	March 31, 2024	March 31, 2023	March 31, 2022
<b>1) Secured / Unsecured</b>				
(a) Secured				
From Clime Finance	-	13.03	-	-
Cash Credits from Bank	299.77	301.23	-	-
(b) Unsecured				
Loans from Related Parties	39.07	39.07	14.62	-
Loans from Shareholders	-	3.50	-	-
<b>2) Current maturity of Long Term Debt</b>	<b>45.86</b>	<b>-</b>	<b>-</b>	<b>-</b>
<b>Total</b>	<b>384.70</b>	<b>356.83</b>	<b>14.62</b>	<b>-</b>

#### Terms of Finance and Security

Particular	Effective Interest Rate	Sanction Limit (In ₹ lakh)	Security Details	Repayment Terms
Cash Credit facility- SBI	9.40% (0.25% above EBLR)	300.00	Hypothecation of Entire Stock, Receivable, Current Assets, movable assets including plant and machinery created out of bank finance. Covered under CGTMSE. Personal Guarantee of Promoters: Alok Chaudhary, Ashutosh Tiwari, Anand kumar Mahato and Rahul Saini.	Repayable on Demand
Secured Loan- Clime Finance	19.78%	82.00	Hypothecation of Movable assets ie. Stock, Trade Receivables and Other Current Assets.	24 months with EMI of Rs.293,779 per month starting from August 16, 2024.
Secured Loan- Clime Finance	19.78%	22.22	Hypothecation of Movable assets ie. Stock, Trade Receivables and Other Current Assets.	12 months with EMI of Rs.202,635 per month starting from November 21, 2023.
Unsecured Loan- Bajaj Finance ltd	18.00%	33.81	Unsecured	60 months with EMI of Rs.85,849 per month starting from September 22, 2024.
Unsecured Loan- SMFG India Credit co ltd	17.50%	35.24	Unsecured	37 months with EMI of Rs.1,26,550 per month starting from September 6, 2024.

## 5. Short Term Provisions

(Figures in lakhs)

Particulars	September 30, 2024	March 31, 2024	March 31, 2023	March 31, 2022
Provision for Income Tax	163.84	93.21	8.57	-
<b>Total</b>	<b>163.84</b>	<b>93.21</b>	<b>8.57</b>	<b>-</b>

## 6. Trade Payables and Other Current Liabilities:

### 6.1.

(Figures in lakhs)

Particulars	September 30, 2024	March 31, 2024	March 31, 2023	March 31, 2022
Trade Payables	82.06	186.08	42.36	-

(Figures in lakhs)

Particulars		Outstanding for following periods from due date of payments					Total
		Less than 6 months	6 months - 1 year	1-2 years	2-3 years	More than 3 years	
(i) MSME	September 30, 2024	-	-	-	-	-	-
	March 31, 2024	-	-	-	-	-	-
	March 31, 2023	-	-	-	-	-	-
	March 31, 2022	-	-	-	-	-	-
(ii) Others	September 30, 2024	55.35	2.54	24.17	-	-	82.06
	March 31, 2024	-	162.99	23.09	-	-	186.08
	March 31, 2023	-	42.36	-	-	-	42.36
	March 31, 2022	-	-	-	-	-	-
(iii) Disputed dues – MSME	September 30, 2024	-	-	-	-	-	-
	March 31, 2024	-	-	-	-	-	-
	March 31, 2023	-	-	-	-	-	-
	March 31, 2022	-	-	-	-	-	-
(iv) Disputed dues – Others	September 30, 2024	-	-	-	-	-	-
	March 31, 2024	-	-	-	-	-	-
	March 31, 2023	-	-	-	-	-	-
	March 31, 2022	-	-	-	-	-	-
<b>Total</b>	September 30, 2024	<b>55.35</b>	<b>2.54</b>	<b>24.17</b>	<b>-</b>	<b>-</b>	<b>82.06</b>
	March 31, 2024	<b>-</b>	<b>162.99</b>	<b>23.09</b>	<b>-</b>	<b>-</b>	<b>186.08</b>
	March 31, 2023	<b>-</b>	<b>42.36</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>42.36</b>
	March 31, 2022	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>

\*The company has yet to determine the MSME status of its vendors. Consequently, it has not furnished the disclosures mandated under the MSME Act, 2006 which pertain to any outstanding amounts payable to MSME vendors and the interest accrued on delayed payments.

### 6.2. Other Liabilities

7. (Figures in lakhs)

Particulars	September 30, 2024	March 31, 2024	March 31, 2023	March 31, 2022
Imprest	0.44	1.20	2.30	3.80
Salary Payable	9.20	5.85	2.04	-
Expense Payable	1.03	1.33	1.03	0.10
Statutory Dues Payable	4.50	-	-	-
Other Payable	0.67	4.26	37.74	-
<b>Total</b>	<b>15.84</b>	<b>12.64</b>	<b>43.11</b>	<b>3.90</b>

7. Restated Statement of Tangible and Intangible Assets as at September 30, 2024

(Figures in lakhs)

Particulars	Gross Block as at April 1, 2024	Additions	Deletions/ Adjustments	Gross Block as at September 30, 2024	Accumulated depreciation/ amortisation as at April 1, 2024	Depreciation/ amortisation for the year	Deletions	Accumulated depreciation/ amortisation as at September 30, 2024	Net block as at September 30, 2024	Net block as at March 31, 2024
<b>Tangible assets</b>										
Plant & Equipment	0.52	0.05	-	0.57	0.06	0.02	-	0.08	0.49	0.46
Furniture & Fixtures	-	2.06	-	2.06	-	0.01	-	0.01	2.05	-
Computer	-	0.40	-	0.40	-	0.01	-	0.01	0.39	-
<b>Total</b>	<b>0.52</b>	<b>2.51</b>	<b>-</b>	<b>3.03</b>	<b>0.06</b>	<b>0.04</b>	<b>-</b>	<b>0.10</b>	<b>2.93</b>	<b>0.46</b>
<b>Previous Year</b>	<b>0.52</b>	<b>-</b>	<b>-</b>	<b>0.52</b>	<b>0.03</b>	<b>0.03</b>	<b>-</b>	<b>0.06</b>	<b>0.46</b>	<b>0.49</b>
<b>Intangible assets</b>										
Computer Software	2.52	2.31	-	4.83	1.17	0.37	-	1.54	3.29	1.35
<b>Total</b>	<b>2.52</b>	<b>2.31</b>	<b>-</b>	<b>4.83</b>	<b>1.17</b>	<b>0.37</b>	<b>-</b>	<b>1.54</b>	<b>3.29</b>	<b>1.35</b>
<b>Previous Year</b>	<b>2.31</b>	<b>0.21</b>	<b>-</b>	<b>2.52</b>	<b>0.71</b>	<b>0.46</b>	<b>-</b>	<b>1.17</b>	<b>1.35</b>	<b>1.60</b>

Restated Statement of Tangible and Intangible Assets as at March 31, 2024

(Figures in lakhs)

Particulars	Gross Block as at April 1, 2023	Additions	Deletions/ Adjustments	Gross Block as at March 31, 2024	Accumulated depreciation/ amortisation as at April 1, 2023	Depreciation/ amortisation for the year	Deletions	Accumulated depreciation/ amortisation as at March 31, 2024	Net block as at March 31, 2024	Net block as at March 31, 2023
<b>Tangible assets</b>										
Plant & Equipment	0.52	-	-	0.52	0.03	0.03	-	0.06	0.46	0.49
<b>Total</b>	<b>0.52</b>	<b>-</b>	<b>-</b>	<b>0.52</b>	<b>0.03</b>	<b>0.03</b>	<b>-</b>	<b>0.06</b>	<b>0.46</b>	<b>0.49</b>
<b>Previous Year</b>	<b>0.52</b>	<b>-</b>	<b>-</b>	<b>0.52</b>	<b>-</b>	<b>0.03</b>	<b>-</b>	<b>0.03</b>	<b>0.49</b>	<b>0.52</b>
<b>Intangible assets</b>										
Computer Software	2.31	0.21	-	2.52	0.71	0.46	-	1.17	1.35	1.60
<b>Total</b>	<b>2.31</b>	<b>0.21</b>	<b>-</b>	<b>2.52</b>	<b>0.71</b>	<b>0.46</b>	<b>-</b>	<b>1.17</b>	<b>1.35</b>	<b>1.60</b>
<b>Previous Year</b>	<b>2.31</b>	<b>-</b>	<b>-</b>	<b>2.31</b>	<b>0.25</b>	<b>0.46</b>	<b>-</b>	<b>0.71</b>	<b>1.60</b>	<b>2.06</b>

Restated Statement of Tangible and Intangible Assets as at March 31, 2023

(Figures in lakhs)

Particulars	Gross Block as at April 1, 2022	Additions	Deletions/ Adjustments	Gross Block as at March 31, 2023	Accumulated depreciation/ amortisation as at April 1, 2023	Depreciation/ amortisation for the year	Deletions	Accumulated depreciation/ amortisation as at March 31, 2023	Net block as at March 31, 2023	Net block as at March 31, 2022
<b>Tangible assets</b>										
Plant & Equipment	0.52	-	-	0.52	-	0.03	-	0.03	0.49	0.52
<b>Total</b>	<b>0.52</b>	<b>-</b>	<b>-</b>	<b>0.52</b>	<b>-</b>	<b>0.03</b>	<b>-</b>	<b>0.03</b>	<b>0.49</b>	<b>0.52</b>
<b>Previous Year</b>	<b>-</b>	<b>0.52</b>	<b>-</b>	<b>0.52</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>0.52</b>	<b>-</b>
<b>Intangible assets</b>										
Computer Software	2.31	-	-	2.31	0.25	0.46	-	0.71	1.60	2.06
<b>Total</b>	<b>2.31</b>	<b>-</b>	<b>-</b>	<b>2.31</b>	<b>0.25</b>	<b>0.46</b>	<b>-</b>	<b>0.71</b>	<b>1.60</b>	<b>2.06</b>
<b>Previous Year</b>	<b>-</b>	<b>2.31</b>	<b>-</b>	<b>2.31</b>	<b>-</b>	<b>0.25</b>	<b>-</b>	<b>0.25</b>	<b>2.06</b>	<b>-</b>

Restated Statement of Tangible and Intangible Assets as at March 31, 2022

(Figures in lakhs)

Particulars	Gross Block as at April 1, 2021	Additions	Deletions/ Adjustments	Gross Block as at March 31, 2022	Accumulated depreciation/ amortisation as at April 1, 2021	Depreciation/ amortisation for the year	Deletions	Accumulated depreciation/ amortisation as at March 31, 2022	Net block as at March 31, 2022	Net block as at March 31, 2021
<b>Tangible assets</b>										
Plant & Equipment	-	0.52	-	0.52	-	-	-	-	0.52	-

<b>Total</b>	-	<b>0.52</b>	-	<b>0.52</b>	-	-	-	-	<b>0.52</b>	-
<b>Intangible assets</b>										
Computer Software	-	2.31	-	2.31	-	0.25	-	0.25	2.06	-
<b>Total</b>	-	<b>2.31</b>	-	<b>2.31</b>	-	<b>0.25</b>	-	<b>0.25</b>	<b>2.06</b>	-

## 8. Deferred Tax Assets/ (Liabilities)

(Figures in lakhs)

Particulars	September 30, 2024	March 31, 2024	March 31, 2023	March 31, 2022
<b>Deferred tax assets</b>				
Fixed assets: Impact of difference between tax depreciation and depreciation/ amortization charged for the financial reporting.	(0.13)	(0.07)	(0.07)	(0.06)
Impact of Brought Forward Losses of Preceding Years	-	-	-	0.42
	<b>(0.13)</b>	<b>(0.07)</b>	<b>(0.07)</b>	<b>0.36</b>
<b>Deferred Tax Liability</b>				
Net Deferred Tax Assets/ (Liabilities)	(0.13)	(0.07)	(0.07)	0.36
Deferred tax charge/(credit)	0.06	-	0.43	(0.36)

## 9. Long Term Loans and Advances

(Figures in lakhs)

Particulars	September 30, 2024	March 31, 2024	March 31, 2023	March 31, 2022
<b>Non-Current</b>				
Security Deposits	6.56	6.46	6.46	-
<b>Total</b>	<b>6.56</b>	<b>6.46</b>	<b>6.46</b>	-

## 10. Trade Receivables and Other Assets

### a. Trade Receivables

(Figures in lakhs)

Particulars	September 30, 2024	March 31, 2024	March 31, 2023	March 31, 2022
Unsecured, considered good				
Outstanding for a period exceeding six months from the date they are due for payment	89.57	62.32	6.17	-
Other receivables	459.99	188.70	42.36	-
	<b>549.56</b>	<b>251.02</b>	<b>48.53</b>	-
Less: Provision for doubtful debts	-	-	-	-
<b>Total</b>	<b>549.56</b>	<b>251.02</b>	<b>48.53</b>	-

(Figures in lakhs)

Particulars		Outstanding for following periods from due date of payments					Total
		Less than 6 months	6 months - 1 year	1-2 years	2-3 years	More than 3 years	
(i) Undisputed Trade receivables – considered good	September 30, 2024	459.99	35.59	53.98	-	-	<b>549.56</b>
	March 31, 2024	188.70	26.03	36.29	-	-	<b>251.02</b>
	March 31, 2023	42.36	6.17	-	-	-	<b>48.53</b>
	March 31, 2022	-	-	-	-	-	-
(ii) Undisputed Trade Receivables – considered doubtful	September 30, 2024	-	-	-	-	-	-
	March 31, 2024	-	-	-	-	-	-
	March 31, 2023	-	-	-	-	-	-
	March 31, 2022	-	-	-	-	-	-
(iii) Disputed Trade Receivables considered good	September 30, 2024	-	-	-	-	-	-
	March 31, 2024	-	-	-	-	-	-
	March 31, 2023	-	-	-	-	-	-

Particulars		Outstanding for following periods from due date of payments					Total
		Less than 6 months	6 months - 1 year	1-2 years	2-3 years	More than 3 years	
	March 31, 2022	-	-	-	-	-	-
(iv) Disputed Trade Receivables considered doubtful	September 30, 2024	-	-	-	-	-	-
	March 31, 2024	-	-	-	-	-	-
	March 31, 2023	-	-	-	-	-	-
	March 31, 2022	-	-	-	-	-	-
	September 30, 2024	459.99	35.59	53.98	-	-	<b>549.56</b>
<b>Total</b>	March 31, 2024	188.70	26.03	36.29	-	-	<b>251.02</b>
	March 31, 2023	42.36	6.17	-	-	-	<b>48.53</b>
	March 31, 2022	-	-	-	-	-	-
	September 30, 2024	-	-	-	-	-	-

#### b. Other Current Assets

(Figures in lakhs)

Particulars	September 30, 2024	March 31, 2024	March 31, 2023	March 31, 2022
Advance to supplier	0.88	79.14	-	-
Statutory receivables	1.44	-	-	-
Other Current Assets	4.98	0.99	1.08	0.34
<b>Total</b>	<b>7.30</b>	<b>80.13</b>	<b>1.08</b>	<b>0.34</b>

#### 11. Inventories

(Figures in lakhs)

Particulars	September 30, 2024	March 31, 2024	March 31, 2023	March 31, 2022
Traded Goods	410.09	438.76	66.86	-
<b>Total</b>	<b>410.09</b>	<b>438.76</b>	<b>66.86</b>	<b>-</b>

#### 12. Cash and Cash Equivalents

(Figures in lakhs)

Particulars	September 30, 2024	March 31, 2024	March 31, 2023	March 31, 2022
<b>(A) Balances with banks:</b>				
On current accounts	203.41	120.72	8.49	0.32
<b>Cash on hand</b>	<b>12.39</b>	<b>5.47</b>	<b>0.61</b>	<b>-</b>
<b>Total (A)</b>	<b>215.80</b>	<b>126.19</b>	<b>9.10</b>	<b>0.32</b>
<b>(B) Other bank balances</b>				
Deposits with original maturity for less than 12 months	-	-	0.25	-
<b>Total (B)</b>	<b>-</b>	<b>-</b>	<b>0.25</b>	<b>-</b>
<b>Total (A+B)</b>	<b>215.80</b>	<b>126.19</b>	<b>9.35</b>	<b>0.32</b>

#### 13. Revenue from Operations

(Figures in lakhs)

Particulars	September 30, 2024	March 31, 2024	March 31, 2023	March 31, 2022
<b>Sale of products</b>				
Sale of traded goods	2,501.42	2,841.49	302.49	-
Discount Received	7.63	2.00	0.87	-
<b>Revenue from operations</b>	<b>2,509.05</b>	<b>2,843.49</b>	<b>303.36</b>	<b>-</b>

#### 14. Other Income

(Figures in lakhs)

Particulars	September 30, 2024	March 31, 2024	March 31, 2023	March 31, 2022
Interest Income from Bank	0.02	0.07	-	-
Government Subsidy	-	-	6.00	-
Amount Written Back	3.96	-	-	-
Misc. Income	-	0.23	3.49	-
<b>Total</b>	<b>3.98</b>	<b>0.30</b>	<b>9.49</b>	<b>-</b>

**15. Purchases***(Figures in lakhs)*

Particulars	September 30, 2024	March 31, 2024	March 31, 2023	March 31, 2022
Purchases of traded goods	2,113.53	2,833.49	320.23	-
<b>Total</b>	<b>2,113.53</b>	<b>2,833.49</b>	<b>320.23</b>	<b>-</b>

**16. Changes in Inventories of Finished Goods, Work- In- Progress and Stock- In- Trade***(Figures in lakhs)*

Particulars	September 30, 2024	March 31, 2024	March 31, 2023	March 31, 2022
Inventory of Finished goods, WIP and Stock-in -Trade at the beginning of the year	(438.76)	(66.86)	-	-
Inventory of Stock-in-Trade at the end of the year	410.09	438.76	66.86	-
<b>Changes in Inventories of Finished goods, Work-In-Progress and Stock-in - Trade</b>	<b>(28.67)</b>	<b>371.90</b>	<b>66.86</b>	<b>-</b>

**17. Employee Benefits Expense***(Figures in lakhs)*

Particulars	September 30, 2024	March 31, 2024	March 31, 2023	March 31, 2022
Salaries, Wages & Staff welfare Expenses	40.75	33.06	14.20	-
Contribution to provident and other fund	2.31	-	-	-
<b>Total</b>	<b>43.06</b>	<b>33.06</b>	<b>14.20</b>	<b>-</b>

**18. Finance Cost***(Figures in lakhs)*

Particulars	September 30, 2024	March 31, 2024	March 31, 2023	March 31, 2022
Interest Expenses	17.50	9.30	-	-
Bank Charges	4.23	7.05	0.01	-
<b>Total</b>	<b>21.73</b>	<b>16.35</b>	<b>0.01</b>	<b>-</b>

**19. Other Expenses***(Figures in lakhs)*

Particulars	September 30, 2024	March 31, 2024	March 31, 2023	March 31, 2022
Brokerage	-	-	4.55	-
Cartage Expenses	-	2.45	-	-
Accounting Charges	-	0.10	0.10	-
Computer Expenses	0.64	3.06	1.08	0.38
Conveyance & Traveling	2.95	2.07	0.18	-
Telephone expenses	(0.13)	0.06	0.04	-
Buisness Promotion	0.75	0.40	0.36	0.48
General Expenses	0.28	1.84	0.59	0.02
Insurance	0.12	0.01	0.74	-
Legal and Professional	8.22	0.18	0.66	0.48
Remuneration to Auditor	0.70	0.57	0.15	0.05
Repairs & Maintenance	0.03	0.91	0.75	-
Printing & Stationery	0.07	0.16	0.15	-
Warehouse charges	-	1.28	-	-
Rent	0.29	0.54	-	-
Website Expense	-	-	0.16	-
Rates & Taxes	10.69	-	-	-
Misc Expenses	0.16	1.48	0.33	-
<b>Total</b>	<b>24.77</b>	<b>15.11</b>	<b>9.84</b>	<b>1.41</b>

## Auditors' remuneration

(Figures in lakhs)

Particulars	September 30, 2024	March 31, 2024	March 31, 2023	March 31, 2022
<b>As auditor:</b>				
Audit fee	0.70	0.57	0.15	0.05
<b>Total</b>	<b>0.70</b>	<b>0.57</b>	<b>0.15</b>	<b>0.05</b>

## 20. Depreciation and Amortization Expense

(Figures in lakhs)

Particulars	September 30, 2024	March 31, 2024	March 31, 2023	March 31, 2022
Depreciation of tangible assets	0.04	0.03	0.03	-
Amortization of intangible assets	0.37	0.46	0.46	0.25
<b>Total</b>	<b>0.41</b>	<b>0.49</b>	<b>0.49</b>	<b>0.25</b>

## 21. Earnings Per Share (EPS)

The following reflects the net profit and equity shares information used in the basic and diluted EPS computations:

### Basic EPS

Particulars	September 30, 2024	March 31, 2024	March 31, 2023	March 31, 2022
Profit/(Loss) after tax (Rs)	210.17	229.90	25.94	(1.30)
Weighted average number of equity shares in Lakhs	50.00	50.00	50.00	50.00
<b>Basic EPS (Rs)</b>	<b>4.20</b>	<b>4.60</b>	<b>0.52</b>	<b>(0.03)</b>

### Diluted EPS

Particulars	September 30, 2024	March 31, 2024	March 31, 2023	March 31, 2022
Profit/(Loss) after tax (Rs)	210.17	229.90	25.94	(1.30)
Weighted average number of equity shares in calculating basic EPS	50.00	50.00	50.00	50.00
<b>Diluted EPS (Rs)</b>	<b>4.20</b>	<b>4.60</b>	<b>0.52</b>	<b>(0.03)</b>

22. The Company is a Small and Medium Sized Company (SMC) as defined in the General Instructions in respect of Accounting Standards notified under the Companies Act, 2013. Accordingly, the Company has complied with the Accounting Standards as applicable to a Small and Medium Sized Company.

## 23. Retirement and Other Long-Term Employee Benefits

The Company has not recognized a provision for long-term employee benefits such as gratuity or other retirement benefits in the current financial statements. As per the applicable statutory provisions, these benefits are typically accrued after an employee completes five continuous years of service. Since the Company has not yet completed five years of operation, and no employees are currently eligible for such benefits, no provision has been made for the same in the current reporting period.

## 24. Related Party Disclosures

### Names of related parties and related party relationship

#### Key management personnel:

- Alok Chaudhary
- Ashutosh Tiwari
- Rahul Saini
- Anand Kumar Sriram Mahto

**Enterprise over which key management personnel or relative of such personnel is able to exercise significant control (AEP):**

- Helium Solar
- Helum Renewable Private Limited

Transactions with related parties are as under:

*(Figures in lakhs)*

Particular	Name of Related Party	Period ended September 30, 2024	Fiscal 2024	Fiscal 2023	Fiscal 2022
Loan Received During the year	Helium Solar	-	3.75	15.90	1.90
	Helium Renewables Energy Private Limited	-	36.50	-	-
	Alok Chaudhary	-	0.60	2.90	-
Loan Repaid During the year	Helium Solar	-	13.50	6.08	-
	Alok Chaudhary	-	2.90	-	-
Closing Balance	Helium Solar	1.97	1.97	11.72	1.90
	Helium Renewables Energy Private Limited	36.50	36.50	-	-
	Alok Chaudhary	0.60	0.60	2.90	-
Remuneration	Rahul Saini	3.00	-	-	-
	Ashutosh Tiwari	3.00	-	-	-

**25. Financial risk management objectives and policies**

The Company's principal financial liabilities comprise borrowings, trade and other payables. The main purpose of these financial liabilities is to finance the Company's operations.

The Company's principal financial assets include trade receivables, security deposit, cash and cash equivalents, and other current assets that derive directly from its operations.

The Company is exposed to market risk, credit risk and liquidity risk. The management oversees the mitigation of these risks. The management is responsible for formulating an appropriate financial risk governance framework for the Company and periodically reviewing the same. The management ensures that financial risks are identified, measured and managed in accordance with the Company's policies and risk objectives. The management reviews and agrees policies for managing each of these risks, which are summarised as below:

**A. Market Risk**

Market risk is the risk that the fair value of future cash flows of a financial instrument will fluctuate because of changes in market prices. Market prices comprise three types of risk: interest rate risk, foreign currency risk and Equity price risk.

**(i) Interest Rate Risk**

Interest rate risk is the risk that the fair value or future cash flows of a financial instrument will fluctuate because of changes in market interest rates. Since the Company has borrowings based on fixed rate and floating rate, therefore Company is exposed to such risk on borrowings with floating rates.

*(Figures in lakhs)*

Sensitivity Analysis of the Interest Rate	September 30, 2024	March 31, 2024	March 31, 2023	March 31, 2022
<b>Impact of the change in Interest rate</b>				
Interest cost for the reporting Period	17.50	9.30	-	-
Impact due to increase/Decrease of 1.00%	1.75	0.93	-	-

## (ii) Foreign Currency Risk

The Indian Rupee is the Company's most significant currency. As a consequence, the Company's results are presented in Indian Rupee and exposures are managed against Indian Rupee accordingly. The company is not exposed to any foreign transaction hence; company does not have any foreign currency risk.

## (iii) Equity Price Risk

The Company does not have investment in shares hence the company is not exposed to such risk.

## B. Credit Risk

The maximum exposure to credit risks is represented by the total carrying amount of these financial assets in the balance sheet.

*(Figures in lakhs)*

Particulars	September 30, 2024	March 31, 2024	March 31, 2023	March 31, 2022
Trade receivables	549.56	251.02	48.53	-
Advance to Suppliers	0.88	79.14	-	-
Other financial assets	4.98	0.99	1.08	0.34

Credit risk is the risk of financial loss to the Company if a customer or counterparty to a financial instrument fails to meet its contractual obligations

Credit risk arises mainly from loans, trade receivables and financial assets. The Company maintains a defined credit policy and monitors the exposures to these credit risks on an on-going basis.

The carrying amount of financial assets represents the maximum credit exposure. The Company monitors credit risk very closely in market. The Management impact analysis shows credit risk and impact assessment as low.

## C. Liquidity Risk

Liquidity risk is the risk that the Company will encounter difficulty in meeting the obligations associated with its financial liabilities that are settled by delivering cash or another financial asset. The Company's approach to managing liquidity is to ensure, as far as possible, that it will have sufficient liquidity to meet its liabilities when they are fallen due, under both normal and stressed conditions, without incurring unacceptable losses or risking damage to the Company's reputation.

The following are the contractual maturities of the financial liabilities, including estimated interest payments as at September 30, 2024:

*(Figures in lakhs)*

Particulars	Carrying Amount	Contractual Flows			
		0-1 Year	1-5 Years	>5 Years	Total
Borrowings*	467.95	403.22	102.36	-	505.57
Trade Payables	82.06	82.06	-	-	82.06
Other Financial Liabilities	15.84	15.84	-	-	15.84

The following are the contractual maturities of the financial liabilities, including estimated interest payments as at March 31, 2023:

*(Figures in lakhs)*

Particulars	Carrying Amount	Contractual Flows			
		0-1 Year	1-5 Years	>5 Years	Total
Borrowings*	14.62	14.62	-	-	14.62
Trade Payables	42.36	42.36	-	-	42.36
Other Financial Liabilities	43.11	43.11	-	-	43.11

The following are the contractual maturities of the financial liabilities, including estimated interest payments as at March 31, 2022:

(Figures in lakhs)

Particulars	Carrying Amount	Contractual Flows			
		0-1 Year	1-5 Years	>5 Years	Total
Borrowings*	-	-	-	-	-
Trade Payables	-	-	-	-	-
Other Financial Liabilities	3.90	3.90	-	-	3.90

\*Cash Credit Facilities from Bank and Loans repayable to Related Parties have been shown as contractual cash flows in "0-1 Year" given their nature of being repayable on demand.

## 26. Details of Dues to Micro and Small Enterprises as Defined Under the MSMED Act, 2006

The Company has made provision for interest dues outstanding to Micro, Small, and Medium Enterprises This information is required to be disclosed under the Micro, Small, And Medium Enterprise Development Act, 2006 has been determined to the extent such parties have been identified based on information available to the company.

## 27. Financial Ratios

Ratio	Numerator	Denominator	September 30, 2024	March 31, 2024	March 31, 2023	March 31, 2022	Reason for Variances
Current ratio	Current Assets	Current Liabilities	1.83	1.38	1.16	0.17	Company was incorporated during FY 2021-22 and its operations have been growing exponentially every consecutive year.
			Variance: 32.46%	Variance 19.28%	Variance 584.22%	-	
Debt-equity ratio	Total Debt	Shareholder's Equity	1.00	1.40	0.57	-	During the FY 2022-23, company overtook short term borrowings from Related parties only.
			Variance:- 28.04%	Variance :144.89 %	Variance : 57.02%		During the FY 2023-24, company took secured loans from Financial Institutions, increasing the Ratio.
Interest service coverage ratio	Earnings available for debt service	Debt Service (Interest Expense)	17.05	35.11	-	-	During the FY 2022-23, company overtook short term borrowings from Related parties only and there was no Interest expense.
			Variance: 1805%	Variance 3510%	Variance : N/a		During the FY 2023-24, company took secured loans from Financial Institutions, resulting in interest expenditure.
Return on equity ratio	Net Profits after taxes – Preference Dividend (if any)	Average Shareholder's Equity	58.28%	163.53%	204.74%	433.33%	During the FY 2022-23, company earned profit which was transferred to reserves & surplus, hence both Shareholder's equity and Net profit were equivalent.
			Variance: - 64.36%	Variance -20.12%	Variance -228.5%	Variance : N/a	During the FY 2023-24, company earned profit which was transferred to reserves & surplus, but the ratio appears less because reserves & surplus also holds previous year's profit.
Inventory turnover ratio	Cost of goods sold	Average Inventory	10.09	9.74	7.58	-	Company's operations have been increasing every consecutive year resulting in better ratio.
			Variance: 3.67%	Variance 28.47%	Variance 757.91%	Variance N/a	
Trade receivables turnover ratio	Total Sales	Average Trade Receivables	12.54	18.99	12.50		Company's operations have been increasing every consecutive year resulting in better ratio.

Ratio	Numerator	Denominator	September 30, 2024	March 31, 2024	March 31, 2023	March 31, 2022	Reason for Variances
			Variance: 33.9%	Variance 51.85%	Variance 1250.1%	Variance N/a	
Trade payables turnover ratio	Total Purchases	Average Trade Payables	15.76	24.81	15.12	-	Company's operations have been increasing every consecutive year resulting in better ratio.
			Variance: -36.45%	Variance : 64.07%	Variance 1511.9%	Variance : N/a	
Net capital turnover ratio	Total Sales	Working Capital	468%	1150%	1768%	-	During the Year 2023-24, Company's working capital has increased significantly due to increase in inventory.
			Variance: -59.30%	Variance -34.96%	Variance 1767%	Variance : N/a	
Net profit ratio	Net Profit	Net Sales	8.36%	8.08%	8.29%	-	
			Variance: 3.45%	Variance : -2.49%	Variance : 8.29%	Variance : N/a	
Return on capital employed	Earning before interest and taxes	Capital Employed	31.95%	53.31%	86.64%	553.33%	During the Year 2023-24, Company's capital employed has increased because of Loan from Financial institutions.
			Variance: -40.06%	Variance -38.46%	Variance -466.6%	Variance N/a	
Net Asset Value per Share	Net Assets	Weighted Average Number of Shares	₹ 9.31	₹ 5.11	₹ 0.51	-₹ 0.01	Company's net profit is increasing every consecutive year .
			Variance: 82.24%	Variance 896.64%	Variance : 51.88%	Variance : N/a	

\*The ratios calculated as at September 30, 2024 are not comparable with the ratios for the year ending March 31, 2024, March 31, 2023 and for the period ending March 31, 2022.

## 28. Segment Reporting

The Company's operations fall into a single business segment and operates mainly in a single geographical segment, hence the financial statement of the enterprise represents segmental reporting.

### Additional Regulatory Information as required under Revised Schedule III to the Companies Act, 2013.

- (i) The Company does not have any Benami property, where any proceeding has been initiated or pending against the Company for holding any Benami property under the Benami Transaction (Prohibition) Act, 1988 and rules made thereunder.
- (ii) The Company does not have any transactions with companies struck off.
- (iii) The Company does not have any charges or satisfaction which is yet to be registered with ROC beyond the statutory period,
- (iv) The Company have not traded or invested in Crypto currency or Virtual Currency during the financial year.
- (v) The Company have not advanced or loaned or invested funds to any other person or entity, including foreign entities (Intermediaries) with the understanding that the Intermediary shall:
  - a) 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
  - b) Provide any guarantee, security or the like to or on behalf of the Ultimate Beneficiaries
- (vi) The Company have not received any fund from any person or entity, including foreign entities (Funding Party) with the understanding (whether recorded in writing or otherwise) that the Company shall:
  - a) 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

- b) Provide any guarantee, security or the like on behalf of the Ultimate Beneficiaries
- (vii) The Company does not have any such transaction which is not recorded in the books of accounts that has been surrendered or disclosed as income during the year in the tax assessments under the Income Tax Act, 1961 (such as, search or survey or any other relevant provisions of the Income Tax Act, 1961).
- (viii) The company is not declared wilful defaulter by any bank or financial Institution (as defined under the Companies Act, 2013) or consortium thereof or other lender in accordance with the guidelines on wilful defaulters issued by the Reserve Bank of India.
- (ix) The company has complied with the number of layers for its holding in downstream companies prescribed under clause (87) of section 2 of the Act, 2013 read with Companies (Restriction on number of Layers) Rules, 2017.
- (x) The Company has made borrowings from banks on the basis of the security of current assets. The Company is not required to submit quarterly returns to the bank.
- (xi) The company has not applied for any Scheme of Arrangements to the Competent Authority in terms of sections 230 to 237 of the Companies Act, 2013 during the year under review.

**For P M H & Associates  
Chartered Accountants  
Firm's Registration: 026443N/N500054**

Sd/-  
**Manas Piyush**  
**Partner**  
**Membership number: 517928**  
**UDIN: 24517928BKFCEP7101**

**Place:** New Delhi

**For and on behalf of the Board of Directors of  
Nutrikosh India Limited**

Sd/-  
**Ashutosh Tiwari**  
**Director**  
**DIN: 01201271**

Sd/-  
**Vandan Sharma**  
**Chief Financial Officer**  
**Place:** Kanpur

Sd/-  
**Alok Chaudhary**  
**Director**  
**DIN: 08330872**

Sd/-  
**Shikha Sanduja**  
**Company Secretary**  
Membership No. A60670

## OTHER FINANCIAL INFORMATION

(Rs in Lakhs)

Particulars	April to September 2024	Fiscal 2024	Fiscal 2023	Fiscal 2022
Earnings Per Equity Share (Basic & Diluted) <sup>1</sup>	4.20	4.60	0.52	(0.03)
Return on Net worth <sup>2</sup>	58.28%	163.53%	204.74%	433.33%
Return on Capital Employed <sup>3</sup>	31.95%	53.31%	86.64%	553.33%
Net Asset Value (NAV) Per Equity Shares <sup>4</sup>	9.31	5.11	0.51	-0.01
EBITDA <sup>5</sup>	303.00	334.03	35.44	(1.41)

**Note:**

1. Basic/Diluted EPS is calculated as profit for the year/period attributable to owners of our Company divided by the weighted average number of Equity Shares outstanding during the year/period and the weighted average number of Equity Shares that could have been issued upon conversion of all dilutive potential Equity Shares.
2. Return on Net Worth is calculated as Profit After tax divided by the Average Net Worth at the end of the respective period.
3. Return on Capital Employed is calculated as EBIT divided by Capital Employed
4. NAV per Equity Share (in Rs.) is computed as net worth at the end of the period/ year / weighted average number of equity shares outstanding at the end of the period/ year.
5. EBITDA (Earnings Before interest, tax, depreciation and amortization) is calculated as profit before exceptional items and tax plus finance cost, depreciation and amortization expenses.

## CAPITALISATION STATEMENT

The following table sets forth our Company's capitalization as at September 30, 2024 on the basis of the Restated Financial Statements, and as adjusted for the Issue. This table should be read in conjunction with "Risk Factors", "Restated Financial Information" and "Management's Discussion and Analysis of Financial Condition and Results of Operations" on pages 23, 141 and 167 respectively.

Statement of Capitalization as on September 30, 2024:

Particulars	Pre Issue	Post Issue
<b>Borrowings</b>		
Short- term	338.84	338.84
Long- term (including current maturities) (A)	129.11	129.11
Total Borrowings (B)	<b>467.95</b>	<b>467.95</b>
<b>Shareholder's fund</b>		
Equity Share capital	250.00	[•]*
Reserve and Surplus, as restated	215.71	[•]*
Total Shareholder's fund (C)	<b>465.71</b>	
<b>Long- term borrowings / equity ratio {(A)/(C)}</b>	<b>0.28</b>	[•]*
<b>Total borrowings / equity ratio {(B)/(C)}</b>	<b>1.005</b>	[•]*

(₹ in lakhs)

*As certified by P M H & Associates LLP, Chartered Accountants, pursuant to their certificate dated November 08, 2024*

\*Note: The corresponding post IPO capitalization data for each of the amounts given in the above table is not determinable at this stage pending the completion of the book building process and hence the same have not been provided in the above statement.

*[Remainder of this page has been left intentionally blank]*

## MANAGEMENT'S DISCUSSION AND ANALYSIS OF FINANCIAL CONDITION AND RESULTS OF OPERATION

The following discussion of our financial condition and results of operations is based on, and should be read in conjunction with, our Restated Financial Statements (including the schedules, notes and significant accounting policies thereto), included in the section titled "Restated Financial Statements" beginning on page 141

Our Restated Financial Statements have been derived from our audited financial statements and restated in accordance with the SEBI ICDR Regulations and the ICAI Guidance Note. Our financial statements are prepared in accordance with Ind AS, notified under the Companies (Indian Accounting Standards) Rules, 2015, and read with Section 133 of the Companies Act, 2013 to the extent applicable. Ind AS differs in certain material respects from IFRS and U.S. GAAP and other accounting principles with which prospective investors may be familiar. Accordingly, the degree to which the financial statements prepared in accordance with Ind AS included in this Draft Red Herring Prospectus will provide meaningful information is entirely dependent on the reader's level of familiarity with Ind AS accounting policies. We have not attempted to quantify the impact of IFRS or U.S. GAAP on the financial information included in this Draft Red Herring Prospectus, nor do we provide a reconciliation of our financial information to IFRS or U.S. GAAP. Any reliance by persons not familiar with Ind AS accounting policies on the financial disclosures presented in this Draft Red Herring Prospectus should accordingly be limited.

Unless otherwise indicated or the context requires otherwise, the financial information for the six months period ended September 30, 2024 and for Fiscals 2024, 2023 and 2022 included herein have been derived from our restated balance sheets as at six months ended September 30, 2024 and of March 31, 2024, March 31, 2023 and March 31, 2022 and restated statements of profit and loss, cash flows and changes in equity for the period ended September 30, 2024 and for the fiscal years ended March 31, 2024, March 31, 2023 and March 31, 2022 of the Company, together with the statement of significant accounting policies, and other explanatory information thereon.

Our fiscal year ends on March 31 of each year, and references to a particular fiscal period are to the 12 months ended March 31 of that year. All references to a year are to that Fiscal Year, unless otherwise noted.

Some of the information contained in this section, including information with respect to our strategies, contain forward-looking statements that involve risks and uncertainties. You should read the section titled "Forward Looking Statements" beginning on page 15 for a discussion of the risks and uncertainties related to those statements and also the section titled "Risk Factors" and "Our Business" beginning on pages 23 and 94 respectively, for a discussion of certain factors that may affect our business, results of operations and financial condition. The actual results of the Company may differ materially from those expressed in or implied by these forward-looking statements.

Unless otherwise stated, references to "the Company", "our Company", "we", "us", "Nkosh", "Nutrikosh", and "our" are to Nutrikosh India Limited.

### BUSINESS OVERVIEW

Nutrikosh India Limited, incorporated on June 11, 2021, in Kanpur, is an agritech company that offers comprehensive "Phygital" (Physical + Digital) tech enabled farmer centric agri-business platform that integrates both physical and digital elements to enhance the efficiency and transparency of agricultural transactions by revolutionizing the agricultural supply chain. This innovative approach allows Nkosh to address the critical needs of farmers, MSMEs, and buyers by offering end-to-end solutions that cover the entire agricultural value chain from pre- harvesting to post-harvesting activities.

We enable farmers, SHGs (Self-Help Groups), and FPOs (Farmer Producer Organizations) to order high-quality agricultural inputs through our app, which delivers directly to their farms. After harvest, our platform helps farmers sell their produce to a network of traders, retailers, and institutional buyers. Operating across 10 states in India, we have 9 Nkosh Krishi Saarthi Kendra Centers. Our Nkosh Farmer App provides services such as crop advisory in Eleven regional languages, consultations with agricultural experts, and features like commodity bidding and farm gate solutions.

We connect farmers and buyers-such as corporates, traders, and FPOs - through our Krishi Saarthi Kendra and the Nkosh App. Our local representatives, called Krishi Saarthi, assist farmers in selling their produce directly

from their farms at competitive prices and ensure timely payments. We also arrange, logistics services to collect and deliver produce to corporate buyers and traders at agreed-upon locations. For all of these services, we charge a small percentage of the transaction value from both the buyer and the seller, which serves as our revenue.

for more details, please refer to “Our Business Chapter” on page number 94

## KEY PERFORMANCE INDICATOR

(₹ in lakhs)

Particulars	April to September 2024 *	Fiscal 2024	Fiscal 2023	Fiscal 2022
Revenue from Operations <sup>1</sup>	2,509.05	2,843.49	303.36	-
Total Revenue <sup>2</sup>	2,513.03	2,843.79	312.85	-
EBITDA	303.00	334.03	35.44	(1.41)
EBIT	302.59	333.54	34.95	(1.66)
EBT	280.86	317.19	34.94	(1.66)
PAT	210.17	229.90	25.94	(1.30)
EBITDA Margin <sup>3</sup>	12.06%	11.75%	11.33%	-
EBIT Margin <sup>4</sup>	12.04%	11.73%	11.17%	-
EBT Margin <sup>5</sup>	11.18%	11.15%	11.17%	-
PAT Margin <sup>6</sup>	8.36%	8.08%	8.29%	-
Debt / Equity <sup>7</sup>	1.00	1.40	0.57	-
RoE <sup>8</sup>	58.28%	163.53%	204.74%	433.33%
RoCE <sup>9</sup>	31.95%	53.31%	86.64%	553.33%

\*Not Annualised

### Explanation for Key Performance Indicators

10.	Revenue from operations refers to revenue from sales of traded products.
11.	Total Revenue refers to Revenue from operations plus Other Income.
12.	EBITDA Margin is an indicator to measure efficiency of generating core profitability of company.
13.	EBIT Margin is an indicator use to measure the efficiency of company to generate operating profits.
14.	EBT Margin used as indicator to calculate profitability before tax as percent of Total Revenue.
15.	PAT Margin used as measure of calculation profit available to shareholders as percent of Total Revenue.
16.	Debt / Equity ratio measures leverage of company, it is also a measure of capital structure that provides relative proportion of Shareholders equity and debt used to finance the assets of company.
17.	RoE measure the ability to gauge how much shareholders are earning on their investments. It exhibits how well the company has utilised the shareholder's money.
18.	RoCE indicates how efficiently capital is being used in the business. It provides the ability of the company to generates the returns against the capital it put to use.

#### Note:

3. EBITDA (Earnings Before Interest, Tax, Depreciation and Amortisation) is calculated as sum of Profit Before Tax, Finance Cost & Depreciation and Amortization
4. EBIT (Earnings Before Interest & Tax) is calculated as EBITDA less Depreciation
5. EBT (Earnings Before Tax) is calculated as EBIT less Finance Cost
6. PAT (Profit After Tax) is calculated as EBT less Tax
7. EBITDA Margin is calculated as EBITDA divided by Total Revenue
8. EBIT Margin is calculated as EBIT divided by Total Revenue
9. EBT Margin is calculated as EBT divided by Total Revenue
10. PAT Margin is calculated as PAT divided by Total Revenue
11. Debt / Equity is calculated as Total Debt (Short Term Borrowing + Long Term Borrowing) divided by Equity (Net Worth)
12. RoE (Return on Equity) is calculated as PAT divided by Average Net worth
13. RoCE (Return on Capital Employed) is calculated as EBIT divided by Capital Employed

## Significant Factors Affecting our Result of Operations

The significant accounting policies applied by the Company in the preparation of its financial statements are listed below. Such accounting policies have been applied consistently to all the periods presented in these financial statements, unless otherwise indicated.

### Basis of preparation of financial statements

The financial statements of the company have been prepared under the historical cost convention, in accordance with generally accepted accounting principles in India (Indian GAAP) on an accrual basis. The company has

prepared these financial statements to comply in all material respects with the accounting standards notified under the Companies (Accounts) Rules, 2014, and the relevant provisions of the Companies Act, 2013, to the extent applicable and the guidance notes, standards issued by the Institute of Chartered Accountants of India. Accounting policies have been consistently applied except where a newly issued accounting standard is initially adopted or a revision to an existing accounting standard required a change in the accounting policy hitherto in use.

### **Use of Estimates**

The preparation of financial statements in conformity with Indian GAAP requires the management to make judgments, estimates and assumptions that affect the reported amounts of revenues, expenses, assets and liabilities and the disclosure of contingent liabilities, at the end of the reporting period. Although these estimates are based on the management's best knowledge of current events and actions, uncertainty about these assumptions and estimates could result in the outcomes requiring a material adjustment to the carrying amounts of assets or liabilities in future periods.

### **Fixed Assets, Intangible assets and capital work in progress**

Fixed assets are stated at cost less accumulated depreciation and impairment losses if any. Cost comprises the purchase price and directly attributable cost of bringing the asset to its working condition for its intended use. Any trade discounts and rebates are deducted in arriving at the purchase price.

Borrowing costs relating to acquisition of tangible assets which takes substantial period of time to get ready for its intended use are also included to the extent they relate to the period till such assets are ready to be put to use. Assets under installation or under construction as at the Balance Sheet date are shown as Capital Work in Progress. Intangible assets are recognized when it is probable that the future economic benefits that are attributable to the asset will flow to the enterprise and the cost of the asset can be measured reliably.

### **Impairment of Assets**

The carrying amounts of assets are reviewed at each balance sheet date if there is any indication of impairment based on internal / external factors. An impairment loss is recognized wherever the carrying amount of an asset exceeds its recoverable amount. The recoverable amount is the greater of the asset's net selling price and value in use. In assessing value in use, the estimated future cash flows are discounted to their present value using a pretax discount rate that reflects current market assessments of the time value of money and risks specific to the asset. Net selling price is the amount obtainable from the sale of an asset in an arm's length transaction between knowledgeable, willing parties, less the costs of disposal. After impairment, depreciation is provided on the revised carrying amount of the asset over its remaining useful life

### **Borrowing Costs**

Borrowing costs directly attributable to the acquisition, construction or production of an asset that necessarily takes a substantial period of time to get ready for its intended use or sale are capitalized as part of the cost of the respective asset. All other borrowing costs are expensed in the period they occur. Borrowing costs consist of interest, exchange differences arising from foreign currency borrowings to the extent they are regarded as an adjustment to the interest cost and other costs that an entity incurs in connection with the borrowing of funds.

### **Depreciation/Amortisation**

Depreciation on fixed assets is determined based on the estimated useful life of the assets using the straight-line method method as prescribed under the schedule II to the Companies Act, 2013. Individual assets costing less than Rs. 5000.00 or less are depreciated within a year of acquisition. Depreciation on assets purchased/sold during the period is proportionately charged. Leasehold land is amortized on a straight line basis over the period of lease. Intangible assets, if any, are amortized over their useful life on a straight line method. Software are amortised over their useful life of 5 years on systematic basis.

### **Government grants**

Grants and subsidies from the government are recognized when there is reasonable assurance that (i) the company will comply with the conditions attached to them, and (ii) the grant/subsidy will be received. When the grants or subsidy related to revenue, it is recognized as income on a systematic basis in the statement of profit and loss over

the periods necessary to match them with the related costs, which they are intended to compensate. Where the grant relates to an asset, it is recognized as deferred income and released to income in equal amounts over the expected useful life of the related asset. Government grants of the nature of promoters' contribution are credited to capital reserve and treated as a part of the shareholders' fund.

### **Investments**

Investments, which are readily realizable and intended to be held for not more than one year from the date on which such investments are made, are classified as current investments. All other investments are classified as long term investments. Current investments are carried in the financial statements at lower of cost and fair value determined on an individual investment basis. Long term investments are carried at cost. However, provision for diminution in value is made to recognize a decline other than temporary in the value of the investments. On disposal of an investment, the difference between its carrying amount and net disposal proceeds is charged or credited to the statement of profit and loss.

### **Inventories**

All trading goods are valued at lower of cost and net realizable value. Cost of inventories is determined on weighted average cost formula. Scrap is valued at net realizable value. Net realizable value is the estimated selling price in the ordinary course of business.

### **Revenue recognition**

Revenue is recognized to the extent that it is probable that the economic benefits will flow to the company and the revenue can be reliably measured. The following specific recognition criteria must also be met before revenue is recognized:

Sale of goods, Revenue from sale of goods is recognized when all the significant risks and rewards of ownership of the goods have been passed to the buyer, usually on delivery of the goods. The company collects taxes and on behalf of the government and, therefore, these are not economic benefits flowing to the company. Hence, they are excluded from the revenue.

#### **Income from Job work/Services**

Revenue from Job work/ Services is recognized when the contractual obligation is fulfilled and goods/services are delivered to the contractee.

### **Interest**

Interest income is recognized on a time proportion basis taking into account the amount outstanding and the applicable rate of interest. Interest income is included under the head "Other Income" in the statement of profit and loss.

### **Income Taxes**

Tax expenses comprise current and deferred tax. Current Income tax is measured at the amount expected to be paid to the tax authorities in accordance with the Income Tax Act, 1961. The tax rates and tax laws used to compute the amount are those that are enacted or substantively enacted, at the reporting date.

Deferred Income taxes reflect the impact of timing differences between taxable income and accounting income originating during the current year and reversal of timing differences for the earlier years. Deferred tax is measured using the tax rates and the tax laws enacted or substantively enacted at the reporting date.

Deferred tax liabilities are recognized for all taxable timing differences. Deferred tax assets are recognized for deductible timing differences only to the extent that there is reasonable certainty that sufficient future taxable income will be available against which such deferred tax assets can be realized. In situations where the company has unabsorbed depreciation or carry forward tax losses, all deferred tax assets are recognized only if there is virtual certainty supported by convincing evidences that they can be realized against future taxable profits. Deferred tax assets are reviewed at each reporting date.

Minimum Alternate Tax paid in a year is charged to the statement of profit and loss as current tax. The company recognizes MAT credit available as an asset only to the extent that there is convincing evidence that the company will pay normal income tax during the specified period, i.e., the period for which MAT credit is allowed to be carried forward. In the year in which the company recognizes MAT credit as an asset in accordance with the guidance note on accounting for credit available in respect of minimum alternate tax under the income tax act, 1961, the said asset is created by way of credit to the statement of profit and loss and shown as “MAT Credit Entitlement.” The company reviews the “MAT credit entitlement” at each reporting date.

## Cash Flow Statement

Cash flows are reported using the indirect method, whereby profit / (loss) before extraordinary items and tax is adjusted for the effects of transactions of non-cash nature and any deferrals or accruals of past or future cash receipts or payments. The cash flows from operating, investing and financing activities of the Company are segregated based on the available information.

## Cash and cash equivalent

Cash and cash equivalents for the purposes of cash flow statement comprise cash at bank and in hand and short term deposits with banks with an original maturity of three months or less.

## Overview of Income/Revenue and Expenditures

### Principal Component of Income and Expenditure:

- Income/Total Revenue**

Total income comprises of (i) Revenue from Operations and (ii) Other Income

- (i) **Revenue from Operations:** Revenue from operation consist of revenue from sale of traded goods and discount received
- (ii) **Other Income:** Other income of our company comprises of Interest Income from Bank, Government Subsidy, Amount Written Back and Misc. Income.

- Expenses**

Total Expenses includes (i) Purchase of traded goods, (ii) Change in inventory, (iii) Employee Benefit Expenses, (iv) Finance cost, (v) Depreciation and Amortization (vi), and Other expenses.

## Total Revenue and its Components:

### Total Revenue / Income

(₹ In Lakhs)

Particulars	April to September 2024	Fiscal 2024	Fiscal 2023	Fiscal 2022*
Revenue from Operation	2,509.05	2,843.49	303.36	-
As % of Total Revenue	99.84%	99.99%	96.97%	-
Other Income	3.98	0.30	9.49	-
As % of Total Revenue	0.16%	0.01%	3.03%	-
<b>Total Revenue</b>	<b>2,513.03</b>	<b>2,843.79</b>	<b>312.85</b>	<b>-</b>

\*The company was incorporated on June 11, 2021. However, no revenue was generated during the fiscal year 2022 as the company was focused on setting up its infrastructure, engaging with farmers to build its business, and completing training under the RKVY RAFTAAR scheme, facilitated by the Ministry of Agriculture and Farmers Welfare in partnership with IIM Kashipur.

Total revenue consists of Revenue from operations and Other Income, our company has reported the Revenue from operations of ₹2,509.05 lakhs for six months' period ended September 2024, ₹2,843.49 lakhs in fiscal 2024 and ₹303.36 lakhs in fiscal 2023. Described as percent of Total revenue, revenue from operations contributed 99.84%, 99.99% and 96.97% of the Total Revenue for six months' period ended September 2024, fiscal 2024 and fiscal 2023 respectively.

Other income for six months' period ended September 2024, fiscal 2024 and fiscal 2023 was ₹3.98 lakhs, ₹0.30 lakhs and ₹9.49 lakhs respectively. Other Income constituted 0.16%, 0.01% and 3.03% of the Total Revenue for six months' period ended September 2024, fiscal 2024 and fiscal 2023 respectively.

The Total Revenue of our company was ₹2,513.03 lakhs, ₹2,843.79 lakhs and ₹312.85 lakhs for six months' period ended September 2024, fiscal 2024 and fiscal 2023 respectively.

**The following is the Income mix of Revenue from Operations in terms of value.**

#### Revenue from Operations

(₹ In Lakhs)

Particulars	April to September 2024	% Change Over Previous Year	Fiscal 2024	% Change Over Previous Year	Fiscal 2023
<b>Revenue from Operation</b>					
Sale of traded goods	2,501.42	-11.97%	2,841.49	839.37%	302.49
<i>As % of Revenue from Operations</i>	99.70%		99.93%		99.71%
Discount Received	7.63	281.50%	2.00	129.89%	0.87
<i>As % of Revenue from Operations</i>	0.30%		0.07%		0.29%
<b>Total Revenue from Operation</b>	<b>2,509.05</b>	<b>-11.76%</b>	<b>2,843.49</b>	<b>837.33%</b>	<b>303.36</b>

#### Other Income and its composition:

##### Other Income

(Rs In Lakhs)

Particulars	April to September 2024	Fiscal 2024	Fiscal 2023
Interest Income from Bank	0.02	0.07	-
<i>As % of Other Income</i>	0.50%	23.33%	0.00%
Government Subsidy	-	-	6.00
<i>As % of Other Income</i>	-	-	63.22%
Amount Written Back	3.96	-	-
<i>As % of Other Income</i>	99.50%	-	-
Misc. Income	-	0.23	3.49
<i>As % of Other Income</i>	-	76.67%	36.78%
<b>Total Other Income</b>	<b>3.98</b>	<b>0.30</b>	<b>9.49</b>

Other income primarily consists of Interest income from banks, Government subsidy, amount written back and miscellaneous income. Our company has reported the Total Other Income of ₹3.98 lakhs, ₹0.30 lakhs and ₹ 9.49 lakhs for the six-month period ended September 2024, fiscal 2024 and fiscal 2023 respectively. Other income as percent of total income was 0.16%, 0.01% and 3.03% for the six-month period ended September 2024, fiscal 2024 and fiscal 2023 respectively.

#### Income:

The Total Revenue of our company was ₹2,513.03 lakhs, ₹2,843.79 lakhs and ₹312.85 lakhs for the six-month period ended September 2024, fiscal 2024 and fiscal 2023 respectively.

Total expenditure was ₹2,232.17 lakhs, ₹2,526.60 lakhs, ₹277.91 lakhs and ₹1.66 lakhs for the six-month period ended September 2024, fiscal 2024, fiscal 2023 and fiscal 2022 respectively. As percent of Total Revenue, the expenditure was 88.82%, 88.85% and 88.83% for the six-month period ended September 2024, fiscal 2024 and fiscal 2023 respectively.

We have generated Profit/(Loss) Before Tax of ₹280.86 lakhs, ₹317.19 lakhs, ₹34.94 lakhs and ₹(1.66) lakhs for the six-month period ended September 2024, fiscal 2024, fiscal 2023 and fiscal 2022 respectively.

Profitability/(Loss) post tax of our company was ₹210.17 lakhs, ₹229.90 lakhs, ₹25.94 lakhs and ₹(1.30) lakhs for the six-month period ended September 2024, fiscal 2024, fiscal 2023 and fiscal 2022 respectively. Profit

margin for the six-month period ended September 2024, fiscal 2024 and fiscal 2023 was 8.36%, 8.08% and 8.29% respectively.

## RESULTS FROM OPERATIONS

### Income Statement

(₹ In Lakhs)

Particulars	April to September 2024	Fiscal 2024	Fiscal 2023	Fiscal 2022*
Revenue from Operation	2,509.05	2,843.49	303.36	-
<i>As % of Total Revenue</i>	99.84%	99.99%	96.97%	-
Other Income	3.98	0.30	9.49	-
<i>As % of Total Revenue</i>	0.16%	0.01%	3.03%	-
<b>Total Revenue</b>	<b>2,513.03</b>	<b>2,843.79</b>	<b>312.85</b>	<b>-</b>
<b>Expenditures</b>				
Purchase of Traded Goods	2,113.53	2,833.49	320.23	-
<i>As % of Total Revenue</i>	84.10%	99.64%	102.36%	-
Changes in Inventory	28.67	(371.90)	(66.86)	-
<i>As % of Total Revenue</i>	1.14%	-13.08%	-21.37%	-
Employee Benefits Expense	43.06	33.06	14.20	-
<i>As % of Total Revenue</i>	1.71%	1.16%	4.54%	-
Finance Cost	21.73	16.35	0.01	-
<i>As % of Total Revenue</i>	0.86%	0.57%	0.00%	-
Other Expenses	24.77	15.11	9.84	1.41
<i>As % of Total Revenue</i>	0.99%	0.53%	3.15%	-
Depreciation and Amortization Expense	0.41	0.49	0.49	0.25
<i>As % of Total Revenue</i>	0.02%	0.02%	0.16%	-
<b>Total Expenditures</b>	<b>2,232.17</b>	<b>2,526.60</b>	<b>277.91</b>	<b>1.66</b>
<i>As % of Total Revenue</i>	88.82%	88.85%	88.83%	-
<b>Profit/(Loss) Before Tax</b>	<b>280.86</b>	<b>317.19</b>	<b>34.94</b>	<b>(1.66)</b>
<i>PBT Margin</i>	11.18%	11.15%	11.17%	-
Tax Expenses:				
Current Tax	70.63	87.29	8.57	-
Prior Year Tax Adjustments	-	-	-	-
Deferred Tax	0.06	-	0.43	(0.36)
<b>Total Tax Expense</b>	<b>70.69</b>	<b>87.29</b>	<b>9.00</b>	<b>(0.36)</b>
<i>As % of Total Revenue</i>	2.81%	3.07%	2.88%	-
<b>Profit/(Loss) After Tax</b>	<b>210.17</b>	<b>229.90</b>	<b>25.94</b>	<b>(1.30)</b>
<i>PAT Margin</i>	8.36%	8.08%	8.29%	-
Basic and diluted EPS	4.20	4.60	0.52	(0.03)

\*The company was incorporated on June 11, 2021. However, no revenue was generated during the fiscal year 2022 as the company was focused on setting up its infrastructure, engaging with farmers to build its business, and completing training under the RKVY RAFTAAR scheme, facilitated by the Ministry of Agriculture and Farmers Welfare in partnership with IIM Kashipur.

### For six-month period ended September 2024

#### Total Income/Revenue

Total income for six-month period ended September 2024 was ₹2,513.03 lakhs which comprised of Revenue from operations of ₹2,509.05 lakhs and other income of ₹3.98 lakhs.

#### Revenue from Operations

Revenue from operations for six-month period ended September 2024 was ₹2,509.05 lakhs that comprised revenue from sale of traded goods Rs 2,501.42 lakhs and discount received of ₹7.63 lakhs. Revenue from sale of traded goods and discount received was 99.70% and 0.30% as percent of Total revenue from operations. Major contribution came from sale of goods to trader of agri product which contributed to ₹1,502.48 lakhs, others were, Manufacturer who shared ₹934.46 lakhs, ₹44.02 lakhs from retailers and ₹19.85 lakhs from FPO.

### ***Total Expenses***

Total Expenses for six-month period ended September 2024 was ₹2,232.17 lakhs. Total expenses as a percent of revenue was 88.82% for the said period. Total expenses of company for the said period comprised of purchase of traded goods of ₹2,113.53 lakhs, Change in inventory of ₹28.67 lakhs, Employee Benefits Expense of Rs 43.06 lakhs, Finance Cost of ₹21.73 lakhs, Other Expenses of ₹24.77 lakhs and Depreciation and Amortization Expense of ₹0.41 lakhs.

### ***Purchase of Traded Goods***

Purchase of traded goods for six-month period ended September 2024 was ₹2,113.53 lakhs. Purchase of traded goods as a percent of total revenue was 84.10% for the said period. Since our company deals in buying and selling of agri products, purchases of traded goods is the major part of total expenditure.

### ***Changes in Inventories***

Change in inventories was reported at ₹28.67 lakhs for six-month period ended September 2024.

### ***Employee Benefit Expenses***

Employee benefit expenses for six-month period ended September 2024 was ₹43.06 lakhs. Major part of the employee expense was Salaries, Wages & Staff welfare Expenses of ₹40.75 lakhs and rest was Contribution to provident and other fund ₹2.31 lakhs. Employee benefit expenses was 1.71% of the Total revenue.

### ***Finance Cost***

Company has incurred ₹21.73 lakhs as finance cost for six-month period ended September 2024. Finance cost comprised of ₹17.50 lakhs towards the interest payment and ₹ 4.23 lakhs of bank charges. As percent of total revenue finance cost was 0.86%.

### ***Depreciation and Amortisation***

Depreciation and amortisation of ₹ 0.41 lakhs were charged during six-month period ended September 2024. As a part of total depreciation, ₹0.04 lakhs was charged as depreciation on tangible assets and Rs 0.37 lakhs for amortisation of intangible assets. Our company has low tangible asset base which consist of plant & equipments, furniture & fixtures and computers which collectively accounted for ₹3.03 lakhs as gross block to the company. However, intangible asset for the six-month period ended September 2024 was ₹4.83 lakhs.

### ***Other Expenses***

Other expenses accounted to ₹24.77 lakhs during six-month period ended September 2024. This is 0.99% as percent of total revenue. Major part of the Other expenses was Computer Expenses of ₹0.64 lakhs, Conveyance & Traveling of ₹2.95 lakhs, Business Promotion of Rs 0.75 lakhs, Legal and Professional charges of ₹ 8.22 lakhs, Remuneration to Auditor of ₹0.70 lakhs and Rates & Taxes of ₹10.69 lakhs. These major expenses collectively accounted for 96.69% of the total Other expenses.

### ***Profit / (loss) Before Tax***

Profit before tax for six-month period ended September 2024 was ₹280.86 lakhs. And PBT margin was 11.18% of the total revenue.

### ***Tax Expenses***

Total tax expenses of Rs 70.69 lakhs were incurred during six-month period ended September 2024. It consists of ₹70.63 lakhs towards current taxes and Rs 0.06 lakhs towards Deferred Tax.

### **Profit / (loss) After Tax**

Profit after tax for the ₹210.17 lakhs were reported during six-month period ended September 2024 with margin of 8.36% as percent of total revenue. Profit margin increased by 0.28% compared to fiscal 2024 due to decline in total expenditure as percent of total income to 88.82% compared to 88.85% in fiscal 2024.

## **Fiscal 2024 Compared to Fiscal 2023**

### **Income Statement**

(₹ In Lakhs)

Particulars	Fiscal 2024	% Change Over Previous Year	Fiscal 2023
Revenue from Operation	2,843.49	837.33%	303.36
<i>As % of Total Revenue</i>	99.99%		96.97%
Other Income	0.30	-96.84%	9.49
<i>As % of Total Revenue</i>	0.01%		3.03%
<b>Total Revenue</b>	<b>2,843.79</b>	<b>808.99%</b>	<b>312.85</b>
<b>Expenditures</b>			
Purchase of Traded Goods	2,833.49	784.83%	320.23
<i>As % of Total Revenue</i>	99.64%		102.36%
Changes in Inventory	(371.90)	456.24%	(66.86)
<i>As % of Total Revenue</i>	-13.08%		-21.37%
Employee Benefits Expense	33.06	132.82%	14.20
<i>As % of Total Revenue</i>	1.16%		4.54%
Finance Cost	16.35	163400.00%	0.01
<i>As % of Total Revenue</i>	0.57%		-
Other Expenses	15.11	53.56%	9.84
<i>As % of Total Revenue</i>	0.53%		3.15%
Depreciation and Amortization Expense	0.49	0.00%	0.49
<i>As % of Total Revenue</i>	0.02%		0.16%
<b>Total Expenditures</b>	<b>2,526.60</b>	<b>809.14%</b>	<b>277.91</b>
<i>As % of Total Revenue</i>	88.85%		88.83%
<b>Profit/(Loss) Before Tax</b>	<b>317.19</b>	<b>807.81%</b>	<b>34.94</b>
<i>PBT Margin</i>	11.15%		11.17%
Tax Expenses:			
Current Tax	87.29	918.55%	8.57
Prior Year Tax Adjustments	-		-
Deferred Tax	-	-100.00%	0.43
<b>Total Tax Expense</b>	<b>87.29</b>	<b>869.89%</b>	<b>9.00</b>
<i>As % of Total Revenue</i>	3.07%		2.88%
<b>Profit/(Loss) After Tax</b>	<b>229.90</b>	<b>786.28%</b>	<b>25.94</b>
<i>PAT Margin</i>	8.08%		8.29%
Basic and diluted EPS	4.60	786.28%	0.52

### **Total Income/Revenue**

Total income for fiscal 2024 was ₹2,843.79 lakhs, which increased by ₹2,530.94 lakhs and by 808.99% compared to total revenue of ₹312.85 lakhs in fiscal 2023. For fiscal 2024 our company was operational for full 12 months were as only for eight months' period in fiscal 2023. Growth in fiscal 2024 looks higher due to lower base of revenue in fiscal 2023 because our company started its operation from August 2022.

### **Revenue from Operations**

Revenue from operations for fiscal 2024 was ₹2,843.49 lakhs which grew by 2,540.13 lakhs and by 837.33% compared to fiscal 2023. Sale of traded goods was ₹2,841.49 lakhs and discounts received was Rs 2 lakhs in fiscal 2024. In fiscal 2024 we have generated the revenue from 9 states in India as compared to 6 states in fiscal 2023.

Uttar Pradesh contributed ₹2,573.56 lakhs or 90.57% of the sales of traded goods. Rise in scale of operations, geographical expansion and low base effect collectively delivered higher growth in revenue.

### ***Total Expenses***

Total Expenses for fiscal 2024 has increased by ₹2,248.69 lakhs and by 809.14% to ₹2,526.60 lakhs compared to ₹277.91 lakhs in fiscal 2023. Total expenses as percent of total revenue was 88.85% during the fiscal 2024. Total expenses of company for the said period comprised of purchase of traded goods of ₹2,833.49 lakhs, Change in inventory of ₹(371.90) lakhs, Employee Benefits Expense of Rs 33.06 lakhs, Finance Cost of ₹16.35 lakhs, Other Expenses of ₹15.11 lakhs and Depreciation and Amortization Expense of ₹0.49 lakhs.

### ***Purchase of Traded Goods***

Purchase of traded goods was ₹2,833.49 lakhs in fiscal 2024, which increased by ₹2,513.26 lakhs and by 784.83% compared to ₹320.23 lakhs in fiscal 2023. As percent of total revenue, Purchase of traded goods contributed 99.64% in fiscal 2024. Since we act as aggregator between buyer and seller, to generate higher revenue we have to incur higher expenses towards the purchase of traded goods accordingly.

### ***Changes in Inventories***

Change in inventories was reported amounting to ₹(371.90) lakhs in fiscal 2024 as compared to ₹(66.86) lakhs in fiscal 2023.

### ***Employee Benefit Expenses***

Employee benefit expenses for fiscal 2024 stood at ₹33.06 lakhs which increased by ₹18.86 lakhs and by 132.82% compared to ₹14.20 lakhs in fiscal 2023. Employee cost increased solely due to increase in Salaries, Wages & Staff welfare Expenses of ₹33.06 lakhs.

### ***Finance Cost***

Company has incurred ₹16.35 lakhs of finance cost for fiscal 2024, which has increased by ₹16.34 lakhs and by 163400.00% during fiscal 2024 compared to ₹0.01 lakhs in fiscal 2023. Increase in short term borrowings was the primary reason for higher interest charges in fiscal 2024. Our short term borrowings have increased from ₹14.62 lakhs in fiscal 2023 to ₹356.83 lakhs in fiscal 2024 due higher requirement of working capital resulted from increase in operations.

### ***Depreciation***

Depreciation for the fiscal 2024 was provided for ₹0.49 lakhs and it was same for the fiscal 2023. Out of the total depreciation, ₹0.03 lakhs were charged as depreciation on tangible assets and ₹0.46 lakhs were charged as Amortization of intangible assets.

### ***Other Expenses***

Sum of ₹15.11 lakhs was incurred towards other expenses by the company for the fiscal 2024. Other expenses have increased by ₹5.27 lakhs and by 53.56% compared to ₹9.84 lakhs in fiscal 2023. Major part of other expenses was Cartage Expenses of ₹2.45 lakhs, Computer Expenses of ₹3.06 lakhs, general expenses of ₹1.84 lakhs, ₹1.28 lakhs towards Warehouse charges, Conveyance & Traveling charges of ₹2.07 lakhs, miscellaneous expenses of ₹1.48 lakhs and repair and maintenance expense of ₹0.91 lakhs which collectively accounted for ₹13.09 lakhs and 86.63% to the total other expenses in fiscal 2024.

### ***Profit / (loss) Before Tax***

Profit before tax for fiscal was reported at ₹317.19 lakhs which increased by ₹282.25 lakhs and by 807.81% compared to ₹34.94 lakhs in fiscal 2023. Profit margins were 11.15% for fiscal 2024. Rise in profitability increased due to higher revenue.

### ***Tax Expenses***

Total tax expenses for ₹87.29 lakhs incurred during fiscal 2024, which solely resulted from current taxes.

### ***Profit / (loss) After Tax***

Profit after tax has gone up by Rs 203.96 lakhs and by 786.28% to Rs 229.90 lakhs compared to Rs 25.94 lakhs in fiscal 2023. Profit margin for fiscal 2024 was 8.08% of the total revenue. . Growth in fiscal 2024 looks higher due to lower base of revenue in fiscal 2023 because our company started its operation from August 2022. Profitability has increased in absolute terms with respect to increase in revenue.

## **Fiscal 2023**

Fiscal 2023 is not comparable with fiscal 2022. Since, we have started the business operations in August 2022 that accounted for only eight month's period of operations in fiscal 2023. There was no operation and revenue during the fiscal 2022.

The company was incorporated on June 11, 2021. However, no revenue was generated during the fiscal year 2022 as the company was focused on setting up its infrastructure, engaging with farmers to build its business, and completing training under the RKVY RAFTAAR scheme, facilitated by the Ministry of Agriculture and Farmers Welfare in partnership with IIM Kashipur. Hence, Fiscal 2023 is not comparable with fiscal 2022.

### ***Total Income/Revenue***

Total income for fiscal 2023 was ₹312.85 lakhs which comprised of revenue from operations of ₹303.36 lakhs and ₹9.49 lakhs from other income. There was no revenue in fiscal 2022.

### ***Revenue from Operations***

Revenue from operations for fiscal 2023 was ₹303.36 lakhs of which revenue from sale of traded goods was Rs 302.49 lakhs and ₹0.87 lakhs of discount received during the year. In fiscal 2023 we have generated revenue from 9 states, where Bihar and Uttar Pradesh contributed ₹103.09 lakhs and ₹97.65 lakhs respectively to Sale of traded goods.

### ***Total Expenses***

Total Expenses for fiscal 2023 was ₹277.91 lakhs. There was only ₹1.41 lakhs of other expenses in fiscal 2023. Total expenses as percent of total revenue was 88.83% in fiscal 2023. Total expenses of company for the said period comprised of purchase of traded goods of Rs 320.23 lakhs, Change in inventory of ₹(66.86) lakhs, Employee Benefits Expense of ₹14.20 lakhs, Finance Cost of ₹0.01 lakhs, Other Expenses of ₹9.84 lakhs and Depreciation and Amortization Expense of ₹0.49 lakhs.

### ***Purchase of Stock in Trade***

Purchase of traded goods were ₹320.23 lakhs during fiscal 2023 which accounted for 102.36% of the total revenue. Since the purchases were done for the first year of operations and sales were lower than purchases, the percentage looks higher.

### ***Changes in Inventories***

Change in inventories was ₹(66.86) lakhs due to closing inventory of same amount as there was no opening inventory carried from fiscal 2022.

### ***Employee Benefit Expenses***

Employee benefit expenses for fiscal 2023 stood at ₹14.20 lakhs which accounted for 4.54% of the total revenue in fiscal 2023.

### **Finance Cost**

Company has incurred ₹0.01 lakhs of finance cost in fiscal 2023. This was only on account of bank charges of Rs 0.01 lakhs.

### **Depreciation**

Depreciation for the fiscal 2023 was provided for ₹0.49 lakhs during the fiscal 2023 which constituted 0.16% of the total income. ₹0.25 lakhs was incurred towards depreciation in fiscal 2022.

### **Other Expenses**

Sum of ₹9.84 lakhs were incurred towards other expenses for fiscal 2023 which was 3.15% of the total revenue. Primary items of other expenses include Brokerage of ₹4.55 lakhs, Computer expenses of ₹1.08 lakhs, General Expenses of ₹0.59 lakhs, Insurance of ₹0.74 lakhs, Legal and Professional charges of ₹0.66 lakhs and Repairs & Maintenance of ₹0.75 lakhs. These expenses collectively accounted for ₹8.37 lakhs and 85.06% of the total expenses. Other expenses for fiscal 2023 was ₹1.41 lakhs.

### **Profit / (loss) Before Tax**

Profit/(loss) before tax was ₹34.94 lakhs with margin of 11.17% . compared to loss of ₹(1.66) lakhs in fiscal 2023.

### **Tax Expenses**

Total tax expenses for ₹9.00 lakhs were accounted in fiscal 2023, of which ₹8.57 lakhs as current taxes and ₹0.43 lakhs towards deferred tax.

### **Profit / (loss) After Tax**

Profit/(loss) after tax was ₹25.94 lakhs with profit margin 8.29% as percent of total revenue as compared to loss of ₹(1.30) lakhs in fiscal 2023.

### **Fiscal 2022**

(₹ In Lakhs)

<b>Particulars</b>	<b>Fiscal 2022</b>
Revenue from Operation	-
<i>As % of Total Revenue</i>	-
Other Income	-
<i>As % of Total Revenue</i>	-
<b>Total Revenue</b>	-
<b>Expenditures</b>	
Purchase of Traded Goods	-
<i>As % of Total Revenue</i>	-
Changes in Inventory	-
<i>As % of Total Revenue</i>	-
Employee Benefits Expense	-
<i>As % of Total Revenue</i>	-
Finance Cost	-
<i>As % of Total Revenue</i>	-
Other Expenses	1.41
<i>As % of Total Revenue</i>	-
Depreciation and Amortization Expense	0.25
<i>As % of Total Revenue</i>	-
<b>Total Expenditures</b>	<b>1.66</b>
<i>As % of Total Revenue</i>	-
<b>Profit/(Loss) Before Tax</b>	<b>(1.66)</b>
<i>PBT Margin</i>	-
Tax Expenses:	

Particulars	Fiscal 2022
Current Tax	-
Prior Year Tax Adjustments	-
Deferred Tax	(0.36)
<b>Total Tax Expense</b>	<b>(0.36)</b>
<i>As % of Total Revenue</i>	-
<b>Profit/(Loss) After Tax</b>	<b>(1.30)</b>
<i>PAT Margin</i>	-
Basic and diluted EPS	(0.03)

*Since there was no business operations and expenses during the fiscal 2022, there was depreciation and other expenses of ₹0.25 lakhs and ₹ 1.41 lakhs respectively.*

#### **Depreciation**

Depreciation for the fiscal 2022 was provided for ₹0.25 lakhs, this was totally from ₹0.25 lakhs towards amortisation of intangible assets.

#### **Other Expenses**

Sum of ₹1.41 lakhs was incurred in fiscal 2022. This included Rs 0.38 lakhs towards computer expenses, ₹0.48 lakhs on business promotion, ₹0.02 lakhs of general expense, Legal and Professional of ₹0.48 lakhs and ₹0.05 lakhs toward Remuneration to Auditor.

#### **Profit / (loss) Before Tax**

In absence of revenue, the total expenses were resulted in loss from operations of ₹(1.66) lakhs.

#### **Tax Expenses**

Total tax expenses of ₹0.36 lakhs incurred towards deferred tax.

#### **Profit / (loss) After Tax**

*Total loss at PAT level is ₹(1.30) lakhs in fiscal 2022*

### **CASH FLOW STATEMENT**

(₹ In Lakhs)

Particulars	April to September 2024	Fiscal 2024	Fiscal 2023	Fiscal 2022
Net Cash Flow Generated from Operating Activities	5.12	(208.88)	(5.12)	2.15
Net Cash Flow from Investing Activities	(4.90)	(0.14)	(6.46)	(2.83)
Net Cash Flow from Financing Activities	89.39	325.86	20.61	1.00
Net Increase In Cash and Cash Equivalents	89.61	116.84	9.03	0.32
Opening Cash and Cash Equivalents	126.19	9.35	0.32	-
Closing Cash and Cash Equivalents	215.80	126.19	9.35	0.32

#### **Net Cash Flow from Operating Activities:**

##### **Six-month period ended September 2024:**

Restated profit before tax (PBT) was Rs 280.86 lakhs and the same was adjusted for depreciation of Rs 0.41 lakhs, finance cost of Rs 21.73 lakhs, interest received on investment of Rs 0.02 lakhs. Operating profit before working capital change was Rs 302.98 lakhs. Net cash flow from operating activities was Rs 5.12 lakhs. Positive cash flows were resulted from higher operating profit before working capital change.

***Fiscal 2024:***

Restated profit before tax (PBT) was Rs 317.19 lakhs and operating profit before working capital change was Rs 333.96 lakhs adjusted for depreciation of Rs 0.49 lakhs, Finance cost of Rs 16.35 lakhs and Interest Received on Investment of Rs 0.07 lakhs. However, net cash generated from operating activities was negative to the extent of Rs (208.88) lakhs, this was primarily due to increase in receivables by Rs (202.49) lakhs, increase in inventory of Rs 371.90 lakhs.

***Fiscal 2023:***

Restated profit before tax was ₹34.94 lakhs and operating profit before working capital change was ₹ 29.44 lakhs adjusted for depreciation of ₹0.49 lakhs, Finance cost of ₹0.01 lakhs and government subsidy of Rs 6.00. However, net cash generated from operating activities was negative to the extent of ₹ (5.12) lakhs, this was primarily on account of rise in trade receivables of ₹ 48.53 lakhs and inventory level has increased by ₹ 66.86 lakhs, current liabilities have not increased so much as compared to current assets which resulted in cash outflow at operating levels.

***Fiscal 2022:***

Restated loss before tax was ₹1.66 lakhs, because of no revenue generated in the fiscal 2022. However, at operating level there was positive cash flows of ₹2.15 lakhs primarily on increase of other current liabilities by ₹ 3.90 lakhs.

**Net Cash Flow from Investing Activities:*****Six-month period ended September 2024:***

Net cash generated from investing activities was ₹(4.90) lakhs. The negative cash flow from investing was mainly due to cash outflow for purchase of fixed assets of ₹4.82 lakhs and security deposits of ₹0.10 lakhs.

***Fiscal 2024:***

Net cash generated from investing activities was ₹(0.14) lakhs, due to purchase of fixed assets (intangible assets) of Rs 0.21 lakhs adjusted for interest received of ₹0.07 lakhs.

***Fiscal 2023:***

Net cash generated from investing activities was ₹(6.46) lakhs primarily on account of payment for security deposit deposits of ₹6.46 lakhs.

***Fiscal 2022:***

Net cash generated from investing activities was ₹(2.83) lakhs on account of fixed asset purchases of ₹2.83 lakhs which includes ₹0.52 lakhs of payment towards Plant & Equipment and ₹2.31 lakhs on accounts of purchase of Computer Software.

**Net Cash Flow from Financing Activities:*****Six-month period ended September 2024:***

Net cash generated from financing activities was ₹89.39 lakhs, during the six months' period ended September 2024, inflows was due to long term borrowings of ₹83.25 lakhs and funds received from short term borrowings of ₹27.87 lakhs and expenses towards finance cost of ₹21.73 lakhs.

***Fiscal 2024:***

Net cash generated from financing activities was ₹325.86 lakhs. Company has increased short term borrowings by net of ₹342.21 lakhs and there was finance cost of ₹16.35 lakhs.

### ***Fiscal 2023:***

Net cash generated from financing activities was ₹20.61 lakhs primarily increased by increase in short term borrowings by 14.62 lakhs, government subsidy received of ₹6.00 lakhs adjusted for finance cost of ₹0.01 lakhs.

### ***Fiscal 2022:***

Net cash generated from financing activities was ₹1.00 lakhs due to issue of shares to the same extent.

## **QUANTITATIVE AND QUALITATIVE DISCLOSURES ABOUT RISKS**

### ***1. Market Risk***

Market risk is the risk that the fair value of future cash flows of a financial instrument will fluctuate because of changes in market prices. Market risk comprise three types of risk: interest rate risk, foreign currency risk and Equity price risk.

#### *Interest Risk*

Interest rate risk is the risk that the fair value or future cash flows of a financial instrument will fluctuate because of changes in market interest rates. Since the Company has borrowings based on fixed rate and floating rate, therefore Company is exposed to such risk on borrowings with floating rates.

(₹ in Lakhs)

Sensitivity Analysis of the Interest Rate	As at September 30, 2024	Fiscal 2024	Fiscal 2023	Fiscal 2022
<b>Impact of the change in Interest rate</b>				
Interest cost for the reporting Period	17.50	9.30	-	-
Impact due to increase/Decrease of 1.00%	1.75	0.93	-	-

#### *Foreign Currency Risk*

The Indian Rupee is the Company's most significant currency. As a consequence, the Company's results are presented in Indian Rupee and exposures are managed against Indian Rupee accordingly. The company is not exposed to any foreign transaction hence, company does not have any foreign currency risk.

#### *Equity Price Risk*

The Company's does not have investment in shares hence the company is not exposed to such risk.

### ***2. Credit Risk***

The maximum exposure to credit risks is represented by the total carrying amount of these financial assets in the balance sheet

(₹ in Lakhs)

Particulars	As at September 30, 2024	Fiscal 2024	Fiscal 2023	Fiscal 2022
Trade receivables	549.56	251.02	48.53	-
Advance to Suppliers	0.88	79.14	-	-
Other financial assets	4.98	0.99	1.08	0.34

Credit risk is the risk of financial loss to the Company if a customer or counterparty to a financial instrument fails to meet its contractual obligations.

Credit risk arises mainly from loans, trade receivables and financial assets. The Company maintains a defined credit policy and monitors the exposures to these credit risks on an on-going basis.

The carrying amount of financial assets represents the maximum credit exposure. The Company monitors credit risk very closely in market. The Management impact analysis shows credit risk and impact assessment as low.

### 3. Liquidity Risk

Liquidity risk is the risk that the Company will encounter difficulty in meeting the obligations associated with its financial liabilities that are settled by delivering cash or another financial asset. The Company's approach to managing liquidity is to ensure, as far as possible, that it will have sufficient liquidity to meet its liabilities when they are fallen due, under both normal and stressed conditions, without incurring unacceptable losses or risking damage to the Company's reputation.

The following are the contractual maturities of the financial liabilities, including estimated interest payments as at September 30, 2024:

*(₹ in Lakhs)*

Particulars	Carrying Amount	Contractual Flows			
		0-1 Year	1-5 Years	>5 Years	Total
Borrowings*	467.95	403.22	102.36	-	505.57
Trade Payables	82.06	82.06	-	-	82.06
Other Financial Liabilities	15.84	15.84	-	-	15.84

The following are the contractual maturities of the financial liabilities, including estimated interest payments as at March 31, 2024:

*(₹ in Lakhs)*

Particulars	Carrying Amount	Contractual Flows			
		0-1 Year	1-5 Years	>5 Years	Total
Borrowings*	356.83	358.01	-	-	358.01
Trade Payables	186.08	186.08	-	-	186.08
Other Financial Liabilities	12.64	12.64	-	-	12.64

The following are the contractual maturities of the financial liabilities, including estimated interest payments as at March 31, 2023:

*(₹ in Lakhs)*

Particulars	Carrying Amount	Contractual Flows			
		0-1 Year	1-5 Years	>5 Years	Total
Borrowings*	14.62	14.62	-	-	14.62
Trade Payables	42.36	42.36	-	-	42.36
Other Financial Liabilities	43.11	43.11	-	-	43.11

The following are the contractual maturities of the financial liabilities, including estimated interest payments as at March 31, 2022:

*(₹ in Lakhs)*

Particulars	Carrying Amount	Contractual Flows			
		0-1 Year	1-5 Years	>5 Years	Total
Borrowings*	-	-	-	-	-
Trade Payables	-	-	-	-	-
Other Financial Liabilities	3.90	3.90	-	-	3.90

\*Cash Credit Facilities from Bank and Loans repayable to Related Parties have been shown as contractual cash flows in "0-1 Year" given their nature of being repayable on demand.

## OTHER MATTERS

### 1. Unusual or infrequent events or transactions.

Except as described in this Draft Red Herring Prospectus, during the periods under review there have been no transactions or events, which in our best judgment, would be considered unusual or infrequent.

**2. Significant economic changes that materially affected or are likely to affect income from continuing operations.**

Other than as described in the section titled “Risk Factors” beginning on page 23 of this Draft Red Herring Prospectus to our knowledge there are no known significant economic changes that materially affected or are 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 revenue or income from continuing operations.**

Other than as described in the section titled “Risk Factors” beginning on page 23 of this Draft Red Herring Prospectus to our knowledge there are no known trends or uncertainties that have or had or are expected to have a material adverse impact on revenues or income of our Company from continuing operations.

**4. Future relationship between Costs and Income.**

Our Company’s future costs and revenues will be determined by economic activity & government policies and consumer preferences.

**5. The extent to which material decreases in net revenue are due to decrease in sale of our products.**

Increase in revenues is by and large linked to increase in volume of business activities carried out by the Company.

**6. Any significant dependence on a single or few clients.**

Our business is significantly dependent on few customers. Top 10 customers contributed 91.29 % of our total sales for the quarter ended September 30, 2024.

**7. Competitive Conditions.**

We face competition from existing and potential competitor. We have, over a period of time, developed certain competitive strengths which have been discussed in section titled “Our Business” on page 94 of this Draft Red Herring Prospectus.

**Significant Developments after September 30, 2024**

Other than as disclosed above and elsewhere in this Red Herring Prospectus, including under “Our Business”, “Our Group Entities” and “Restated financial statement” to our knowledge no circumstances have arisen since the date of the last financial information disclosed in this Draft Red Herring Prospectus which materially and adversely affect or are likely to affect, our trading or profitability, or the value of our assets or our ability to pay our liabilities within the next 12 months.

*[Remainder of this page has been left intentionally blank]*

## FINANCIAL INDEBTEDNESS

Our Company has certain loans sanctioned in the ordinary course of its business for the purposes of meeting working capital requirements and capital expenditure requirements. Our Board is empowered to borrow monies as may be required for the purpose of the business of our Company, in accordance with Section 179 and Section 180 of the Companies Act and our Articles of Association.

The following table sets forth details of the aggregate outstanding borrowings of our Company, on a restated financial statement, as at September 30 2024.

<i>(₹ in Lakhs)</i>							
Category of Borrowings	Sanctioned Amount	Institution Name	Loan Type	Sanction Date	Tenure	ROI	Outstanding amount as at September 30, 2024
<b>Secured Loans</b>							
Working Capital Limits	82.00	Clime Finance	Secured	August 16, 2024	24 Months	19.78 %	56.74
Working Capital Limits	22.22	Clime Finance	Secured	November 21, 2023	24 Months	19.78 %	3.32
Cash Credit	300.00	State Bank of India	Secured	November 24, 2023	Repayable on Demand	9.40 %	299.77
<b>Unsecured Loans</b>							
<i>Fund Based Facilities</i>							
Term Loan	33.81	Bajaj Finance Ltd	Unsecured	September 22, 2024	60 months	18.00 %	33.81
Term Loan	35.24	SMFG India Credit Co Ltd	Unsecured	September 06, 2024	37 months	17.50 %	35.24
<b>Related Parties</b>							
Term Loan	-	-	Unsecured	-	-	-	39.07
<b>Total</b>	<b>473.27</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>467.95</b>

*As certified by P M H & Associates, Chartered Accountants by their certificate dated November 08, 2024*

*[Remainder of this page has been left intentionally blank]*

## SECTION VI – LEGAL AND OTHER INFORMATION

### OUTSTANDING LITIGATIONS AND MATERIAL DEVELOPMENTS

*Except as stated in this section, there are no (i) outstanding criminal proceedings; (ii) actions taken by statutory and/or regulatory authorities; (iii) outstanding claims related to direct or indirect taxes; (iv) other pending litigation as determined to be material by the Board of Directors of the Company as per the Materiality Policy (as defined below) in each case involving the Company, the Promoters and the Directors (“**Relevant Parties**”); or (v) any litigations involving the Group Companies which have a material impact on the business operations, prospects or reputation of the Company.*

*Our Board, in its meeting held on September 26, 2024 determined that any outstanding litigation/arbitration proceedings (other than those covered in points (i) to (iii) above) involving the Relevant Parties and Group Companies will be considered as material (“**Materiality Policy**”) if: (i) the aggregate monetary amount of claim made by or against the entity or person in any such pending litigation exceeds 1% of the profit after tax of the Company as per the latest fiscal covered in the Restated Financial Statements included in the DRHP; (ii) the outcome of such litigation irrespective of any amount involved in such litigation or wherein a monetary liability is not quantifiable, could have a material adverse effect on the financial position, business operations, performance, prospectus or reputation of the Company; or (iii) the decision in such litigation is likely to affect the decision in similar litigations, and the aggregate monetary claim amount in all such litigation/arbitration proceedings is equal to or in excess of the threshold set forth above even though the amount involved in an individual litigation may not exceed the threshold set forth in (I)(a) above and (iv) the Board or any of its committees shall have the power and authority to determine suitable materiality thresholds for the subsequent financial years on the aforesaid basis or any other basis as may be determined by the Board or any of its committees.*

*It is clarified that for the above purposes, pre-litigation notices received by Relevant Parties from third parties (excluding those notices issued by statutory/ regulatory/governmental/tax authorities or notices threatening criminal action), have not been considered as outstanding litigation until such time that the Relevant Parties are not impleaded as a defendant or respondent in the litigation proceedings before any legal/ arbitral forum and until otherwise decided by the Board of Directors of the Company.*

*Except as stated in this section, there are no outstanding material dues to creditors of our Company. For this purpose, our Board has considered and adopted a policy of materiality for identification of material outstanding dues to creditors by way of its resolution dated September 26, 2024. In terms of the materiality policy, creditors of our Company to whom amount due by the Company is equal to or in excess of 20% of trade payables of the Company as per the last audited Restated Financial Statements of our Company disclosed in this Draft Red Herring Prospectus, would be considered as material creditors. Details of outstanding dues to micro, small and medium enterprises and other creditors separately giving details of number of cases and amount involved shall be uploaded and disclosed on the webpage of the Company as required under the SEBI ICDR Regulations.*

*Unless stated to the contrary, the information provided below is as of the date of this Draft Red Herring Prospectus.*

#### **I. LITIGATION INVOLVING OUR COMPANY**

##### **A. LITIGATION FILED AGAINST THE COMPANY**

###### **1. Litigation Involving Criminal Matters**

NIL

###### **2. Litigation Involving Actions by Statutory/Regulatory Authorities**

NIL

###### **3. Litigation/Matters involving Tax Liabilities**

###### **a. Direct Tax Liabilities**

NIL

**b. Indirect Tax Liabilities**

NIL

**4. Other Pending Litigations**

NIL

**B. LITIGATION FILED BY THE COMPANY**

**1. Litigation Involving Criminal Matters**

NIL

**2. Litigation Involving Actions by Statutory/Regulatory Authorities**

NIL

**3. Litigation/Matters involving Tax Liabilities**

**a. Direct Tax Liabilities**

NIL

**b. Indirect Tax Liabilities**

NIL

**4. Other Pending Litigations**

NIL

**II. LITIGATIONS INVOLVING THE PROMOTERS**

**A. LITIGATION FILED AGAINST THE PROMOTERS**

**1. Litigation Involving Criminal Matters**

NIL

**2. Litigation Involving Actions by Statutory/Regulatory Authorities**

NIL

**3. Litigation/Matters involving Tax Liabilities**

**a. Direct Tax Liabilities**

NIL

**b. Indirect Tax Liabilities**

NIL

**4. Other Pending Litigations**

NIL

**B. LITIGATIONS FILED BY THE PROMOTERS**

**1. Litigation Involving Criminal Matters**

NIL

**2. Litigation Involving Actions by Statutory/Regulatory Authorities**

NIL

**3. Litigation/Matters involving Tax Liabilities**

**a. Direct Tax Liabilities**

NIL

**b. Indirect Tax Liabilities**

NIL

**4. Other Pending Litigations**

NIL

**III. LITIGATIONS INVOLVING DIRECTORS**

**A. LITIGATION FILED AGAINST OUR DIRECTORS**

**1. Litigation Involving Criminal Matters**

NIL

**2. Litigation Involving Actions by Statutory/Regulatory Authorities**

NIL

**3. Litigation/Matters involving Tax Liabilities**

**a. Direct Tax Liabilities**

NIL

**b. Indirect Tax Liabilities**

NIL

**4. Other Pending Litigations**

NIL

**B. LITIGATIONS FILED BY THE DIRECTORS**

**1. Litigation Involving Criminal Matters**

NIL

**2. Litigation Involving Actions by Statutory/Regulatory Authorities**

NIL

**3. Litigation/Matters involving Tax Liabilities**

**a. Direct Tax Liabilities**

NIL

**b. Indirect Tax Liabilities**

NIL

4. **Other Pending Litigations**

NIL

**IV. MATERIAL LITIGATIONS INVOLVING OUR GROUP COMPANIES**

NIL

**Disciplinary action against our Company and Promoters by SEBI or any stock exchange in the last five Financial Years**

As on the date of this Draft Red Herring Prospectus, no disciplinary action including penalty imposed by SEBI or stock exchanges has been initiated against Company and our Promoters in the last 5 (five) Financial Years including any outstanding action.

**Details of dues to micro, small and medium enterprises as defined under the Micro, Small and Medium Enterprises Development Act, 2006.**

In accordance with the Materiality Policy, details of outstanding dues (trade payables) owed to MSME (as defined under Section 2 of the Micro, Small and Medium Enterprises Development Act, 2006), material creditors and other creditors, as at September 30, 2024, are set out below:

<b>Types of creditors</b>	<b>Number of creditors</b>	<b>Amount involved (in ₹ lakhs)</b>
Outstanding dues to material creditors	1	46.84
Outstanding dues to micro, small and medium enterprise*	-	-
Outstanding dues to other creditor	37	35.22
<b>Total</b>	<b>38</b>	<b>82.06</b>

**Material developments occurring after last balance sheet date.**

Other than as stated in the section entitled “*Management’s Discussion and Analysis of Financial Condition and Results of Operations*” on page 167, there have not arisen, since the date of the last financial information disclosed in this Draft Red Herring Prospectus, any circumstances which materially and adversely affect, or are likely to affect, our operations, our profitability taken as a whole or the value of our assets or our ability to pay our liabilities within the next 12 months from the date of the filing of the DRHP.

*[Remainder of this page has been left intentionally blank]*

## GOVERNMENT AND OTHER STATUTORY APPROVALS

*The Company can undertake the Issue and the Company can undertake its current business activities, including on the basis of the list of material approvals provided below, and other than as stated below, no further material approvals from any regulatory authority are required to undertake the Issue or continue such business activities. Unless otherwise stated, these material approvals are valid as of the date of this Draft Red Herring Prospectus. The Company has obtained all approvals required for its business and have made applications for the remaining approvals as disclosed in this chapter titled “Government and Other Statutory Approvals” at page 189.*

### I. APPROVALS FOR THE ISSUE

1. The Board of Directors have, by a resolution passed at its meeting held on September 26, 2024 authorized the Issue, subject to the approval of the shareholders and such other authorities as may be necessary.
2. The shareholders of our Company have, by a special resolution passed in the Extra-Ordinary General Meeting held on September 30, 2024 authorized the Issue.
3. In-principle approval dated [●] from the NSE for listing of the Equity Shares issued by our Company pursuant to the Issue.
4. Our Company's International Securities Identification Number (“ISIN”) is NE13U601019.
5. The Company has entered into an agreement dated September 13, 2024 with the Central Depository Services (India) Limited (“CDSL”) and the Registrar and Transfer Agent, who in this case is Linkintime India Private Limited for the dematerialization of its Equity Shares.
6. The Company has entered into an agreement dated September 3, 2024 with the National Securities Depository Limited (“CDSL”) and the Registrar and Transfer Agent, who in this case is Linkintime India Private Limited for the dematerialization of its Equity Shares.

### II. INCORPORATION RELATED APPROVALS

#### A. Approvals obtained by the Company

1. Certificate of Incorporation dated June 11, 2021 issued by the Registrar of Companies, Central Registration Centre in the name of “Nutrikosh India Private Limited”.
2. A fresh Certificate of Incorporation consequent upon change of name from “Nutrikosh India Private Limited” to “Nutrikosh India Limited” was issued on September 19, 2024 by the Registrar of Companies, Central Processing Centre
3. The CIN of the Company is U01100UP2021PLC147207.

### III. BUSINESS RELATED APPROVALS

#### A. Approvals obtained by the Company

1. Registration Certificate bearing no. 22722656000621 issued by the Government of Uttar Pradesh Department of Food Safety and Drug Administration, Food Safety and Standards Authority of India for conducting business as a food business operator – retailer. The said registration certificate is valid until January 26, 2029.
2. Udyam Registration Certificate bearing no. UDYAM-UP-43-0014510 dated July 04, 2021 issued by Ministry of Micro, Small and Medium Enterprises, Government of India.
3. License No. DAO/KNP/1983 dated May 25, 2024 issued to the Company to carry on its business by the Office of the District Agriculture Officer, Kanpur Nagar (Department of Agriculture, U.P.). The license is valid up to May 24, 2029.
4. The Company has obtained Mandi License No. 144 from the Government of Madhya Pradesh.

5. License No. PPO/KNP/466 dated May 18, 2024 issued in the name of Prashant Pathak, an employee of the Company, to stock or exhibit for sale or distribute insecticides, issued by Office of the Plant Protection Officer, Kanpur Nagar (Department of Agriculture U.P). The license is valid up to May 17, 2026

**Details of Insecticides:**

Sr. No.	Particulars of Insecticides	Registration No.	Date of grant of license
1.	166 insecticides as per enclosed Principal Certificate of M/s Heranba Industries Ltd. 101/102 Kanchanganga6 Factory Lane, Borivali West, Mumbai - 400092	74	May 18, 2024
2.	47 insecticides as per enclosed Principal certificate of M/s Shivshakti Biotechnologies Ltd. 170/A Anantharam (V) Jinnaram, Sanga Ready, Telangana	05	May 18, 2024
3.	78 insecticides as per enclosed Principal Certificate of M/s – Plantix Crop Care, Shed No. 1, Mahadev Indsl. Area, Kothariya, Rajkot, Gujrat - 360022	56	May 18, 2024

6. License No. U/2023/247/33628709 dated July 01, 2024 issued to the Company for Trading of Specified Agriculture Product (Integrated) under Section 9 of the Uttar Pradesh Krishi Utpadan Mandi Adhiniyam, 1964 by the Agricultural Produce Market Committee Uttaripura, District Kanpur Nagar. The license is valid up to June 30, 2025.
7. License No. DAO/KNP/1896 dated January 19, 2024 issued to the Company for license to sell, export, import and storage of seeds under the Seeds (Control) Order, 1983 by the District Agriculture Officer, Kanpur Nagar. The license is valid up to January 16, 2029.

**IV. TAX RELATED APPROVALS**

**A. Approvals obtained by the Company**

- The Company has been allotted Tax Deduction and Collection Account Number (TAN) bearing no. KNPN02301F.
- The Company has been allotted Permanent Account Number (PAN) bearing no AAHCN6405A.
- Certificate of Importer-Exporter Code (IEC) bearing no. AAHCN6405A dated December 25, 2023 issued to the Company by the Office of the Joint Director General of Foreign Trade, Kanpur.
- The following are the GST Registrations obtained by our Company:

S. No.	Description	Registration/ Approval/ Certificate Number	Issuing Authority	Date of Issue	Date of Expiry
<b>Madhya Pradesh</b>					
1.	Certificate of registration issued under the provisions of Central Goods and Services Tax Act, 2017 to the Company having place of business at 1 <sup>st</sup> Floor, Flat No. 94, Limbodi, Indore Khandwa Road, Indore- 452001, Madhya Pradesh, India	23AAHCN6405A1Z1	Government of India	April 08, 2024	Valid until Cancelled
<b>Uttar Pradesh</b>					
2.	Certificate of registration issued under the provisions of Central Goods and Services Tax Act, 2017 to the Company having place of business at 4, H. No. 16, Amritpuram	09AAHCN6405A1ZR	Government of India	June 22, 2021	Valid until Cancelled

S. No.	Description	Registration/ Approval/ Certificate Number	Issuing Authority	Date of Issue	Date of Expiry
	Kidwai Nagar, Kanpur Nagar-208013, Uttar Pradesh, India				

\* All above-mentioned approvals are in the earlier name of the Company i.e. Nutrikosh India Private Limited.

## V. LABOUR RELATED APPROVALS

### A. Approvals obtained by the Company

#### i. Registration under various Shops and Establishments related legislations

Sr. No.	Description	Registration/ Approval/ Certificate Number	Issuing Authority	Date of Issue	Date of Expiry
1.	Registration Certificate of Shop and Commercial Establishment issued under the Uttar Pradesh Shops and Commercial Establishment Act, 1962) in respect of premises of the Company at Ram Puram, H. No. 16, Amritpuram Kidwai Nagar, Kanpur Nagar- 208013, Uttar Pradesh, India*	UPSA35739762	Chief Inspector of Shops and Commercial Establishment, Uttar Pradesh	October 24, 2024	Valid till the date the shop/ commercial establishment exists

\* All above-mentioned approvals are in the earlier name of the Company i.e. Nutrikosh India Private Limited.

#### ii. Registration under Employees State Insurance Act, 1948

S. No.	Description	Registration Number/ Code	Issuing Authority	Date of Issue	Date of Expiry
<b>Uttar Pradesh</b>					
1.	Implementation letter for the certificate of registration issued under the Employees' State Insurance Act, 1948 to the Company for the premises situated H No.16 Ram Puram, Kanpur, 208013	21000686900000999	Regional Office, Employees' State Insurance Corporation	June 18, 2021	Valid until Cancelled

\* All above-mentioned approvals are in the earlier name of the Company i.e. Nutrikosh India Private Limited

#### iii. Registration under Employees' Provident Fund and Miscellaneous Provisions Act, 1952

S. No.	Description	Registration Number/ Code	Issuing Authority	Date of Issue	Date of Expiry
1.	Allotment of code under the Employees Provident Fund and Miscellaneous Provisions Act, 1952 issued to the Company for premises situated at H No.16 Ram Puram, Kanpur, Uttar Pradesh 208013	UPKNP2390461000	Employees' Provident Fund Organization, Ministry of Labour and Employment	June 15, 2021	Valid until Cancelled

## VII. INTELLECTUAL PROPERTY RELATED APPROVALS

### A. Approvals obtained by the Company

S. No.	Trademark No.	Description	Issuing authority	Applicant	Status	Date of issue	Date of expiry	Trademark
1.	5158396	Provision of an online marketplace for buyers and sellers of goods and services; Providing online marketplaces for sellers of goods and or services; Online marketing; Provision of information and advisory services relating to e-commerce; Business intermediary and advisory services in the field of selling products and rendering services; Promoting the goods and services of others via a global computer network; Promotion and marketing of products and services through global computer networks; On-line advertising on computer communication networks; Providing business information via global computer networks; Retail services provided via computer communications networks; Online ordering services; Computerized online ordering services; Advertising; Online advertising; Business management services; Business administration services; Online wholesale and retail store services; Auction services; Online wholesale services; Online retail services; Online marketing services; Online advertising and marketing services; Online wholesale store services featuring foodstuffs; Online	Registrar of Trademarks, Trade Mark Registry, Mumbai	The Company	Registered	October 02, 2021	October 01, 2031	

		<p>retail store services featuring foodstuffs; Online retail store services featuring dairy products; Online retail store services featuring dietary supplements; Online retail store services featuring dietetic preparations; Online wholesale store services featuring dairy products; Online wholesale store services featuring dietetic preparations; Online wholesale store services featuring dietary supplements; Dissemination of advertising for others via an online electronic communications network; Wholesale or retail services.</p> <p><i>Class: 35</i></p>						
2.	5158395	<p>Provision of an online marketplace for buyers and sellers of goods and services; Providing online marketplaces for sellers of goods and or services; Online marketing; Provision of information and advisory services relating to e-commerce; Business intermediary and advisory services in the field of selling products and rendering services; Promoting the goods and services of others via a global computer network; Promotion and marketing of products and services through global computer networks; On-line advertising on computer communication networks; Providing business information via global computer networks; Retail services provided via computer communications</p>	Registrar of Trademarks, Trade Mark Registry, Mumbai	The Company	Registered	October 02, 2021	October 01, 2031	

		<p>networks; Online ordering services; Computerized online ordering services; Advertising; Online advertising; Business management services; Business administration services; Online wholesale and retail store services; Auction services; Online wholesale services; Online retail services; Online marketing services; Online advertising and marketing services; Online wholesale store services featuring foodstuffs; Online retail store services featuring foodstuffs; Online retail store services featuring dairy products; Online retail store services featuring dietary supplements; Online retail store services featuring dietetic preparations; Online wholesale store services featuring dairy products; Online wholesale store services featuring dietetic preparations; Online wholesale store services featuring dietary supplements; Dissemination of advertising for others via an online electronic communications network; Wholesale or retail services.</p> <p><i>Class: 35</i></p>						
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### VIII. PENDING APPROVALS

The Company has filed an application bearing no. INDO241025SE016681 under the Madhya Pradesh Shops and Establishment Act, 1958 with the Government of Madhya Pradesh for registration of its premises situated at 1<sup>st</sup> Floor, Flat No. 94, Limbodi, Indore Khandwa Road, Indore- 452001, Madhya Pradesh, India.

## 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 September 26, 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 Annual General Meeting held on September 30, 2024 authorized the Issue.

This DRHP has been approved by our Board for filing Stock Exchange pursuant to the resolution passed at its meeting held on November 12, 2024. For further details, see “The Issue” on page 48.

#### In-Principal Listing Approval:

We have received in principle approval from National Stock Exchange of India Limited vide their letter dated [●] to use the name of National Stock Exchange of India Limited in the Draft Red Herring Prospectus for listing of our Equity Shares on EMERGE Platform of National Stock Exchange of India Limited. National Stock Exchange of India Limited is the Designated Stock Exchange for the purpose of this Issue.

#### Prohibition by SEBI or Governmental Authorities

Our Company, Promoters, members of the Promoter Group, Directors or persons in control of the Promoters or the 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 SEBI or any securities market regulator in any other jurisdiction or any other authority/court on the date of this Draft Red Herring Prospectus.

#### Prohibition by RBI

Neither our Company, our Promoters, our Directors, relatives (as per Companies Act, 2013) of Promoters or the person(s) in control of our Company have been identified as a wilful defaulter or a fugitive economic offender or a fraudulent borrower and there has been no violation of any securities law committed by any of them in the past and no such proceedings are pending against any of them except as details provided in the chapter “Outstanding Litigations and Material Development” beginning on page 185 of this Draft Red Herring Prospectus.

Neither our Company, our Promoters, our Directors, Group companies, relatives (as per Companies Act, 2013) of Promoters or the person(s) in control of our Company have been identified as wilful defaulters or a fraudulent borrower as defined by the SEBI ICDR Regulations, 2018.

#### Compliance with the Companies (Significant Beneficial Ownership) Rules, 2018

Our Company, Promoters, promoter group are in compliance with the Companies (Significant Beneficial Ownership) Rules, 2018 (SBO Rules), and the General Circular No. 07/2018 dated September 06, 2018 and General Circular No. 08/2018 dated September 10, 2018 issued by the Ministry of Corporate Affairs, to the extent they are applicable on our Company, as on the date of filing of this Draft Red Herring Prospectus.

#### Directors associated with the Securities Market

None of our Directors are, in any manner, associated with securities market. Further there has been no outstanding actions initiated by the SEBI against our Directors in the five years preceding the date of this Draft Red Herring Prospectus except as stated under the chapters titled “Risk factors”, “Our Promoter and Promoter Group” and “Outstanding Litigations and Material Developments” beginning on page 23, 133 and 185 respectively, of this Draft Red Herring Prospectus.

#### Eligibility for this Issue

Our Company is an “Unlisted Company” in terms of the SEBI (ICDR) Regulation; and this Issue is an “Initial Public Issue” in terms of the SEBI (ICDR) Regulations.

This Issue is being made in terms of Regulation 229 (1) of Chapter IX of the SEBI (ICDR) Regulations, 2018 as amended from time to time, whereby, our Company whose post issue face value capital will not be more than ₹10.00 Crores shall issue shares to the public and propose to list the same on the Small and Medium Enterprise Exchange (“SME Exchange”), in this case being the SME Platform of National Stock Exchange of India Limited i.e. NSE EMERGE.

As per Regulation 229(3) of the SEBI ICDR Regulations, our Company satisfies track record and/or other eligibility conditions of SME platform of the NSE in accordance with the Restated Financial Statements, prepared in accordance with the Companies Act and restated in accordance with the SEBI ICDR Regulations as below:

**1) The Issuer should be a company incorporated under the Companies Act 1956 / 2013 in India.**

Our Company is incorporated under the Companies Act, 2013.

**2) The post issue paid-up capital of the company (face value) shall not be more than ₹25.00 Crores.**

The present paid-up capital of our Company is ₹250 Lakhs and we are proposing issue up to 18,03,200 Equity Shares of ₹5 each at Issue price of ₹[●] per Equity Share including share premium of ₹[●] per Equity Share, aggregating to ₹[●] Lakhs. Hence, our Post Issue Paid up Capital will be ₹[●] which is less than ₹25.00 Crore.

**3) Track Record**

Our Company was incorporated on June 11, 2021, under the provisions of the Companies Act, 2013 vide certificate of incorporation issued by Registrar of Companies, Kanpur. Therefore, we are in compliance with criteria of having track record of 3 years.

**4) Operating Profits from Operations and Net-worth**

The Company has operating profit (earnings before depreciation and tax) from operations for at least 2 financial years preceding the application and its net worth as on September 30, 2024 is ₹465.71 lakhs.

**Our Company’s net worth and Operating profits from operations (earnings before depreciation and tax), based on the Restated Financial Statements included in this Draft Red Herring Prospectus for the last three Fiscals and stub period ended September 30, 2024, Fiscal 2024, Fiscal 2023 and Fiscal 2022 are set forth below:**

**From Restated Financial Statements**

Particulars	(₹in Lakhs)			
	Period ended September 30, 2024	Fiscal 2024	Fiscal 2023	Fiscal 2022
Operating Profit (earnings before interest, depreciation and tax) from operations	2,509.05	2,843.49	303.36	-
Net Worth as per Restated Financial Statement	465.71	255.54	25.64	(0.30)

**5) The company shall mandatorily facilitate trading in demat securities and enter into an agreement with both the depositories.**

To enable all shareholders of the Company to have their shareholding in electronic form, the Company had signed the tripartite agreements with the Depositories and the Registrar and Share Transfer Agent.

**6) Company shall mandatorily have a website**

Our Company has a live and operational website- [www.nkosh.in](http://www.nkosh.in)

7) **The Company should have positive Free cash flow to Equity (FCFE) for at least 2 out of 3 financial years preceding the application**

(Rs in Lakhs)

Particulars	Fiscal 2024	Fiscal 2023	Fiscal 2022
Net Cash Flow from Operating Activities	(208.88)	(5.12)	2.15
Less: Purchase of Fixed Assets (Net of Sales Proceeds of Fixed Assets)	(0.21)	-	(2.83)
Add: Net Borrowings (Net of Repayment)	342.21	14.62	-
Less: Interest *(1-T)	(11.85)	(0.01)	-
<b>Free Cash Flow to Equity (FCFE)</b>	<b>121.27</b>	<b>9.49</b>	<b>(0.68)</b>

Note: Tax rate is calculated as 1- Profit After Tax / Profit Before Tax

8) **Other Listing Conditions:**

- a) The Company has not been referred to the Board for Industrial and Financial Reconstruction (BIFR) or No proceedings have been admitted under Insolvency and Bankruptcy Code against the issuer and Promoting companies
- b) There is no winding up petition against the company, which has been admitted by the court or a liquidator has not been appointed.
- c) No material regulatory or disciplinary action has been taken by any stock exchange or regulatory authority in the past three years against the company.
- d) There is no material regulatory or disciplinary action by a stock exchange or regulatory authority in the past one year in respect of promoters/promoting company(ies), group company, companies promoted by the promoters/promoting company(ies) of the applicant company
- e) There is no default in payment of interest and/or principal to the debenture/bond/fixed deposit holders, banks, FIs by our Company, Promoters, companies promoted by the Promoters during the past three years.
- f) There are no Defaults in respect of payment of interest and/or principal to the debenture/bond/fixed deposit holders, banks, FIs by the applicant, promoters/promoting Company(ies), Company(ies), companies promoted by the promoters/promoting Company(ies) during the past three years. An auditor's certificate will be provided by the issuer to the exchange, in this regard.
- g) We have disclosed all material regulatory or disciplinary action by a stock exchange or regulatory authority in the past one year in respect of promoters/promoting Company(ies), group Company(ies), subsidiaries companies promoted by the promoters/promoting Company(ies) of the applicant Company in the Draft Red Herring Prospectus.
- h) We have disclosed the details of the applicant, Promoters/Promoting Company(ies), Group Company(ies), subsidiaries, companies promoted by the promoters/promoting Company(ies) litigation record, the nature of litigation, and status of litigation, For details, please refer the chapter "Outstanding Litigation & Material Developments" on page 185 of this Draft Red Herring Prospectus.
- i) There has been no track record of the directors, the status of criminal cases filed or nature of the investigation being undertaken with regard to alleged commission of any offence by any of our Directors and its effect on the business of our Company, where all or any of the directors of our Company have or has been charge sheeted with serious crimes like murder, rape, forgery, economic offences.
- j) We have disclosed all details of the track record of the directors. For Details, refer the chapter "Outstanding Litigation & Material Developments" on page 185 of this Draft Red Herring Prospectus.
- k) We have not been rejected by the Exchange in the last 6 complete months.
- l) There have been no instances of our BRLM to the Issue, where any of their IPO draft offer document filed with the NSE being returned in the past 6 months from the date filing of this DRHP.

As per Regulation 230 (1) of the SEBI ICDR Regulations, our Company has ensured that:

- The Draft Red Herring Prospectus has been filed with NSE and our Company has made an application to NSE for listing of its Equity Shares on the NSE EMERGE platform. NSE is the Designated Stock Exchange.
- To facilitate trading in demat securities; the Company had signed the following tripartite agreements with the Depositories and the Registrar and Share Transfer Agent:
  - a) Tripartite agreement dated September 03, 2024 with NSDL, our Company and Registrar to the Issue;
  - b) Tripartite agreement dated September 13, 2024 with CDSL, our Company and Registrar to the Issue;
  - c) The Company's shares bear an ISIN: INE13U601019
- The entire pre-issue capital of our Company has shares fully paid-up Equity Shares and the Equity Shares proposed to be issued pursuant to this IPO will be fully paid-up.
- The entire fund requirement is to be funded from the proceeds of the issue, there is no requirement to make firm arrangements of finance through verifiable means towards at least 75% of the stated means of finance, excluding the amounts to be raised through the proposed issue. The fund requirement and deployment are based on internal management estimates and have not been appraised by any bank or financial institution. For details, please refer the chapter "Objects of the Issue on page 73 of this Draft Red Herring Prospectus.

Our Company confirms that it will ensure compliance with the conditions specified in Regulation 230 (2) of the SEBI ICDR Regulations, to the extent applicable.

Further, our Company confirms that it is not ineligible to make the issue in terms of Regulation 228 of the SEBI ICDR Regulations, to the extent applicable. The details of our compliance with Regulation 228 of the SEBI ICDR Regulations are as follows:

- A. Neither our Company nor our Promoters, members of our Promoter Group or our Directors are debarred from accessing the capital markets by the SEBI.
- B. None of our Promoters or Directors is Promoters or Directors of companies which are debarred from accessing the capital markets by the SEBI.
- C. Neither our Company nor our Promoters or Directors is a wilful defaulter or Fraudulent Borrower.
- D. None of our Promoters or Directors has been declared as fugitive economic offender under Economic Offenders Act, 2018.

We further confirm that we shall be complying with all the other requirements as laid down for such issue under Chapter IX of SEBI (ICDR) Regulations and subsequent circulars and guidelines issued by SEBI and the Stock Exchange.

In accordance with regulation 268(1) of the SEBI (ICDR) Regulations, we shall ensure that the total number of proposed allottees in the issue is greater than or equal to fifty, otherwise, the entire application money will be refunded forthwith. If such money is not repaid within eight 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 days, be liable to repay such application money, with interest as prescribed under section 40 of the Companies Act, 2013.

#### **DISCLAIMER CLAUSE OF SEBI**

**“IT IS TO BE DISTINCTLY UNDERSTOOD THAT SUBMISSION OF THE DRAFT RED HERRING PROSPECTUS 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 OFFER IS PROPOSED TO BE MADE OR FOR THE CORRECTNESS OF THE STATEMENTS MADE OR OPINIONS EXPRESSED IN THE DRAFT RED HERRING PROSPECTUS. THE BOOK RUNNING LEAD MANAGER HAS CERTIFIED THAT THE DISCLOSURES MADE IN THE DRAFT RED HERRING**

**PROSPECTUS GENERALLY ADEQUATE AND ARE IN CONFORMITY WITH THE REGULATIONS. THIS REQUIREMENT IS TO FACILITATE INVESTORS TO TAKE AN INFORMED DECISION FOR MAKING INVESTMENT IN THE PROPOSED OFFER**

**IT SHOULD ALSO BE CLEARLY UNDERSTOOD THAT WHILE OUR COMPANY IS PRIMARILY RESPONSIBLE FOR THE CORRECTNESS, ADEQUACY AND DISCLOSURE OF ALL RELEVANT INFORMATION IN THIS DRAFT RED HERRING PROSPECTUS AND EACH OF THE SELLING SHAREHOLDERS WILL BE RESPONSIBLE ONLY FOR THE STATEMENTS SPECIFICALLY CONFIRMED OR UNDERTAKEN BY IT IN THIS DRAFT RED HERRING PROSPECTUS IN RELATION TO ITSELF OR ITS RESPECTIVE PORTION OF THE OFFERED SHARES, THE BOOK RUNNING LEAD MANAGER IS EXPECTED TO EXERCISE DUE DILIGENCE TO ENSURE THAT OUR COMPANY AND THE SELLING SHAREHOLDERS DISCHARGE THEIR RESPONSIBILITY ADEQUATELY IN THIS BEHALF AND TOWARDS THIS PURPOSE, THE BOOK RUNNING LEAD MANAGER HAS FURNISHED TO NSE, A DUE DILIGENCE CERTIFICATE DATED NOVEMBER 12, 2024.**

**THE FILING OF THE DRAFT RED HERRING PROSPECTUS DOES NOT, HOWEVER, ABSOLVE THE ISSUER FROM ANY LIABILITIES UNDER THE COMPANIES ACT, 2013 OR FROM THE REQUIREMENT OF OBTAINING SUCH STATUTORY OR OTHER CLEARANCES AS MAY BE REQUIRED FOR THE PURPOSE OF THE PROPOSED OFFER. 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 RED HERRING PROSPECTUS.**

**ALL LEGAL REQUIREMENTS PERTAINING TO THIS OFFER WILL BE COMPLIED WITH AT THE TIME OF FILING OF THE PROSPECTUS WITH THE REGISTRAR OF COMPANIES, MADHYA PRADESH AT GWALIOR, IN TERMS OF SECTION 26, 30 AND SECTION 32 OF THE COMPANIES ACT, 2013.**

**Note:**

The filing of this Draft Red Herring Prospectus does not, however, absolve our Company from any liabilities under Section 34, Section 35, Section 36 OR Section 38(1) of the Companies Act, 2013 or from the requirement of obtaining such statutory and other clearances as may be required for the purpose of the proposed Offer. SEBI further reserves the right to take up at any point of time, with the Book Running Lead Managers any irregularities or lapses in the Draft Red Herring Prospectus.

All legal requirements pertaining to the Offer will be complied with at the time of registration of the Draft Red Herring Prospectus with the Registrar of Companies, Bangalore, in terms of Section 26 and 33 of the Companies Act, 2013.

**Disclaimer Statement from our Company and the Book Running Lead Manager**

Our Company, our Directors and the Book Running Lead Manager accept no responsibility for statements made otherwise than in this Draft Red Herring Prospectus or in the advertisements or any other material issued by or at instance of our Company and anyone placing reliance on any other source of information, including our website www.nkosh.in would be doing so at his or her own risk.

**Caution**

The Book Running Lead Manager accepts no responsibility, save to the limited extent as provided in the Agreement for Issue Management entered into among the Book Running Lead Manager and our Company dated November 05, 2024 the Underwriting Agreement dated [●] entered into among the Underwriter and our Company and the Market Making Agreement dated [●] entered among the Market Maker, Book Running Lead Manager and our Company.

Our Company and the Book Running Lead Manager shall make all information available 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 or at collection centres, etc.

Investors who apply in this Offer 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 and will not offer, sell, pledge or transfer the Equity Shares to any person who is not eligible under applicable laws, rules, regulations, guidelines and approvals to acquire Equity Shares. Our Company and the Book Running Lead Manager and their respective directors, officers, agents, affiliates and representatives accept no responsibility or liability for advising any investor on whether such investor is eligible to acquire Equity Shares.

#### **Price Information and the Track Record of the Past Issues handled by the Book Running Lead Manager**

For details regarding the price information and the track record of the past Issues handled by the Book Running Lead Manager to the Offer as specified in Circular reference CIR/CFD/DIL/7/2015 dated October 30, 2015 issued by the SEBI, please refer to the section “Disclosure of price information of latest ten issues handled by Sarthi Capital Advisors Private Limited” in the chapter titled “Other Regulatory and Statutory Disclosures” on page no.195 of this Draft Red Herring Prospectus and the website of the Book Running Lead Manager at [www.sarthi.in](http://www.sarthi.in).

#### **Disclaimer in respect of Jurisdiction**

This Offer is being made in India to persons resident in India (including Indian nationals resident in India who are not minors, HUFs, Companies, Corporate Bodies and Societies registered under the applicable laws in India and authorized to invest in shares, Indian Mutual Funds registered with SEBI, Indian financial Institutions, Commercial Banks, Regional Rural Banks, Co-Operative Banks (subject to RBI permission), or Trusts under 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 Insurance Regulatory and Development Authority, Provident Funds (subject to applicable law) with minimum corpus of Rs. 2,500 Lakhs, pension funds with minimum corpus of Rs. 2,500 Lakhs and the National Investment Fund, and permitted non-residents including FIIs, Eligible NRIs, QFIs, Multilateral and Bilateral Development Financial Institutions, FVCIs and Eligible Foreign Investors, provided that they are eligible under all applicable laws and regulations to hold Equity Shares of the Company. The Draft Red Herring Prospectus does not, however, constitute an invitation to purchase 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 Offer will be subject to the jurisdiction of appropriate court(s) in Kanpur 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, except that this Draft Red Herring Prospectus has been filed with NSE for its observations and NSE shall give its observations in due course. 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 since the date hereof or that the information contained herein is correct as of any time subsequent to this date.

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.

#### **Disclaimer Clause of the NSE**

As required, a copy of the Draft Red Herring Prospectus has been submitted to NSE. The Disclaimer Clause as intimated by the NSE to us, post scrutiny of the Draft Red Herring Prospectus, will be included in the Red Herring Prospectus/Prospectus prior to filing with the RoC.

## **Filing**

Pursuant to Regulation 246(5) of SEBI (ICDR) Regulations, 2018, the copy of the offer document shall also be furnished to the SEBI in a soft copy. However, SEBI will not issue any observation on the offer document in terms of Regulation 246(2) of the SEBI (ICDR) Regulations, 2018. Pursuant to SEBI Circular No. SEBI/HO/CFD/DIL1/CIR/P/2018/011 dated January 19, 2018, a copy of the offer document will be filed online through SEBI Intermediary portal at <https://siportal.sebi.gov.in>.

A copy of the Red Herring Prospectus along with the documents required to be filed under Section 32 of the Companies Act, 2013 will be filed with Registrar of Companies, Kanpur.

## **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 NSE EMERGE.

NSE will be the Designated Stock Exchange, with which the Basis of Allotment will be finalized for the Offer. If the permission to deal in and for an official quotation of the Equity Shares on the SME Platform is not granted by NSE, our Company shall forthwith repay, all moneys received from the applicants in pursuance of this Draft 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 Six (6) Working Days of the Offer Closing Date. If Equity Shares are not Allotted pursuant to the Offer within Six (6) Working Days from the Offer 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 15.00% per annum for the delayed period.

## **Consents**

Consents in writing of: (a) the Promoters, the Directors, the Company Secretary and Compliance Officer, Chief Financial Officer, the Statutory Auditor and Peer Reviewed Auditor, the Banker to the Company and lenders, if any and (b) Book Running Lead Manager, Underwriter, Market Maker, Registrar to the Issue, Banker(s) to the Issue, Legal Advisor to the Issue, Lenders, to act in their respective capacities have been obtained and shall be filed along with a copy of the Prospectus with the RoC, as required under Section 32 of Companies Act, 2013 and such consents shall not be withdrawn up to the time of delivery of the Red Herring Prospectus for filing with the RoC. Our Auditors have given their written consent to the inclusion of their report in the form and context in which it appears in this Draft Red Herring Prospectus and such consent and report is not withdrawn up to the time of delivery of this Draft Red Herring Prospectus with NSE.

## **Expert to the Issue**

Our Company has received a written consent dated October 28, 2024, from M/s P M H and Associates, Chartered Accountants, to include their name as required under section 26(5) of the Companies Act, 2013 read with SEBI ICDR Regulations, in the 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 Statutory Auditor, and in respect of their (a) examination report dated October 25, 2024 on the Restated Financial Information, and (b) report dated October 28, 2024, on the statement of special tax benefits available to the Company. Such consent has not been withdrawn as on the date of the Draft Red Herring Prospectus.

## **Expenses of the Issue**

The expenses of this Issue include, among others, underwriting and management fees, selling commission, printing and distribution expenses, legal fees, statutory advertisement expenses and listing fees. For details of total expenses of the Offer, see the chapter “Objects of the Issue” beginning on page 73 of this Draft Red Herring Prospectus.

## **DETAILS OF FEES PAYABLE**

### **Fees Payable to the Book Running Lead Manager**

The total fees payable to the Book Running Lead Manager will be as per the Mandate Letter dated July 25, 2024 issued by Book Running Lead Manager to our Company, the copy of which is available for inspection at our Registered Office.

### **Fees Payable to the Registrar to the Offer**

The fees payable to the Registrar to the Issue will be as per the Agreement signed by our Company and the Registrar dated November 04, 2024, a copy of which is available for inspection at our Registered Office. The Registrar to the Offer will be reimbursed for all out-of-pocket expenses including cost of stationery, postage, stamp duty and communication expenses. Adequate funds will be provided by the Company to the Registrar to the Offer to enable them to send allotment advice by registered post/ speed post/ under certificate of posting.

### **Fees Payable to Others**

The total fees payable to the Legal Advisor, Auditor and Advertiser, *etc.* will be as per the terms of their respective engagement letter.

### **Underwriting Commission, Brokerage and Selling Commission**

The underwriting commission and selling commission for this Offer is as set out in the Underwriting Agreement entered into between our Company and the Book Running Lead Manager. Payment of underwriting commission, brokerage and selling commission would be in accordance with applicable laws.

### **Previous Rights and Public Offers during the last Five Years**

We have not made any previous rights and/or public Offer during the last five years and are an “Unlisted Issuer” in terms of the SEBI (ICDR) Regulations, 2018 and this issue is an “Initial Public Offering” in terms of the SEBI (ICDR) Regulations, 2018.

### **Previous issues of Shares otherwise than for Cash**

Except as stated in the chapter titled “Capital Structure” beginning on page 62 of this Draft Red Herring Prospectus, our Company has not issued any Equity Shares for consideration otherwise than for cash.

### **Commission and Brokerage on Previous Issues**

Since this is the Initial Public Offer of the Equity Shares by our Company, no sum has been paid or has been payable as commission or brokerage for subscribing to or procuring or agreeing to procure subscription for any of our Equity Shares.

### **Particulars in regard to our Company and other Listed Companies under the same management within the meaning of section 186 of Companies Act, 2013 which made any Capital Issue during the last Three Years**

None of the equity shares of our Group Companies are listed on any recognized stock exchange. None of the companies have raised any capital during the past 3 years.

### **Outstanding Debentures, Bonds, Redeemable Preference Shares and other Instruments issued by our Company**

As on the date of this Draft Red Herring Prospectus, our Company has no outstanding debentures, bonds or redeemable preference shares.

## Stock Market Data for our Equity Shares

Our Company is an “Unlisted Issuer” in terms of the SEBI ICDR Regulations, 2018, and this Offer is an “Initial Public Offer” in terms of the SEBI ICDR Regulations, 2018. Thus, there is no stock market data available for the Equity Shares of our Company.

## Disclosure of Price Information of latest Ten Issues handled by Sarthi Capital Advisors Private Limited

**Table 1**

Financia l year	Total no. of IPOs	Total funds raised (Rs. in Crores)	No. of IPOs trading at discount – 30 <sup>th</sup> calendar days from listing			No. of IPOs trading at premium – 30 <sup>th</sup> calendar days from listing			No. of IPOs trading at discount – 180 <sup>th</sup> calendar day from listing			No. of IPOs trading at premium – 180 <sup>th</sup> calendar day from listing		
			Over 50%	Between 25-50%	Less than 25%	Over 50%	Between 25-50%	Less than 25%	Over 50%	Between 25-50%	Less than 25%	Over 50%	Between 25-50%	Less than 25%
12-13	1	12.21	-	-	-	-	-	1	-	-	-	-	1	-
13-14	4	34.39	-	-	2	1	-	1	-	-	2	-	1	1
14-15	4	13.65	-	-	2	-	-	2	-	1	-	1	-	2
15-16	7	47.48	-	-	4	1	-	2	-	-	2	2	-	3
16-17	6	37.94	-	1	1	2	-	2	-	2	2	1	1	-
17-18	17	279.36	-	1	8	2	1	3	-	2	6	2	2	3
18-19	3	67.32	-	-	2	-	-	1	-	1	-	-	-	1
20-21	1	10.52	-	-	1	-	-	-	-	-	-	-	-	1
21-22	1	4.40	-	-	-	1	-	-	-	-	-	1	-	-
22-23	2	89.03	-	-	-	1	1	-	-	-	1	-	-	-
23-24	3	190.28	-	-	2	-	-	1	-	-	-	2	-	-

**Table 2**

Sr. No.	Issue Name	Issue Size (Cr)	Issue Price (Rs.)	Listing date	Opening price on listing date	+/- % change in closing price, [+/- % change in closing Benchmark]- 30 <sup>th</sup> calendar day from listing	+/- % change in closing price, [+/- % change in closing Benchmark]- 90 <sup>th</sup> calendar day from listing	+/- % change in closing price, [+/- % change in closing Benchmark]- 180 <sup>th</sup> calendar day from listing
1.	Vivo Collaboration Solutions Limited	4.40	82.00	December 31, 2021	355.10	19.53[ 0.81]	-53.82[21.65]	-55.27[16.54]
2.	P. E. Analytics Limited	31.60	114.00	April 04, 2022	170.00	-2.07 [-0.80]	-13.62[-7.64]	-6.53 [15.42]
3.	Frog Cellsat Limited	41.57	102.00	October 13, 2022	177.00	19.11 [7.73]	24.14 [5.18]	-1.99/4.16
4.	Homesfy Realty Limited	15.86	197.00	January 02, 2023	275.05	78.28 [-3.19]	45.15 [-4.39]	49.71 [6.18]
5.	Spectrum Talent Management Limited	105.14	173.00	June 22, 2023	155.00	-2.92 [4.80]	-9.03 [26.08]	-23.09 [43.56]
6.	Digikore Studios Limited	30.48	171.00	October 04, 2023	270.00	-3.92 [11.10]	16.05 [18.31]	101.06 [23.91]
7.	Vinyas Innovaive Technologies Limited	54.66	165.00	October 06, 2023	330.00	22.91 [8.27]	98.11 [18.65]	87.59 [24.18]

Sources: All share price data is from [www.bseindia.com](http://www.bseindia.com) / [www.nseindia.com](http://www.nseindia.com)

Sources: All share price data is from [www.bseindia.com](http://www.bseindia.com) / [www.nseindia.com](http://www.nseindia.com)

### Note

1. The BSE Sensex/ Nifty is considered as the Benchmark Index.
2. Price on BSE/ NSE is considered for all of the above calculations.
3. In case 30<sup>th</sup>/90<sup>th</sup>/180<sup>th</sup> day is not a trading day (trading holiday), closing price on BSE/ NSE of the next trading day has been considered.
4. In case 30<sup>th</sup>/90<sup>th</sup>/180<sup>th</sup> day if there is no trade then the closing price of the next day when trading has taken place has been considered.

## Mechanism for redressal of Investor Grievances

The Agreement between the Registrar and our Company provides for retention of records with the Registrar for a period of at least three years from the last date of dispatch of the letters of allotment, demat credit to enable the investors to approach the Registrar to this Offer for redressal of their grievances. All grievances relating to this Offer may be addressed to the Registrar with a copy to the Company Secretary and Compliance Officer, giving full details such as the name, address of the applicant, number of Equity Shares applied for, amount paid on application and the bank branch or collection centre where the application was submitted.

All grievances relating to the ASBA process may be addressed to the SCSB, giving full details such as name, address of the applicant, number of Equity Shares applied for, amount paid on application, UPI ID linked bank account number in which amount is blocked and the Designated Branch or the collection centre of the SCSB where the Application Form was submitted by the ASBA applicants.

#### **Disposal of Investor Grievances by our Company**

Our Company or the Registrar to the Offer or the SCSB in case of ASBA Applicant shall redress routine investor grievances within 15 working days from the date of receipt of the complaint. In case of non-routine complaints and complaints where external agencies are involved, our Company will seek to redress these complaints as expeditiously as possible.

We have constituted the Stakeholders Relationship Committee of the Board vide resolution passed at the Board Meeting held on September 26, 2024. For further details, please refer to the chapter titled “Our Management” beginning on page 120 of this Draft Red Herring Prospectus.

Our Company has appointed Shikha Sanduja as the Company Secretary and Compliance Officer and he may be contacted at the following address:

**Nutrikosh India Limited**  
(41y5) Vishwa Nath,  
H No. 16, Amrit Puram, Kanpur,  
Kanpur-208011.  
**Tel. No.:** +91 7510001507  
**E-mail:** info@nkosh.in  
**Website:** www.nkosh.in

Investors can contact the Company Secretary and Compliance Officer or the Registrar in case of any pre- Offer or post- Offer related problems such as non-receipt of letters of allocation, credit of allotted Equity Shares in the respective beneficiary account etc.

*[Remainder of this page has been left intentionally blank]*

## SECTION VII – ISSUE INFORMATION

### TERMS OF THE ISSUE

The Equity Shares being Allotted pursuant to this Issue shall be subject to the provisions of the Companies Act, 2013, SEBI (ICDR) Regulations, 2018, SEBI Listing Regulations, SCRA, SCRR, our Memorandum of Association and Articles of Association, the terms of the Draft Red Herring Prospectus, the Red Herring Prospectus, the Prospectus, the Abridged Prospectus, Application Form, any Revision Form, the CAN/Allotment Advice and other terms and conditions as may be incorporated in the Allotment Advice and other documents/certificates that may be executed in respect of the Issue. The Equity Shares shall also be subject to laws as applicable, 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 Government of India, the FIPB, the Stock Exchange, the RBI, RoC 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, the RBI, the Government of India, the FIPB, the Stock Exchange, the RoC and any other authorities while granting their 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) facility for making payment. Further, pursuant to SEBI Circular No. SEBI/HO/CFD/DCR2/CIR/P/2019/133 dated November 08, 2019, and the circular no. SEBI/HO/CFD/DIL2/CIR/P/2020/50 dated March 30, 2020 (together, the “UPI Circular”) Retail Individual Investors applying in public Issue may use either Application Supported by Blocked Amount (ASBA) process or UPI payment mechanism by providing UPI ID in the Application Form which is linked from Bank Account of the investor.

Further vide the said circular Registrar to the Issue and Depository Participants have also been authorized to collect the Application forms. Investors may visit the official website of the concerned stock exchange for any information on operationalization of this facility of form collection by the Registrar to the Issue and Depository Participants as and when the same is made available.

#### Ranking of the Equity Shares

The Equity Shares Being Issued, Transferred and Allotted pursuant to the Issue shall be subject to the provisions of the Companies Act, our Memorandum of Association and our Articles of Association and shall rank *pari-passu* in all respects with the existing Equity Shares, including in respect of the right to receive dividend and voting. The Allottees, upon Allotment of Equity Shares under the Issue, will be entitled to dividends and other corporate benefits, if any, declared by our Company after the date of Allotment. For further details, please refer to the section titled “**Main Provisions of Article of Association**” beginning on page no. 250 of this Draft Red Herring Prospectus.

#### Authority for the Issue

The present public issue of up to 18,03,200 Equity shares of face value of ₹5 each has been authorized by a resolution of Board of Directors of our Company at their meeting held on September 26, 2024 and was approved by the Shareholders of the Company by passing Special resolution at their Annual General meeting held on September 30, 2024 in accordance with provision of Section 62(1)(c) of the Companies Act, 2013.

#### Mode of Payment of Dividend

The declaration and payment of dividend will be as per the provisions of Companies Act, the Articles of Association, the provision of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 and any other rules, regulations or guidelines as may be issued by the Government of India in connection thereto and as per the recommendation by the Board of Directors and approved by the Shareholders at their discretion and will depend on a number of factors, including but not limited to earnings, capital requirements and overall financial condition of our Company. Our Company shall pay dividends in cash and as per the provisions of Companies Act and our Articles of Association. Further Interim Dividend (if any) declared will be approved by the Board of Directors. For further details in relation to dividends, see Chapters titled “**Dividend Policy**” and “**Main Provisions of Article of Association**” beginning on pages 140 and 250, respectively of this Draft Red Herring Prospectus.

### **Face Value, Issue Price, Floor Price and Price Band**

The face value of each Equity Share is ₹5 and the Issue Price at the lower end of the Price Band is ₹[●] per Equity Share (“Floor Price”) and at the higher end of the Price Band is ₹[●] per Equity Share (“Cap Price”). The Anchor Investor Issue Price is ₹[●] per Equity Share. At any given point of time, there shall be only one denomination of Equity Shares, subject to applicable laws.

The Price Band and the minimum Bid Lot size will be decided by our Company in consultation with the Book Running Lead Manager, and will be advertised, at least two Working Days prior to the Bid/ Issue Opening Date, in all editions of [●], an English national daily newspaper and all editions of [●], and a Hindi national daily newspaper each with wide circulation and shall be made available to the Stock Exchange for the purpose of uploading on its website. 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 website of the Stock Exchange. The Issue Price shall be determined by our Company and 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 by way of Book Building Process.

At any given point of time there shall be only one denomination of the Equity Shares of our Company, subject to applicable laws.

### **Compliance with SEBI ICDR Regulations, 2018**

Our Company shall comply with all requirements of the SEBI (ICDR) Regulations, 2018 as amended from time to time. Our Company shall comply with all disclosure and accounting norms as specified by SEBI from time to time.

### **Compliance with Disclosure and Accounting Norms**

Our Company shall comply with all disclosure and accounting norms as specified by SEBI from time to time.

### **Rights of Shareholders**

Subject to applicable laws, rules, regulations and guidelines and the Articles of Association, the equity shareholders shall have the following rights:

- right to receive dividends, if declared;
- Right to receive Annual Reports & notices to members;
- right to attend general meetings and exercise voting rights, unless prohibited by law;
- right to vote on a poll either in person or by proxy and e-voting, in accordance with the provisions of the Companies Act;
- right to receive offers for rights Equity Shares and be allotted bonus Equity 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 rules and regulations prescribed by the RBI; and
- such other rights, as may be available to a shareholder of a listed public company under the Companies Act, the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 and the Memorandum and Articles of Association of our Company.

For a detailed description of the main provision of the Articles of Association of our Company relating to voting rights, dividend, forfeiture and lien and/or consolidation/splitting, etc., please refer to the section titled “*Main Provisions of the Articles of Association*” beginning on page 250 of this Draft Red Herring Prospectus.

### **Allotment of Equity Shares in only Dematerialized Form**

As per regulations made under and Section 29(1) of the Companies Act, 2013 the Equity Shares to be allotted must be in Dematerialized form i.e., not in the form of physical certificates but be fungible and be represented by the statement issued through electronic mode. Hence, the Equity Shares being issued can be applied for in the dematerialized form only. In this context, two agreements shall be signed among our Company, the respective Depositories and Registrar to the Issue.

In this context, two agreements have been signed among our Company, the respective Depositories and the Registrar and Share Transfer Agent to the Issue:

- 1) Tripartite agreement dated September 03, 2024 between our Company, NSDL and the Registrar and Share Transfer Agent to the Issue.
- 2) Tripartite agreement dated September 13, 2024 between our Company, CDSL and the Registrar and Share Transfer Agent to the Issue.

Investors should note that Allotment of Equity Shares to the successful Applicants will only be in the dematerialized form. Applicants will not have the option of getting Allotment of Equity Shares in physical form. The Equity Shares on Allotment shall be traded only in dematerialized segment of the Stock Exchange. Allottees shall have the option to rematerialize the Equity Shares, if they so desire, as per the provisions of the Companies Act and Regulation 14 of Depositories Act.

### **Market Lot and Trading Lot**

Trading of the Equity Shares will happen in dematerialised form, the minimum contract size of [●] Equity Shares in terms of the SEBI circular no. CIR/MRD/DSA/06/2012 dated February 21, 2012 and the same may be modified by 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 Share subject to a minimum allotment of [●] Equity Shares to the successful Applicants. Further, in accordance with SEBI (ICDR) Regulations the minimum application size in terms of number of specified securities shall not be less than Rupees One 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.

### **Jurisdiction**

The Courts of Kanpur, Uttar Pradesh India will have exclusive jurisdiction in relation to this Issue.

**The Equity Shares have not been and will not be registered under the Securities Act or any state securities laws in the United States, and may not be issued or sold within the United States, except pursuant to an exemption from or in a transaction not subject to, registration requirements of the Securities Act. Accordingly, the Equity Shares are only being issued or sold outside the United States in compliance with Regulation S under the Securities Act and the applicable laws of the jurisdictions where those issues and sales occur.**

**The Equity Shares have not been and will not be registered, listed or otherwise qualified in any other jurisdiction outside India and may not be issued or sold, and applications may not be made by persons in any such jurisdiction, except in compliance with the applicable laws of such jurisdiction.**

### **Joint Holders**

Subject to the provisions contained in our Articles of Association, where two or more persons are registered as the holders of any Equity Shares, they will be deemed to hold such Equity Shares as joint-holders with benefits of survivorship.

### **Nomination Facility to Bidders**

In accordance with Section 72 (1) & 72(2) of the Companies Act, 2013, read with the Companies (Share Capital and Debentures) Rules, 2014, the sole Bidder, or the First Bidder along with other joint Bidders, may nominate any one (1) 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/alienation of Equity Share(s) by the person nominating. A nomination may be cancelled or varied by nominating any other person in place of the present nominee by the holder of the Equity Shares who has made the nomination by giving a notice of such cancellation. A buyer will be entitled to make a fresh nomination in the manner prescribed. Fresh nomination can be made only on the prescribed form available on request at our Registered and Corporate 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:

- a) to register himself or herself as the holder of the Equity Shares; or
- b) to make such transfer of the Equity Shares, as the deceased holder could have made.

Further, our Board may at any time give notice requiring any nominee to choose either to be registered himself or herself or to transfer the Equity Shares, and if the notice is not complied with within a period of 90 (ninety) days, our Board may thereafter withhold payment of all dividends, interests, bonuses or other moneys payable in respect of the Equity Shares, until the requirements of the notice have been complied with.

Since the allotment of Equity Shares in issue is in dematerialized form, there is no need to make a separate nomination with us. Nominations registered with the respective depository participant of the applicant would prevail. If the investors require changing the nomination, they are requested to inform their respective depository participant.

#### **Bid/Issue Program**

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

*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.*

#### **Note:**

- (1) 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.
- (2) Our Company, in consultation with the Book Running Lead Manager, 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.
- (3) UPI mandate end time and date shall be at 5.00 p.m. on Bid/Issue Closing Date

\*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 Book Running Lead Manager shall, in their sole discretion, identify and fix the liability on such intermediary or entity responsible for such delay in unblocking. For the avoidance of doubt, the provisions of the SEBI circular dated March 16, 2021, as amended pursuant to SEBI circular dated June 2, 2021 shall be deemed to be incorporated in the agreements to be entered into by and between the Company and the relevant intermediaries, to the extent applicable.

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 three 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 Application Forms will be accepted only between 10.00 a.m. to 3.00 p.m. (IST) for retail and non-retail Applicants. The time for applying for Retail Individual Applicants on Bid/ Issue Closing Date maybe extended in consultation with the Book Running Lead Manager, RTA and NSE taking into account the total number of applications received up to the closure of timings.

On the Bid/ Issue Closing Date, the Bids shall be uploaded until:

- (i) 4.00 P.M. IST in case of Bids by QIBs and Non-Institutional Bidders, and
- (ii) until 5.00 P.M. IST or such extended time as permitted by the Stock Exchange, in case of Bids by Retail Individual Bidders.

On the Bid/ Issue Closing Date, extension of time will be granted by the Stock Exchange only for uploading Bids received from Retail Individual Bidders 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 Book Running Lead Manager 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.

Our Company in consultation with the Book Running Lead Manager, reserves the right to revise the Price Band during the Bid/Issue Period. 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. The Floor Price shall not be less than the face value of the Equity Shares.

In case of any revision to the Price Band, the Bid/ Issue Period will be extended by at least three additional Working Days following such revision of the Price Band, subject to the Bid/ Issue Period not exceeding a total of 10 Working Days. In cases of force majeure, banking strike or similar circumstances, our Company in consultation with the Book Running Lead Manager, for reasons to be recorded in writing, extend the Bid/ Issue Period for a minimum of one 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, will be widely disseminated by notification to the Stock Exchange, by issuing a public notice, and also by indicating the change on the respective websites of the Book Running Lead Manager and the terminals of the Syndicate Members, if any and by intimation to SCSBs, other Designated Intermediaries and the Sponsor Bank, as applicable. In case of revision of Price Band, the Bid Lot shall remain the same.

### **Minimum Subscription and Underwriting**

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 Offer 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 eight 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 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 be allotted will not be less than 50 (Fifty).

In terms of Regulation 260 of the SEBI (ICDR) Regulations, 2018, the Issue is 100% underwritten. For details of underwriting arrangement, kindly refer the chapter titled "General Information - Underwriting" on page 52 of this Draft Red Herring Prospectus.

Further, in accordance with Regulation 267 of the SEBI (ICDR) Regulations, 2018, the minimum application size in terms of number of specified securities shall not be less than ₹1 Lakh (One Lakh) per application.

### **Migration to Main Board**

As per the provisions of the Chapter IX of the SEBI (ICDR) Regulation, 2018, our Company may migrate to the main board of NSE from the SME Exchange on a later date subject to the following:

If the Paid-up Capital of the company is likely to increase above ₹25 crores by virtue of any further issue of capital by way of rights, preferential issue, bonus issue etc. (which has been approved by a special resolution through postal ballot wherein the votes cast by the shareholders other than the promoter in favour of the proposal amount to at least two times the number of votes cast by shareholders other than promoter shareholders against the proposal and for which the company has obtained in-principal approval from the main board), we shall have to apply to NSE for listing our shares on its Main Board subject to the fulfilment of the eligibility criteria for listing of specified securities laid down by the Main Board.

If the Paid-up Capital of the company is more than ₹10 crores but below ₹25 crores, we may still apply for migration to the main board if the same has been approved by a special resolution through postal ballot wherein

the votes cast by the shareholders other than the promoter in favour of the proposal amount to at least two times the number of votes cast by shareholders other than promoter shareholders against the proposal.

### **Market Making**

The shares issued through this issue are proposed to be listed on the EMERGE Platform of NSE wherein the Book Running Lead Manager to the issue shall ensure compulsory Market Making through registered Market Makers of the NSE Limited for a minimum period of three years from the date of listing of shares issued through this Draft Red Herring Prospectus.

For further details of the Market Making arrangement see chapter titled “General Information - Details of the Market Making Arrangements for this Issue” beginning on page 52 of this Draft Red Herring Prospectus.

### **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 Emerge platform of National Stock Exchange of India Limited.

### **As per the extent Guideline 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.

### **Allotment of Equity Shares in Dematerialized Form**

Pursuant to Section 29 of the Companies Act, 2013, the Equity Shares in the Issue shall be allotted only in dematerialized form. Further, as per the SEBI (ICDR) Regulations, the trading of the Equity Shares shall only be in dematerialized form on the Stock Exchange.

### **New Financial Instruments**

There are no new financial instruments such as deep discounted bonds, debenture, warrants, secured premium notes, etc. issued by our Company through this Issue.

### **Application by Eligible NRI's, FPI's, VCF's, AIF's 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.

### **Restrictions on transfer and transmission of shares or debentures and on their consolidation or splitting**

Except for lock-in of the Pre- Issue Equity Shares and Promoter minimum contribution in the Issue as detailed under section titled “Capital Structure” beginning on page 62 of this Draft Red Herring Prospectus, and except as provided in the Articles of Association of our Company, there are no restrictions on transfers of Equity Shares. There are no restrictions on transfer and transmission of shares/ debentures and on their consolidation/ splitting except as provided in the Articles of Association. For further details, please refer to section titled “Main Provisions of the Articles of Association” beginning on page 250 of this Draft Red Herring Prospectus.

### **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 newspaper with wide circulation where the Registered Office of our Company is situated.

### **Withdrawal of the Issue**

Our Company in consultation with the Book Running Lead Manager, reserve the right to not to proceed with the Issue after the Bid/ Issue Opening date but before the Allotment. In such an event, our Company would issue a public notice in the newspaper in which the pre-Issue advertisements were published, within two days of the Bid/ Issue Closing date or such other time as may be prescribed by SEBI, providing reasons for not proceeding with the Issue. The Book Running Lead Manager through, the Registrar of the Issue, shall notify the SCSBs to unblock the bank accounts of the ASBA Bidders within one working day from the date of receipt of such notification. Our Company shall also inform the same to the stock exchange on which equity shares are proposed to be listed.

*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 and 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 and regulations.*

*[Remainder of this page has been left intentionally blank]*

## ISSUE STRUCTURE

The Issue is being made in terms of Regulation 229(1) of Chapter IX of SEBI (ICDR) Regulations, 2018, as amended from time to time, since our post-issue paid up capital is less than or equal to ₹10 crores. The Company shall issue Equity 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). For further details regarding the salient features and terms of this Issue, please refer to the Chapters titled ‘Terms of the Issue’ and ‘Issue Procedure’ beginning on page no. 205 and 217 respectively, of this Draft Red Herring Prospectus.

### Issue Structure:

Initial public offering of up to 18,03,200 Equity Shares of face value of ₹5 each (*the “Equity Shares”*) for cash at a price of ₹[●] per Equity Share (including a share premium of ₹[●] per Equity Share) (*the “Issue”*) aggregating up to ₹[●] lakhs. The Issue comprises a reservation of upto [●] Equity Shares of face value of ₹5 each for subscription by the designated Market Maker (*the “Market Maker Reservation Portion”*) and Net Issue to Public of upto [●] Equity Shares of ₹5 each (*the “Net Issue”*). The Issue and the Net Issue to Public will constitute [●] % and [●] %, respectively of the post Issue paid up equity share capital of the Company. The Issue is being made through the Book Building Process.

The Issue is being made through the Book Building Process. For further details, please refer chapter titled “Terms of the Issue” on page 205 of this Draft Red Herring Prospectus:

Particulars	QIBs <sup>(1)</sup>	Non-Institutional Bidders	Retail Individual Bidders	Market Maker
Number of Equity Shares available for Allotment/allocation* <sup>(2)</sup>	[●] Equity Shares	[●] Equity Shares	[●] Equity Shares	[●] Equity Shares
Percentage of Issue Size available for Allotment/allocation	Not more than 50.00% of the Net Issue size shall be available for allocation to QIBs. However, up to 5.00% of net QIB Portion (excluding the Anchor Investor Portion) will be available for allocation proportionately to Mutual Fund only. Up to 60.00% of the QIB Portion may be available for allocation to Anchor Investors and one third of the Anchor Investors Portion shall be available for allocation to domestic mutual funds only	Not less than 15.00% of the Issue or the Issue less allocation to QIB Bidders and Retail Individual Bidders shall be available for allocation	Not less than 35.00% of the Issue or the Issue less allocation to QIB Bidders and Non-Institutional Bidders shall be available for allocation	[●] % of the Issue Size
Basis of Allotment/allocation if respective category is oversubscribed*	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) [●] Equity shares shall be allotted on a proportionate basis to	Proportionate	Allotment to each Retail Individual Bidder shall not be less than the minimum Bid lot, subject to availability of Equity Shares in the Retail Portion and the remaining available Equity Shares if any, shall be allotted on a	Firm Allotment

Particulars	QIBs <sup>(1)</sup>	Non-Institutional Bidders	Retail Individual Bidders	Market Maker
	all QIBs including Mutual Funds receiving allocation as per (a) above [●] Equity Shares may be allocated on a discretionary basis to Anchor Investors For further details please refer to the section titled "Issue Procedure" beginning on page 217 of the Draft Red Herring Prospectus		proportionate basis. For details see, "Issue Procedure" on page 217	
Mode of Bidding	ASBA Process only (excluding Anchor Investors)	ASBA Process only	ASBA only (including the UPI Mechanism)	ASBA Process Only
Minimum Bid	Such number of Equity Shares in multiples of [●] Equity Shares that the Application size exceeds ₹2,00,000	Such number of Equity Shares in multiples of [●] Equity Shares such that the Application size exceeds ₹2,00,000	[●] Equity Shares	[●] Equity Shares
Maximum Bid	Such number of Equity Shares in multiples of [●] Equity Shares not exceeding the size of the issue, subject to limits as applicable to the Bidder	Such number of Equity Shares in multiples of [●] Equity Shares not exceeding the size of the issue, subject to limits as applicable to the Bidder	Such number of Equity Shares in multiples of [●] Equity Shares so that the Bid Amount does not exceed ₹2,00,000	Up to [●] Equity
Trading Lot	[●] Equity Shares			[●] Equity Shares. However, the Market Maker may accept odd lots if any in the market as required under the SEBI (ICDR) Regulations, 2018.
Mode of Allotment	Compulsorily in Dematerialized Mode			
Bid Lot	[●] Equity Shares and in multiples of [●] Equity Shares thereafter			
Allotment Lot	A minimum of [●] Equity Shares and thereafter in multiples [●] Equity Share			
Trading Lot	[●] Equity Shares and in multiples [●] Equity Share			
Mode of Allotment	Compulsorily in dematerialized form			
Terms of Payment	<b>In case of Anchor Investors:</b> Full Bid Amount shall be payable by the Anchor Investors at the time of submission of their Bids. In case of all other Bidders: 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 (for RIIs), that is specified in the ASBA Form at the time of submission of the ASBA Form.			

\* Assuming full subscription in the Issue

<sup>(1)</sup> Our Company may, in consultation with the BRLM, may allocate up to 60% of the QIB Portion to 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 the event of under-subscription or non-Allotment in the Anchor Investor Portion, the balance Equity Shares in the Anchor Investor Portion shall be added to the QIB Portion. For further details, see "Issue Procedure" on page 217.

<sup>(2)</sup> Subject to valid Bids being received at or above the Issue Price. The Issue is being made in terms of Rule 19(2)(b) of the SCRR read with Regulation 253 of the SEBI ICDR Regulations. Subject to valid Bids being

received at or above the Issue Price, under-subscription, if any, in the Non-Institutional Portion or the Retail Portion would be allowed to be met with spill-over from other categories or a combination of categories at the discretion of our Company, in consultation with the BRLM and the Designated Stock Exchange, on a proportionate basis. 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. For further details, please see “Terms of the Issue” on page 205

<sup>(3)</sup> Anchor Investors shall pay the entire Bid Amount at the time of submission of the Anchor Investor Bid, provided that any positive difference between the Anchor Investor Allocation Price and the Issue Price, shall be payable by the Anchor Investor Pay-in Date as mentioned in the CAN.

**In case of joint Applications, the Application Form should contain only the name of the first Applicant whose name should also appear as the first holder of the beneficiary account held in joint names. The signature of only such first Applicant would be required in the Application Form and such first Applicant would be deemed to have signed on behalf of the joint holders.**

**In case of ASBA Applicants, the SCSB shall be authorised to block such funds in the bank account of the ASBA Applicant (including retail applicants applying through UPI mechanism) that are specified in the Application Form. SCSBs applying in the Issue must apply through an ASBA Account maintained with any other SCSB.**

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

Our Company in consultation with the Book Running Lead Manager, reserve the right to not to proceed with the Issue after the Bid/ Issue Opening date but before the Allotment. In such an event, our Company would issue a public notice in the newspaper in which the pre-Issue advertisements were published, within two days of the Bid/ Issue Closing date or such other time as may be prescribed by SEBI, providing reasons for not proceeding with the Issue. The Book Running Lead Manager through, the Registrar of the Issue, shall notify the SCSBs to unblock the bank accounts of the ASBA Bidders within one working day from the date of receipt of such notification. Our Company shall also inform the same to the stock exchange on which equity shares are proposed to be listed.

*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 and 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 and regulations.*

#### **Issue Program**

<b>Event</b>	<b>Indicative Date</b>
Bid/ Issue Opening Date	on or about [●]
Bid/ Issue Closing Date	on or about [●]

**Note:**

*The above timetable 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.*

Applications and any revisions to the same will be accepted only between 10.00 a.m. to 5.00 p.m. (Indian Standard Time) during the Issue Period at the Application Centres mentioned in the Application Form.

Due to limitation of time available for uploading the application on the Issue Closing Date, Applicants are advised to submit their applications one day prior to the Issue Closing Date and, in any case, not later than 1.00 p.m. IST on the Issue Closing Date. Any time mentioned in this Draft Red Herring Prospectus is IST. Applicants are cautioned that, in the event a large number of applications are received on the Issue Closing Date, as is typically experienced in public issues, some applications may not get uploaded due to lack of sufficient time. Such

applications that cannot be uploaded will not be considered for allocation under this issue. Applications will be accepted only on Working Days, i.e., Monday to Friday (excluding any public holiday).

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 Issue Closing Date, the Bidder shall be compensated in accordance with the applicable law by the intermediary responsible for causing such delay in unblocking. The Book Running Lead Manager shall, in our Company with the SCSBs, to the extent applicable.

#### **Lot Size**

SEBI vide circular no. CIR/MRD/DSA/06/2012 dated February 21, 2012 (“Circular”) standardized the lot size for Initial Public Offer proposing to list on SME exchange/platform and for the secondary market trading on such exchange/platform, as under:

<b>Sr. No.</b>	<b>Issue Price (in ₹)</b>	<b>Lot Size (No. of shares)</b>
1.	Up to 14	10,000
2.	More than 14 up to 18	8,000
3.	More than 18 up to 25	6,000
4.	More than 25 up to 35	4,000
5.	More than 35 up to 50	3,000
6.	More than 50 up to 70	2,000
7.	More than 70 up to 90	1,600
8.	More than 90 up to 120	1,200
9.	More than 120 up to 150	1,000
10.	More than 150 up to 180	800
11.	More than 180 up to 250	600
12.	More than 250 up to 350	400
13.	More than 350 up to 500	300
14.	More than 500 up to 600	240
15.	More than 600 up to 750	200
16.	More than 750 up to 1,000	160
17.	Above 1,000	100

Further to the circular, at the Initial Public Offer stage the Registrar to Offer in consultation with Book Running Lead Manager, our Company and NSE shall ensure to finalize the basis of allotment in minimum lots and in multiples of minimum lot size, as per the above given table. The secondary market trading lot size shall be the same, as shall be the IPO Lot Size at the application/allotment stage, facilitating secondary market trading.

## ISSUE PROCEDURE

All Bidders should read the General Information Document for Investing in Public Issues prepared and issued in accordance with the circular noCIR/CFD/DIL/12/2013 dated October 23, 2013 notified by SEBI and updated pursuant to SEBI Circular CIR/CFD/POLICYCELL/11/2015 dated November 10, 2015, the SEBI Circular SEBI/HO/CFD/DIL/CIR/P/2016/26 dated January 21, 2016, SEBI circular SEBI/HO/CFD/DIL2/CIR/P/2018/138 dated November 1, 2018 and updated pursuant to SEBI Circular SEBI/HO/CFD/DIL1/CIR/P/2020/37 dated March 17, 2020 (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, the SCRA, the SCRR and the SEBI ICDR Regulations. The General Information Document is available on the websites of Stock Exchange, the Company and the Book Running Lead Manager. 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 investors eligible to participate in the Issue; (ii) maximum and minimum Bid size; (iii) price discovery and allocation; (iv) payment instructions for ASBA Bidders; (v) issuance of Confirmation of Allocation Note (“CAN”) and Allotment in the Issue; (vi) general instructions (limited to instructions for completing the Application Form); (vii) designated date; (viii) disposal of applications; (ix) submission of Application Form; (x) other instructions (limited to joint bids in cases of individual, multiple bids and instances when an application would be rejected on technical grounds); (xi) applicable provisions of Companies Act relating to punishment for fictitious applications; (xii) mode of making refunds; and (xiii) interest in case of delay in Allotment or refund.

SEBI vide its circular no. SEBI/HO/CFD/DIL2/CIR/P/2018/138 dated November 1, 2018 read with its circular no. SEBI/HO/CFD/DIL2/CIR/P/2019/50 dated April 3, 2019 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 Retail Individual Investors applying through Designated Intermediaries was made effective along with the existing process and existing timeline of T+6 days. (“UPI Phase I”). The UPI Phase I was effective till June 30, 2019.

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+3 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 Issues and redressing investor grievances. This circular is effective for initial public Issues 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 Issue (opening on or after May 1, 2022) whose application sizes are up to ₹500,000 shall use the UPI Mechanism.

Furthermore, SEBI vide press release bearing number 12/2023 has approved the proposal for reducing the time period for listing of shares in public Issue from existing 6 working days to 3 working days from the date of the closure of the Issue. The revised timeline of T+3 days shall be made applicable in two phases i.e. voluntary for all public Issues opening on or after September 1, 2023 and mandatory on or after December 1, 2023. Further, SEBI has vide its circular no. SEBI/HO/CFD/TPD1/CIR/P/2023/140 dated August 9, 2023 reduced the time taken for listing of specified securities after the closure of a public Issue to three Working Days. Accordingly, the Issue will be made under UPI Phase III on a mandatory basis, subject to any circulars, clarification or notification issued by the SEBI from time to time.

The 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 abovementioned 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 Prospectus. Applicants are advised to make their independent investigations and ensure that their application do not exceed the investment limits or maximum number of Equity Shares that can be held by them under applicable law or as specified in the Draft Red Herring Prospectus and Red Herring Prospectus. Further, the Company and the LM are not liable for any adverse occurrence’s consequent to the implementation of the UPI Mechanism for application in this Issue.

### **Phased implementation of Unified Payments Interface**

SEBI has issued various *UPI Circulars* in relation to streamlining the process of public issue of equity shares and convertibles. Pursuant to the UPI Circulars, 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 the ASBA) for applications by RIIs through Designated Intermediaries with the objective to reduce the time duration from public issue closure to listing from six working days to up to three working days. Considering the time required for making necessary changes to the systems and to ensure complete and smooth transition to the UPI payment Mechanism, the UPI Circulars have introduced the UPI Mechanism in three phases in the following manner:

**Phase I:** This phase was applicable from January 1, 2019 until March 31, 2019 or floating of five main board public issues, whichever 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 ASBA Form with any of the Designated Intermediary and use his / her UPI ID for the purpose of blocking of funds. The time duration from public issue closure to listing continued to be six Working Days.

**Phase II:** This phase commenced on completion of Phase I i.e. with effect from July 1, 2019 and was to initially continue for a period of three months or floating of five main board public issues, whichever is later. Further, as per the SEBI circular SEBI/HO/CFD/DCR2/CIR/P/2019/133 dated November 8, 2019, it was decided to extend the implementation of the UPI Phase II until March 31, 2020. Further still, as per SEBI circular SEBI/HO/CFD/DIL2/CIR/P/2020/50 dated March 30, 2020, the current Phase II of Unified Payments Interface with Application Supported by Blocked Amount is continued till further notice. Under this phase, submission of the ASBA Form by a Retail Individual Applicant 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 continued 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 the facility of making application in public issues shall also provide facility to make application using UPI Mechanism. Our Company will be required to appoint one of the SCSB 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 Investors using 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, the Issue is being made for at least 25% of the post-Issue Paid-up Equity Share capital of our Company. The Issue is being made under Regulation 229(1) of Chapter IX of SEBI (Issue of Capital and Disclosure Requirements) Regulations, 2018 via 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 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, 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, 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 Book Running Lead Manager, 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, the PAN and UPI ID, for RIBs Bidding in the Retail Portion using the UPI Mechanism, 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 their 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 Book Running Lead Manager, 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 the NSE, atleast one day prior to the Bid/Issue Opening Date.

Copies of the Anchor Investor Application Form will be available at the offices of the Book Running Lead Manager.

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 Centres 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:

- i. 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.
- ii. 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.
- iii. 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 Book Running Lead Manager. 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 color of the Bid cum Application Form for the various categories is as disclosed below:

Category	Color of Bid cum Application Form*
Resident Indians, including resident QIBs, Non-Institutional Bidders, Retail Individual Bidders and Eligible NRIs applying on a non-repatriation basis	[●]
Non-Residents including Eligible NRIs, FVCIs, FPIs, registered multilateral and bilateral development financial institutions applying on a repatriation basis	[●]
Anchor Investors**	[●]

\*Excluding electronic Bid cum Application Form

\*\* Bid cum application for Anchor Investor shall be made available at the Office of the Book Running Lead Manager.

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)
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*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 by investors to 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. Stock exchange shall share application details including the UPI ID with sponsor bank 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 Book Running Lead Manager, 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 Book Running Lead Manager.

#### **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 Draft Red Herring Prospectus for more details.

Subject to the above, an illustrative list of Bidders is as follows:

- a) Indian nationals' resident in India who are not incompetent to contract under the Indian Contract Act, 1872, as amended, in single or as a joint application and minors having valid Demat account as per Demographic Details provided by the Depositories. Furthermore, based on the information provided by the Depositories, our Company shall have the right to accept the Applications belonging to an account for the benefit of minor (under guardianship);
- b) Hindu Undivided Families or HUFs, in the individual name of the Karta. The 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;
- c) Companies, corporate bodies and societies registered under the applicable laws in India and authorized to invest in the Equity Shares under their respective constitutional and charter documents;
- d) Mutual Funds registered with SEBI;
- e) 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;
- f) 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);
- g) FPIs other than Category III FPI; VCFs and FVCIs registered with SEBI;
- h) Limited Liability Partnerships (LLPs) registered in India and authorized to invest in equity shares;
- i) Sub-accounts of FIIs registered with SEBI, which are foreign corporate or foreign individuals only under the Non-Institutional Bidder 's category;
- j) Venture Capital Funds and Alternative Investment Fund (I) registered with SEBI; State Industrial Development Corporations;
- k) Foreign Venture Capital Investors registered with the SEBI;
- l) 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;
- m) Scientific and/or Industrial Research Organizations authorized to invest in equity shares;
- n) Insurance Companies registered with Insurance Regulatory and Development Authority, India;
- o) Provident Funds with minimum corpus of ₹25 Crores and who are authorized under their constitution to hold and invest in equity shares;
- p) 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;
- q) 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;
- r) Multilateral and bilateral development financial institution;
- s) Eligible QFIs;
- t) Insurance funds set up and managed by army, navy or air force of the Union of India;
- u) Insurance funds set up and managed by the Department of Posts, India;
- v) Any other person eligible to apply in this Issue, under the laws, rules, regulations, guidelines and policies applicable to them.

- w) 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:**

1. Minors (except through their Guardians)
2. Partnership firms or their nominations
3. Foreign Nationals (except NRIs)
4. Overseas Corporate Bodies

**As per the existing regulations, OCBs are not eligible to participate in this Issue. The RBI has however clarified in its circular, A.P. (DIR Series) Circular No. 44, dated December 8, 2003 that OCBs which are incorporated and are not under the adverse notice of the RBI are permitted to undertake fresh investments as 138 incorporated non-resident entities in terms of Regulation 5(1) of RBI Notification No.20/2000-RB dated May 3, 2000 under FDI Scheme with the prior approval of Government if the investment is through Government Route and with the prior approval of RBI if the investment is through Automatic Route on case by case basis. OCBs may invest in this Issue provided it obtains a prior approval from the RBI. On submission of such approval along with the Bid Cum Application Form, the OCB shall be eligible to be considered for share allocation.**

**MAXIMUM AND MINIMUM APPLICATION SIZE**

**1. 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.

**2. 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 Book Running Lead Manager are not liable for any amendments or modification or changes in applicable laws or regulations, which may occur after the date of this Draft 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 Book Running Lead Manager 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 [●] and all editions of Hindi national newspaper [●] each with wide circulation at least two Working Days prior to the Bid/ Issue Opening Date. The Book Running Lead Manager and the SCSBs shall accept Bids from the Bidders during the Bid/ Issue Period.

- a) 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 one 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 [●] and all editions of Hindi national newspaper [●], each with wide circulation and also by indicating the change on the websites of the Book Running Lead Manager.

- b) During the Bid/ Issue Period, Retail Individual Bidders, should approach the Book Running Lead Manager or their authorized agents to register their Bids. The Book Running Lead Manager 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 Red Herring Prospectus. ASBA Bidders should approach the Designated Branches or the Book Running Lead Manager (for the Bids to be submitted in the Specified Cities) to register their Bids.
- c) 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.
- d) The Bidder/ Applicant cannot Bid through another Bid cum Application Form after Bids through one Bid cum Application Form have been submitted to a Book Running Lead Manager or the SCSBs. Submission of a second Bid cum Application Form to either the same or to another Book Running Lead Manager 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”.
- e) Except in relation to the Bids received from the Anchor Investors, the Book Running Lead Manager /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
- f) The Book Running Lead Manager 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.
- g) 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 217 of this Draft Red Herring Prospectus
- h) 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.
- i) 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.
- j) 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.
- k) The Bid Amount shall remain blocked in the aforesaid ASBA Account until finalisation 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**

- a. Our Company in consultation with the Book Running Lead Manager, 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.
- b. Our Company in consultation with the Book Running Lead Manager, will finalize the Issue Price within the Price Band, without the prior approval of, or intimation, to the Bidders.
- c. 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.
- d. 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.
- e. The price of the specified securities Issued to an anchor investor shall not be lower than the price Issued to other applicants.

#### **Participation by Associates /Affiliates of Book Running Lead Manager and the Syndicate Members**

The Book Running Lead Manager 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 Book Running Lead Manager 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 Book Running Lead Manager nor any persons related to the Book Running Lead Manager (other than Mutual Funds sponsored by entities related to the Book Running Lead Manager), Promoters and Promoter Group can apply in the Issue under the Anchor Investor Portion.

#### **Option to Subscribe in the Issue**

- a. 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.
- b. The Equity Shares, on allotment, shall be traded on the Stock Exchange in demat segment only.
- c. 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**

1. Our Company and the Book Running Lead Manager shall declare the Bid/ Issue Opening Date and Bid/ Issue Closing Date in the Red Herring Prospectus to be filed with the ROC and also publish the same in two national newspapers (one each in English and Hindi) with wide circulation. This advertisement shall be in prescribed format.

2. Our Company will file the Red Herring Prospectus with the RoC at least 3 (three) days before the Bid/ Issue Opening Date.
3. Copies of the Bid Cum Application Form along with Abridge Prospectus and copies of the 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.
4. 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.
5. Bidders who are interested in subscribing for the Equity Shares should approach Designated Intermediaries to register their applications.
6. 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.
7. 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.
8. 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.
9. Except for applications by or on behalf of the Central or State Government and the Officials appointed by the courts and by investors residing in the State of Sikkim, the 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.
10. 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 Book Running Lead Manager, 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.

- 1) Anchor Investor Bid cum Application Forms will be made available for the Anchor Investors at the offices of the Book Running Lead Manager.

- 2) 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
- 3) One-third of the Anchor Investor Portion will be reserved for allocation to domestic Mutual Funds.
- 4) Bidding for Anchor Investors will open one Working Day before the Bid/ Issue Opening Date and be completed on the same day.
- 5) Our Company in consultation with the Book Running Lead Manager, 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.
- 6) 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 Book Running Lead Manager before the Bid/Issue Opening Date, through intimation to the Stock Exchange.
- 7) Anchor Investors cannot withdraw or lower the size of their Bids at any stage after submission of the Bid.
- 8) 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.
- 9) 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.
- 10) 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.
- 11) The Book Running Lead Manager, our Promoters, Promoter Group or any person related to them (except for Mutual Funds sponsored by entities related to the Book Running Lead Manager) will not participate in the Anchor Investor Portion. The parameters for selection of Anchor Investors will be clearly identified by the Book Running Lead Manager and made available as part of the records of the Book Running Lead Manager for inspection by SEBI.
- 12) Bids made by QIBs under both the Anchor Investor Portion and the QIB Portion will not be considered multiple Bids.
- 13) Anchor Investors are not permitted to Bid in the Issue through the ASBA process.

## **BIDS BY ELIGIBLE NRI'S:**

Eligible NRIs may obtain copies of Bid cum Application Form from the offices of the Book Running Lead Manager and the Designated Intermediaries. Eligible NRI Bidders bidding on a repatriation basis by using the Non- Resident Forms should authorize their SCSB to block their Non-Resident External ("NRE") accounts, or Foreign Currency Non-Resident ("FCNR") ASBA Accounts, and eligible NRI Bidders bidding on a non-repatriation basis by using Resident Forms should authorize their SCSB to block their Non- Resident Ordinary ("NRO") accounts for the full Bid Amount, at the time of the submission of the Bid cum Application Form.

- Eligible NRIs bidding on non-repatriation basis are advised to use the Bid cum Application Form for residents (white in colour).
- Eligible NRIs bidding on a repatriation basis are advised to use the Bid cum Application Form meant for Non-Residents (blue in colour).

## **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 limits 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 Book Running Lead Manager 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 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 IRDA, a certified copy of certificate of registration issued by IRDA must be attached to the Bid cum Application Form. Failing this, our Company reserves the right to reject any Bid by Insurance Companies without assigning any reason thereof. The exposure norms for insurers, prescribed under the Insurance Regulatory and Development Authority (Investment) Regulations, 2000, as amended, are broadly set forth below:

1. 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;
2. 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
3. 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.
4. The maximum exposure limit, in the case of an investment in equity shares, cannot exceed the lower of an amount of 10% of the investment assets of a life insurer or general insurer and the amount calculated under (1), (2) and (3) above, as the case may be. 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 ₹ 2500 Lakhs (subject to applicable law) and pension funds with a minimum corpus of ₹2500 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:

- a) 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.
- b) 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.

- c) With respect to Bids made by provident funds with a minimum corpus of ₹ 2500 Lakhs (subject to applicable law) and pension funds with a minimum corpus of ₹ 2500 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.
- d) 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
- e) Our Company in consultation with the Book Running Lead Manager 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 Book Running Lead Manager may deem fit.

The above information is given for the benefit of the Bidders. Our Company, the Book Running Lead Manager 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.

The investment limit for banking companies in non-financial services companies as per the Banking Regulation Act, 1949, as amended (the "Banking Regulation Act"), and the Reserve Bank of India (Financial Services provided by Banks) Directions, 2016, is 10% of the paid-up share capital of the investee company not being its subsidiary engaged in non-financial services or 10% of the banks' own paid-up share capital and reserves, whichever is lower. However, a banking company would be permitted to invest in excess of 10% but not exceeding 30% of the paid-up share capital of such investee company if (i) the investee company is engaged in non-financial activities permitted for banks in terms of Section 6(1) of the Banking Regulation Act, or (ii) the additional acquisition is through restructuring of debt / corporate debt restructuring / strategic debt restructuring, or to protect the banks' interest on loans / investments made to a company. The bank is required to submit a time bound action plan for disposal of such shares within a specified period to RBI. A banking company would require a prior approval of RBI to make (i) investment in a subsidiary and a financial services company that is not a subsidiary (with certain exception prescribed), and (ii) investment in a nonfinancial services company in excess of 10% of such investee company's paid up share capital as stated in 5(a)(v)(c)(i) of the Reserve Bank of India (Financial Services provided by Banks) Directions, 2016.

#### **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:**

1. Upon approval of the basis of allotment by the Designated Stock Exchange, the Book Running Lead Manager or Registrar to the Issue shall send to the SCSBs a list of their Bidders who have been allocated Equity Shares in the Issue.
2. 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 favour of:

1. In case of resident Anchor Investors: “[●]”
2. 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

1. The Designated Intermediaries will register the applications using the on-line facilities of the Stock Exchange.
2. The Designated Intermediaries will undertake modification of selected fields in the application details already uploaded before 5.00 p.m. of the Issue Closing Date.
3. The Designated Intermediaries shall be responsible for any acts, mistakes or errors or omissions and commissions in relation to,
  - a) the applications accepted by them,
  - b) the applications uploaded by them
  - c) the applications accepted but not uploaded by them or
  - d) 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.
4. 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,
  - i. The applications accepted by any Designated Intermediaries
  - ii. The applications uploaded by any Designated Intermediaries or
  - iii. The applications accepted but not uploaded by any Designated Intermediaries
5. The Stock Exchange will Issue 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.
6. 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

S. No.	Details*
4.	Application No.
5.	Category
6.	PAN
7.	DP ID
8.	Client ID
9.	Quantity
10.	Amount

*\*Stock Exchanges shall uniformly prescribe character length for each of the above-mentioned fields*

7. With respect to applications by 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.
8. 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.
9. The aforesaid Designated Intermediaries shall, at the time of receipt of application, give an acknowledgment to the investor, by giving the counter foil or specifying the application number to the investor, as a proof of having accepted the 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.
10. Such acknowledgment will be non-negotiable and by itself will not create any obligation of any kind.
11. 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.
12. The permission given by the Stock Exchanges to use their network and software of the Online IPO system should not in any way be deemed or construed to mean that the compliance with various statutory and other requirements by our Company and/or the 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.
13. 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.

14. 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.
15. 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**

- a) 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 Book Running Lead Manager at the end of the Bid/ Issue Period.
- b) 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**

- a) 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.
- b) 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**

- a) Based on the demand generated at various price levels, our Company in consultation with the Book Running Lead Manager, shall finalise the Issue Price and the Anchor Investor Issue Price.
- b) The SEBI (ICDR) Regulations, 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 Red Herring Prospectus. For details in relation to allocation, the Bidder may refer to the Red Herring Prospectus.
- c) 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 the in consultation with the Book Running Lead Manager 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.
- d) 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 Red Herring Prospectus.
- e) 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.
- f) Allocation to Anchor Investors shall be at the discretion of our Company and in consultation with the Book Running Lead Manager, 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.

Bid Quantity	Bid Amount (₹)	Cumulative Quantity	Subscription
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 Book Running Lead Manager, may finalise 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 Red Herring Prospectus/ Prospectus with RoC

- a) Our company has entered into an Underwriting Agreement dated [●]
- b) A copy of Red Herring Prospectus will be filed with the ROC and copy of Prospectus will be filed with ROC in terms of Section 32 of Companies Act, 2013 and Section 26 of Companies Act, 2013.

### 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, in (i) English National Newspaper and (ii) Hindi National Newspaper each with wide circulation. In the pre-Issue advertisement, we shall state the Bid Opening Date and the Bid/Issue Closing Date and the floor price or price band along with necessary details subject to regulation 250 of SEBI (ICDR) Regulations. This 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 Regulations.

### ADVERTISEMENT REGARDING ISSUE PRICE AND PROSPECTUS:

Our Company will issue a statutory advertisement after the filing of the Red Herring Prospectus/ Prospectus with the RoC. This advertisement, in addition to the information that has to be set out in the statutory advertisement, shall indicate the final derived Issue Price. Any material updates between the date of the Red Herring Prospectus and the date of Prospectus will be included in such statutory advertisement.

### 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:

1. 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;
2. Ensure that you have Bid within the Price Band;
3. Read all the instructions carefully and complete the Bid cum Application Form in the prescribed form;
4. 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;
5. Ensure that your Bid cum Application Form bearing the stamp of a Designated Intermediary is submitted to the Designated Intermediary at the Bidding Centre;
6. 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;
7. 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;

8. 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.
9. 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;
10. Ensure that you request for and receive a stamped acknowledgement of the Bid cum Application Form for all your Bid options;
11. 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 Centres), the RTA (at the Designated RTA Locations) or CDP (at the Designated CDP Locations);
12. Submit revised Bids to the same Designated Intermediary, through whom the original Bid was placed and obtain a revised acknowledgment;
13. 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;
14. Ensure that the Demographic Details are updated, true and correct in all respects;
15. Ensure that the signature of the First Bidder in case of joint Bids, is included in the Bid cum Application Forms;
16. 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;
17. Ensure that the category and the investor status is indicated;
18. Ensure that in case of Bids under power of attorney or by limited companies, corporate, trust etc., relevant documents are submitted;
19. Ensure that Bids submitted by any person outside India should be in compliance with applicable foreign and Indian laws;
20. 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;
21. 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 Red Herring Prospectus;
22. Ensure that you have mentioned the correct ASBA Account number or UPI ID in the Bid cum Application Form;
23. 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;
24. 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;
25. 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;
26. Ensure that you receive an acknowledgement from the concerned Designated Intermediary, for the submission of your Bid cum Application Form; and
27. 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:

1. Do not Bid for lower than the minimum Bid size;
2. Do not Bid / revise Bid Amount to less than the Floor Price or higher than the Cap Price;
3. Do not pay the Bid Amount in cash, by money order, cheques or demand drafts or by postal order or by stock invest;
4. Do not send Bid cum Application Forms by post; instead submit the same to the Designated Intermediary only;
5. Do not submit the Bid cum Application Forms to any non-SCSB bank or our Company;
6. Do not Bid on a Bid cum Application Form that does not have the stamp of the relevant Designated Intermediary;
7. Do not Bid at Cut-off Price (for Bids by QIBs and Non-Institutional Bidders);
8. Do not instruct your respective Banks to release the funds blocked in the ASBA Account under the ASBA process;
9. Do not Bid for a Bid Amount exceed ₹2,00,000/- (for Applications by Retail Individual Bidders);
10. 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 Red Herring Prospectus;
11. Do not submit the General Index Register number instead of the PAN;
12. Do not submit the Bid without ensuring that funds equivalent to the entire Bid Amount are blocked in the relevant ASBA Account;
13. 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;
14. 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;
15. 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);
16. 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.

### **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**

- a) During the Bid/Issue Period, Bidders may approach any of the Designated Intermediaries to register their Bids.
- b) 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).
- c) For details of the timing on acceptance and upload of Bids in the Stock Exchange platform Bidders are requested to refer to the Draft Red Herring Prospectus.

## **GROUNDINGS 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 Draft Red Herring Prospectus;
- 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 Draft Red Herring Prospectus;
- 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 Draft Red Herring Prospectus and as per the instructions in the Draft Red Herring Prospectus 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 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.

For details of instructions in relation to the Bid cum Application Form, Bidders may refer to the relevant section the GID.

**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**

- a) 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 Draft Red Herring Prospectus. For details in relation to allocation, the Bidder may refer to the Red Herring Prospectus.
- b) 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 Book Running Lead Manager 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.
- c) 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 Red Herring Prospectus.

#### **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 Draft Red Herring Prospectus. 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 Issue for Sale only, then minimum subscription may not be applicable.

#### **BASIS OF ALLOTMENT**

##### **a) 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.

**b) 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.

**c) For QIBs**

For the Basis of Allotment to Anchor Investors, Bidders/Applicants may refer to the SEBI (ICDR) Regulations or Red Herring Prospectus / 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:

- a) In the first instance allocation to Mutual Funds for [●] % of the QIB Portion shall be determined as follows:
  - (i) 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.
  - (ii) 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.
  - (iii) 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;
- b) In the second instance Allotment to all QIBs shall be determined as follows:
  - (i) 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.
  - (ii) 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.
  - (iii) 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.

**d. ALLOTMENT TO ANCHOR INVESTOR (IF APPLICABLE)**

- a) 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 Book Running Lead Manager, subject to compliance with the following requirements:
  - (i) not more than 60% of the QIB Portion will be allocated to Anchor Investors;

(ii) 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

(iii) 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.

b) 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 Book Running Lead Manager, selected Anchor Investors will be sent a CAN and if required, a revised CAN.

**c) 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

**d) 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.

**e) 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 finalise the Basis of Allotment in consultation with the NSE Emerge (The Designated Stock Exchange). The allocation may be made in marketable lots on proportionate basis as set forth hereunder:

- a) The total number of Shares to be allocated to each category as a whole shall be arrived at on a proportionate basis i.e. the total number of Shares applied for in that category multiplied by the inverse of the oversubscription ratio (number of Bidders in the category multiplied by number of Shares applied for).
- b) 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).
- c) 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.
- d) 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.

- e) 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 Issued, 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 Draft Red Herring Prospectus.

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.

**Flow of Events from the closure of Bidding period (T DAY) Till Allotment:**

- On T Day, RTA to validate the electronic bid details with the depository records and also reconcile the final certificates received from the Sponsor Bank for UPI process and the SCSBs for ASBA and Syndicate ASBA process with the electronic bid details.
- RTA identifies cases with mismatch of account number as per bid file / FC and as per applicant's bank account linked to depository demat account and seek clarification from SCSB to identify the applications with third party account for rejection.
- Third party confirmation of applications to be completed by SCSBs on T+1 day.
- RTA prepares the list of final rejections and circulate the rejections list with BRLM(s)/ Company for their review/ comments.
- Post rejection, the RTA submits the basis of allotment with the Designated Stock Exchange (DSE).
- The DSE, post verification approves the basis and generates drawl of lots wherever applicable, through a random number generation software.
- The RTA uploads the drawl numbers in their system and generates the final list of allottees as per process mentioned below:

**Process for generating list of allottees: -**

- Instruction is given by RTA in their Software System to reverse category wise all the application numbers in the ascending order and generate the bucket /batch as per the allotment ratio. For example, if the application number is 78654321 then system reverses it to 12345687 and if the ratio of allottees to applicants in a category is 2:7 then the system will create lots of 7. If the drawl of lots provided by DSE is 3 and 5 then the system will pick every 3rd and 5th application in each of the lot of the category and these applications will be allotted the shares in that category.
- In categories where there is proportionate allotment, the Registrar will prepare the proportionate working based on the oversubscription times.
- In categories where there is undersubscription, the Registrar will do full allotment for all valid applications.
- On the basis of the above, the RTA will work out the allottees , partial allottees and non- allottees , prepare the fund transfer letters and advice the SCSBs to debit or unblock the respective accounts.

**Issuance of Allotment Advice**

- 1) Upon approval of the Basis of Allotment by the Designated Stock Exchange.

- 2) On the basis of approved Basis of Allotment, the Issuer shall pass necessary corporate action to facilitate the allotment and credit of equity shares. 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.

- 3) Issuer will make the allotment of the Equity Shares and initiate corporate action for credit of shares to the successful Bidders Depository Account within 4 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.

#### **Designated Date:**

On the Designated date, the SCSBs shall transfers 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 centres 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 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:

- 1) Allotment and Listing of Equity Shares shall be made within 3 (Three) days of the Issue Closing Date;
- 2) 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
- 3) 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 Book Running Lead Manager 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.

### **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-**

- a) Makes or abets making of an application in a fictitious name to a company for acquiring, or subscribing for, its securities; or
- b) Makes or abets making of multiple applications to a company in different names or in different combinations of his name or surname for acquiring or subscribing for its securities; or
- c) Otherwise induces directly or indirectly a company to allot, or register any transfer of, securities to him, or to any other person in a fictitious name, shall be liable for action under Section 447.”

### **Undertakings by Our Company**

We undertake as follows:

- 1) That the complaints received in respect of the Issue shall be attended expeditiously and satisfactorily;
- 2) 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.
- 3) 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;
- 4) 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;
- 5) That our Promoter 's contribution in full has already been brought in;
- 6) 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.;
- 7) That adequate arrangement shall be made to collect all Applications Supported by Blocked Amount while finalizing the Basis of Allotment;
- 8) 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;
- 9) 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;
- 10) 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:

- 1) All monies received out of the Issue shall be credited/ transferred to a separate bank account other than the bank account referred to in sub section (3) of Section 40 of the Companies Act 2013;
- 2) Details of all monies utilized out of the Issue referred above shall be disclosed and continue to be disclosed till the time any part of the Issue proceeds remains unutilized, under an appropriate head in our balance sheet of our company indicating the purpose for which such monies have been utilized;

- 3) Details of all unutilized monies out of the Issue, if any shall be disclosed under the appropriate separate head in the balance sheet of our company indicating the form in which such unutilized monies have been invested and
- 4) 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.
- 5) 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.
- 6) 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 September 03, 2024 between NSDL, the Company and the Registrar to the Issue;
- Tripartite Agreement dated September 13, 2024 between CDSL, the Company and the Registrar to the Issue;

The Company's equity shares bear an **ISIN INE13U601019**

## RESTRICTION ON FOREIGN OWNERSHIP OF INDIAN SECURITIES

The Department for Promotion of Industry and Internal Trade, Ministry of Commerce and Industry, Government of India (“**DPIIT**”) makes policy announcements on FDI through press notes and press releases which are notified by the RBI as amendments to the FEMA. The DPIIT also issues the Consolidated Foreign Direct Investment Policy (“**FDI Policy**”) from time to time. The regulatory framework pertaining to foreign investment, over a period of time, thus, consists of acts, regulations, master circulars, press notes, press releases, and clarifications among other amendments.

India’s current FDI Policy issued by the DPIIT with effect from October 15, 2020, consolidates and supersedes all previous press notes, press releases and clarifications on FDI issued by the DPIIT till October 15, 2020. All the press notes, press releases, clarifications on FDI issued by DPIIT till October 15, 2020 stand rescinded as on October 15, 2020. In terms of the FDI Policy, Foreign investment is permitted (except in the prohibited sectors) in Indian companies either through the automatic route or the Government route, depending upon the sector in which foreign investment is sought to be made. In terms of the FDI Policy, the work of granting government approval for foreign investment under the FDI Policy and FEMA Regulations has now been entrusted to the concerned Administrative Ministries/Departments.

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, will require prior approval of the Government, as prescribed in the FDI Policy and the Foreign Exchange Management (Non-debt Instruments) Rules, 2019. 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. Pursuant to the Foreign Exchange Management (Non-debt Instruments) (Fourth Amendment) Rules, 2020 issued on December 8, 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.

Further, the existing individual and aggregate investment limits for an FPI in our Company are not exceeding 10% of the total paid-up Equity Share capital of our Company for each FPI and the total holdings of all FPIs in the Company shall not exceed 24% of the total paid-up Equity Share capital of our Company. The RBI, in exercise of its power under the FEMA, has also notified Foreign Exchange Management (Non-debt Instruments) Rules, 2019 (“**Rules**”) and Foreign Exchange Management (Mode of Payment and Reporting of Non-Debt Instruments) Regulations, 2019 to prohibit, restrict or regulate, transfer by or issue security to a person resident outside India. SEBI registered FPIs have been permitted to purchase shares of an Indian company through the Issue, subject to total FPI investment being within the individual FPI/sub account investment limit of less than 10% of the total paid-up equity capital on a fully diluted basis of the Company subject to the total holdings of all FPIs/sub accounts including any other direct and indirect foreign investments in the Company shall not exceed 24% of the paid-up equity capital of the Company on a fully diluted basis. The aggregate limit of 24% in case of FPIs may be increased up to the sectoral cap/statutory ceiling, as applicable, by the Company concerned by passing of resolution by the Board of the Company to that effect and by passing of a special resolution to that effect by its Shareholders. With effect from April 1, 2020, the aggregate limit of 24% has increased to the sectoral cap applicable to the Indian Company which in case of the Company is 100% provided that the Company complies with conditions provided under the FDI Policy. As per the Rules, the aggregate limit as provided above was permitted to be decreased by the Company to a lower threshold limit of 24% or 49% or 74% as deemed fit, with the approval of its Board of Directors through a resolution and also of its shareholders by means of a special resolution, before March 31, 2020. The Company has passed no such Board Resolution and hence, has not revised its sectoral caps. Further, eligible NRIs and OCIs investing on repatriation basis are subject to individual investment limit of 5% of the total paid-up equity capital on a fully diluted basis subject to the aggregate paid-value of the shares purchased by all NRIs and OCIs put together on repatriation basis not exceeding 10% of the total paid-up equity capital on a fully diluted basis of the Company. The aggregate limit of 10% in case of NRIs and OCIs together may be raised to 24 % if a special resolution to that effect is passed by the shareholders of the Company. The Company has not passed such resolutions as yet.

The transfer of shares between an Indian resident and a Non-resident does not require prior approval of RBI, subject to fulfillment of certain conditions as specified by DPIIT / RBI, from time to time. Such conditions include (i) the activities of the investee company are under the automatic route under the 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 FDI Policy; and (iii) the pricing is in accordance with the guidelines prescribed by the SEBI/RBI. Investors are advised to refer to the exact text of the relevant statutory provisions of law before investing and / or subsequent purchase or sale transaction in the Equity Shares of our Company.

As per the existing policy of the Government of India, OCBs cannot participate in this Issue.

Our Company is engaged in the business of providing a marketplace for ecommerce. As per the FDI Policy, while foreign investment upto 100% of the paid-up share capital of the Company is allowed under the automatic route in entities engaged in marketplace model of ecommerce, the same is subject to certain conditionalities.

For further details, see “*Issue Procedure*” on page 217. 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 in writing about such approval along with a copy thereof within the Bid/Issue Period.

**The Equity Shares have not been and will not be registered under the U.S. Securities Act of 1933, as amended (the “U.S. Securities Act”), or the securities laws of any state of the United States and may not be offered or sold within the United States, except pursuant to exemption from, or in a transaction not subject to, the registration requirements of the U.S. Securities Act and applicable state securities laws. Accordingly, the Equity Shares are being offered and sold only outside the United States in offshore transactions in reliance on Regulation S under the U.S. Securities Act and the applicable laws of the jurisdiction where those offers and sale occur. The Equity Shares have not been and will not be registered, listed or otherwise qualified in any other jurisdiction outside India and may not be offered or sold, and Applications may not be made by persons in any such jurisdiction, except in compliance with the applicable laws of such jurisdiction.**

**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 Bidders. 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 Red Herring Prospectus. Bidders are advised to make their independent investigations and ensure that the Bids are not in violation of laws or regulations applicable to them.**

## SECTION VIII -MAIN PROVISIONS OF THE ARTICLES OF ASSOCIATION

OF

NUTRIKOSH INDIA LIMITED

A COMPANY LIMITED BY SHARES

The following regulations comprised in these Articles of Association were adopted pursuant to members' resolution passed at the Extraordinary General Meeting of the Company held on July 22, 2024, in substitution for and to the entire exclusion of, the earlier regulations comprised in the extant Articles of Association of the Company.

1. The regulations contained in Table 'F' in Schedule I to the Companies Act, 2013 ("Table 'F'"), as are applicable to a public company limited by shares, shall not apply to the company.

The regulations for the management of the Company and for the observance by the members thereto and their representatives, shall, subject to any exercise of the statutory powers of the Company with reference to the deletion or alteration of or addition to its regulations by resolution as prescribed or permitted by the Companies Act 2013, be such as contained in these Articles.

2. In the Interpretation of these Articles, unless repugnant to the subject or context:

**"The Company"** or "This Company" means NUTRIKOSH INDIA LIMITED.

**"The Act"** means "the Companies Act, 2013", or any statutory modification or re-enactment 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.

**"Annual General Meeting"** means a General Meeting of the members held in accordance with the provisions of Section 96 of the Act.

**"Articles"** means the articles of association of the Company or as altered from time to time. "Board" or "Board of Directors" means the Directors of the Company collectively and shall include a committee thereof.

**"Depository"** means a company formed and registered under the Act and which has been granted a certificate of registration under Section 12(1A) of the Securities Exchange Board of India Act, 1992 (15 of 1992).

**"Director"** means a director of the Company (including any duly appointed alternate director).

**"Extraordinary General Meeting"** means an Extraordinary General Meeting of the members duly called and constituted and any adjourned holding thereof.

**"General Meeting"** means Annual General Meeting or Extraordinary General Meeting. "Managing Director" means the managing director for the time being of the Company.

**"Rules"** means the applicable rules for the time being in force as prescribed under relevant sections of the Act.

**"Rupees"**, "Rs." or "INR" refers to Indian Rupees being the lawful currency of the Republic of India.

**"Seal"** shall mean the common seal of the company.

**"Share Capital"** shall mean the paid up equity share capital of the Company.

Words importing the singular number include, where the context admits or requires, the plural number and vice versa. The marginal notes and titles used in these Articles shall not affect the construction thereof. Word importing the masculine gender shall include the feminine gender. The heading or sub-heading hereto shall not affect the construction thereof.

Unless the context otherwise requires, words or expressions contained in these Articles shall bear the same meaning as in the Act or any statutory modification thereof in force.

Save as aforesaid and unless the context otherwise requires, words or expressions defined in the Act and contained in these regulations shall if not inconsistent with the context or subject bear the same meaning in these Articles 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*

3. The Authorised 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 V of the Memorandum of Association, with power to Board of Directors to increase or re-classify or sub-divide or consolidate or reduce or modify the said capital and to divide the shares for the time being of the Company into several classes and attach thereto preferential, deferred, qualified, or special rights or conditions, as may be determined by or in accordance with the Act or Articles of Association of the Company or terms of issue and to vary, modify, or abrogate any such rights, privileges or conditions in such manner as may be for the time being provided for by the Act or Articles of Association of the Company or the terms of issue.
4. (i) Every person whose name is entered as a member in the register of members shall be entitled to receive within two months after incorporation, in case of subscribers to the memorandum or after allotment or within one month after the application for the registration of transfer or transmission or within such other period as the conditions of issue shall be provided:-
  - a) one certificate for all his shares without payment of any charges; or
  - b) Several certificates, each for one or more of his shares, upon payment of twenty rupees for each certificate after the first.

(ii) Every certificate shall be under the seal and shall specify the shares to which it relates and the amount paid-up thereon.

(iii) In respect of any share or shares held jointly by several persons, the company shall not be bound to issue more than one certificate, and delivery of a certificate for a share to one of several joint holders shall be sufficient delivery to all such holders.
5. (i) If any share certificate be worn out, defaced, mutilated or torn or if there be no further space on the back for endorsement of transfer, then upon production and surrender thereof to the company, a new certificate may be issued in lieu thereof, and if any certificate is lost or destroyed then upon proof thereof to the satisfaction of the company and on execution of such indemnity as the company deem adequate, a new certificate in lieu thereof shall be given. Every certificate under this Article shall be issued on payment of twenty rupees for each certificate.

(ii) The provisions of Articles (2) and (3) shall *mutatis mutandis* apply to debentures of the company.
6. 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.
7. The company may exercise the powers of paying commissions conferred by sub-section (6) of section 40 provided that the rate percent 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 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.
8. If at any time the share capital is divided into different classes of shares the rights attached to any class (unless otherwise provided by the terms of issue of the shares of that class) may subject to the provisions of section 48 and whether or not the company is being wound up be varied with the consent in writing of the holders of

three-fourths of the issued shares of that class or with the sanction of a special resolution passed at a separate meeting of the holders of the shares of that class. To every such separate meeting the provisions of these regulations relating to general meetings shall mutatis mutandis apply but so that the necessary quorum shall be at least two persons holding at least one-third of the issued shares of the class in question.

9. 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.
10. Subject to the provisions of section 55 any preference shares may with the sanction of an ordinary resolution be issued on the terms that they are to be redeemed on such terms and in such manner as the company before the issue of the shares may by special resolution determine.

#### *Lien*

11. The company shall have a first and paramount lien 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 on all shares (not being fully paid shares) standing registered in the name of a single person for all monies presently payable by him or his estate to the company Provided that the Board of directors may at any time declare any share to be wholly or in part exempt from the provisions of this clause. 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.
12. 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 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.
13. 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.
14. 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. The residue if any shall subject to a like lien for sums not presently payable as existed upon the shares before the sale be paid to the person entitled to the shares at the date of the sale.

#### *Calls on shares*

15. 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. 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. A call may be revoked or postponed at the discretion of the Board.
16. 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.
17. The joint holders of a share shall be jointly and severally liable to pay all calls in respect thereof.
18. 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.
19. 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.

20. 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 upon all or any of the monies so advanced may (until the same would but for such advance become presently payable) pay interest at such rate not exceeding unless the company in general meeting shall otherwise direct twelve per cent per annum as may be agreed upon between the Board and the member paying the sum in advance.

#### *Transfer of shares*

21. The instrument of transfer of any share in the company shall be executed by or on behalf of both the transferor and transferee. 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.
22. The Board may subject to the right of appeal conferred by section 58 decline to register the transfer of a share not being a fully paid share to a person of whom they do not approve or any transfer of shares on which the company has a lien.
23. The Board may decline to recognise any instrument of transfer unless. the instrument of transfer is in the form as prescribed in rules made under sub-section (1) of section 56b. 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. the instrument of transfer is in respect of only one class of shares.
24. On giving not less than seven days previous notice in accordance with section 91 and rules made thereunder the registration of transfers may be suspended at such times and for such periods as the Board may from time to time determine Provided that such registration shall not be suspended for more than thirty days at any one time or for more than forty-five days in the aggregate in any year.

#### *Transmission of shares*

25. 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.
26. 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 to be registered himself as holder of the share or to make such transfer of the share as the deceased or insolvent member could have made. 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.
27. 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.
28. 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.

#### *Forfeiture of shares*

29. 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.
30. 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.
31. 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.
32. 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.
33. 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.
34. 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.
35. The provisions of these regulations as to forfeiture shall apply in the case of non-payment of any sum which by the terms of issue of a share becomes payable at a fixed time whether on account of the nominal value of the share or by way of premium as if the same had been payable by virtue of a call duly made and notified.

#### *Alteration of capital*

36. 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.
37. Subject to the provisions of section 61 the company may by ordinary resolution consolidate and divide all or any of its share capital into shares of larger amount than its existing shares convert all or any of its fully paid-up shares into stock and reconvert that stock into fully paid-up shares of any denomination sub-divide its existing shares or any of them into shares of smaller amount than is fixed by the memorandum 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.
38. 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.

39. 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*

40. 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.

41. 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*

42. Notwithstanding anything contained in these articles but subject to the provisions of sections 68 to 70 and any other applicable provision of the Act or any other law for the time being in force the company may purchase its own shares or other specified securities.

#### *General meetings*

43. All general meetings other than annual general meeting shall be called extraordinary general meeting.
44. The Board may whenever it thinks fit call an extraordinary general meeting. 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.
45. 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. The chairperson if any of the Board shall preside as Chairperson at every general meeting of the company. 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. If at any meeting no director is willing to act as Chairperson or if no director is present within fifteen minutes after the time

appointed for holding the meeting the members present shall choose one of their members to be Chairperson of the meeting.

#### ***Adjournment of meeting***

46. The Chairperson may with the consent of any meeting at which a quorum is present and shall if so directed by the meeting adjourn the meeting from time to time and from place to place. No business shall be transacted at any adjourned meeting other than the business left unfinished at the meeting from which the adjournment took place. When a meeting is adjourned for thirty days or more notice of the adjourned meeting shall be given as in the case of an original meeting. Save as aforesaid 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***

47. 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.

48. A member may exercise his vote at a meeting by electronic means in accordance with section 108 and shall vote only once.

49. 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.

50. 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.

51. Any business other than that upon which a poll has been demanded may be proceeded with pending the taking of the poll.

52. 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

53. No objection shall be raised to the qualification of any voter except at the meeting or adjourned meetings 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***

54. 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.

55. An instrument appointing a proxy shall be in the form as prescribed in the rules made under section 105

56. A vote given in accordance with the terms of an instrument of proxy shall be valid notwithstanding the previous death or insanity of the principal or the revocation of the proxy or of the authority under which the proxy was executed or the transfer of the shares in respect of which the proxy is given Provided that no intimation in writing of such death insanity revocation or transfer shall have been received by the company at its office before the commencement of the meeting or adjourned meeting at which the proxy is used.

#### ***Board of Directors***

57. Unless otherwise determined by the Company in general meeting, the number of directors shall not be less than 3 (three) and shall not be more than 15 (Fifteen) or such higher number as may be fixed by the Act or any amendment thereto as the maximum number of Directors. Provided that if the number of Directors exceeds

18 or the maximum number of Directors fixed by the Act, prior permission of the company by way of special resolution shall be obtained.

58. The remuneration of the directors shall in so far as it consists of a monthly payment be deemed to accrue from day-to-day. 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 in attending and returning from meetings of the Board of Directors or any committee thereof or general meetings of the company or in connection with the business of the company.
59. The Board may pay all expenses incurred in getting up and registering the company.
60. 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.
61. 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.
62. 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.
63. Subject to the provisions of section 149 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. Such person 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.

#### ***Proceedings of the Board***

64. The Board of Directors may meet for the conduct of business adjourn and otherwise regulate its meetings as it thinks fit. A director may and the manager or secretary on the requisition of a director shall at any time summon a meeting of the Board.
65. 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.
66. 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.
67. The Board may elect a Chairperson of its meetings and determine the period for which he is to hold office. If no such Chairperson is elected or if at any meeting the Chairperson is not present within five minutes after the time appointed for holding the meeting the directors present may choose one of their number to be Chairperson of the meeting.
68. The Board may subject to the provisions of the Act delegate any of its powers to committees consisting of such member or members of its body as it thinks fit. Any committee so formed shall in the exercise of the powers so delegated conform to any regulations that may be imposed on it by the Board. 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.
69. A committee may meet and adjourn as it thinks fit. Questions arising at any meeting of a committee shall be determined by a majority of votes of the members present and in case of an equality of votes the Chairperson shall have a second or casting vote.
70. 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.

71. Save as otherwise expressly provided in the Act a resolution in writing signed by all the members of the Board or of a committee thereof for the time being entitled to receive notice of a meeting of the Board or committee shall be valid and effective as if it had been passed at a meeting of the Board or committee duly convened and held.

#### ***Chief Executive Officer, Manager, Company Secretary or Chief Financial Officer***

72. 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
73. A provision of the Act or these regulations requiring or authorising a thing to be done by or to a director and chief executive officer manager company secretary or chief financial officer shall not be satisfied by its being done by or to the same person acting both as director and as or in place of chief executive officer manager company secretary or chief financial officer.

#### ***The Seal***

74. 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***

75. The company in general meeting may declare dividends but no dividend shall exceed the amount recommended by the Board.
76. Subject to the provisions of section 123 the Board may from time to time pay to the members such interim dividends as appear to it to be justified by the profits of the company.
77. 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
78. 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.
79. 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.
80. 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.

81. 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. 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.

No dividend shall bear interest against the company.

#### *Accounts*

82. 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. No member (not being a director) shall have any right of inspecting any account or book or document of the company except as conferred by law or authorised by the Board or by the company in general meeting.

#### *Winding up*

83. 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*

84. Every officer of the company shall be indemnified out of the assets of the company against any liability incurred by him in defending any proceedings whether civil or criminal in which judgment is given in his favour or in which he is acquitted or in which relief is granted to him by the court or the Tribunal.

## SECTION IX: OTHER INFORMATION

### MATERIAL CONTRACTS AND DOCUMENTS FOR INSPECTION

The following contracts, not being contracts entered into in the ordinary course of business carried on by our Company or contracts entered into more than two (2) years before the date of filing of this Draft Red Herring Prospectus, which are or may be deemed material have been entered or are to be entered into by our Company. These contracts, copies of which will be attached to the copy of the Draft Red Herring Prospectus, will be delivered to the RoC for registration and also the documents for inspection referred to hereunder, may be inspected at the Registered Office of our Company from date of filing the Draft Red Herring Prospectus with RoC to Issue Closing Date on Working Days from 10.00 a.m. to 5.00 p.m

Any of the contracts or documents mentioned in this Draft Red Herring Prospectus may be amended or modified at any time if so required in the interest of our Company or if required by the other parties, without reference to the shareholders, subject to compliance of the provisions contained in the Companies Act and other applicable laws.

#### Material Contracts

- 1) Issue Agreement dated November 05, 2024, between our Company and the Book Running Lead Manager to the Issue.
- 2) Registrar Agreement dated November 04, 2024, executed between our Company and the Registrar to the Issue.
- 3) Banker to the Issue and Sponsor Bank Agreement dated [●] among our Company, Book Running Lead Manager, Banker to the Issue and the Registrar to the Issue.
- 4) Public Issue Account and sponsor bank agreement dated [●] amongst our Company, the Registrar to the Issue, the BRLM, Banker to the Issue, Sponsor Bank, Refund Bank and Syndicate Member.
- 5) Syndicate agreement dated [●] entered amongst our Company, the BRLM, the Syndicate Member and RTA
- 6) Underwriting Agreement dated [●] between our Company, Book Running Lead Manager and Underwriter.
- 7) Monitoring agency agreement dated [●] among our Company and the Monitoring Agency.
- 8) Market Making Agreement dated [●] between our Company, Book Running Lead Manager and Market Maker.
- 9) Tripartite Agreement dated September 13, 2024 among CDSL, the Company and the Registrar to the Issue.
- 1) Tripartite Agreement dated September 03, 2024, among NSDL, the Company and the Registrar to the Issue.

#### Material Documents

- 2) Certified true copy of Certificate of Incorporation, Memorandum and Articles of Association of our Company as amended from time to time.
- 3) Board resolution and special resolution passed pursuant to Section 62 (1)(c) of the Companies Act, 2013 by the Board and shareholders of our Company approving the Issue, at their meetings held on September 26, 2024 and September 30, 2024, respectively;
- 4) Resolution of the Board of Directors of our Company dated November 12, 2024 approving the Draft Red Herring Prospectus and amendments thereto.
- 5) Consent dated October 28, 2024, from M/s P M H and Associates, Chartered Accountants, to include their name as an “expert” as defined under section 2(38) of the Companies Act, 2013 to the extent and in their capacity as the Peer Review Auditor and in respect of the: (i) Restated Financial Statements and their

examination report, and (ii) the Statement of Possible tax benefits included in this Draft Red Herring Prospectus and such consent has not been withdrawn as on the date of this Draft Red Herring Prospectus.

- 6) Consents of Promoters, Directors, Company Secretary & Compliance Officer, Chief Financial Officer, Statutory Auditor, Peer Review Auditor, Banker to the Company, Legal Advisor to the Issue, Book Running Lead Manager, Registrar to the Issue, Syndicate Member, the Escrow Collection Bank(s), Market Maker, Underwriter and Bankers to the Issue/Public Issue Bank/Refund Banker and Sponsor Banker to act in their respective capacities;
- 7) Certificate from the Peer Review Auditor, Chartered Accountants dated November 12, 2024 verifying the key performance indicators (KPI).
- 8) Resolution of Audit Committee dated November 12, 2024, verifying the key performance indicators.
- 9) Due Diligence Certificate from Book Running Lead Manager dated November 12, 2024 addressed to NSE from the BRLM.
- 10) Copy of In- Principle Approval from NSE by way of letter dated [●], to use the name of NSE in this issue document for listing of Equity Shares on NSE EMERGE (SME Platform of the National Stock Exchange of India Limited).

## **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 DIRECTORS OF OUR COMPANY:**

Sd/-

**Ashutosh Tiwari**  
**Managing Director**

Date: November 12, 2024

Place: Kanpur

## **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 DIRECTORS OF OUR COMPANY:**

Sd/-

**Rahul Saini**  
**Whole Time Director**

Date: November 12, 2024

Place: Kanpur

## **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 DIRECTORS OF OUR COMPANY:**

Sd/-

**Alok Chaudhary**  
**Whole Time Director**

Date: November 12, 2024

Place: Kanpur

## **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 DIRECTORS OF OUR COMPANY:**

Sd/-

**Aditya Sharma**  
**Independent Director**

Date: November 12, 2024

Place: Kanpur

## **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 DIRECTORS OF OUR COMPANY:**

Sd/-

**Mani Maheshwari**  
**Independent Director**

Date: November 12, 2024

Place: Kanpur

## **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 DIRECTORS OF OUR COMPANY:**

Sd/-

**Tanya Gupta**  
**Independent Director**

Date: November 12, 2024

Place: Kanpur