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TAPI FRUIT PROCESSING LIMITED

Corporate Identification Number: U15400GJ2018PLC103201

| REGISTERED OFFICE | CORPORATE OFFICE | CONTACT PERSON | EMAIL |
|--|--|--|--|
| Office No. - 212 to 214, Sunrise Chambers, Near Ashok Colony, Mini Bazar, Varachha Road, Surat - 395006, Gujarat, India. | N.A. | Kashyapkumar Nagjibhai Pandav, Company Secretary and Compliance Officer | cs@tapifood.com |
| TELEPHONE / MOBILE NO. | WEBSITE | | |
| 9825503717 | www.tapifood.com | | |
| THE PROMOTERS OF OUR COMPANY ARE GHANSHYAMBHAI LALJIBHAI LUKHI AND ASHOKKUMAR LALJIBHAI LUKHI | | | |
| Initial Public Offer of Upto [•] Equity Shares of ₹ [•] Each (“Equity Shares”) Aggregating to ₹ 550.00 Lakhs (“The Issue”) | | | |
| This Issue is being made through Fixed Price process in accordance and compliance with Chapter IX and other applicable provisions of SEBI ICDR Regulations and in terms of Rule 19(2)(b)(i) of the SCRR this Issue is being made for at least 25% of the post-Issue paid-up Equity Share capital of our Company. | | | |
| OFFER FOR SALE | | | |
| NAME OF SELLING SHAREHOLDER | NO. OF SHARES OFFERED | AVERAGE COST OF ACQUISITION(IN RS.) | |
| N. A. | N. A. | N. A. | |
| GENERAL RISKS | | | |
| Investments in equity and equity-related securities involve a degree of risk and investors should not invest any funds in this Issue unless they can afford to take the risk of losing their investment. Investors are advised to read the risk factors carefully before taking an investment decision in this offering. For taking an investment decision, investors must rely on their own examination of our Company and the Issue, including the risks involved. The Equity Shares offered in the Issue have neither been recommended nor approved by Securities and Exchange Board of India nor does Securities and Exchange Board of India guarantee the accuracy or adequacy of this Draft Prospectus. Specific attention of the investors is invited to the section titled “Risk Factors” beginning on page 22 of this Draft Prospectus. | | | |
| COMPANY’S ABSOLUTE RESPONSIBILITY | | | |
| The Issuer, having made all reasonable inquiries, accepts responsibility for and confirms that this Draft Prospectus contains all information with regard to our Company and the Issue, which is material in the context of the Issue, that the information contained in this Draft Prospectus is true and correct in all material aspects and is not misleading in any material respect, that the opinions and intentions expressed herein are honestly held and that there are no other facts, the omission of which makes this Draft Prospectus as a whole or any of such information or the expression of any such opinions or intentions misleading in any material respect. | | | |
| LISTING | | | |
| The Equity Shares offered through this Draft Prospectus are proposed to be listed on the EMERGE Platform of NSE Limited (‘NSE EMERGE’), in terms of the Chapter IX of the SEBI (ICDR) Regulations, 2018, as amended from time to time. Our Company has received an In - Principle approval letter dated [•] from NSE EMERGE for using its name in this Draft Prospectus for listing of our shares on the NSE EMERGE. For the purpose of this Issue, the Designated Stock Exchange will be NSE Limited. | | | |
| LEAD MANAGERS TO THE ISSUE | | REGISTRAR TO THE ISSUE | |
|  <p>FEDEX SECURITIES PRIVATE LIMITED B 7, 3rd Floor, Jay Chambers, Dayaldas Road, Vile Parle - (East), Mumbai - 400 057, Maharashtra, India. Tel No.: +91 81049 85249 E-mail: mb@fedsec.in Website: www.fedsec.in Contact Person: Yash Kadakia SEBI Registration Number: INM000010163 Investor Grievance E-Mail: mb@fedsec.in</p> | |  <p>BIGSHARE SERVICES PRIVATE LIMITED Office No. S6 - 2, 6th Floor, Pinnacle Business Park, Next to Ahura Centre, Mahakali Cave Road, Andheri - [East], Mumbai - 400093, Maharashtra, India. Tel No.: +91 22 6263 8200 Fax No.: +91 22 6263 8299 Email: ipo@bigshareonline.com Website: www.bigshareonline.com Contact Person: Mr. Aniket Chindarkar SEBI Registration No.: INR000001385</p> | |
| ISSUE PROGRAMME | | | |
| ISSUE OPENS ON: [•] | | ISSUE CLOSES ON: [•] | |



TAPI FRUIT PROCESSING LIMITED

Our history and lineage traces back to Mr. Ghanshyambhai Laljibhai Lukhi, who savored the flavor of tooty fruity, a candy that is made out of raw papaya to start his business under the name of “Tapi Food Products” a sole proprietorship firm, in the year 1999. Our Company was incorporated as “Tapi Fruit Processing Private Limited” under the provisions of the Companies Act, 2013 on July 11, 2018, bearing Registration Number U15400GJ2018PTC103201 issued by the Registrar of Companies, Central Registration Centre with one of its main objectives being to acquire the running business of the proprietorship concern, M/s. Tapi Food Products. Pursuant to the incorporation of our Company, the entire business of the proprietorship was transferred to our Company with effect from July 11, 2018. Subsequently, Our Company was converted into a Public Limited Company pursuant to Special Resolution passed by the shareholders at the Extraordinary General Meeting dated July 04, 2022 and the name of our Company was changed to Tapi Fruit Processing Limited to reflect the legal status of our Company pursuant to conversion, a fresh certificate of incorporation granted by the Registrar of Companies, Ahmedabad dated July 15, 2022 bearing Corporate Identification Number U15400GJ2018PLC103201. For further details, please refer to section titled “*History and Certain Corporate Matters*” beginning on page 135 of this Draft Prospectus.

Registered Office: Office No. - 212 to 214, Sunrise Chambers, Near Ashok Colony, Mini Bazar, Varachha Road, Surat - 395006, Gujarat, India.

Tel No. / Mob No.: 9825503717; **Email:** cs@tapifood.com; **Website:** www.tapifood.com

Contact Person: Kashyapkumar Nagjibhai Pandav, Company Secretary & Compliance Officer

OUR PROMOTERS: GHANSHYAMBHAI LALJIBHAI LUKHI AND ASHOKKUMAR LALJIBHAI LUKHI



| THE ISSUE | |
|--|--|
| <p>INITIAL PUBLIC ISSUE OF UPTO [•] EQUITY SHARES OF FACE VALUE OF ₹ 10/- EACH (“EQUITY SHARES”) OF TAPI FRUIT PROCESSING LIMITED (“THE COMPANY” OR THE “ISSUER”) FOR CASH AT A PRICE OF ₹ [•] PER EQUITY SHARE (THE “ISSUE PRICE”), (INCLUDING A PREMIUM OF ₹ [•] PER EQUITY SHARE), AGGREGATING ₹ 550.00 LAKHS (“THE ISSUE”), OF WHICH [•] EQUITY SHARES OF FACE VALUE OF ₹ [•] FOR CASH AT A PRICE OF ₹ [•] EACH AGGREGATING ₹ [•] LAKHS WILL BE RESERVED FOR SUBSCRIPTION BY MARKET MAKER TO THE ISSUE (THE “MARKET MAKER RESERVATION PORTION”). THE ISSUE LESS MARKET MAKER RESERVATION PORTION I.E. ISSUE OF [•] EQUITY SHARES OF FACE VALUE OF ₹ [•] EACH FOR CASH AT A PRICE OF ₹ [•] PER EQUITY SHARE, AGGREGATING TO ₹ [•] LAKHS IS HEREINAFTER 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 THE COMPANY. FOR FURTHER DETAILS, PLEASE REFER TO SECTION TITLED “TERMS OF THE ISSUE” BEGINNING ON PAGE NO 221 OF THIS DRAFT PROSPECTUS.</p> | |
| <p>THE FACE VALUE OF THE EQUITY SHARES IS ₹ 10/- EACH AND THE ISSUE PRICE IS [•] TIMES OF THE FACE VALUE</p> | |
| <p>THIS ISSUE IS BEING MADE THROUGH FIXED PRICE PROCESS, IN TERMS OF CHAPTER IX OF THE SECURITIES AND EXCHANGE BOARD OF INDIA (ISSUE OF CAPITAL AND DISCLOSURE REQUIREMENTS) REGULATIONS, 2018 (THE “SEBI (ICDR) REGULATIONS”), AS AMENDED AND RULE 19(2)(b)(i) OF THE SECURITIES CONTRACTS (REGULATION) RULES, 1957, AS AMENDED, THIS IS AN ISSUE FOR AT LEAST 25% OF THE POST-ISSUE PAID-UP EQUITY SHARE CAPITAL OF OUR COMPANY. FOR FURTHER DETAILS, PLEASE REFER TO CHAPTER TITLED “ISSUE PROCEDURE” BEGINNING ON PAGE 230 OF THIS DRAFT PROSPECTUS. A COPY OF THE DRAFT PROSPECTUS WILL BE DELIVERED TO THE REGISTRAR OF COMPANIES FOR FILING AS REQUIRED UNDER SECTION 26 OF THE COMPANIES ACT, 2013.</p> | |
| <p>All potential investors shall participate in the Issue only through an Application Supported by Blocked Amount (“ASBA”) process providing details about the bank account and UPI ID in case of RIT’s, if applicable, in which the application amount shall be blocked by the Self-Certified Syndicate Banks (“SCSBs”) or under UPI Mechanism as the case may be. For details in this regard, specific attention is invited to chapter titled “<i>Issue Procedure</i>” on page 230 of this Draft Prospectus.</p> | |
| <p>RISK IN RELATION TO THE FIRST ISSUE</p> | |
| <p>This being the first Public Issue of our Company, there has been no formal market for the securities of our Company. The face value of the shares is ₹ 10/- per Equity Shares and the Issue price is ₹ [•] per Equity Share and the Issue Price is [•] times of the face value. The Issue Price (as determined by our Company in consultation with the Lead Manager) as stated in the chapter titled on “<i>Basis for Issue Price</i>” beginning on page 79 of this Draft 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 or sustained trading in the equity shares of our Company or regarding the price at which the Equity Shares will be traded after listing.</p> | |
| <p>GENERAL RISKS</p> | |
| <p>Investments in equity and equity-related securities involve a degree of risk and investors should not invest any funds in this Issue unless they can afford to take the risk of losing their investment. Investors are advised to read the risk factors carefully before taking an investment decision in this offering. For taking an investment decision, investors must rely on their own examination of our Company and the Issue, including the risks involved. The Equity Shares offered in the Issue have neither been recommended nor approved by Securities and Exchange Board of India nor does Securities and Exchange Board of India guarantee the accuracy or adequacy of this Draft Prospectus. Specific attention of the investors is invited to the section titled “<i>Risk Factors</i>” beginning on page 22 of this Draft Prospectus.</p> | |
| <p>COMPANY’S ABSOLUTE RESPONSIBILITY</p> | |
| <p>The Issuer, having made all reasonable inquiries, accepts responsibility for and confirms that this Draft Prospectus contains all information with regard to our Company and the Issue, which is material in the context of the Issue, that the information contained in this Draft Prospectus is true and correct in all material aspects and is not misleading in any material respect, that the opinions and intentions expressed herein are honestly held and that there are no other facts, the omission of which makes this Draft Prospectus as a whole or any of such information or the expression of any such opinions or intentions misleading in any material respect.</p> | |
| <p>LISTING</p> | |
| <p>The Equity Shares offered through this Draft Prospectus are proposed to be listed on the EMERGE Platform of NSE Limited (‘NSE EMERGE’), in terms of the Chapter IX of the SEBI (ICDR) Regulations, 2018, as amended from time to time. Our Company has received an In- Principle approval letter dated [•] from NSE EMERGE for using its name in this Draft Prospectus for listing of our shares on the NSE EMERGE. For the purpose of this Issue, the Designated Stock Exchange will be NSE Limited.</p> | |
| LEAD MANAGERS TO THE ISSUE | REGISTRAR TO THE ISSUE |
|  <p>FEDEX SECURITIES PRIVATE LIMITED B 7, 3rd Floor, Jay Chambers, Dayaldas Road, Vile Parle - (East), Mumbai - 400 057, Maharashtra, India Tel No.: +91 81049 85249 E-mail: mb@fedsec.in Website: www.fedsec.in Contact Person: Yash Kadakia SEBI Registration Number: INM000010163 Investor Grievance E-Mail: mb@fedsec.in</p> |  <p>BIGSHARE SERVICES PRIVATE LIMITED Office No. S6 - 2, 6th Floor, Pinnacle Business Park, Next to Ahura Centre, Mahakali Cave Road, Andheri - [East], Mumbai - 400093, Maharashtra, India. Tel No.: +91 22 6263 8200 Fax No.: +91 22 6263 8299 Email: ipo@bigshareonline.com Website: www.bigshareonline.com Contact Person: Mr. Aniket Chindarkar SEBI Registration No.: INR000001385</p> |
| ISSUE PROGRAMME | |
| ISSUE OPENS ON: | [•] |
| ISSUE CLOSES ON: | [•] |

TABLE OF CONTENTS

| | |
|--|-----|
| SECTION I: GENERAL | 2 |
| DEFINITIONS AND ABBREVIATIONS | 2 |
| FORWARD-LOOKING STATEMENTS | 13 |
| PRESENTATION OF FINANCIAL, INDUSTRY AND MARKET DATA | 14 |
| SUMMARY OF OFFER DOCUMENT..... | 16 |
| SECTION - II RISK FACTORS | 22 |
| SECTION - III - INTRODUCTION | 42 |
| THE ISSUE | 42 |
| SUMMARY OF FINANCIAL INFORMATION | 43 |
| GENERAL INFORMATION..... | 47 |
| CAPITAL STRUCTURE | 56 |
| SECTION - IV – PARTICULARS OF THE ISSUE | 71 |
| OBJECTS OF THE ISSUE | 71 |
| BASIS FOR ISSUE PRICE..... | 79 |
| STATEMENT OF TAX BENEFITS..... | 82 |
| SECTION V – ABOUT THE COMPANY | 88 |
| INDUSTRY OVERVIEW | 88 |
| BUSINESS OVERVIEW | 99 |
| KEY INDUSTRIAL REGULATIONS AND POLICIES IN INDIA | 122 |
| HISTORY AND CERTAIN CORPORATE MATTERS | 135 |
| OUR MANAGEMENT | 138 |
| OUR PROMOTERS AND PROMOTERS GROUP | 154 |
| OUR GROUP COMPANIES | 158 |
| OUR SUBSIDIARIES..... | 159 |
| DIVIDEND POLICY | 161 |
| SECTION -VI FINANCIAL STATEMENTS | 162 |
| MANAGEMENT’S DISCUSSION AND ANALYSIS OF FINANCIAL POSITION AND RESULTS OF OPERATIONS | 193 |
| FINANCIAL INDEBTEDNESS | 200 |
| SECTION VII: LEGAL AND OTHER INFORMATION | 204 |
| OUTSTANDING LITIGATION AND OTHER MATERIAL DEVELOPMENTS | 204 |
| GOVERNMENT AND OTHER APPROVALS | 208 |
| OTHER REGULATORY AND STATUTORY APPROVALS..... | 211 |
| SECTION VIII - ISSUE INFORMATION | 221 |
| TERMS OF ISSUE..... | 221 |
| ISSUE STRUCTURE..... | 228 |
| ISSUE PROCEDURE | 230 |
| RESTRICTIONS ON FOREIGN OWNERSHIP OF INDIAN SECURITIES..... | 261 |
| SECTION IX - MAIN PROVISIONS OF THE ARTICLES OF ASSOCIATION OF OUR COMPANY | 263 |
| SECTION X - OTHER INFORMATION | 325 |
| MATERIAL CONTRACTS AND DOCUMENTS FOR INSPECTION | 325 |
| DECLARATION..... | 327 |

SECTION I: GENERAL
DEFINITIONS AND ABBREVIATIONS

This Draft Prospectus uses certain definitions and abbreviations which, unless the context otherwise indicates or implies or unless otherwise specified, shall have the meaning as provided below. References to any legislation, act, regulations, rules, guidelines or policies shall be to such legislation, act, regulations, rules, guidelines or policies as amended, supplemented, or re-enacted from time to time and any reference to a statutory provision shall include any subordinate legislation made from time to time under that provision.

The words and expressions used in this Draft Prospectus, but not defined herein shall have, to the extent applicable, the meaning ascribed to such terms under SEBI ICDR Regulations 2018, the Companies Act 2013, the SCRA, the Depositories Act, and the rules and regulations made thereunder.

Notwithstanding the foregoing, the terms not defined but used in the chapters titled “*Statement of Tax Benefits*”, “*Restated Financial Statement*”, “*Outstanding Litigations and Material Developments*”, “*Key Industry Regulations and Policies*” and section titled “*Main Provision of Articles of Association*” on pages 82, 162, 204, 122 and 263 respectively, shall have the meanings ascribed to such terms in the respective sections.

CONVENTIONAL OR GENERAL TERMS

| Term | Description |
|--|---|
| “Tapi Fruit Processing Limited”, “TFPL”, “We” or “us” or “Our Company” or “the Issuer” | Unless the context otherwise indicates or implies refers to Tapi Fruit Processing Limited, a Public Limited Company incorporated under the provisions of the Companies Act, 2013 with its Registered Office at Office No. - 212 to 214, Sunrise Chambers, Near Ashok Colony, Mini Bazaar, Varachha Road, Surat, Gujarat - 395006. |
| Promoter(s) / Core Promoter(s) | Ghanshyambhai Laljibhai Lukhi and Ashokkumar Laljibhai Lukhi |
| Promoter Group | Such persons, entities and companies constituting our promoters group pursuant to Regulation 2(1) (pp) of SEBI ICDR Regulations as disclosed in the chapter titled “ <i>Our Promoters and Promoters Group</i> ” on page 154 of this Draft Prospectus. |
| “you”, “your” or “yours” | Prospective Investors in this Issue. |

CORPORATE RELATED TERMS

| Term | Description |
|---|--|
| AOA / Articles / Articles of Association | The Articles of Association of Tapi Fruit Processing Limited, as amended from time to time. |
| Auditors / Statutory Auditors / Peer Review Auditor | The Statutory Auditor of our Company, being M/s Kansariwala & Chevli, Chartered Accountants (FRN: 123689W) and Peer Review Number: 011854. |
| Audit Committee | The Audit Committee of our Board, as described in “ <i>Our Management</i> ” on page 138 of this Draft Prospectus. |
| Board / Board of Directors / Our Board | The Board of Directors of our Company, including all committees duly constituted from time to time as described in “ <i>Our Management</i> ” on page 138 of this Draft Prospectus. |
| Company Secretary and Compliance Officer | The Company Secretary and Compliance Officer of our Company, being Kashyapkumar Nagjibhai Pandav. |
| Chief Financial Officer/ CFO | The Chief Financial Officer of our Company, being Chetankumar Bhailal Gajera |
| Corporate Identification Number (CIN) | U15400GJ2018PLC103201 |
| Director(s) | Director(s) on the Board of Tapi Fruit Processing Limited as appointed from time to time, unless otherwise specified. |
| Equity Shares/Shares | Equity Shares of our Company having face value of Rs. 10.00/- each, fully paid up, unless otherwise specified in the context thereof. |

| Term | Description |
|--------------------------------------|--|
| Equity Shareholders / Shareholders | Persons/entities holding Equity Shares of our Company. |
| Group Companies | Companies (other than our Corporate Promoters and Subsidiaries) with which there were Related Party Transactions as disclosed in the Restated Financial Statements as covered under the applicable accounting standards, and as disclosed in “ <i>Our Group Companies</i> ” on page 158 of this Draft Prospectus. |
| Independent Director | Independent directors on the Board, and eligible to be appointed as an independent director under the provisions of Companies Act and SEBI Listing Regulations. For details of the Independent Directors, please refer to chapter titled “ <i>Our Management</i> ” beginning on page 138 of this Draft Prospectus. |
| ISIN | International Securities Identification Number is INE0M7001010 |
| Key Management Personnel /KMP | Key Management Personnel of our Company in terms of Regulation 2(1) (bb) of the SEBI (ICDR) Regulations and Section 2(51) of the Companies Act, 2013. For details, please refer “ <i>Our Management</i> ” on page 138 of this Draft Prospectus |
| MoA / Memorandum of Association | The Memorandum of Association of our Company, as amended from time to time. |
| Nomination & Remuneration Committee | The Nomination and Remuneration Committee of our Board described in the chapter titled “ <i>Our Management</i> ” on page 138 of this Draft Prospectus. |
| NRIs / Non-Resident Indian | A person resident outside India, as defined under FEMA Regulation and who is a citizen of India or a Person of Indian Origin under Foreign Exchange Management (Transfer or Issue of Security by a Person Resident Outside India) Regulations, 2000. |
| Person or Persons | Any individual, sole proprietorship, unincorporated association, unincorporated organization, body corporate, corporation, company partnership, limited liability company, joint venture, or trust or any other entity or organization validly constituted and/or incorporated in the jurisdiction in which it exists and operates, as the context requires. |
| Registered Office | Office No. - 212 to 214, Sunrise Chambers, Near Ashok Colony, Mini Bazaar, Varachha Road, Surat, Gujarat - 395006. |
| Registrar of Companies / ROC / RoC | The Registrar of Companies, Ahmedabad ROC Bhavan, Opp. Rupal Park Society, Behind Ankur Bus Stop, Naranpura, Ahmedabad - 380013, Gujarat. |
| Restated Financial Statements | The Restated Audited Financial Statements of our Company for the Financial Years ended March 31, 2020, 2021 and 2022 which comprises of the restated audited balance sheet, restated audited statement of profit and loss and the restated audited cash flow statement, together with the annexures and notes thereto disclosed in chapter titled “ <i>Restated Financial Statements</i> ” on page 162 of this Draft Prospectus. |
| Stakeholders’ Relationship Committee | The Stakeholders Relationship Committee of the Board of Directors constituted as the Company’s Stakeholders’ Relationship Committee in accordance with Section 178(5) of the Companies Act, 2013 read with the Companies (Meetings of Board and its Powers) Rules, 2014 and described in the chapter titled “ <i>Our Management</i> ” on page 138 of this Draft Prospectus. |

ISSUE RELATED TERMS

| Term | Description |
|---|---|
| Abridged Prospectus | Abridged Prospectus to be issued under SEBI ICDR Regulations and appended to the Application Forms. |
| Acknowledgement Slip | The acknowledgement slips or document issued by the Designated Intermediary to an applicant as proof of having accepted the Application Form. |
| Allot / Allotment / Allotted / Allotment of Equity Shares | Unless the context otherwise requires, allotment of the Equity Shares pursuant to the Issue of Equity Shares to the successful Applicants. |
| Allottee(s) | A successful Applicant to whom the Equity Shares are being allotted. |
| Allotment Advice | Note or advice or intimation of Allotment sent to each successful applicant who have been or are to be Allotted the Equity Shares after approval of the Basis of Allotment by the Designated Stock Exchange. |
| Allotment Date | Date on which the Allotment is made. |
| Applicant | Any prospective investor who makes an application for Equity Shares of our Company in terms of the Prospectus. All the applicants should make application through ASBA only. |
| Application Lot | [●] Equity Shares and in multiples thereof. |
| Application Amount | The amount at which the Applicant makes an application for Equity Shares of our Company in terms of the Prospectus. |
| Application Supported by Blocked Amount/ ASBA | An application, whether physical or electronic, used by applicants to make an application and authorize an SCSB to block the application Amount in the ASBA Account. |
| ASBA Account | A bank account maintained with an SCSB and specified in the ASBA Form submitted by applicant for blocking the application Amount mentioned in the ASBA Form. |
| ASBA Form | An application form, whether physical or electronic, used by ASBA Applicant which will be considered as the application for Allotment in terms of the Prospectus. |
| Bankers to the Company | Bank of Baroda |
| Banker to the Issue / Refund Banker / Public Issue Bank | The banks which are clearing members and registered with SEBI as Banker to an Issue with whom the Public Issue Account and Refund Account will be opened and in this case being ICICI Bank Limited. |
| Basis of Allotment | The basis on which the Equity Shares will be Allotted to successful Applicants under the Issue, described in " <i>Issue Procedure</i> " on page 230 of this Draft Prospectus. |
| Business Day | Any day on which commercial banks are open for the business. |
| CAN /Confirmation of Allocation Note | A note or advice or intimation sent to Investors, who have been allotted the Equity Shares, after approval of Basis of Allotment by the Designated Stock Exchange. |
| Client ID | Client Identification Number of the Applicant's Beneficiary Account. |
| Collection Centers | Broker Centers notified by NSE Limited where bidders can submit the Application Forms to a Registered Broker. The details of such Broker Centers, along with the names and contact details of the Registered Brokers, are available on the website of the NSE Limited. |
| Collecting Depository Participant or CDP | A depository participant as defined under the Depositories Act, 1996, registered with SEBI and who is eligible to procure Application Forms at the Designated CDP Locations (in terms of circular no. GR/CFD/POLICYCELL/11/2015 dated November 10, 2015 issued by SEBI) as per the list available on the website of the Stock Exchange. |
| Controlling Branches/ Controlling Branches of the SCSBs | Such branches of the SCSBs which co-ordinate Application Forms by the ASBA Bidders with the Registrar to the Issue and EMERGE Platform of NSE |

| Term | Description |
|---------------------------|---|
| | Limited and a list of which is available at www.sebi.gov.in or at such other website as may be prescribed by SEBI from time to time. |
| Demographic Details | The demographic details of the Applicant such as their address, PAN, occupation, bank account details and UPI ID (as applicable). |
| Depositories | National Securities Depositories Limited (NSDL) and Central Depository Services Limited (CDSL) or any other Depositories registered with SEBI under the Securities and Exchange Board of India (Depositories and Participants) Regulations, 1996, as amended from time to time. |
| Depository Participant/DP | A depository participant registered with SEBI under the Depositories Act. |
| Designated Locations | CDP Such centres of the CDPs where applicant can submit the ASBA Forms. The details of such Designated CDP Locations, along with names and contact details of the CDPs eligible to accept ASBA Forms are available on the website of NSE Limited. |
| Designated Date | The date on which amounts blocked by the SCSBs are transferred from the ASBA Accounts, as the case may be, to the Public Issue Account or the Refund Account, as appropriate, in terms of the Prospectus, following which the Board may Allot Equity Shares to successful Bidders in the Issue. |
| Designated Intermediaries | The members of the Syndicate, sub-syndicate/agents, SCSBs, Registered Brokers, CDPs and RTAs, who are categorized to collect Application Forms from the Applicant, in relation to the Issue. |
| Designated Market Maker | Pure Broking Private Limited will act as the Market Maker and has agreed to receive or deliver the specified securities in the market making process for a period of three years from the date of listing of our Equity Shares or for a period as may be notified by amendment to SEBI ICDR Regulations. |
| Designated Locations | RTA Such locations of the RTAs where applicant can submit the ASBA Forms to RTAs. The details of such Designated RTA Locations, along with the names and contact details of the RTAs are available on the NSE Limited. |
| Designated Branches | SCSB Such Branches of the SCSBs which shall collect the ASBA Forms used by the applicant, a list of which is available on https://www.sebi.gov.in/sebiweb/other/OtherAction.do?doRecognisedFpi=yes&intmId=35 |
| Designated Exchange | Stock EMERGE Platform of NSE Limited (“NSE EMERGE”) |
| Draft Prospectus | The Draft Prospectus issued in accordance with the SEBI ICDR Regulations. |
| Eligible NRI | NRIs from jurisdictions outside India where it is not unlawful to make an issue or invitation under the Issue and in relation to whom the ASBA Form and the Draft Prospectus will constitute an invitation to subscribe to or to purchase the Equity Shares and who have opened dematerialized accounts with SEBI registered qualified depository participants. |
| Eligible QFIs | Qualified Foreign Investors from such jurisdictions outside India where it is not unlawful to make an offer or invitation to participate in the Issue and in relation to whom the Draft Prospectus constitutes an invitation to subscribe to Equity Shares issued thereby, and who have opened dematerialized accounts with SEBI registered qualified depository participants, and are deemed as FPIs under SEBI FPI Regulations. |
| Escrow Account(s) | Account opened with the Escrow Collection Bank(s) and in whose favour the Investors will transfer money through direct credit/NEFT/RTGS/NACH in respect of the Applicant Amount. |
| Escrow Agreement | An agreement to be entered among our Company, the Registrar to the Issue, the Escrow Collection Bank(s), Refund Bank(s) and the Lead Manager for the collection of Application Amounts and where applicable, for remitting refunds, on the terms and conditions thereof. |

| Term | Description |
|---|---|
| Escrow Bank(s) Collection | Banks which are clearing members and registered with SEBI as bankers to an issue and with whom the Escrow Accounts will be opened, in this case being ICICI Bank Limited. |
| First Applicant | Applicant whose name appears first in the Application Form in case of a joint application form and whose name shall also appear as the first holder of the beneficiary account held in joint names or in any revisions thereof. |
| Foreign Investor / FPIs Portfolio | Foreign Portfolio Investor as defined under SEBI FPI Regulations. |
| General Information Document/ GID | The General Information Document for investing in public issues prepared and issued in accordance with the circular no. SEBI/HO/CFD/DIL1/CIR/P/2020/37 dated March 17, 2020, notified by SEBI. |
| Issue / Issue Size / Public Issue / IPO | Initial Public Issue of [●] Equity Shares of face value of Rs. 10.00 each of our Company for cash at a price of Rs. [●] per Equity Share (including a share premium of Rs. [●] per Equity Share) aggregating to Rs. 550.00 Lakhs. |
| Issue Agreement | The agreement dated July 26, 2022 between our Company and the Lead Manager, pursuant to which certain arrangements are agreed to in relation to the Issue. |
| Issue Closing Date | The date on which the Issue closes for subscription. |
| Issue Opening Date | The date on which the Issue opens for subscription. |
| Issue Period | The period between the Issue Opening Date and the Issue Closing Date (inclusive of such date and the Issue Opening Date) during which prospective bidders can submit their Application Forms, inclusive of any revision thereof. Provided however that the applications shall be kept open for a minimum of three (3) Working Days for all categories of bidders. Our Company, in consultation with the Lead Manager, may decide to close applications by QIBs one (1) day prior to the Issue Closing Date which shall also be notified in an advertisement in same newspapers in which the Issue Opening Date was published. |
| Issue Price | Rs. [●] per Equity Share |
| Issue Proceeds | The proceeds from the Issue based on the total number of equity shares allotted under the issue. |
| Lead Manager/ LM | The Lead Manager to the Issue namely, Fedex Securities Private Limited. |
| Listing Agreement | The Listing Agreement to be signed between our Company and EMERGE Platform of NSE Limited (“NSE EMERGE”) |
| Market Making Agreement | The Market Making Agreement dated [●] between our Company, the Lead Manager and Market Maker. |
| Market Maker Reservation Portion | The reserved portion of [●] Equity Shares of face value of Rs. 10.00/- each fully paid-up for cash at a price of Rs. [●]/- per Equity Share aggregating to Rs. [●] Lakhs for the Market Maker in this Issue. |
| MSME | Micro Small and Medium Enterprises. |
| Mutual Fund(s) | Mutual fund(s) registered with SEBI pursuant to SEBI (Mutual Funds) Regulations, 1996, as amended from time to time. |
| Net Issue | The Issue (excluding the Market Maker Reservation Portion) of [●] Equity Shares of face value of Rs. 10.00/- each fully paid-up of our Company for cash at a price of Rs. [●] /- per Equity Share aggregating up to Rs. [●] Lakhs. |
| Net Proceeds | The Issue Proceeds less the Issue related expenses. For further details, please refer to chapter titled “ <i>Objects of the Issue</i> ” on page 71 of this Draft Prospectus. |
| Non-Institutional Bidders / Non-Institutional Investor / NIB/ NII | All Applicants (including Eligible NRIs), who are not QIBs or Retail Individual Bidders and who have applied for Equity Shares for an amount of more than Rs. 2,00,000. |

| Term | Description |
|---|--|
| Non-Resident | A person resident outside India, as defined under FEMA and includes Eligible NRIs, Eligible QFIs, FIIs registered with SEBI and FVCIs registered with SEBI. |
| Public Issue Account | The account to be opened with the Banker to the Issue under section 40 of Companies Act, 2013 to received monies from the ASBA Accounts. |
| QIBs or Qualified Institutional Buyers | Qualified Institutional Buyers as defined under Regulation 2(1) (ss) of SEBI ICDR Regulations. |
| Refund through electronic transfer of funds | Refunds through NECS, NEFT, direct credit, NACH or RTGS, as applicable. |
| Registered Brokers | Stock brokers registered with SEBI as trading members (except Syndicate/sub-Syndicate Members) who hold valid membership of NSE Limited having right to trade in stocks listed on Stock Exchange and eligible to procure Application Forms in terms of SEBI circular no. CIR/CFD/14/2012 dated October 4, 2012. |
| Registrar Agreement | The agreement dated July 26, 2022 entered between our Company and the Registrar to the Issue, in relation to the responsibilities and obligations of the Registrar pertaining to the Issue. |
| Registrar and Share Transfer Agents or RTAs | Registrar and Share Transfer Agents registered with SEBI and eligible to procure Applications at the Designated RTA Locations in terms of circular no. CIR/CFD/POLICYCELL/11/2015 dated November 10, 2015 issued by SEBI. |
| Registrar to the Issue/Registrar | Registrar to the Issue being Bigshare Services Private Limited. |
| Retail Individual Investors | Individual investors (including HUFs, in the name of Karta and Eligible NRIs who apply for the Equity Shares of a value of not more than Rs. 2,00,000. |
| Revision Form | The form used by the Applicant, to modify the quantity of Equity Shares or the Application Amount in any of their Application Forms or any previous Revision Form(s) QIB Applicant and Non-Institutional Applicant are not allowed to lower their Application Forms (in terms of quantity of Equity Shares or the Application Amount) at any stage. Retail Individual Bidders can revise their Application Forms during the Issue Period and withdraw their Application Forms until Issue Closing Date. |
| SME | Small and medium sized enterprises. |
| Self-Certified Syndicate Bank(s) / SCSBs | <p>The list of SCSBs notified by SEBI for the ASBA process is available at http://www.sebi.gov.in/sebiweb/other/OtherAction.do?doRecognised=yes, or at such other website as may be prescribed by SEBI from time to time. A list of the Designated SCSB Branches with which an ASBA Investors (other than a RIIs using the UPI Mechanism), not bidding through Syndicate/Sub Syndicate or through a Registered Broker, RTA or CDP may submit the Application Forms, is available at https://www.sebi.gov.in/sebiweb/other/OtherAction.do?doRecognisedFpi=yes&intmId=34, or at such other websites as may be prescribed by SEBI from time to time</p> <p>In accordance with SEBI Circular No. SEBI/HO/CFD/DIL2/CIR/P/2019/76 dated June 28, 2019 and SEBI Circular No. SEBI/HO/CFD/DIL2/CIR/P/2019/85 dated July 26, 2019, Retail Individual Investors using the UPI Mechanism may apply through the SCSBs and mobile applications whose names appears on the website of the SEBI (https://www.sebi.gov.in/sebiweb/other/OtherAction.do?doRecognisedFpi=yes&intmId=40) and (https://www.sebi.gov.in/sebiweb/other/OtherAction.do?doRecognisedFpi=yes&intmId=43) respectively, as updated from time to time.</p> |

| Term | Description |
|---|--|
| Sponsor Bank | Sponsor Bank being ICICI Bank Limited being a Banker to the Issue, appointed by our Company to act as a conduct between the Stock Exchanges and NPCI in order to push the mandate collect requests and / or payment instructions of the RIIs using the UPI Mechanism and carry out other responsibilities, in terms of the UPI Circulars. |
| Specified Locations | Bidding Centres where the Syndicate shall accept Application Forms. |
| TRS / Transaction Registration Slip | The slip or document issued by the Designated Intermediary (only on demand), to the Applicant, as proof of registration of the Application Form. |
| Underwriters | [●] |
| Underwriting Agreement | The Agreement dated [●] entered between the Underwriters and our Company. |
| UPI | Unified payment Interface, which is an instant payment mechanism, developed by NPCI. |
| UPI Circulars | SEBI circular no. SEBI/HO/CFD/DIL2/CIR/P/2018/138 dated November 1, 2018, SEBI circular no. SEBI/HO/CFD/DIL2/CIR/P/2019/50 dated April 3, 2019, SEBI circular no. SEBI/HO/CFD/DIL2/CIR/P/2019/76 dated June 28, 2019, SEBI circular no. SEBI/HO/CFD/DIL2/CIR/P/2019/85 dated July 26, 2019, SEBI circular no. SEBI/HO/CFD/DCR2/CIR/P/2019/133 dated November 8, 2019, SEBI circular No. SEBI/HO/CFD/DIL2/CIR/P/2020/50 dated March 30, 2020, SEBI circular No SEBI/HO/CFD/DIL2/CIR/P/2021/2480/1/ dated March 16, 2021 and SEBI Circular No. SEBI/HO/CFD/DIL2/P/CIR/2021/570 dated June 02, 2021 and any subsequent circulars or notifications issued by SEBI in this regard. |
| UPI ID | ID Created on the UPI for single-window mobile payment system developed by NPCI. |
| UPI PIN | Password to authenticate UPI transaction. |
| UPI Mandate Request | A request (intimating the RIIs by way of a notification on the UPI application and by way of a SMS directing the RIIs to such UPI mobile application) to the RIB initiated by the Sponsor Bank to authorise blocking of funds on the UPI application equivalent to application Amount and subsequent debit of funds in case of Allotment In accordance with SEBI Circular No. SEBI/HO/CFD/DIL2/CIR/P/2019/76 dated June 28, 2019 and SEBI Circular No. SEBI/HO/CFD/DIL2/CIR/P/2019/85 dated July 26, 2019, Retail Individual Investors Bidding using the UPI Mechanism may apply through the SCSBs and mobile applications whose names appears on the website of the SEBI (https://www.sebi.gov.in/sebiweb/other/OtherAction.do?doRecognisedFpi=yes&intmId=40) and (https://www.sebi.gov.in/sebiweb/other/OtherAction.do?doRecognisedFpi=yes&intmId=43) respectively, as updated from time to time. |
| UPI Mechanism | The bidding mechanism that may be used by RIIs in accordance with the UPI Circulars to make an ASBA Bid in the Issue. |
| U.S Securities Act | U.S Securities Act of 1933, as amended. |
| Wilful Defaulter or fraudulent Borrower | Wilful defaulter or fraudulent borrower as defined under Regulation 2(1) (III) of the SEBI (ICDR) Regulations. |
| Working Days | All days on which commercial banks in Surat are open for business; provided however, with reference to (a) Bid/Offer Period, “Working Day” shall mean all days, excluding all Saturdays, Sundays and public holidays, on which commercial banks in Surat are open for business; (c) the time period between the Bid/Offer Closing Date and the listing of the Equity Shares on the Stock Exchanges, “Working Day” shall mean all trading days of Stock Exchanges, excluding Sundays and bank holidays, as per the circulars issued by SEBI. |

TECHNICAL/GENERAL AND INDUSTRY RELATED TERMS OR ABBREVIATIONS

| Term | Description |
|-------|---|
| FMCG | Fast-moving consumer goods |
| CAGR | Compound Annual Growth Rate |
| CY | Current Year |
| MoM | Month on Month |
| YoY | Year on Year |
| D2C | Direct to Consumer |
| FDI | Foreign Direct Investment |
| LPG | Liquefied Petroleum Gas |
| TCPL | Tata Consumer Products |
| TSFL | Tata Smart Foodz Limited |
| TIL | Tata Industries Limited |
| ITC | Imperial Tobacco Company of India Limited |
| IIFL | India Infoline Finance Limited |
| AMC | Annual Maintenance Contract |
| IPO | Initial Public Offerings |
| HUL | Hindustan Unilever Limited |
| SHGs | Self-Help Groups |
| NRLM | National Rural Livelihood Mission |
| PLI | Production-Linked Incentive |
| GST | Goods and Services Tax |
| F&B | Food and Beverages |
| IWAI | Inland Waterways Authority of India |
| FY | Indian Financial Year |
| GDP | Gross Domestic Product |
| B2B | Business to Business |
| MSP | Minimum Selling Price |
| NREGA | National Rural Employee Guarantee Act |
| SEZ | Special Economic Zone |
| MoU | Memorandum of Understanding |

CONVENTIONAL TERMS & ABBREVIATIONS

| Term | Description |
|---------------------------|---|
| A/c | Account |
| AGM | Annual General Meeting |
| AIF(s) | Alternative Investment Fund as defined in and registered with SEBI under the Securities and Exchange Board of India (Alternative Investments Funds) Regulations, 2012 |
| AS / Accounting Standards | Accounting Standards as issued by the Institute of Chartered Accountants of India |
| ASBA | Applications Supported by Blocked Amount |
| AY | Assessment Year |
| Bn | Billion |
| CAGR | Compounded Annual Growth Rate |
| CARO | Companies (Auditor's Report) Order, 2016, as amended |
| CDSL | Central Depository Services (India) Limited |
| CFO | Chief Financial Officer |
| CFPI | Consumer Food Price Index |
| CGST | Central GST |
| CIBIL | Credit Information Bureau (India) Limited |
| CIN | Corporate Identification Number |
| CIT | Commissioner of Income Tax |

| Term | Description |
|-----------------------------------|---|
| COPRA | The Consumer Protection Act, 1986 |
| Companies Act | Companies Act, 1956 (without reference to the provisions thereof that have ceased to have effect upon notification of the Notified Sections) and the Companies Act, 2013, to the extent in force pursuant to the notification of the Notified Sections, read with the rules, regulations, clarifications and modifications thereunder |
| Consolidated FDI Policy | The current consolidated FDI Policy, effective from October 15, 2020 issued by the Department of Industrial Policy and Promotion, Ministry of Commerce and Industry, Government of India, and any modifications thereto or substitutions thereof, issued from time to time |
| Contract Act | The Indian Contract Act, 1872 |
| COVID - 19 | A public health emergency of international concern as declared by the World Health Organization on January 30, 2020 and a pandemic on March 11, 2020 |
| CPI | Consumer Price Index |
| CSR | Corporate Social Responsibility |
| CY | Calendar Year |
| Depositories Act | The Depositories Act, 1996 |
| Depository | A depository registered with the SEBI under the Securities and Exchange Board of India (Depositories and Participants) Regulations, 1996 |
| DIN | Director Identification Number |
| DIPP | Department of Industrial Policy and Promotion, Ministry of Commerce and Industry, GoI |
| DP | Depository Participant |
| DP ID | Depository Participant's identity number |
| EBITDA | Earnings before Interest, Tax, Depreciation and Amortization |
| ECS | Electronic Clearing System |
| EGM/EoGM | Extraordinary General Meeting |
| Electricity Act | The Electricity Act, 2003 |
| EPFO | Employees' Provident Fund Organization |
| EPF Act | The Employees' Provident Funds and Miscellaneous Provisions Act, 1952 |
| EPS | Earnings per share |
| ESI Act | The Employees' State Insurance Act, 1948 |
| ESIC | Employee State Insurance Corporation |
| ESOP | Employee Stock Option Plan |
| ESPS | Employee Stock Purchase Scheme |
| FCNR Account | Foreign Currency Non-Resident (Bank) account established in accordance with the FEMA |
| FDI | Foreign Direct Investment |
| FEMA Act/ FEMA | Foreign Exchange Management Act, 1999, read with rules and regulations thereunder |
| FEMA Regulations | Foreign Exchange Management (Transfer or Issue of Security by a Person Resident Outside India) Regulations, 2017 and amendments thereto |
| FII(s) | Foreign Institutional Investors as defined under SEBI FPI Regulations |
| Financial Year / Fiscal Year / FY | Unless stated otherwise, the period of twelve (12) months ending March 31 of that particular year |
| FIPB | Foreign Investment Promotion Board |
| FVCI | Foreign Venture Capital Investors (as defined under the Securities and Exchange Board of India (Foreign Venture Capital Investors) Regulations, 2000) registered with SEBI |
| GDP | Gross Domestic Product |
| GIR Number | General Index Registry Number |
| GoI/Government | Government of India |
| Gratuity Act | The Payment of Gratuity Act, 1972 |

| Term | Description |
|-------------------------------|--|
| GST Act | The Central Goods and Services Tax Act, 2017 |
| GST | Goods and Services Tax |
| GSTIN | GST Identification Number |
| HUF | Hindu Undivided Family |
| HNI | High Net Worth Individual |
| ICAI | The Institute of Chartered Accountants of India |
| ICSI | The Institute of Company Secretaries of India |
| IEC | Import Export Code |
| IEM | Industrial Entrepreneurs Memorandum |
| IFRS | International Financial Reporting Standards |
| Rs. / Rupees / INR / ₹ | Indian Rupees |
| IGST | Integrated GST |
| IT Act | Income Tax Act, 1961 |
| Indian GAAP | Generally Accepted Accounting Principles in India |
| Insider Trading Regulations | The Securities and Exchange Board of India (Prohibition of Insider Trading) Regulations, 2015, as amended. |
| IPO | Initial Public Offering |
| ISIN | International Securities Identification Number |
| ISO | International Organization for Standardization |
| IST | Indian Standard Time |
| IT Act | The Income Tax Act, 1961 |
| IT Rules | Income Tax Rules, 1962 |
| JV | Joint Venture |
| KMP | Key Managerial Personnel |
| Ltd. | Limited |
| LMs | Lead Managers |
| LC | Letter of Credit |
| LIBOR | London Interbank Offered Rate |
| MCA | Ministry of Corporate Affairs, Government of India |
| MCLR | Marginal cost of funds-based lending rate |
| Mn | Million |
| Mutual Fund(s) | Mutual Fund(s) means mutual funds registered under SEBI (Mutual Funds) Regulations, 1996 |
| MoU | Memorandum of Understanding |
| N.A. / NA | Not Applicable |
| NACH | National Automated Clearing House |
| NAV | Net Asset Value |
| NCLT | National Company Law Tribunal |
| NEFT | National Electronic Fund Transfer |
| NR | Non-resident |
| NRE Account | Non-Resident External Account |
| NRI | A person resident outside India who is a citizen of India as defined under the Foreign Exchange Management (Deposit) Regulations, 2016 or is an 'Overseas Citizen of India' cardholder within the meaning of section 7(A) of the Citizenship Act, 1955 |
| NRO Account | Non-Resident Ordinary Account |
| NSDL | National Securities Depository Limited |
| NSE | National Stock Exchange of India Limited |
| OCB / Overseas Corporate Body | A company, partnership, society or other corporate body owned directly or indirectly to the extent of at least 60% by NRIs including overseas trusts, in which not less than 60% of beneficial interest is irrevocably held by NRIs directly or indirectly and which was in existence on October 3, 2003 and immediately before such date had taken benefits under the general |

| Term | Description |
|---------------------------|---|
| | permission granted to OCBs under FEMA. OCBs are not allowed to invest in the Issue |
| p.a. | Per annum |
| P/E Ratio | Price/Earnings Ratio |
| PAN | Permanent Account Number |
| PAT | Profit After Tax |
| PBT | Profit Before Tax |
| RBI | Reserve Bank of India |
| RONW | Return on Net Worth |
| RoCE | Return on Capital Employed |
| RTGS | Real Time Gross Settlement |
| SCRA | Securities Contracts (Regulation) Act, 1956, as amended |
| SCRR | Securities Contracts (Regulation) Rules, 1957, as amended |
| SEZ | Special Economic Zones |
| SEBI | The Securities and Exchange Board of India constituted under SEBI Act, 1992 |
| SEBI AIF Regulations | Securities and Exchange Board of India (Alternative Investments Funds) Regulations, 2012 |
| SEBI FII Regulations | Securities and Exchange Board of India (Foreign Institutional Investors) Regulations, 1995 |
| SEBI FPI Regulations | Securities and Exchange Board of India (Foreign Portfolio Investors) Regulations, 2014 |
| SEBI FVCI Regulations | Securities and Exchange Board of India (Foreign Venture Capital Investors) Regulations, 2000 |
| SEBI ICDR Regulations | Securities and Exchange Board of India (Issue of Capital and Disclosure Requirements) Regulations, 2018 |
| SEBI Listing Regulations | Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015 |
| SEBI VCF Regulations | Securities and Exchange Board of India (Venture Capital Funds) Regulations, 1996 as repealed pursuant to SEBI AIF Regulations |
| SEBI Takeover Regulations | Securities and Exchange Board of India (Substantial Acquisition of Shares and Takeovers) Regulations, 2011 |
| Sq. metres | Square Metres |
| STT | Securities Transaction Tax |
| TAN | Tax Deduction Account Number |
| TPA | Tonnes Per Annum |
| VCFs | Venture capital funds as defined in and registered with SEBI under SEBI VCF Regulations or SEBI AIF Regulations, as the case may be |
| WCDL | Working Capital Demand Loan |
| WCTL | Working Capital Term Loan |
| WEO | World Economic Outlook |
| WHO | World Health Organization |
| YoY | Year on Year |

FORWARD-LOOKING STATEMENTS

This Draft Prospectus contains certain “forward-looking statements”. These forward-looking statements generally can be identified by words or phrases such as “aim”, “anticipate”, “believe”, “expect”, “estimate”, “intend”, “objective”, “plan”, “propose”, “project”, “will”, “will continue”, “will pursue” or other words or phrases of similar import. Similarly, statements that describe our strategies, objectives, plans or goals are also forward-looking statements.

All statements contained in the Draft Prospectus that are not statements of historical facts constitute “forward-looking statements”. All statements regarding our expected financial condition and results of operations, business, objectives, strategies, plans, goals and prospects are forward-looking statements. These forward-looking statements include statements as to our business strategy, our revenue and profitability, planned projects and other matters discussed in the Draft Prospectus regarding matters that are not historical facts. These forward-looking statements and any other projections contained in the Draft Prospectus (whether made by us or any third party) are predictions and involve known and unknown risks, uncertainties and other factors that may cause our actual results, performance or achievements to be materially different from any future results, performance or achievements expressed or implied by such forward-looking statements or other projections.

All forward-looking statements are subject to risks, uncertainties and assumptions about us that could cause actual results to differ materially from those contemplated by the relevant forward-looking statement. Important factors that could cause actual results to differ materially from our expectations include but are not limited to:

- Uncertainty of the continuing impact of the COVID-19 pandemic on our business and operations;
- An inability to maintain and enhance our brand and reputation, and any negative publicity and allegations in the media against us which may adversely affect our market recognition and trust in our services.
- Competition from existing and new companies may adversely affect our revenues and profitability;
- Political instability or changes in the Government could adversely affect economic conditions in India and consequently our business may get affected to some extent.
- The occurrence of natural or man-made disasters could adversely affect our results of operations and financial condition.

For further discussion of factors that could cause the actual results to differ from the expectations, see the section titled “**Risk Factors**” and chapter titled “**Business Overview**” and “**Management’s Discussion and Analysis of Financial Condition and Results of Operations**” on pages 22, 99 and 193 of this Draft Prospectus, respectively. By their nature, certain market risk disclosures are only estimating and could be materially different from what actually occurs in the future. As a result, actual gains or losses could materially differ from those that have been estimated.

Forward-looking statements reflect the current views as of the date of this Draft Prospectus and are not a guarantee of future performance.

These statements are based on the management’s beliefs and assumptions, which in turn are based on currently available information. Although our Company believes 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. None of our Company, the Directors, the Lead Manager, or any of their respective affiliates have any obligation to update or otherwise revise any statements reflecting circumstances arising after the date hereof or to reflect the occurrence of underlying events, even if the underlying assumptions do not come to fruition. Our Company and the Directors will ensure that investors in India are informed of material developments until the time of the grant of listing and trading permission by the Stock Exchange.

PRESENTATION OF FINANCIAL, INDUSTRY AND MARKET DATA

Certain Conventions

All references in this Draft Prospectus to 'India' are to the Republic of India and its territories and possessions and all references herein to the 'Government', 'Indian Government', 'GoI', 'Central Government' or the 'State Government' are to the GoI, central or state, as applicable.

Unless otherwise specified, any time mentioned in this Draft Prospectus is in Indian Standard Time ("IST").

Unless indicated otherwise, all references to a year in this Draft Prospectus are to a calendar year.

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

Financial Data

Unless stated otherwise, the financial data in the Draft Prospectus is derived from the Restated financial statements of our Company for the Financial years ended as on March 31 of 2022, 2021 and 2020 prepared in accordance with Indian GAAP, the Companies Act and restated in accordance with the SEBI (ICDR) Regulations, 2018 and the Indian GAAP and Guidance Note on "Reports in Company Prospectus", as amended issued by ICAI, as stated in the report of our Statutory and Peer Reviewed Auditor, as set out in the section titled "**Restated Financial Statements**" beginning on page 162 of this Draft Prospectus.

Our Financial Year commences on April 1 and ends on March 31 of the following year, so all references to a particular Financial Year are to the twelve-month period ended March 31 of that year.

In the Draft Prospectus, discrepancies in any table, graphs or charts between the total and the sums of the amounts listed are due to rounding-off. All figures in decimals have been rounded off to the second decimal and all percentage figures have been rounded off to two decimal places.

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

Any percentage amounts, as set forth in the section / sections titled "**Risk Factors**", "**Business Overview**" and "**Management's Discussion and Analysis of Financial Condition and Results of Operations**" beginning on page numbers 22, 99 and 193, respectively, of this Draft Prospectus and elsewhere in the Draft Prospectus, unless otherwise indicated, have been calculated on the basis of our restated financial statements prepared in accordance with Indian GAAP, the Companies Act and restated in accordance with the SEBI (ICDR) Regulations, 2018 and the Indian GAAP.

Industry and Market Data

Unless stated otherwise, industry data used throughout the Draft Prospectus has been obtained or derived from industry and government publications, publicly available information and sources.

Industry publications generally state that the information contained in those publications has been obtained from sources believed to be reliable but that their accuracy and completeness are not guaranteed and their reliability cannot be assured. Although our Company believes that industry data used in the Draft Prospectus is reliable, it has not been independently verified by the Lead Manager or any of their affiliates or advisors. The data used in these sources may have been re-classified by us for the purposes of presentation. Data from these sources may also not be comparable.

Further, the extent to which the industry and market data presented in the Draft Prospectus is meaningful depends on the reader's familiarity with and understanding of, the methodologies used in compiling such data. 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 industry sources.

Currency and units of presentation

In the Draft Prospectus, unless the context otherwise requires, all references to;

- ‘Rupees’ or ‘₹’ or ‘Rs.’ or ‘INR’ or “₹” are to Indian rupees, the official currency of the Republic of India.
- ‘US Dollars’ or ‘US\$’ or ‘USD’ or ‘\$’ are to United States Dollars, the official currency of the United States of America, EURO or "€" are Euro currency,

All references to the word ‘Lakh’ or ‘Lac’, means ‘One hundred thousand’ and the word ‘Million’ means ‘Ten lakhs and the word ‘Crore’ means ‘Ten Million’ and the word ‘Billion’ means ‘One thousand Million’.

In this Draft Prospectus, any discrepancies in any table between the total and the sums of the amounts listed are due to rounding off. All figures derived from our Financial Statements in decimals have been rounded off to the second decimal and all percentage figures have been rounded off to two decimal places.

Exchange Rates

This Draft 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 | As on March 31, 2022 | As on March 31, 2021 | As on March 31, 2020 |
|-----------------|-----------------------------|-----------------------------|-----------------------------|
| 1 USD | 75.81 | 73.50 | 75.39 |

Source: www.fbil.org.in

All figures are rounded up to two decimals

NOTICE TO PROSPECTIVE INVESTORS IN THE UNITED STATES

The Equity Shares have not been and will not be registered under the Securities Act, and may not be offered or sold within the United States except pursuant to an exemption from, or in a transaction not subject to, the registration requirements of the Securities Act and applicable state securities laws. Accordingly, the Equity Shares are being offered and sold outside the United States in “offshore transactions”, as defined in, and in reliance on Regulation S.

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.

SUMMARY OF OFFER DOCUMENT

SUMMARY OF BUSINESS

Our history and lineage traces back to Mr. Ghanshyambhai Laljibhai Lukhi, who savored the flavor of tooty fruity, a candy that is made out of raw papaya to start his business under the name of “Tapi Food Products” a sole proprietorship firm, in the year 1999. Our Company was incorporated as “Tapi Fruit Processing Private Limited” under the provisions of the Companies Act 2013 on July 11, 2018, bearing Registration Number U15400GJ2018PTC103201 issued by the Registrar of Companies, Central Registration Centre with one of its main objectives being to acquire the running business of the proprietorship concern, M/s. Tapi Food Products. Pursuant to the incorporation of our Company, the entire business of the proprietorship was transferred to our Company with effect from July 11, 2018.

Subsequently, Our Company was converted into a Public Limited Company pursuant to Special Resolution passed by the shareholders at the Extraordinary General Meeting dated July 04, 2022 and the name of our Company was changed to Tapi Fruit Processing Limited to reflect the legal status of our Company pursuant to conversion, a fresh certificate of incorporation was granted by the Registrar of Companies, Ahmedabad dated July 15, 2022 bearing Corporate Identification Number U15400GJ2018PLC103201.

Our diversified product portfolio enables us to cater to a wide range of taste preferences and consumer segments, including adults and children. Our products in the Candied Fruit and Fruit Jellies, are primarily targeted at the children and youth while our other products are for all consumer segments. Our diversified product portfolio is therefore, relatively less susceptible to shifts in consumer preferences, market trends and risks of operating in a particular product segment.

We manufacture our nutraceutical range of products under the private labeling arrangement and contract manufacturing arrangements with our customers.

SUMMARY OF INDUSTRY

Fast-moving consumer goods (FMCG) sector is India's fourth-largest sector with household and personal care accounting for 50% of FMCG sales in India. Growing awareness, easier access and changing lifestyles have been the key growth drivers for the sector. The urban segment (accounts for a revenue share of around 55%) is the largest contributor to the overall revenue generated by the FMCG sector in India. However, in the last few years, the FMCG market has grown at a faster pace in rural India compared to urban India. Semi-urban and rural segments are growing at a rapid pace and FMCG products account for 50% of the total rural spending.

Favourable demographics and rise in income level will boost the FMCG market. The FMCG market in India is expected to increase at a CAGR of 14.9% to reach US\$ 220 billion by 2025, from US\$ 110 billion in 2020. The urban segment contributes to about 55% of the revenue share, while the rural segment accounts for 45%. Rise in rural consumption will drive the FMCG market.

For more details, please refer chapter titled “*Industry Overview*” on page 88 of this Draft Prospectus

PROMOTER

The Promoters of our Company are Ghanshyambhai Laljibhai Lukhi and Ashokkumar Laljibhai Lukhi.

ISSUE SIZE

The Issue size comprises of issuance of up to [●] Equity Shares of face value of Rs. 10.00/- each fully paid-up for cash at price of Rs. [●]/- per Equity Share (including premium of Rs. [●]/- per share) aggregating to Rs. 550.00 Lakhs. The Issue has been authorized by the Board of Directors vide a resolution passed at its meeting held on July 12, 2022 and approved by the shareholders of our Company vide a special resolution at the Extraordinary General Meeting held on July 16, 2022 pursuant to section 62(1)(c) of the Companies Act.

OBJECTS OF THE ISSUE

Our Company intends to utilize the Net Proceeds for the following objects (“*Objects of the Issue*”):

(Rs. in Lakhs)

| Particulars | Amount to be funded from Net Proceeds | Estimated utilisation of Net Proceeds in FY 2022 – 23 |
|---|---------------------------------------|---|
| Meeting incremental working capital requirements | [●] | [●] |
| Repayment / prepayment of certain borrowings availed by our Company | Upto 135.00 Lakhs | [●] |
| General corporate purposes * | [●] | [●] |

*The amount utilized for general corporate purpose shall not exceed 25% of the gross proceeds of the issue

PRE-ISSUE SHAREHOLDING OF PROMOTERS AND PUBLIC

| Particulars | Pre-Issue | |
|-------------------------------|------------------|------------------------|
| | Number of Shares | Percentage (%) holding |
| Promoters (A) | | |
| Ghanshyambhai Laljibhai Lukhi | 16,72,647 | 59.16 |
| Ashokkumar Laljibhai Lukhi | 11,33,853 | 40.10 |
| Total (A) | 28,06,500 | 99.26 |
| Promoter Group (B) | | |
| Shwetaben Ashokkumar Lukhi | 5,000 | 0.17 |
| Ushaben Ghanshyambhai Lukhi | 5,000 | 0.17 |
| Yash Ghanshyambhai Lukhi | 5,000 | 0.17 |
| Laljibhai Shamjibhai Lukhi | 5,000 | 0.17 |
| Total (B) | 20,000 | 0.68 |
| Public (C) | | |
| Mukeshbhai Ramjibhai Avaiya | 1,000 | 0.06 |
| Total (C) | 1,000 | 0.06 |
| Total (A+B) | 28,27,500 | 100.00 |

SUMMARY OF FINANCIAL INFORMATION

| Particulars | For the year ended | | |
|--|--------------------|----------------|----------------|
| | March 31, 2022 | March 31, 2021 | March 31, 2020 |
| Share Capital (Rs. in Lakhs) | 25.00 | 25.00 | 25.00 |
| Networth (Rs. in Lakhs) | 43.02 | 27.42 | 17.36 |
| Revenue (Rs. in Lakhs) | 1522.09 | 1312.50 | 1145.69 |
| Profit after Tax (Rs. in Lakhs) | 15.60 | 10.06 | (0.86) |
| Earnings per share (Basic & diluted) (Rs.) | 6.24 | 4.03 | (0.34) |
| Net Asset Value per Equity Share (Basic & diluted) (Rs.) | 17.21 | 10.97 | 6.94 |
| Total borrowings (Rs. in Lakhs) | 533.77 | 509.35 | 456.28 |

QUALIFICATIONS OF AUDITORS

The Restated Financial Statements do not contain any qualification requiring adjustments by the Statutory Auditors.

SUMMARY OF OUTSTANDING LITIGATIONS & MATERIAL DEVELOPEMENTS

A summary of pending legal proceedings and other material litigations involving our Company is provided below:

| Name of the Cases | Number of cases | Total amount involved |
|----------------------------|-----------------|-----------------------|
| Company | | |
| Against our Company | | |
| Tax | Nil | Nil |
| Civil | Nil | Nil |
| Criminal | Nil | Nil |

| Name of the Cases | Number of cases | Total amount involved |
|------------------------------|-----------------|---|
| By our Company | | |
| Tax | Nil | Nil |
| Civil | Nil | Nil |
| Criminal | Nil | Nil |
| Promoter | | |
| Against our Promoter | | |
| Tax | 1 | Rs. 2,24,030 Pending Payment under section code 143(1)(a). Further Mr. Ghanshyambhai Laljibhai Lukhi has filed rectification application u/s 154 with supporting documents. Copy of which are as under: 1. Income Tax Audit Report AY 2018-19 2. Intimation u/s 143 (1) (a) 3. GST Tax and Income Tax Challan. |
| Civil | Nil | Nil |
| Criminal | Nil | Nil |
| By our Promoter | | |
| Tax | Nil | Nil |
| Civil | Nil | Nil |
| Criminal | Nil | Nil |
| Directors | | |
| Against our Directors | | |
| Tax | 1 | Rs. 2,24,030.00 Pending Payment under section code 143 (1) (a). Further Mr. Ghanshyambhai Laljibhai Lukhi has filed rectification application u/s 154 with supporting documents. Copy of which are as under: 1. Income Tax Audit Report AY 2018-19 2. Intimation u/s 143 3. GST Tax and Income Tax Challan. |
| Civil | Nil | Nil |
| Criminal | Nil | Nil |
| By our Directors | | |
| Tax | Nil | Nil |
| Civil | Nil | Nil |
| Criminal | Nil | Nil |

For further details, please refer chapter titled “*Outstanding Litigations & Material Developments*” beginning on page 204 of this Draft Prospectus.

RISK FACTORS

For details relating to risk factors, please refer section titled “*Risk Factors*” on page 22 of this Draft Prospectus.

SUMMARY OF CONTINGENT LIABILITIES OF OUR COMPANY

Our Company has no contingent liabilities claims/ demands not acknowledged as debt as of March 31, 2022 as indicated in our Restated Financial Statements.

For further details of our contingent liabilities, see “*Restated Financial Statement– Annexure H*” on page 162 of this Draft Prospectus.

SUMMARY OF RELATED PARTY TRANSACTIONS

The details of related party transactions as per AS 18 entered into by our Company for the financial years ended March 31, 2022, 2021 and 2020, and derived from the Restated Financial Statements are as set out in the table below:

(Rs. In Lakhs)

| Nature of Transactions | Name of Related Parties | As at March 31 | | |
|---|--|----------------|---------------|---------------|
| | | 2022 | 2021 | 2020 |
| 1. Directors Remuneration | Ghanshyam Laljibhai Lukhi | 8.40 | 7.40 | 4.20 |
| | Ashokkumar Laljibhai Lukhi | 6.00 | 6.00 | 2.40 |
| Total | | 14.40 | 13.40 | 6.60 |
| 2. Salary | Yash Ghanshyambhai Lukhi | 6.00 | 5.40 | - |
| Total | | 6.00 | 5.40 | - |
| 3. Loan Received (Paid) during the Year to Related Parties | Ghanshyam Laljibhai Lukhi | | | |
| | Opening Balance | 146.15 | 129.08 | 124.96 |
| | Loan Received during the year | 44.24 | 101.82 | 23.75 |
| | Loan Paid during the year | 16.80 | 84.75 | 19.63 |
| | Closing Balance | 173.59 | 146.15 | 129.08 |
| | | | | |
| | Ashokkumar Laljibhai Lukhi | | | |
| | Opening Balance | 73.03 | 58.01 | 45.25 |
| | Loan Received during the year | 34.58 | 17.50 | 20.01 |
| | Loan Paid during the year | 3.50 | 2.48 | 7.25 |
| | Closing Balance | 104.11 | 73.03 | 58.01 |
| | | | | |
| | Ghanshyam Laljibhai Lukhi (HUF) | | | |
| | Opening Balance | - | - | - |
| | Loan Received during the year | 7.05 | - | - |
| | Loan Paid during the year | - | - | - |
| | Closing Balance | 7.05 | - | - |
| | | | | |
| Ashokkumar Laljibhai Lukhi (HUF) | | | | |
| Opening Balance | - | - | - | |

| | | | | |
|--|-----------------------------------|--------------|--------------|--------------|
| | Loan Received during the year | 5.05 | - | - |
| | Loan Paid during the year | - | - | - |
| | Closing Balance | 5.05 | - | - |
| | | | | |
| 4. Interest Received | Ghanshyam Laljibhai Lukhi | 15.89 | 9.32 | 16.29 |
| | Ashokkumar Laljibhai Lukhi | 8.41 | 6.89 | 7.34 |
| Total | | 24.30 | 16.21 | 23.63 |
| | | | | |
| 5. Rent Paid | Ghanshyam Laljibhai Lukhi | 3.60 | 3.60 | - |
| Total | | 3.60 | 3.60 | - |
| | | | | |
| 6. Sales | Tapi Food Products | | | 5.17 |
| Total | | | | 5.17 |
| | | | | |
| 7. Purchase | Tapi Food Products | | - | 24.90 |
| | Solar Food Products | 8.82 | 19.78 | 18.90 |
| | Laljibhai S. Lukhi (HUF) | 8.65 | - | - |
| | Manjulaben Ghanshyambhai Patel | 1.50 | - | - |
| Total | | 18.97 | 19.78 | 43.80 |
| Note : The above statements should be read with the significant accounting policies and notes to restated summary, profits and losses and cash flows appearing in Annexure D,A,B,C. | | | | |

FINANCING ARRANGEMENTS

There have been no financing arrangements whereby our Promoter, members of the Promoter Group, our Directors and their relatives have financed the purchase by any other person of securities of our Company during a period of six (6) months immediately preceding the date of this Draft Prospectus.

WEIGHTED AVERAGE PRICE AT WHICH THE EQUITY SHARES WERE ACQUIRED BY OUR PROMOTERS IN THE ONE YEAR PRECEDING THE DATE OF THIS DRAFT PROSPECTUS

The weighted average price at which the equity shares were acquired by our Promoters in the one year preceding the date of this Draft Prospectus.

| Name | Number of Shares | Weighted Average Cost of Acquisition per Equity Share (in Rs.) |
|-------------------------------|------------------|--|
| Ghanshyambhai Laljibhai Lukhi | 15,63,647 | 9.91 |
| Ashokkumar Laljibhai Lukhi | 10,13,853 | 8.38 |

As certified by the Independent Chartered Accountant RJD & Co., vide its certificate dated August 08, 2022

AVERAGE COST OF ACQUISITION

The average cost of acquisition per Equity Share to our Promoters as at the date of this Draft Prospectus is:

| Name | Average Cost of Acquisition per Equity Share (in Rs.) |
|-------------------------------|---|
| Ghanshyambhai Laljibhai Lukhi | 9.92 |
| Ashokkumar Laljibhai Lukhi | 8.56 |

As certified by the Independent Chartered Accountant RJD & Co., vide its certificate dated August 08, 2022.

DETAILS OF PRE-ISSUE PLACEMENT

Our Company does not contemplate any issuance or placement of Equity Shares from the date of this Draft Prospectus till the listing of the Equity Shares.

ISSUE OF EQUITY SHARES FOR CONSIDERATION OTHER THAN CASH IN THE LAST ONE (1) YEAR

| Date of Issue/ Allotment | Number of Equity Shares | Face Value (in Rs.) | Issue Price (in Rs.) | Reasons for Allotment | Name of Allottees | No. of Shares Allotted | Benefits Accrued |
|---------------------------------|--------------------------------|----------------------------|--|------------------------------|-------------------------------|-------------------------------|--|
| June 06, 2022 | 5,00,000 | 10.00 | 48.00 (including premium of Rs. 38.00) | Preferential Issue | Ghanshyambhai Laljibhai Lukhi | 3,22,917 | Conversion of Unsecured Loan |
| | | | | | Ashokkumar Laljibhai Lukhi | 1,77,083 | |
| June 24, 2022 | 20,77,500 | 10.00 | Nil | Bonus Issue | Ghanshyambhai Laljibhai Lukhi | 12,40,730 | Capitalization of Reserves & Surplus. Increase of Capital. |
| | | | | | Ashokkumar Laljibhai Lukhi | 8,36,770 | |

SPLIT / CONSOLIDATION OF EQUITY SHARES IN THE LAST ONE YEAR

Our Company has not undertaken a split or consolidation of the Equity Shares in the one (1) year preceding the date of this Draft Prospectus.

EXEMPTION FROM PROVISIONS OF SECURITIES LAW

Our Company has not applied or received any exemption from complying with any provisions of Securities Law by SEBI.

SECTION - II RISK FACTORS

*An investment in our Equity Shares involves a high degree of risk. You should carefully consider each of the following risk factors and all other information set forth in this Draft Prospectus, including in “**Business Overview**”, “**Industry Overview**”, “**Management’s Discussion and Analysis of Financial Condition and Results of Operations**”, and “**Financial Statements**” before making an investment in our Equity Shares.*

The risks and uncertainties described below are not the only risks that we currently face. Additional risks and uncertainties not presently known to us or that we currently believe to be immaterial may also adversely affect our business, financial condition, results of operations and cash flows. If any or some combination of the following risks, or other risks that are not currently known or believed to be adverse, actually occur, our business, financial condition and results of operations could suffer, the trading price of, and the value of your investment in, our Equity Shares could decline and you may lose all or part of your investment. To the extent the COVID-19 pandemic adversely affects our business and financial results, it may also have the effect of increasing many of the other risks described in this section, such as those relating to non-payment or default by customers. In making an investment decision with respect to this Issue, you must rely on your own examination of our Company and the terms of this Issue, including the merits and risks involved. You should consult your tax, financial and legal advisors about the consequences to you of an investment in our Equity Shares.

This Draft Prospectus also contains forward-looking statements that involve risks and uncertainties. Our results could differ materially from such forward-looking statements as a result of certain factors, including the considerations described below and elsewhere in this Draft Prospectus.

*Unless specified or quantified in the relevant risk factors below, we are not in a position to quantify the financial or other implications of any of the risks described in this section. Unless the context otherwise requires, in this section, reference to “we”, “us” “our” refers to our Company together with our Subsidiaries, on a consolidated basis. For updates in relation to financial and operational performance as of and for the period ended March 31, 2020, March 31, 2021 and March 31, 2022, see “**Management Discussion and Analysis Condition and Results of Operation**” beginning on page 193 of this Draft Prospectus.*

INTERNAL RISK FACTORS

Risk Relating to the Business of our Company

1. Our inability to expand or effectively manage our growing super stockist network or any disruptions in our supply infrastructure may have an adverse effect on our business, financial condition and results of operations

We rely largely on third party super stockists to sell our products to retailers who place our products in the market. As on June 15, 2022 our distribution network for our products includes over 60 super stockists supplying to distributors, retailers and modern retailers . Our ability to expand and grow our product reach significantly depends on our ability to influence the market that we cater to and effective management of our distribution network. We continuously seek to increase the penetration of our products by appointing new super stockists to ensure wide distribution network targeted at different consumer groups and regions. For the financial year 2021-22, 2020-21 and 2019-20 our top ten (10) superstockist contributed 923.43 Lakhs, 774.18 Lakhs and 770.82 Lakhs comprising 54.13%, 52.85% and 59.40% of our total revenues from operations, respectively.

We cannot assure you that we will be able to successfully identify or appoint new super stockists or effectively manage our existing distribution network. We may not be able to compete successfully against larger and better-funded distribution networks of some of our current or future competitors, especially if these competitors provide their super stockists with more favourable arrangements. We currently do not have any long-term contractual arrangements. If the terms offered to such super stockists by our competitors are more favourable than those offered by us, super stockists may decline to distribute our products and terminate their arrangements with us. The deterioration of the financial condition or business prospects of these super stockist could impact our sales and result in a significant decrease in the revenues we derive from these super stockist

2. **There are certain legal proceedings involving our Company, Directors, Promoter and Group Companies an adverse outcome in which, may have an adverse impact on our reputation, business, financial condition, results of operations and cash flows**

Our Company is involved in certain legal proceedings, which if determined, against us could have adverse impact on the business and financial results of our Company. For details kindly refer chapter titled "**Outstanding Litigation and Material Developments**" at page 204 of this Draft Prospectus. A brief detail of such outstanding litigations as on the date of this Prospectus are as follows:

(in lakhs)

| Nature of Cases | Number of outstanding cases | Amount Involved |
|--|-----------------------------|--|
| <i>Litigation involving our Company</i> | | |
| Criminal proceedings | Nil | Nil |
| Material civil litigation | Nil | Nil |
| Actions by statutory or regulatory Authorities | Nil | Nil |
| Direct and indirect tax proceedings | Nil | Nil |
| <i>Litigation involving our Directors</i> | | |
| Criminal proceedings | Nil | Nil |
| Material civil litigation against our Directors | Nil | Nil |
| Material civil litigation by our Directors | Nil | Nil |
| Actions by statutory or regulatory authorities | Nil | Nil |
| Direct and indirect tax proceedings | 1 | Aggregate amount involved - INR 2,24,030/- & Accrued Int - INR 5,026/- |
| <i>Litigation involving our Promoters</i> | | |
| Criminal proceedings | Nil | Nil |
| Material civil litigation | Nil | Nil |
| Actions by statutory or regulatory authorities | Nil | Nil |
| Direct and indirect tax proceedings | 1 | Aggregate amount involved - INR 2,24,030/- & Accrued Int - INR 5,026/- |
| <i>Litigation involving our Group Companies</i> | | |
| Criminal proceedings | Nil | Nil |
| Material civil litigation | Nil | Nil |
| Actions by statutory or regulatory authorities | Nil | Nil |
| Direct and indirect tax proceedings | Nil | Nil |

For further details on the outstanding litigation proceedings, see "**Outstanding Litigation and Material Developments**" beginning on page 204 of this Draft Prospectus.

We cannot provide any assurance that these matters will be decided in favour of the above-mentioned entities or persons. Further, there is no assurance that legal proceedings will not be initiated against our company, its directors, promoters or group companies in future.

3. **Our business operations are dependent on supply of fruits and vegetables, and an inability to procure adequate amounts of quality fruits and vegetables at competitive prices could adversely affect our results of operations.**

In fiscals 2020, 2021 and 2022, our cost of raw materials consumed was Rs. 717.89 Lakhs, Rs. 775.07 Lakhs and Rs. 999.81 Lakhs or 62.68%, 59.47% and 65.94% of our revenue from product sales, respectively. Fruits and vegetables are the primary raw material used in the production of our products. Our raw material procurement model involves direct purchase of our fruits and vegetables requirements from traders, manufacturers, etc. We have not entered into any formal or long-term supply contracts with such suppliers. There can be no assurance that we will be able to procure all of our future raw material requirements at commercially viable prices, or that we will be able to entirely pass on increases in the procurement price of raw material to our customers. An inability to procure sufficient amount of quality raw materials at reasonable cost, or an inability to pass on any increases in the price of our raw materials to our customers could adversely affect our business, financial condition and results of operations. We usually do not enter into long-term supply contracts with any of our raw material suppliers and typically source raw materials from third-party suppliers or the open market. The absence of long-term contracts at fixed prices exposes us to volatility in the prices of raw materials that we require and we may be unable to pass these costs onto our customers, which may reduce our sales and profit margins.

Therefore, we cannot assure you that we will be able to procure adequate supplies of raw materials in the future, as and when we need them on commercially acceptable terms.

4. We face competition in our business, including from competitors that may have greater financial and marketing resources. Failure to compete effectively may have an adverse impact on our market position, business, financial condition, results of operations and prospects.

We operate in a highly competitive industry. Increased competition from existing players may cause us to lose customers, fail to attract new customers and result in an overall reduction in our market share. Some of our competitors may have certain advantages, including greater financial resources, technology, research and development capability, greater market penetration and operations in diversified geographies and product portfolios, which may allow our competitors to better respond to market trends. Our competitors in certain regional markets may also benefit from raw material sources or production facilities that are closer to the markets for the downstream products or may benefit from integrating upstream and downstream production processes, which provides them with competitive advantages in terms of costs and proximity to consumers.

Our competitors may pursue an aggressive pricing policy and offer incentives or credit terms to customers that are more favourable than those that we offer. Increased consolidation among our competitors could allow such competitors to further benefit from economies of scale, offer more comprehensive product portfolios and increase the size of their serviceable markets. This could require us to accept considerable reductions in our profit margins and the loss of market share due to price pressure. Accordingly, we may not be able to compete effectively with our competitors, which may have an adverse impact on our business, results of operations, financial condition and prospects.

5. Our growth will depend on our ability to build our brand and failure to do so will negatively impact our ability to effectively compete in this industry.

We believe that we need to continue to build our brand, which will be critical for achieving widespread recognition of our products. Promoting and positioning our brand will depend largely on the success of our marketing efforts and our ability to provide high quality services. If we are unable to promote and maintain our brand, our business, financial condition and results of operations could be adversely affected.

Maintaining and enhancing the recognition and reputation of our brands is critical to our business and competitiveness. Many factors, some of which are beyond our control, are important to maintain and enhance our brands, including maintaining or improving consumer satisfaction and the popularity of our products and increasing brand awareness through various brand building initiatives such as advertising mediums, including television, cinemas, newspapers. In particular, when we launch new products and if any of those products do not meet standards for quality and taste or consumers' subjective expectations or preference, our brand reputation and the sales of our biscuits and bakery products may be impacted.

If we fail to maintain our reputation, enhance our brand recognition or increase positive awareness of our products, our business may be adversely affected.

6. Any negative cash flows in the future would adversely affect our cash flow requirements, which may adversely affect our ability to operate our business and implement our growth plans, thereby affecting our financial condition.

We have in the past experienced, and may in the future, experience negative operating cash flows. The following table sets forth certain information relating to our cash flows on a standalone basis for the periods indicated:

| Rs. in Lakhs | | | |
|-------------------------------------|-------------------|-------------------|-------------------|
| Particulars | March 31, 2022 | March 31, 2021 | March 31, 2020 |
| Cash Flow from Investing Activities | (91.86) | (79.24) | (80.14) |
| Cash Flow from Financing Activities | (18.83) | 10.74 | (16.58) |

There can be no assurance that our net cash flows will be positive in the future. Any negative cash flows in the future could adversely affect our results of operations and financial condition, and we cannot assure you that our net cash flows will be positive in the future.

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

All the products that we manufacture are for human consumption and are subject to risks such as contamination, adulteration and product tampering during their manufacture, transport or storage. Our raw materials and our products are required to be stored, handled and transported and under certain food safety conditions. Packaging, storage and delivery of our products to our consumers and the storage and shelving of our products by our super stockists, distributors and retailers until final consumption by consumers are also subject to such contamination and deterioration risks. While we follow stringent quality control processes and quality standards at each stage of the production cycle such as conducting sampling tests to ensure that the colour, odour, taste, appearance and nutrients of the raw materials, comply with our requirements or regulatory requirements or standards set by our consumers in the export markets, maintain our facilities and machinery, and conduct our manufacturing operations in compliance with applicable food safety standards, laws and regulations and our own internal policies, and though we have, in the past, not materially suffered due to any of the aforementioned, we cannot assure that our products will not be contaminated or suffer deterioration in the future.

Any shortcoming in the production or storage of our products due to negligence, human error or otherwise, may damage our products and result in non-compliance with applicable regulatory standards. Any allegation that our products contain contaminants could damage our reputation, adversely affect our sales and result in legal proceedings being initiated against us, irrespective of whether such allegations have any factual basis.

8. Our working capital requirements would not be met if we experience insufficient cash flows which may have an adverse effect on our business, financial condition and results of operations.

Our business requires working capital, part of which would be met through internal accruals and borrowings. In many cases, significant amounts of working capital are required to finance the procurement of raw materials, labour and the upkeep of our production facilities before payments are received from customers.

Our working capital requirements may increase if, under certain contracts, payment terms do not include advance payments or such contracts have payment schedules that shift payments towards the end of the production or otherwise increase our working capital burdens. Further, the cost of financing high levels of inventories has significantly increased and in future, will increase our working capital requirements. Additionally, our working capital requirements have increased in recent years due to the general growth

of our business and also on account of the fact that we routinely attempt to forecast the demand for our products to ensure we purchase an adequate amount of raw materials. All of these factors may result, or have resulted, in increases in our working capital needs.

Due to various factors, including certain extraneous factors such as changes in interest rates and other costs or borrowing and lending restrictions, if any, we may not be able to finance our working capital needs, or secure other financing when needed, on acceptable commercial terms, or at all, which may have an adverse effect on our business, financial condition, results of operations and prospects.

9. Certain properties occupied by us are not owned by us and we have only right to use.

The registered office of our Company is owned by our promoter Ashokkumar Laljibhai Lukhi with whom our Company has obtained no objection consent for the use of premises. In an adverse scenario, we may have to shift our Registered office to different premises, the terms of which may not be suitable for our Company.

10. We have incurred substantial secured indebtedness which exposes us to various risks which may have an adverse effect on our business and results of operations.

Our ability to borrow and the terms of our borrowings will depend on our financial condition, the stability of our cash flows, general market conditions, economic and political conditions in the markets where we operate and our capacity to service debt.

As on March 31, 2022, our total secured outstanding indebtedness was Rs. 120.74 Lakhs

Our significant indebtedness results in substantial amount of debt service obligations which could lead to:

- increasing our vulnerability to general adverse economic, industry and competitive conditions;
- limiting our flexibility in planning for, or reacting to, changes in our business and the industry;
- limiting our ability to borrow more money both now and in the future; and
- increasing our interest expenditure and adversely affecting our profitability

11. A shortage or non-availability of electricity or water may adversely affect our manufacturing operations and have an adverse effect on our business, results of operations and financial condition. Our manufacturing operations require a significant amount and continuous supply of electricity and water and any shortage or non-availability may adversely affect our operations.

The production process of certain products, as well as the storage of our products at particular temperatures requires significant power. Any failure on our part to obtain alternate sources of electricity or water, in a timely fashion, and at an acceptable cost, may have an adverse effect on our business, results of operations and financial condition.

Although we have not experienced any significant disruptions at our manufacturing facilities in the past, we cannot assure you that there will not be any significant disruptions in our operations in the future. Our inability to effectively respond to such events and rectify any disruption, in a timely manner and at an acceptable cost, could lead to the slowdown or shut-down of our operations or the under-utilization of our manufacturing facilities, which in turn may have an adverse effect on our business, results of operations and financial condition.

12. A slowdown or shutdown in our manufacturing operations could have an adverse effect on our business, results of operations and financial condition.

Our business is dependent upon our ability to manage our manufacturing facilities, which are subject to various operating risks, including those beyond our control, such as the breakdown and failure of equipment or industrial accidents and severe weather conditions and natural disasters. Any significant malfunction or breakdown of our machinery may entail significant repair and maintenance costs and cause delays in our operations. If we are unable to repair the malfunctioning machinery in a timely manner or at all, our operations may need to be suspended until we procure machinery to replace the

same. Further, we may also be exposed to public liability from the end consumer for defects in the quality of the products stored in our premises.

13. Our inability to meet the tastes, preferences or consistent quality requirements of our customers or our inability to accurately predict and successfully adapt to changes in market demand could reduce demand for our products and harm our sales.

Our results of operations and future growth, are largely dependent upon the demand for our products in the Indian and international markets. Demand for our products depends primarily on consumer-related factors such as demographics, local preferences and food consumption trends, macroeconomic factors such as the condition of the economy and the level of consumer confidence.

While our management maintains estimates of the likely production plans of customers by facility, and orders supplies and allocates production capacity on that basis, we are and will continue to be substantially dependent upon the purchase orders and indicative supply schedules or delivery schedules received from customers before the production and shipment of our products is due. Therefore, an unanticipated change in customer demand may adversely affect our liquidity and financial condition as a result of operating expenses that are relatively fixed and have been incurred by our Company. Further, if there is any sudden increase in demand of our products by our customers, we may encounter problems procuring raw material in a timely manner and fail to deliver the product as ordered, or supply it as per our customers' schedule.

Consumer tastes and preferences often change over time, and if we are not able to anticipate, identify or develop and market products that respond to changes in consumer tastes and preferences, demand for our products may decline. Any such change in preferences or our inability to meet the consistent quality requirements of our customers could harm our business, financial condition, results of operations and prospects.

14. Pending registration of trademarks used by us for our business, any inability to protect our intellectual property from third party infringement may adversely affect our business and prospects.

We currently sell our products under the brand "Tapi", "MumMum" and "Boleto", which is registered in the name of our Promoter Ghanshyambhai Laljibhai Lukhi and formed part of his proprietorship concern "Tapi Food Products". Pursuant to acquisition of sole proprietorship concern by our Company all the assets and liabilities have been transferred / assigned to our Company. In the absence of these trademark registrations, we may not be able to initiate an infringement action against any third party who maybe infringing our trademarks. With respect to our trademarks that have been applied for and/or objected or opposed we cannot assure you that we will be successful in such a challenge nor can we guarantee that eventually our trademark and copyright applications will be approved, which in turn could result in significant monetary loss or prevent us from selling our products under these trademarks. As a result, we may not be able to prevent infringement of our trademarks and copyright and a passing off action may not provide sufficient protection until such time that this registration is granted. For further details see "*Business Overview - Intellectual Property*" and "*Government and Other Approvals*" on page 99 and 208, respectively of this Draft Prospectus.

15. We rely on third-party transportation providers for substantially all of our product distribution and failure by any of our transportation providers to deliver our products on time or at all could result in lost sales.

We rely on third party transportation providers, with whom we have no formal arrangements, or timely delivery of our required raw materials and for delivery of our products to our customers, distributors and the retailers. Raw materials and our products may be lost, damaged or subject to spoilage and contamination if specific transportation conditions, including specified temperatures, are not maintained by such transportation providers. Disruptions of transportation services because of weather related problems, strikes, lock-outs, inadequacies in road infrastructure or other events could impair our procurement of raw materials and supply to our customers, to the extent that our losses are not covered by insurance.

16. We are heavily dependent on our Promoters, Directors and Key Managerial Personnel for the continued success of our business through their continuing services and strategic guidance and support.

Our success heavily depends upon the continued services of our Key managerial personnel, along with support of our Promoters. We also depend significantly on our Key Managerial Persons for executing our day-to-day activities. The loss of any of our Promoters, Directors and Key Management Personnel, or failure to recruit suitable or comparable replacements, could have an adverse effect on us. The loss of service of the Promoters, Directors and other senior management could seriously impair the ability to continue to manage and expand the business efficiently. If we are unable to retain qualified employees at a reasonable cost, we may be unable to execute our growth strategy. For further details of our Directors and key managerial personnel, please refer to Section “*Our Management*” on page 138 of this Draft Prospectus.

17. We are subject to the restrictive covenants of banks in respect of the Loans/ Credit Limits and other banking facilities availed from them.

Our financing arrangements contain restrictive covenants whereby we are required to obtain approval from our lender, regarding, among other things such as major changes in share capital, changes in fixed assets, creation of any other charge, not to issue any personal guarantee by the guarantors etc. There can be no assurance that such consents will be granted or that we will be able to comply with the financial covenants under our financing arrangements. In the event we breach any financial or other covenants contained in any of our financing arrangements, we may be required under the terms of such financing arrangements to immediately repay our borrowings either in whole or in part, together with any related costs. This may adversely impact our results of operations and cash flows. For further details on the Cash Credit Limits and other banking facilities, please see “*Financial Indebtedness*” on page 200 of the Draft Prospectus.

18. The coronavirus pandemic (“COVID-19”) has had an adverse effect on our business and operations, and the extent to which it may continue to do so in the future cannot be predicted.

In the first half of calendar year 2020, COVID-19 spread to a majority of countries across the world, including India. The COVID-19 pandemic has had, and may continue to have, significant repercussions across local, national and global economies and financial markets. The global impact of the COVID-19 pandemic has been rapidly evolving and public health officials and governmental authorities responded by taking measures, including in India where our operations are primarily based, such as prohibiting people from assembling in large numbers, instituting quarantines, restricting travel, issuing “stay-at-home” orders and restricting the types of businesses that may continue to operate, among many others. The outbreak of COVID-19 was recognized as a public health emergency of international concern on January 30, 2020 and as a pandemic by the WHO on March 11, 2020. On March 14, 2020, India declared COVID-19 as a “notified disaster” and imposed a nationwide lockdown beginning March 25, 2020. With the resurgence of the COVID-19 pandemic in April 2021, the lockdowns were imposed in various parts of India. While the lockdown currently does not remain in force, in case the lockdown is reintroduced, it could result in subdued growth or give rise to a recessionary economic scenario, in India and globally, which could adversely affect our business, prospects, results of operations and financial condition. The COVID-19 pandemic may affect our business, results of operations and financial condition, in the future, in a number of ways such as:

- i. result in a complete or partial closure of, or disruptions or restrictions on our ability to conduct, our manufacturing operations;
- ii. impact ability of our management and employees to travel, enter into or complete manufacturing products and other business transactions and delay movement of our products;
- iii. our inability to source key raw materials as a result of the temporary or permanent closure of the facilities of suppliers of our key raw materials;
- iv. non-availability of labour, which could result in a slowdown in our operations and delay the expansion of our manufacturing facilities;
- v. uncertainty as to what conditions must be satisfied before government authorities completely lift lockdown orders; and

- vi. the potential negative impact on the health of our employees, particularly if a significant number of them are afflicted by COVID-19, could result in a deterioration in our ability to ensure business continuity during this disruption.

On account of the lockdown, our operations were disrupted at manufacturing facilities from March 2020 to May 2020 and this resulted in a reduction in our revenues.

It is not possible to accurately predict the full impact of the COVID-19 pandemic on our business, cash flows, financial condition and results of operations due to the evolving nature of the COVID-19 pandemic and the extent of its impact across industries and geographies and numerous other uncertainties, including the duration and spread of the outbreak, additional actions that may be taken by governmental authorities. The extent to which COVID-19 further impacts our results will depend on future developments, which are highly uncertain and cannot be predicted, including new information which may emerge concerning the severity of the coronavirus and the actions taken globally to contain the coronavirus or treat its impact, among others. Our existing insurance coverage may not provide protection for all costs that may arise from all such possible events. The spread of any severe communicable diseases, such as COVID-19, may adversely affect our business, which could adversely affect our business, cash flows, financial condition and results of operations.

19. We may not be able to sustain effective implementation of our business and growth strategy.

The success of our business will largely depend on our ability to effectively implement our business and growth strategy. In the past we have generally been successful in execution of our business but there can be no assurance that we will be able to execute our strategy on time and within the estimated budget in the future. If we are unable to implement our business and growth strategy, this may have an adverse effect on our business, financial condition and results of operations.

20. Our Company operates under several statutory and regulatory permits, licenses and approvals. Our failure to obtain and/or renew any approvals or licenses in future may have an adverse impact on our business operations.

We may require several statutory and regulatory permits, licenses and approvals in the ordinary course of our business including environmental approvals, factory license, labour related and tax related approvals, some of which our Company has either received, applied for or is in the process of application. Many of these approvals are granted for fixed periods of time and need renewal from time to time. There can be no assurance that the relevant authorities will issue any of such permits or approvals in the timeframe anticipated by us or at all. Any failure by us to apply in time, to renew, maintain or obtain the required permits, licenses or approvals, or the cancellation, suspension, delay in issuance or revocation of any of the permits, licenses or approvals may result in the interruption of our operations and may have a material adverse effect on the business. For further details, please see chapters titled “*Key Industry Regulations and Policies in India*” and “*Government and Other Approvals*” at pages 122 and 208 respectively of this Draft Prospectus.

21. We could be harmed by employee misconduct or errors that are difficult to detect and any such incidences could adversely affect our financial condition, results of operations and reputation.

Employee misconduct or errors could expose us to business risks or losses, including regulatory sanctions and serious harm to our reputation. There can be no assurance that we will be able to detect or deter such misconduct. Moreover, the precautions we take to prevent and detect such activity may not be effective in all cases. Our employees may also commit errors that could subject us to claims and proceedings for alleged negligence, as well as regulatory actions on account of which our business, financial condition, results of operations and goodwill could be adversely affected.

22. Our inability to manage our inventory and foresee accurate demand for our products for a future period may adversely affect our reputation, business, results of operation and our financial performance.

The estimations on demands of our products are typically based on our projections, inventory levels at our distribution networks, our understanding of the anticipation of consumption and spending by our

consumers. If we overestimate demand for our products, we may face difficulty on storage of such products. Further, if we are unable to provide our products to our consumers due to any disruptions of our manufacturing facilities or shortage of raw materials, we may incur the risk of losing certain of our valuable consumers. While we closely monitor our inventory requirements periodically, we may be exposed to various risks including the aforementioned risks. All of these factors could adversely affect our reputation, business, results of operation and our financial performance

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

Some of our Director/Promoters are interested in our Company to the extent of their shareholding, dividend rights, in addition to normal remuneration or benefits and reimbursement of expenses. We cannot assure you that our Directors or promoters would always exercise their rights as Shareholders to the benefit and best interest of our Company. As a result, our Directors or Promoters will continue to exercise significant control over our Company, including being able to control the composition of our board of directors and determine decisions requiring simple or special majority voting, and our other Shareholders may be unable to affect the outcome of such voting.

For details relating to benefits and reimbursement of expenses to some of our directors, please refer to section title "*Our Management*", "*Our Promoters and Promoters Group*" and "*Related Party Transaction in chapter titled 'Restated Financial Statement'*" on page nos. 138, 154 and 162 respectively of this Draft Prospectus.

24. *Our Company does not have any documentary evidence for the educational qualifications and experience of some of our Directors.*

Some of our Directors are unable to trace relevant documents with respect to their educational qualifications and their experience. Due to lack of documents and relevant information from the aforementioned Directors, we have relied upon their bio-datas provided to us as is required under the SEBI ICDR Regulations and therefore cannot verify if the bio-datas/profiles of the Directors are correct. For further details, please refer to the chapter titled "*Our Management*" beginning on page 138 of this Draft Prospectus.

25. *Our insurance coverage may not be adequate to protect us against certain operating hazards and this may have a material adverse effect on our business.*

Our company has obtained insurance coverage in respect of certain risks. Our insurance coverage consists of loss or damage by fire, earthquake etc. We believe that the insurance coverage maintained by us is adequate and consistent with the size of our business. However, there is no assurance that the insurance policy taken by us will be adequate for us to cover the losses. If we suffer any uninsured loss or if claim made by us in respect of an insurance is not accepted or any loss occurred by us is in excess of the insurance coverage may adversely affect our operation, results and financials.

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

We may retain all our future earnings, if any, for use in the operations and expansion of our business. As a result, we may not declare dividends in the foreseeable future. Any future determination as to the declaration and payment of dividends will be at the discretion of our Board of Directors and will depend on factors that our Board of Directors deem relevant, including among others, our results of operations, financial condition, cash requirements, business prospects and any other financing arrangements. Accordingly, realization of a gain on shareholders investments may largely depend upon the appreciation of the price of our Equity Shares. There can be no assurance that our Equity Shares will appreciate in value.

- 27. Our Promoters and members of the Promoter Group will continue jointly to retain majority control over our Company even after the Issue which will allow them to determine the outcome of matters submitted to shareholders for approval.**

Post this Issue, our Promoters and Promoter Group will collectively own [●]% of our post issue equity share capital. As a result, our Promoters, together with the members of the Promoter Group, will continue to exercise a significant degree of influence over the Company and will be able to control the outcome of any proposal that can be approved by a majority shareholder vote, including, the election of members to our Board, in accordance with the Companies Act, 2013 and our Articles of Association. Such a concentration of ownership may also have the effect of delaying, preventing or deterring a change in control of our Company. In addition, our Promoters will continue to have the ability to cause us to take actions that are not in, or may conflict with, our interests or the interests of some or all of our creditors or other shareholders, and we cannot assure you that such actions will not have an adverse effect on our future financial performance or the price of our Equity Shares.

- 28. 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, as amended, appointment of monitoring agency is required only for Issue size above 10000 Lakhs. Hence, we have not appointed any monitoring agency to monitor the utilization of Issue proceeds. However, the audit committee of our Board will monitor the utilization of Issue proceeds in terms of SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015. Further, our Company shall inform about material deviations in the utilization of Issue proceeds to the NSE Limited and shall also simultaneously make the material deviations / adverse comments of the audit committee public.

Our company has not carried out any independent appraisal of our working capital requirements. Therefore, if our estimation is not accurate or the assumptions, we have taken prove to be not correct, we may be required to raise additional debt on terms that may not be totally favorable to us.

Our working capital requirements have been assessed based on the management 's estimates and the same have not been independently appraised or evaluated by any bank or financial institution. Further, the estimates of our working capital requirement are totally based on the experience of our management and Promoters. We cannot assure that these estimates may be accurate. If these estimates prove to be wrong, we may be required to raise additional debt, on terms that may not be totally favorable to our Company, which may in turn adversely affect our profitability.

For further details please refer Chapter titled "*Objects of the Issue*" on page 71 of Draft Prospectus.

- 29. Our sustained growth depends on our ability to attract and retain skilled manpower. Failure to attract and retain skilled manpower or our increased employee costs could adversely affect our business, financial condition, results of operations and prospects.**

Our performance depends largely on the efforts and abilities of skilled manpower for our production processes.

We cannot assure you that we will be able to retain these skilled personnel or find adequate replacements in a timely manner, or at all. We are required to employ qualified and trained personnel, including local personnel, for working at our production facilities. We may require a long period of time to hire and train replacement personnel when skilled personnel terminate their employment with our Company, as the case may be. We may also be required to increase our levels of employee compensation and benefits more rapidly than in the past to remain competitive in attracting skilled personnel, or to address any breaches on the part of our respective contractors and subcontractors, where we are the principal employers. The loss of the services of such persons, particularly members of our management team such as our Directors and Key Managerial Personnel for any reason in the future, could have an adverse effect on our business, financial condition, results of operations, and prospects.

For further details, see "*Business Overview*" and "*Our Management*" on pages 99 and 138, respectively.

30. Any non-compliance, default or regulatory action on any person belonging to Promoter Group could adversely affect our business reputation and operations.

In case of imposition of any penalty for any default or non-compliance by any regulatory authority, on the persons belonging to our Promoter Group on chapter, “*Our Promoters and Promoter Group*” beginning on page no. 154, could adversely affect our business operations and reputation. It is not necessary that the company and promoters are directly related to the such defaults, yet this could have adverse effect on the business of the company.

31. Our company may face low-capacity utilization in production and manufacturing of products in future which will negatively affect the financial results of our Company.

Since our company is into manufacturing business, the capacity utilization is an important factor to determine the strength and potential output that can be produced if capacity was fully used. At present our Company is able to utilize full of its capacity. However, in case actual production is lower as compared to installed capacity of plant and machinery for production, this could adversely affect our business operations and consequently will negatively affect the financial results of our Company.

32. We could incur substantial costs resulting from a sales recall. This could adversely affect our reputation, result in significant costs to us and expose us to a risk of litigation and possible liability.

We may be required to recall some of our products from the market due to a specific quality issue or the product not meeting customer requirements. While we have not been required to make any sales recall of our products in the past, we cannot ensure that we would not be required to recall our products in the future. In addition to impacting our market share and the demand for our products, a product recall would likely have repercussions on our brand image and adversely affect our business, results of operations and financial condition.

33. Our Promoters have provided personal guarantees for loans availed by third party.

Our Company has availed loans in the ordinary course of business for the purposes including working capital, term loan for capital expenditure and takeover loans for consolidation of existing term loans. Our Promoters have given personal guarantees in relation to certain loans obtained by our Company, for details please see section titled “*Financial Indebtedness*” on page 200 of this Draft Prospectus. In the event of default on the loans, the guarantees may be invoked by our lenders thereby adversely affecting our Promoters’ ability to manage the affairs of our Company and this, in turn, could adversely affect our business, prospects, financial condition and results of operations. Further, if any of these guarantees are revoked by our Promoters, our lenders may require alternate securities or guarantees and may seek early repayment or terminate such facilities. Any such event could adversely affect our financial condition and results of operations. For further details in relation to the personal guarantees provided by our Promoters, see “*History and Certain Corporate Matters – Guarantees issued by Promoter*” on page 135.

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

The Issue Price of our Equity Shares has been determined by Fixed Price method. The price of the equity shares has been based on many factor and may not be indicative of the market price of our Equity Shares after the Issue. For further information please refer the section titled “*Basis for Issue Price*” beginning on page 79 of the Draft Prospectus. The market price of our Equity Shares could be subject to significant fluctuations after the Issue, and may decline below the Issue Price. We cannot assure you that you will be able to sell your Equity Shares at or above the Issue Price.

35. Our Company has borrowed unsecured loans which are repayable on demand. Any demand from lenders for repayment of such unsecured loans, may adversely affect our cash flows.

Based on restated financial statement, our Company has unsecured loans as at March 31, 2022 amounting to Rs. 300.81 Lakhs from Promoters and members of Promoter Group which are repayable

on demand to relevant lenders. These unsecured loans may be re-called at any time by these parties. In the event these loans are required to be re-paid on a short notice, our Company may have to arrange additional fund which may impact our Financials. For further details in relation to the unsecured loans of our Company, please refer to chapter titled "*Financial Statements*" and "*Financial Indebtedness*" on page 162 and 200 respectively of the Draft Prospectus.

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

Our Company has entered into transactions with our certain related parties. While we believe that all such transactions have been conducted on an arm's length basis, there can be no assurance that we could not have achieved more favourable terms had such transactions not been entered into with related parties. Furthermore, it is likely that we will enter into related party transactions in the future. There can be no assurance that such transactions, individually or in the aggregate, will not have an adverse effect on our financial condition and results of operation. For details on the transactions entered by us, please refer to Chapter titled "*Restated Financial Statement*" on page 162 of this Draft Prospectus.

37. We have not commissioned an industry report for the disclosures made in the chapter titled "Industry Overview" and made disclosures on the basis of the data available on the internet and such data has not been independently verified by us.

We have neither commissioned an industry report, nor sought consent from the quoted website source for the disclosures which need to be made in the chapter titled "*Industry Overview*" of this Draft Prospectus. We have made disclosures in the said chapter on the basis of the relevant industry related data available online for which relevant consents have not been obtained. We have not independently verified such data. We cannot assure you that any assumptions made are correct or will not change and, accordingly, our position in the market may differ from that presented in this Draft Prospectus. Further, the industry data mentioned in this Draft Prospectus or sources from which the data has been collected are not recommendations to invest in our Company. Accordingly, investors should read the industry related disclosure in this Draft Prospectus in this context.

38. Our funding plans are based on management estimates and there is no assurance that the objects of the Offer will be achieved within the time frame expected or at all, or that the deployment of the Net Proceeds in the manner intended by us will result in any increase in the value of your investment. Further, the funding plan has not been appraised by any bank or financial institution.

We intend to use the Net Proceeds for the purposes described in the section "*Objects of the Issue*" on page 71 of the Draft Prospectus. The funding plans are in accordance with our own estimates and have not been appraised by any bank, financial institution or any other external agency and are not subject to any monitoring by any independent agency. We may have to revise our management estimates from time to time on account of various factors beyond our control, such as market conditions, competitive environment, costs of commodities and interest or exchange rate fluctuations and consequently its requirements may change.

The details of the loans identified to be repaid using the Net Proceeds have been disclosed in the section "*Objects of the Issue*" on page 71. Such part of the Net Proceeds will not result in creation of any tangible assets as they are proposed to be utilized for repayment of certain loans and working capital facilities availed by us.

39. If we do not continue to invest in new technologies and equipment, our technologies and equipment may become obsolete and our cost of processing may increase relative to our competitors, which may have an adverse impact on our business, results of operations and financial condition.

We believe that going forward, our profitability and competitiveness will depend in large part on our ability to maintain low cost of operations, including our ability to process and supply sufficient quantities of our products as per the agreed specifications. If we are unable to respond or adapt to changing trends and standards in technologies and equipment, or otherwise adapt our technologies and equipment to changes in market conditions or requirements, in a timely manner and at a reasonable cost, we may not

be able to compete effectively and our business, financial condition and results of operations may be adversely affected.

40. Any variation in the utilisation of the Net Proceeds or in the terms of any contract as disclosed in this Draft Red Herring Prospectus would be subject to certain compliance requirements, including prior shareholders' approval.

We intend to use the Net Proceeds for the purposes described in “*Objects of the Issue*” on page 71. The deployment of the Net Proceeds is based on internal management estimates as per our business plan based on current market conditions, prevailing market conditions, quotations received from third-party vendors, which are subject to change in the future and a certificate from an independent chartered engineer. However, such fund requirements has not been appraised by any bank, financial institution or other independent agency. Accordingly, at this stage, we cannot determine with any certainty if we will require the Net Proceeds to meet any other expenditure or fund any exigencies arising out of the competitive environment, business conditions, economic conditions or other factors beyond our control. In accordance with Section 27 of the Companies Act, 2013, we cannot undertake any variation in the utilisation of the Net Proceeds or in the terms of any contract as disclosed in this Draft Red Herring Prospectus without obtaining the Shareholders' approval through a special resolution. In the event of any such circumstances that require us to undertake variation in the disclosed utilisation of the Net Proceeds, we may not be able to obtain the Shareholders' approval in a timely manner, or at all. Any delay or inability in obtaining such Shareholders' approval may adversely affect our business or operations.

Further, our Promoter would be required to provide an exit opportunity to the shareholders who do not agree with our proposal to change the objects of the Offer or vary the terms of such contracts, at a price and manner as prescribed by SEBI. Additionally, the requirement on Promoter to provide an exit opportunity to such dissenting shareholders may deter our Promoter from agreeing to the variation of the proposed utilisation of the Net Proceeds, even if such variation is in our interest. Further, we cannot assure you that our Promoter will have adequate resources at their disposal at all times to enable them to provide an exit opportunity at the price prescribed by SEBI.

In light of these factors, we may not be able to undertake variation of objects of the Offer to use any un-utilised proceeds of the Offer, if any, or vary the terms of any contract referred to in this Draft Red Herring Prospectus, even if such variation is in our interest. This may restrict our ability to respond to any change in our business or financial condition by re-deploying the un-utilised portion of the Net Proceeds, if any, or varying the terms of any contract, which may adversely affect our business and results of operations.

41. Certain data mentioned in this Prospectus has not been independently verified.

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

External Risk Factors

42. The stock price may be volatile, and you may be unable to resell your shares at or above the Issue price or at all. Also, there is no existing market for our Equity Shares and we cannot assure you that such a market will develop.

Prior to this Public Issue, there is no public market for the Equity Shares of our company, and an active trading market may not develop or be sustained upon the completion of this Issue. Even though a Market Maker has been appointed for our stock, since there has been no public market for our Company's Equity Shares, an active trading market on the Indian Stock Exchanges may not develop or be sustained after the Issue. The Issue Price of the Equity Shares may bear no relationship to the market price of the Equity

Shares after the Issue. The market price of the Equity Shares after the Issue may be subject to significant fluctuations in response to:

- Volatility in the Indian and Global economy
- Performance of competitors.
- Company's result and performance
- Significant development with respect to the fiscal, political and financial condition in the economy.

The risk of loss associated with this characteristic may be greater for investors expecting to sell Equity Shares purchased in this Issue soon after the Issue.

43. Changes in the Government Policy could adversely affect economic conditions in India generally and our business in particular.

Our business, and the market price and liquidity of our Equity Shares, may be affected by interest rates, changes in Government policy, taxation, social and civil unrest and other political, economic or other developments in or affecting India. Elimination or substantial change of policies or the introduction of policies that negatively affect the Company's business could cause its results of operations to suffer. Any significant change in India's economic policies could disrupt business and economic conditions in India generally and the Company's business in particular.

44. The occurrence of natural or man-made disasters could adversely affect our results of operations and financial condition. Hostilities, fires, epidemics, pandemics, acts of war, terrorist attacks, civil unrest and other events could materially and adversely affect our business.

Natural disasters (such as typhoons, flooding and earthquakes), epidemics, pandemics such as COVID-19, acts of war, terrorist attacks and other events, many of which are beyond our control, may lead to economic instability, including in India or globally, which may in turn materially and adversely affect our business, financial condition and results of operations. Our operations may be adversely affected by fires, natural or man-made disasters and/or severe weather, which can result in damage to our property or inventory and generally reduce our productivity and may require us to evacuate personnel and suspend operations. Any terrorist attacks or civil unrest as well as other adverse social, economic and political events in India or countries to who we export our products could have a negative effect on us. Such incidents could also create a greater perception that investment in Indian companies involves a higher degree of risk and could have an adverse effect on our business and the price of the Equity Shares.

45. Taxes and other levies imposed by the Government of India or other State Governments, as well as other financial policies and regulations, may have a material adverse effect on our business, financial condition and results of operations.

Taxes and other levies imposed by the Central or State Governments in India that affect our industry include Service tax, STT, income tax and other taxes, duties or surcharges introduced on a permanent or temporary basis from time to time. Imposition of any other taxes by the Central and the State Governments may adversely affect our results of operations.

46. Investors may not be able to enforce a judgment of a foreign court against us.

Our Company is a company incorporated under the laws of India. All our Company's Directors and officers are residents of India and all of our assets are located in India. As a result, it may not be possible for investors to effect service of process upon our Company or such persons in jurisdictions outside India, or to enforce judgments obtained against such parties outside India. Furthermore, it is unlikely that an Indian court would enforce foreign judgments if that court was of the view that the amount of damages awarded was excessive or inconsistent with public policy, or if judgments are in breach or contrary to Indian law. In addition, a party seeking to enforce a foreign judgment in India is required to obtain approval from the RBI to execute such a judgment or to repatriate outside India any amounts recovered.

47. If inflation were to rise in India, we might not be able to increase the prices of our products at a proportional rate in order to pass costs on to our clients thereby reducing our margins.

Inflation rates in India have been volatile in recent years, and such volatility may continue in the future. India has experienced high inflation in the recent past. Increased inflation can contribute to an increase in interest rates and increased costs to our business, including increased costs of transportation, wages, raw materials and other expenses relevant to our business. High fluctuations in inflation rates may make it more difficult for us to accurately estimate or control our costs. Any increase in inflation in India can increase our expenses, which we may not be able to adequately pass on to our clients, whether entirely or in part, and may adversely affect our business and financial condition. In particular, we might not be able to reduce our costs or entirely offset any increases in costs with increases in prices for our products. In such case, our business, results of operations, cash flows and financial condition may be adversely affected. Further, the Government has previously initiated economic measures to combat high inflation rates, and it is unclear whether these measures will remain in effect. There can be no assurance that Indian inflation levels will not worsen in the future.

48. The extent and reliability of Indian infrastructure could adversely affect our Company's results of operations and financial condition.

India's physical infrastructure is in developing phase compared to that of many developed nations. Any congestion or disruption in its port, rail and road networks, electricity grid, communication systems or any other public facility could disrupt our Company's normal business activity. Any deterioration of India's physical infrastructure would harm the national economy, disrupt the transportation of goods and supplies, and add costs to doing business in India. These problems could interrupt our Company's business operations, which could have an adverse effect on its results of operations and financial condition.

49. Financial instability in other countries may cause increased volatility in Indian financial markets.

The Indian market and the Indian economy are influenced by economic and market conditions in other countries, particularly emerging market countries in Asia. Although economic conditions are different in each country, investors' reactions to developments in one country can have adverse effects on the securities of companies in other countries, including India. A loss of investor confidence in the financial systems of other emerging markets may cause increased volatility in Indian financial markets and, indirectly, in the Indian economy in general. Any worldwide financial instability could also have a negative impact on the Indian economy. Financial disruptions may occur again and could impact our business, our future financial performance and the prices of the Equity Shares.

Risk Related to our Equity shares

50. The Issue Price of the Equity Shares may not be indicative of the market price of the Equity Shares after the Issue.

The Issue Price of the Equity Shares has been determined by our Company in consultation with the LMs, and through the Fixed Issue Process. This price is based on numerous 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. The market price of the Equity Shares could be subject to significant fluctuations after the Issue, and may decline below the Issue Price. We cannot assure you that the investor will be able to resell their Equity Shares at or above the Issue Price.

51. The trading volume and market price of the Equity Shares may be volatile following the Issue.

The market price of the Equity Shares may fluctuate as a result of, among other things, the following factors, some of which are beyond our control:

- quarterly variations in our results of operations;
- results of operations that vary from the expectations of securities analysts and investors;
- results of operations that vary from those of our competitors;

- changes in expectations as to our future financial performance, including financial estimates by research analysts and investors;
- a change in research analysts' recommendations;
- announcements by us or our competitors of significant acquisitions, strategic alliances, joint operations or capital commitments;
- announcements by third parties or governmental entities of significant claims or proceedings against us;
- new laws and governmental regulations applicable to our industry;
- additions or departures of key management personnel;
- changes in exchange rates;
- fluctuations in stock market prices and volume; and
- general economic and stock market conditions.

52. Our Equity Shares have not been publicly traded prior to this Issue. After this Issue, our Equity Shares may experience price and volume fluctuations and an active trading market for our Equity Shares may not develop. Further, the price of our Equity Shares may be volatile, and you may be unable to resell your Equity Shares at or above the Issue Price, or at all.

Prior to this Offer, there has been no public market for our Equity Shares. An active trading market on the Stock Exchanges may not develop or be sustained after this Issue.

The trading price of our Equity Shares after this Issue may be subject to significant fluctuations in response to factors including general economic, political and social factors, developments in India's fiscal regime, variations in our operating results, volatility in Indian and global securities markets, developments in our business as well as our industry and market perception regarding investments in our business, changes in the estimates of our performance or recommendations by financial analysts, and announcements by us or others regarding contracts, acquisitions, strategic partnerships, joint ventures, or capital commitments. The trading price of our Equity Shares may also decline in reaction to events that affect the entire market and/or other companies in our industry even if these events do not directly affect us and/or are unrelated to our business or operating results.

53. Fluctuation in the exchange rate between the Indian Rupee and foreign currencies may have an adverse effect on the value of our Equity Shares, independent of our operating results.

On listing, our Equity Shares will be quoted in Indian Rupees on the Stock Exchanges. Any dividends in respect of our Equity Shares will also be paid in Indian Rupees and subsequently converted into the relevant foreign currency for repatriation, if required. Any adverse movement in currency exchange rates during the time that it takes to undertake such conversion may reduce the net dividend to foreign investors. In addition, any adverse movement in currency exchange rates during a delay in repatriating outside India the proceeds from a sale of Equity Shares, for example, because of a delay in regulatory approvals that may be required for the sale of Equity Shares may reduce the proceeds received by Equity Shareholders. For example, the exchange rate between the Rupee and the U.S. dollar has fluctuated in recent years and may continue to fluctuate substantially in the future, which may have an adverse effect on the returns on our Equity Shares, independent of our operating results

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

Under the foreign exchange regulations currently in force in India, transfers of shares between non-residents and residents are freely permitted (subject to certain exceptions) if they comply with the requirements specified by the RBI. If the transfer of shares is not in compliance with such requirements or falls under any of the specified exceptions, then prior approval of the RBI will be required. Further, in accordance with press note 3 of 2020, dated April 17, 2020, issued by the Department for Promotion of Industry and Internal Trade, Government of India, the FDI Policy has been recently amended to state that all investments by entities incorporated in 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 of India. These investment restrictions shall also apply to subscribers of offshore derivative instruments.

In addition, shareholders who seek to convert the Rupee proceeds from a sale of shares in India into foreign currency and repatriate that foreign currency from India will require a no-objection or tax clearance certificate from the income tax authority. Additionally, the Indian government may impose foreign exchange restrictions in certain emergency situations, including situations where there are sudden fluctuations in interest rates or exchange rates, where the Indian government experiences extreme difficulty in stabilizing the balance of payments or where there are substantial disturbances in the financial and capital markets in India. These restrictions may require foreign investors to obtain the Indian government's approval before acquiring Indian securities or repatriating the interest or dividends from those securities or the proceeds from the sale of those securities. There can be no assurance that any approval required from the RBI or any other government agency can be obtained on any particular terms or at all.

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

We are a limited liability company incorporated under the laws of India. All our directors and executive officers are residents of India and a majority of our assets and such persons are located in India. As a result, it may not be possible for investors to effect service of process upon us or such persons outside of India, or to enforce judgments obtained against such parties outside of India.

Recognition and enforcement of foreign judgments is provided for under Section 13 of CPC on a statutory basis. Section 13 of the CPC provides that foreign judgments shall be conclusive regarding any matter directly adjudicated upon, except: (i) where the judgment has not been pronounced by a court of competent jurisdiction; (ii) where the judgment has not been given on the merits of the case; (iii) where it appears on the face of the proceedings that the judgment is founded on an incorrect view of international law or a refusal to recognize the law of India in cases to which such law is applicable; (iv) where the proceedings in which the judgment was obtained were opposed to natural justice; (v) where the judgment has been obtained by fraud; and (vi) where the judgment sustains a claim founded on a breach of any law then in force in India. Under the CPC, a court in India shall, upon the production of any document purporting to be a certified copy of a foreign judgment, presume that the judgment was pronounced by a court of competent jurisdiction, unless the contrary appears on record. However, under the CPC, such presumption may be displaced by proving that the court did not have jurisdiction.

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

Pursuant to the SEBI ICDR Regulations, QIBs and Non-Institutional Investors are required to pay the Bid Amount on submission of the Bid, and are not permitted to withdraw or lower their Application (in terms of quantity of Equity Shares or the Application Amount) at any stage after submitting an Application. Retail Individual Investors can revise their Application during the Issue Period and withdraw their Application until Issue Closing Date.

Therefore, QIBs and Non-Institutional Investors would not be able to withdraw or lower their Application, notwithstanding adverse changes in international or national monetary policy, financial, political or economic conditions, our business, results of operations, or otherwise, at any stage after the submission of their Applications.

57. You may be subject to Indian taxes arising out of capital gains on the sale of our Equity Shares.

Capital gains arising from the sale of equity shares within 12 months in an Indian company are generally taxable in India. Any gain realised on the sale of listed equity shares on a stock exchange held for more than 12 months will not be subject to capital gains tax in India if Securities Transaction Tax ("STT") is paid on the transaction. STT is levied on and collected by a domestic stock exchange on which equity shares are sold. Any gain realised on the sale of equity shares held for more than 12 months to an Indian resident, which are sold other than on a recognized stock exchange and on which no STT has been paid,

is subject to long term capital gains tax in India. Further, any gain realised on the sale of listed equity shares held for a period of 12 months or less will be subject to short term capital gains tax in India. Capital gains arising from the sale of equity shares is exempt from taxation in India where an exemption from taxation in India is provided under a treaty between India and the country of which the seller is resident.

Generally, 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 to pay tax in India as well as in their own jurisdiction on a gain on the sale of equity shares

58. Any future issuance of Equity Shares by us may dilute your shareholding and sales of the equity shares by our Promoters, Promoters Group or other major shareholders may adversely affect the trading price of the Equity Shares.

Any future issuance of Equity Shares by us may dilute your shareholding in us. In addition, any sales of substantial amounts of the Equity Shares in the public market after the completion of the Issue, including by our Promoters or the perception that such sales could occur, could adversely affect the market price of the Equity Shares and could materially impair future ability of us to raise capital through offerings of the Equity Shares. Our Promoters and Promoters Group currently hold an aggregate of 99.26% of the outstanding Equity Shares. After the completion of the Issue, our Promoters will continue to hold [●] % of the outstanding Equity Shares. We cannot predict the effect, if any, that the sale of the Equity Shares held by our Promoters or other major shareholders or the availability of these Equity Shares for future sale will have on the market price of the Equity Shares.

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

A public company incorporated in India must offer its equity shareholders pre-emptive rights to subscribe and pay for a proportionate number of equity shares to maintain their existing ownership percentages prior to issuance of any new equity shares, unless the pre-emptive rights have been waived by the adoption of a special resolution by holders of three-fourths of the equity shares voting on such resolution.

However, if the law of the jurisdiction that you are in does not permit the exercise of such pre-emptive rights without our filing an offer 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. If we elect not to file a registration statement, the new securities may be issued to a custodian, who may sell the securities for your benefit. The value such custodian receives on the sale of any such securities and the related transaction costs cannot be predicted. To the extent that you are unable to exercise pre-emptive rights granted in respect of our Equity Shares, your proportional interests in our Company would be diluted.

60. There is no guarantee that our Equity Shares will be listed on NSE EMERGE in a timely manner or at all.

In accordance with Indian law and practice, permission for listing and trading of our Equity Shares will not be granted until after certain actions have been completed in relation to this Issue and until Allotment of Equity Shares pursuant to this Issue.

In accordance with current regulations and circulars issued by SEBI, our Equity Shares are required to be listed on the NSE EMERGE within such time as mandated under UPI Circulars, subject to any change in the prescribed timeline in this regard. However, we cannot assure you that the trading in our Equity Shares will commence in a timely manner or at all. Any failure or delay in obtaining final listing and trading approvals may restrict your ability to dispose of your Equity Shares.

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

We are not a listed company and have historically not been subjected to the compliance requirements and increased scrutiny of our affairs by shareholders, regulators and the public at large associated with being a listed company. As a listed company, we will incur significant legal, accounting, corporate governance and other expenses that we did not incur as an unlisted company. We will be subject to the SEBI Listing Regulations which will require us to file audited annual and unaudited quarterly reports with respect to our business and financial condition. If we experience any delays, we may fail to satisfy our reporting obligations and/or we may not be able to readily determine and accordingly report any changes in our results of operations or cash flows as promptly as other listed companies.

Further, as a listed company, we will be required to maintain and improve the effectiveness of our disclosure controls and procedures and internal control over financial reporting, including keeping adequate records of daily transactions. In order to maintain and improve the effectiveness of our disclosure controls and procedures and internal control over financial reporting, significant resources and management attention will be required. As a result, our management's attention may be diverted from our business concerns, which may adversely affect our business, prospects, financial condition, results of operations and cash flows. In addition, we may need to hire additional legal and accounting staff with appropriate experience and technical accounting knowledge, but we cannot assure you that we will be able to do so in a timely and efficient manner

62. A third party could be prevented from acquiring control of our Company because of anti-takeover provisions under Indian law.

There are provisions in Indian law that may delay, deter or prevent a future takeover or change in control of our Company, even if a change in control would result in the purchase of your Equity Shares at a premium to the market price or would otherwise be beneficial to you. Such provisions may discourage or prevent certain types of transactions involving actual or threatened change in control of our Company. Under the Takeover Regulations, an acquirer has been defined as any person who, directly or indirectly, acquires or agrees to acquire shares or voting rights or control over a company, whether individually or acting in concert with others. Although these provisions have been formulated to ensure that interests of investors/shareholders are protected, these provisions may also discourage a third party from attempting to take control of our Company. Consequently, even if a potential takeover of our Company would result in the purchase of the Equity Shares at a premium to their market price or would otherwise be beneficial to its stakeholders, it is possible that such a takeover would not be attempted or consummated because of the SEBI Takeover Regulations.

63. Rights of shareholders of companies under Indian law may be more limited than under the laws of other jurisdictions.

Our Articles of Association, composition of our Board, Indian laws governing our corporate affairs, the validity of corporate procedures, directors' fiduciary duties, responsibilities and liabilities, and shareholders' rights may differ from those that would apply to a company in another jurisdiction. Shareholders' rights under Indian law may not be as extensive and widespread as shareholders' rights under the laws of other countries or jurisdictions. Investors may face challenges in asserting their rights as shareholder in an Indian company than as shareholders of an entity in another jurisdiction.

64. There are restrictions on daily movements in the trading price of the Equity Shares, which may adversely affect a shareholder's ability to sell Equity Shares or the price at which Equity Shares can be sold at a particular point in time.

Our listed Equity Shares will be subject to a daily "circuit breaker" imposed on listed companies by the Stock Exchanges, which does not allow transactions beyond certain volatility in the trading price of the Equity Shares. This circuit breaker operates independently of the index-based market-wide circuit breakers generally imposed by SEBI on Indian stock exchanges. The percentage limit on the Equity Shares' circuit breaker will be set by the Stock Exchanges based on historical volatility in the price and trading volume of the Equity Shares. The Stock Exchanges are not required to inform our Company of the percentage limit of the circuit breaker, and they may change the limit without our knowledge. This circuit breaker would effectively limit the upward and downward movements in the trading price of the

Equity Shares. As a result of this circuit breaker, there can be no assurance regarding the ability of shareholders to sell Equity Shares or the price at which shareholders may be able to sell their Equity Shares.

SECTION - III - INTRODUCTION

THE ISSUE

The following table summarizes the Issue details:

| PARTICULARS | DETAILS OF EQUITY SHARES |
|---|--|
| Issue of Equity Shares by our Company | [●] Equity Shares of face value of Rs. 10.00/- each fully paid-up for cash at price of Rs. [●]/- per Equity Share aggregating upto Rs. 550.00 Lakhs |
| <i>Consisting of</i> | |
| Market Maker Reservation Portion | [●] Equity Shares of face value of Rs. 10.00/- each fully paid-up for cash at price of Rs. [●]/- per Equity Share aggregating to Rs. [●] Lakhs |
| Net Issue to The Public* | [●] Equity Shares of face value of Rs. 10.00/- each fully paid-up for cash at price of Rs. [●]/- per Equity Share aggregating to Rs. [●] Lakhs |
| <i>of which</i> | |
| (A) Retail Portion | [●] Equity Shares of face value of Rs. 10.00/- each fully paid-up for cash at price of Rs. [●] /- per Equity Share aggregating to Rs. [●] Lakhs i.e., 50% of the Net Issue shall be available for allocation to Retail Individual Investors |
| (B) Other than Retail Individual Investor | [●] Equity Shares of face value of Rs. 10.00/- each fully paid-up for cash at price of Rs. [●]/- per Equity Share aggregating to Rs. [●] Lakhs i.e., 50% of the Net Issue shall be available for allocation to Investors other than Retail Individual Investors. |
| Pre-and Post-Issue Equity Shares | |
| Equity shares outstanding prior to the issue | 28,27,500 Equity Shares of face value of Rs. 10.00/- each |
| Equity shares outstanding after the issue | [●] Equity Shares of face value of Rs. 10.00/- each |
| Use of Issue Proceeds | For details, please refer section titled “ <i>Objects of the Issue</i> ” beginning on page 71 of this Draft Prospectus. |

The Issue has been authorized by the Board of Directors vide a resolution passed at its meeting held on July 12, 2022 and approved by the shareholders of our Company vide a special resolution at the Extra Ordinary General Meeting held on July 16, 2022 pursuant to section 62(1)(c) of the Companies Act.

*This Issue is being made in terms of Chapter IX of SEBI ICDR Regulations, 2018, as amended from time to time. For further details, please refer to section titled “**Issue Structure**” beginning on page 228 of this Draft Prospectus.*

**As per the Regulation 253 of the SEBI (ICDR) Regulations, as amended, as present issue is a fixed price issue the allocation in the net Issue to the public category shall be made as follows:*

- a) *Minimum fifty percent to retail individual investor; and*
- b) *remaining to:*
 - (i) *individual applicants other than retail individual investors; and*
 - (ii) *other investors including corporate bodies or institutions, irrespective of the number of specified securities applied for;*

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

If the retail individual investor category is entitled to more than allocated portion on proportionate basis, accordingly the retail individual investors shall be allocated that higher percentage.

SUMMARY OF FINANCIAL INFORMATION

(INTENTIONALLY LEFT BLANK)

TAPI FRUIT PROCESSING LIMITED
(FORMERLY KNOWN AS TAPI FRUIT PROCESSING PRIVATE LIMITED)

ANNEXURE – A : RESTATED STATEMENT OF ASSETS AND LIABILITIES

(Rs. in Lakhs)

| Sr. No. | Particulars | Note No. | As at 31st March | | |
|-----------|--|-------------|------------------|---------------|---------------|
| | | | 2022 | 2021 | 2020 |
| A. | Equity and Liabilities | | | | |
| 1 | Shareholders' Funds | | | | |
| | Share Capital | A.1 | 25.00 | 25.00 | 25.00 |
| | Reserves & Surplus | A.2 | 18.02 | 2.42 | (7.64) |
| | Share application money pending allotment | | - | - | - |
| 2 | Non-Current Liabilities | | | | |
| | Long-Term Borrowings | A.3 | 379.23 | 343.47 | 297.87 |
| | Other Non-Current Liabilities | | | | - |
| | Long-Term Provisions | | - | - | - |
| | Deferred Tax Liabilities (Net) | | - | - | - |
| 3 | Current Liabilities | | | | |
| | Short Term Borrowings | A.4 | 154.54 | 165.88 | 158.41 |
| | Trade Payables : | A.5 | | | |
| | (A) total outstanding dues of micro enterprises and small enterprises; and | | - | - | - |
| | (B) total outstanding dues of creditors other than micro enterprises and small enterprises.".] | | 194.12 | 169.17 | 100.90 |
| | Other Current Liabilities | A.6 | 25.33 | 28.96 | 14.64 |
| | Short Term Provisions | A.7 | 6.64 | 2.50 | - |
| | Total | | 802.88 | 737.40 | 589.18 |
| B. | Assets | | | | |
| 1 | Non-Current Assets | | | | |
| | Property, Plant and Equipment | | | | |
| | Tangible Assets | A.8 | 385.68 | 319.07 | 319.97 |
| | Capital Work in Progress | | - | 32.97 | - |
| | Non-Current Investments | A.9 | 0.94 | 0.89 | 0.83 |
| | Deferred Tax Assets | A.10 | 2.75 | 1.58 | 0.07 |
| | Long Term Loans & Advances | | - | - | - |
| | Other Non Current Assets | A.11 | 0.03 | 0.07 | 0.10 |
| 2 | Current Assets | | | | |
| | Current Investments | | - | - | - |
| | Inventories | A.12 | 251.47 | 225.05 | 165.40 |
| | Trade Receivables | A.13 | 138.61 | 126.37 | 75.98 |
| | Cash and Cash Equivalents | A.14 | 4.75 | 17.78 | 15.75 |
| | Short-Term Loans and Advances | A.15 | 18.65 | 13.62 | 11.08 |
| | Other Current Assets | A.16 | - | - | - |
| | Total | | 802.88 | 737.40 | 589.18 |

Note : The above statements should be read with the significant accounting policies and notes to restated summary, profits and losses and cash flows appearing in Annexure D,B & C

For Kansariwala & Chevli
Chartered Accountants
Firm Registration No : 123689W
Peer Review No. : 011854

On behalf of Board of Directors
Tapi Fruit Processing Limited

Ghanshyambhai Lukhi
Chairman Cum Managing Director
DIN : 06704416

Ashokkumar Lukhi
Whole Time Director
DIN : 06704408

CA A. H. CHEVLI
Partner
M. No. 038259
UDIN : 22038259ANPLSE5834

Chetankumar Gajera
Chief Financial Officer

Kashyapkumar Panc
Company Secretary

Date : 23.07.2022
Place : SURAT

TAPI FRUIT PROCESSING LIMITED
(FORMERLY KNOWN AS TAPI FRUIT PROCESSING PRIVATE LIMITED)

ANNEXURE – B : RESTATED STATEMENT OF PROFIT AND LOSS

(Rs. in Lakhs)

| Sr. No | Particulars | Note No. | For The Year Ended 31st March | | |
|-----------|--|-------------|-------------------------------|----------------|----------------|
| | | | 2022 | 2021 | 2020 |
| A. | Revenue: | | | | |
| | Revenue from Operations | B.1 | 1516.33 | 1303.31 | 1145.29 |
| | Other income | B.2 | 5.76 | 9.19 | 0.40 |
| | Total revenue | | 1522.09 | 1312.50 | 1145.69 |
| B. | Expenses: | | | | |
| | Cost of Material Consumed | B.3 | 999.81 | 775.07 | 717.89 |
| | Increase/ Decrease in Stock | B.4 | (12.96) | (0.12) | (10.43) |
| | Employees Benefit Expenses | B.5 | 179.53 | 172.99 | 141.43 |
| | Finance costs | B.6 | 43.25 | 42.33 | 47.93 |
| | Depreciation and Amortization | B.7 | 57.54 | 47.14 | 44.32 |
| | Other expenses | B.8 | 233.18 | 264.04 | 199.16 |
| | Total Expenses | | 1500.35 | 1301.45 | 1140.30 |
| | Profit before exceptional and extraordinary items and tax | | 21.74 | 11.05 | 5.39 |
| | Exceptional Items | B.9 | 0.67 | - | - |
| | Profit before extraordinary items and tax | | 21.07 | 11.05 | 5.39 |
| | Extraordinary items | | - | - | - |
| | Profit before tax | | 21.07 | 11.05 | 5.39 |
| | Tax expense : | | | | |
| | Current tax | | 6.64 | 2.50 | - |
| | Deferred Tax | B.10 | (1.17) | (1.51) | 6.25 |
| | Profit (Loss) for the period from continuing operations | | 15.60 | 10.06 | (0.86) |
| | Earning per equity share in Rs.: | | | | |
| | (1) Basic | | 6.24 | 4.03 | (0.34) |
| | (2) Diluted | | 6.24 | 4.03 | (0.34) |

Note : The above statements should be read with the significant accounting policies and notes to restated summary, profits and losses and cash flows appearing in Annexure D,A&C.

For Kansariwala & Chevli
Chartered Accountants
Firm Registration No : 123689W
Peer Review No. : 011854

- On behalf of Board of Directors
Tapi Fruit Processing Limited

Ghanshyambhai Lukhi Ashokkumar Lukhi
Chairman Cum Managing Whole Time Director
DIN : 06704416 DIN : 06704408

CA A. H. Chevli
Partner
M. No. 038259
UDIN : 22038259ANPLSE5834

Chetankumar Gajera Kashyapkumar Pandav
Chief Financial Officer Company Secretary

Date : 23.07.2022
Place : SURAT

TAPI FRUIT PROCESSING LIMITED
(FORMERLY KNOWN AS TAPI FRUIT PROCESSING PRIVATE LIMITED)

ANNEXURE – C: RESTATED STATEMENT OF CASH FLOWS

(Rs. in Lakhs)

| Particulars | For The Year Ended 31st March | | |
|---|-------------------------------|----------------|----------------|
| | 2022 | 2021 | 2020 |
| A. CASH FLOW FROM OPERATING ACTIVITIES | | | |
| Profit/ (Loss) before tax | 21.07 | 11.05 | 5.39 |
| Adjustments for: | | | |
| Depreciation | 57.54 | 47.14 | 44.32 |
| Interest Expense | 43.25 | 42.33 | 47.93 |
| Loss on sale of Fixed Assets | 0.67 | - | - |
| Operating profit before working capital changes | 122.53 | 100.52 | 97.64 |
| Movements in working capital : | | | |
| (Increase)/Decrease in Inventories | (26.42) | (59.65) | (25.16) |
| (Increase)/Decrease in Trade Receivables | (12.24) | (50.39) | (4.61) |
| (Increase)/Decrease in Loans & Advances | (3.78) | (0.04) | 32.86 |
| Increase/(Decrease) in Trade Payables | 24.95 | 68.27 | 9.91 |
| Increase/(Decrease) in Other Current Liabilities | (3.63) | 14.32 | (0.57) |
| Cash generated from operations | 101.41 | 73.03 | 110.07 |
| Income tax paid during the year | 3.75 | 2.50 | - |
| Net cash from operating activities (A) | 97.66 | 70.53 | 110.07 |
| B. CASH FLOW FROM INVESTING ACTIVITIES | | | |
| Sale/(Purchase) of Investments | | | |
| Purchase of Fixed Assets | (93.85) | (119.21) | (79.34) |
| Proceeds from Fixed Assets | 2.00 | - | - |
| (Increase)/Decrease in Non Current Investments | (0.05) | (0.06) | (0.83) |
| (Increase)/Decrease in Other Current Assets/ Non Current Assets | 0.04 | 0.03 | 0.03 |
| Capital Government Grant Received | - | 40.00 | - |
| Net cash from investing activities (B) | (91.86) | (79.24) | (80.14) |
| C. CASH FLOW FROM FINANCING ACTIVITIES | | | |
| Interest paid on borrowings | (43.25) | (42.33) | (47.93) |
| Proceeds/(Repayment) of Borrowings | 24.42 | 53.07 | 31.35 |
| Proceeds from Issue of Equity Shares | - | - | - |
| Proceeds from Securities Premium | - | - | - |
| Repayment of Share Application Money | - | - | - |
| Net cash from financing activities (C) | (18.83) | 10.74 | (16.58) |
| Net increase in cash and cash equivalents (A+B+C) | (13.03) | 2.03 | 13.35 |
| Cash and cash equivalents at the beginning of the year | 17.78 | 15.75 | 2.40 |
| Cash and cash equivalents at the end of the year | 4.75 | 17.78 | 15.75 |

Note : The above statements should be read with the significant accounting policies and notes to restated summary, profits and losses and cash flows appearing in Annexure C,A&B.

For Kansariwala & Chevli
Chartered Accountants
Firm Registration No : 123689W
Peer Review No. : 011854

On behalf of Board of Directors
Tapi Fruit Processing Limited

CA A. H. Chevli
Partner
M. No. 038259
UDIN : 22038259ANPLSE5834

Ghanshyambhai Lukhi
Chairman Cum Managing Director
DIN : 06704416

Ashokkumar Lukhi
Whole Time Director
DIN : 06704408

Date : 23.07.2022
Place : SURAT

Chetankumar Gajera
Chief Financial Officer

Kashyapkumar Pande
Company Secretary

GENERAL INFORMATION

Our history and lineage traces back to Mr. Ghanshyambhai Laljibhai Lukhi, who savored the flavor of tooty fruity, a candy that is made out of raw papaya to start his business under the name of “Tapi Food Products” a sole proprietorship firm, in the year 1999. Our Company was incorporated as “Tapi Fruit Processing Private Limited” under the provisions of the Companies Act 2013 on July 11, 2018, bearing Registration Number U15400GJ2018PTC103201 issued by the Registrar of Companies, Central Registration Centre with one of its main objectives being to acquire the running business of the proprietorship concern, M/s. Tapi Food Products. Pursuant to the incorporation of our Company, the entire business of the proprietorship was transferred to our Company with effect from July 11, 2018. Subsequently, Our Company was converted into a Public Limited Company pursuant to Special Resolution passed by the shareholders at the Extraordinary General Meeting dated July 04, 2022 and the name of our Company was changed to Tapi Fruit Processing Limited to reflect the legal status of our Company pursuant to conversion, a fresh certificate of incorporation was granted by the Registrar of Companies, Ahmedabad dated July 15, 2022 bearing Corporate Identification Number U15400GJ2018PLC103201.

REGISTERED OFFICE OF OUR COMPANY

Office No. - 212 to 214 Sunrise Chambers, Near Ashok Colony,
Mini Bazar, Varachha Road, Surat - 395006, Gujarat, India.

Tel No: +91 9825503717

Email: cs@tapifood.com

Website: www.tapifood.com

Manufacturing Unit

Block No. 124/125, Plot No. 17/A,
N. H. No. 8, Opp. Gupta Industries,
Pipodara, Tal. Mangarol, Dist. Surat,
Gujarat, India – 394110

Tel No. : +91 73836 80150

REGISTRAR OF COMPANIES

Registrar of Companies, ROC Bhavan,
Opp. Rupal Park Society, Behind Ankur Bus Stop,
Naranpura, Ahmedabad - 380013, Gujarat, India.

BOARD OF DIRECTORS OF OUR COMPANY

Our Company’s Board comprises of the following Directors as on the date of this Draft Prospectus are set forth details in the following table:

| Name | DIN | Designation | Address |
|---|----------|--|---|
| Ghanshyambhai Laljibhai Lukhi | 06704416 | Managing Director | C-1004, Laxmi Residency, Near Gajera School, Katargam, Surat - 395004, Gujarat, India. |
| Ashokkumar Laljibhai Lukhi | 06704408 | Whole-Time Director | E-1004, Laxmi Residency, Near Gajera School, Katargam, Surat - 395004, Gujarat, India. |
| Yash Ghanshyambhai Lukhi | 09476684 | Whole-Time Director | C-1004, Laxmi Residency, Near Gajera School, Katargam, Surat - 395004, Gujarat, India. |
| Naveen Anand | 08416606 | Non - Executive Non - Independent Director | H No. 36 - B, Flower Enclave, Dugri, Basant Avenue, Ludhiana - 141013, Punjab, India. |
| Kamleshkumar Narmdashankar Pandya | 09655572 | Independent Director | A - 402, Kelly Residency, Pal Gam Road, Near Galaxy Circle, Pal Surat - 394510, Gujarat, India. |

| Name | DIN | Designation | Address |
|--------------------|----------|----------------------|--|
| Rekha Hasmukh Shah | 09657830 | Independent Director | C / 908, Shikha Tower, Samarth Park, Adajan Char Rasta, Navyug College, Surat City - 395009, Gujarat, India. |

For detailed profile of our Board of Directors, please refer to the section titled “*Our Management*” on page 138 of this Draft Prospectus.

CHIEF FINANCIAL OFFICER

Chetankumar Bhailal Gajera
Block No. 124/125, Plot No. 17/A,
N. H. No. 8, Opp. Gupta Industries,
Pipodara, Tal. Mangarol, Dist. Surat,
Gujarat, India – 394110
Tel no.: +91 73836 80150
Email: account@tapifood.com

COMPANY SECRETARY & COMPLIANCE OFFICER

Kashyapkumar Nagjibhai Pandav
Block No. 124/125, Plot No. 17/A,
N. H. No. 8, Opp. Gupta Industries,
Pipodara, Tal. Mangarol, Dist. Surat,
Gujarat, India – 394110
Tel No: +91 9825503717
Email: cs@tapifood.com

Investors Grievances

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

All grievances relating to the ASBA process and UPI payment mechanism may be addressed to the Registrar to the Issue, with a copy to the relevant Designated Intermediary with whom the ASBA Form was submitted. The applicant should give full details such as name of the sole or first applicant, ASBA Form Number, Applicant DP ID, Client ID, UPI ID, PAN, date of the ASBA Form, address of the applicant, number of Equity Shares applied for and the name and address of the Designated Intermediary where the ASBA Form was submitted by the ASBA Applicant.

In terms of SEBI circular no. SEBI/HO/CFD/DIL2/CIR/P/2018/22, dated February 15, 2018, any ASBA Applicant whose Application has not been considered for Allotment, due to failure on the part of any SCSB, shall have the option to seek redressal of the same by the concerned SCSB within three months of the date of listing of the Equity Shares. SCSBs are required to resolve these complaints within 15 days, failing which the concerned SCSB would have to pay interest at the rate of 15% per annum for any delay beyond this period of 15 days.

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

DETAILS OF KEY INTERMEDIARIES PERTAINING TO THIS ISSUE AND OUR COMPANY:

| LEAD MANAGER TO THE ISSUE | REGISTRAR TO THE ISSUE |
|--|--|
| FEDEX SECURITIES PRIVATE LIMITED B 7, 3 rd Floor, Jay Chambers, Dayaldas Road, Vile Parle - (East), Mumbai - 400 057, Maharashtra, India Tel No: +91 8104985149 Contact Person: Saipan Sanghvi Email Id: mb@fedsec.in | BIGSHARE SERVICES PRIVATE LIMITED Office No. S6 - 2, 6th Floor, Pinnacle Business Park, Next to Ahura Centre, Mahakali Caves Road, Andheri - (East), Mumbai, - 400093, Maharashtra, India. Tel No: +91 22 6263 8200 Fax No: +91 22 6263 8299 E-mail Id: ipo@bigshareonline.com |

| | |
|--|--|
| Website: www.fedsec.in Investor Grievance Email: mb@fedsec.in SEBI Registration Number: INM000010163 | Website: www.bigshareonline.com Investor Grievance ID: investor@bigshareonline.com Contact Person: Mr. Aniket Chindarkar SEBI Registration No: INR000001385 |
| LEGAL ADVISOR TO THE ISSUE | BANKERS TO THE ISSUE / REFUND BANK / SPONSOR BANK |
| JAYESH RATHOD, ADVOCATE 106A, 1 st Floor, Vikas Building, 11 th Bank Street, Fort, Mumbai - 401101 Tel No: 7738985019 / 9769273834 E-mail Id: rathod.jayesh825@gmail.com / info@hjadvisory.com Contact Person: Jayesh Rathod Bar Council No.: MAH/4461/2014 | ICICI BANK LIMITED Capital Market Division, 5 th Floor, HT Parekh Marg, Backbay Reclamation, Mumbai - 400020, Churchgate, India. Tel No: 022-68052182 Fax No: 022-22611138 E-mail Id: sagar.welekar@icicibank.com Website: www.icicibank.com Contact Person: Sagar Welekar SEBI Registration No: INBI00000004 |
| STATUTORY AUDITOR AND PEER REVIEW AUDITOR | BANKER TO THE COMPANY |
| KANSARIWALA & CHEVLI 2/1447, Utkarsh, 1 st Floor, Opp. Sanghvi Hospital, b/h Centre Point, Sagrampura, Surat – 395002, Gujarat, India. Tel No: 2364640-2364641 E-mail Id: kansariwala_chevli@hotmail.com / kansariwalachevli@gmail.com Contact Person: CA Ashok H Chevli Firm Registration No: 123689W Membership No: 038259 Peer Review Number: 011854 | BANK OF BARODA Kim Branch, Kimavati Complex, Opp railway Crossing, Kim Surat - 394110 Tel No: +91 89800 26646 E-mail Id: kim@bankofbaroda.co.in Website: www.bankofbaroda.co.in Contact Person: Ansa Christopher Raj |

SYNDICATE MEMBER

As on the date of this Draft Prospectus, there are no syndicate members.

DESIGNATED INTERMEDIARIES

SELF-CERTIFIED SYNDICATE BANKS (“SCSBs”)

The lists of SCSBs notified by SEBI to act as SCSB for the ASBA process is available on the website of SEBI on <https://www.sebi.gov.in/sebiweb/other/OtherAction.do?doRecognisedFpi=yes&intmId=35>. For details of the Designated Branches of SCSBs collecting the Application Forms, please refer to the above-mentioned SEBI link.

The list of banks that have been notified by SEBI to act as SCSBs for the UPI process provided on <https://www.sebi.gov.in/sebiweb/other/OtherAction.do?doRecognisedFpi=yes&intmId=40>

The list of Branches of the SCSBs named by the respective SCSBs to receive deposits of the application forms from the designated intermediaries will be available on the website of the SEBI (www.sebi.gov.in) and updated from time to time.

REGISTERED BROKERS

In terms of SEBI circular no. CIR/CFD/14/2012 dated October 4, 2012, applicant can submit Application Form for the Issue using the stock brokers network of the Stock Exchange, i.e., through the Registered Brokers at the Brokers Centres.

The list of the Registered Brokers, including details such as postal address, telephone number and e-mail address, is provided on the website of the SEBI (www.sebi.gov.in), and updated from time to time. For details on Registered Brokers, please refer

<http://www.sebi.gov.in/sebiweb/other/OtherAction.do?doRecognised=yes>.

REGISTRAR TO THE ISSUE AND SHARE TRANSFER AGENTS (“RTA”)

In terms of SEBI circular no. CIR/CFD/POLICYCELL/11/2015 dated November 10, 2015, the list of the RTAs eligible to accept Applications forms at the Designated RTA Locations, including details such as address, telephone number and e-mail address, are provided on the website of the SEBI (www.sebi.gov.in), and updated from time to time. For details on RTA, please refer <http://www.sebi.gov.in/sebiweb/other/OtherAction.do?doRecognised=yes>.

COLLECTING DEPOSITORY PARTICIPANTS (“CDP”)

In terms of SEBI circular no. CIR/CFD/POLICYCELL/11/2015 dated November 10, 2015, the list of the CDPs eligible to accept Application Forms at the Designated CDP Locations, including details such as name and contact details, are provided on the website of Stock Exchange. The list of branches of the SCSBs named by the respective SCSBs to receive deposits of the Application Forms from the Designated Intermediaries will be available on the website of the SEBI (www.sebi.gov.in) and updated from time to time.

STATEMENT OF INTER-SE ALLOCATION OF RESPONSIBILITIES

Fedex Securities Private Limited being sole Lead Manager to this Issue, all the responsibilities relating to co-ordination and other activities in relation to the Issue shall be performed by them. Hence, a statement of inter-se allocation of responsibilities is not required.

IPO GRADING

No credit rating agency registered with SEBI has been appointed for purpose of obtaining grading for the issue.

CREDIT RATING

This being an Issue of Equity Shares, credit rating is not required.

DEBENTURE TRUSTEES

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

GREEN SHOE OPTION

No green shoe option is applicable for the Issue.

TRUSTEES

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

MONITORING AGENCY

As per regulation 262(1) of the SEBI ICDR Regulations, the requirement of Monitoring Agency is not mandatory if the Issue size is below 10,000 Lakh. Since the Issue size is upto Rs. 550.00 Lakhs, our Company has not appointed any monitoring agency for this Issue. However, as per Section 177 of the Companies Act, 2013, the Audit Committee of our Company, would be monitoring the utilization of the proceeds of the Issue.

APPRAISING ENTITY

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

EXPERT OPINION

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

Our Company has received written consent from the Statutory Auditor namely, Kansariwala & Chevli, Chartered Accountants to include their name as required under Section 26(1)(a)(v) of the Companies Act, 2013 in this Draft Prospectus and as “Expert” as defined under section 2(38) of the Companies Act, 2013 in respect to their Report on Restated Financial Statements dated July 23, 2022 and Report on Statement of Tax Benefits dated July 23, 2022 and issued by them, included in this Draft Prospectus and such consent has not been withdrawn as on the date of this Draft Prospectus.

However, the term “expert” shall not be construed to mean an “expert” as defined under the U.S. Securities Act

FILING THE DRAFT ISSUE DOCUMENT/ ISSUE DOCUMENT

The Draft Prospectus and Prospectus shall be filed with the Stock Exchange. However, pursuant to sub regulation (5) of regulation 246, the copy of Draft Prospectus and Prospectus shall also be furnished to the SEBI in a soft copy, pursuant to SEBI Circular Number SEBI/HO/CFD/DIL1/CIR/P/2018/011 dated January 19, 2018, through SEBI Intermediary Portal at <https://siportal.sebi.gov.in>. and the SEBI shall not issue any observation on the Prospectus in terms of Regulation 246(2) of SEBI ICDR Regulations.

A copy of the Prospectus along with the documents required to be filed under Section 26 of the Companies Act, 2013 shall be filed to the Registrar of Companies where the registered office of the Company is situated.

For address of Registrar of Companies, please refer to head “*Registrar of Companies*” in the section titled “*General Information*” beginning on page 47 of this Draft Prospectus.

UNDERWRITERS

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

| Name, Address, Telephone, Facsimile, and Email of the Underwriters | Indicated number of Equity Shares to be Underwritten | Amount Underwritten (in Lakhs) | % of the total Issue size Underwritten |
|---|--|--------------------------------|--|
| NAME: [●] Address: [●] Tel No: [●] Fax No: [●] E-mail Id: [●] Website: [●] Contact Person: [●] SEBI Registration No: [●] Investor Grievance Email: [●] | [●] | [●] | [●] |
| TOTAL | | | |

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

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 underwriting obligations in full.

CHANGE IN THE STATUTORY AUDITOR DURING LAST THREE (3) YEARS

| Details of Previous Auditor | Date of Resignation | Details of New Auditor | Date of Appointment | Reasons |
|--|---------------------|--|---------------------|-------------------------------------|
| R J D & CO Address: Office No. 604, 6 th Floor, Ratnasagar Appt., Near. Varachha Police Station, Varachha Road, Surat – 395006, Gujarat, India. FRN: 137797W | July 04, 2022 | Kansariwala & Chevli , Chartered Accountants Address: 2/1447, Utkarsh, 1 st Floor, Opp. Sanghvi Hospital, B/h Centre Point, Sagrampura, Surat - 395002, Gujarat, India. FRN: 123689W | July 04, 2022 | Pre-Occupation in other assignments |

DETAILS OF MARKET MAKING ARRANGEMENT FOR THIS ISSUE

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

| | |
|---------------------------------------|--|
| Name | Pure Broking Private Limited |
| Address | 201, 3rd Floor, Athwa Arcade, Athwagate, Surat |
| Tel No | +91 70439 99003 |
| Fax No | NA |
| Email Id | agam@purebroking.com |
| Website | www.purebroking.com |
| Investor Grievance Id | complaints@purebroking.com |
| Contact person | Agam Vikram Mehta |
| SEBI Registration No | INZ000163631 |
| Market Making Registration No. | INZ000018531 |

In accordance with Regulation 261 of the SEBI ICDR Regulations, we have entered into an agreement with the Lead Manager and the Market Maker (duly registered with NSE to fulfil the obligations of Market Making) dated February 25, 2022 to ensure compulsory Market Making for a minimum period of three years from the date of listing of equity shares issued in this Issued.

Pure Broking Private Limited, registered with Emerge Platform of National Stock Exchange of India Limited will act as the market maker and have agreed to receive or deliver the specified securities in the market making process for a period of three (3) years from the date of listing of our Equity Shares or for a period as may be notified by amendment to SEBI (ICDR) Regulations.

The Market Maker shall fulfill the applicable obligations and conditions as specified in the SEBI (ICDR) Regulations, and as amended from time to time and the circulars issued by the National Stock Exchange of India Limited and SEBI regarding 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) 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. The spread (difference between the sell and buy quote) shall not be more than 10% or as specified by the Stock Exchange from time to time. Further, the Market Maker shall inform the Stock Exchange in advance for each and every black out period when the quotes are not being offered by the Market Maker.
2. The prices quoted by the Market Maker shall be in compliance with the Market Maker spread requirements and other particulars as specified or as per the requirements of NSE and SEBI from time to time.
3. The minimum depth of the quote shall be Rs. 1.00 Lakh. However, the investors with holdings of value less than 1.00 Lakh shall be allowed to offer their holding to the Market Maker in that scrip provided that they sell their entire holding in that scrip in one lot along with a declaration to the effect to the selling broker. Based on the IPO price of Rs. [●]/- per share the minimum bid lot size is [●] Equity Shares thus minimum depth of the quote shall be [●] until the same, would be revised by Emerge Platform of National Stock Exchange of India Limited.
4. After a period of three (3) months from the market making period, the market maker would be exempted to provide quote if the Equity Shares of market maker in our Company reaches to 25%. or upper limit (Including the 5% of Equity Shares ought to be allotted under this Issue). Any Equity Shares allotted to Market Maker under this Issue over and above 25% equity shares would not be taken into consideration of computing the threshold of 25%. As soon as the Shares of market maker in our Company reduce to 24%, the market maker will resume providing 2-way quotes.
5. Pursuant to SEBI Circular number CIR/MRD/DSA/31/2012 dated November 27, 2012, limits on the upper side for market maker(s) during market making process has been made applicable, based on the issue size and as follows:

| Issue Size | Buy quote exemption threshold (including mandatory 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% |

6. There shall be no exemption/threshold on downside. However, in the event the market maker exhausts his inventory through market making process, the concerned stock exchange 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, for the quotes given by him.
8. There would not be more than five Market Makers for a script at any point of time. These would be selected on the basis of objective criteria to be evolved by the Exchange which would include capital adequacy, net worth, infrastructure, minimum volume of business etc. The Market Makers may compete with other Market Maker for better quotes to the investors. At this stage, Pure Broking Private Limited is acting as the sole Market Maker.
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. The securities of the company will be placed in Special Pre-Open Session (SPOS) and would remain in Trade for Trade settlement for 10 days from the date of listing of Equity shares on the Stock Exchange.
10. The Market Maker may also be present in the opening call auction, but there is no obligation on him to do so.
11. The shares of our Company will be traded in continuous trading session from the time and day our company gets listed on Emerge Platform of National Stock Exchange of India Limited and the Market Maker will remain present as per the guidelines mentioned under National Stock Exchange of India Limited and SEBI circulars.
12. 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.
13. Once registered as a Market Maker, he has to act in that capacity for a period as mutually decided between the Lead Manager and Market Maker. Once registered as a Market Maker, he has to start providing quotes from the day of the listing/the day when designated as the Market Maker for the respective scrip and shall be subject to the guidelines laid down for market making by the Stock Exchange.
14. The Market Maker shall have the right to terminate said arrangement by giving a three-month notice or on mutually acceptable terms to the Lead Manager, who shall then be responsible to appoint a replacement Market Maker.
15. In case of termination of the above-mentioned Market Making agreement prior to the completion of the compulsory Market Making period, it shall be the responsibility of the Lead Manager to arrange for another Market Maker 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. Further our Company and the Lead Manager reserve the right to appoint other Market Maker either as a replacement of the current Market Maker or as an additional Market Maker subject to the total number

of Designated Market Maker does not exceed five (5) or as specified by the relevant laws and regulations applicable at that particular point of time. The Market Making Agreement is available for inspection at our Registered Office from 11.00 a.m. to 5.00 p.m. on working days.

16. In accordance with Regulation 261 of the SEBI ICDR Regulations, we have entered into an agreement with the Lead Manager and the Market Maker (duly registered with NSE to fulfil the obligations of Market Making) dated February 25, 2022 to ensure compulsory Market Making for a minimum period of three years from the date of listing of equity shares issued in this Issued. Emerge Platform of National Stock Exchange of India Limited will have all margins, which are applicable on the NSE main board viz., Mark-to-Market, Value-At-Risk (VAR) Margin, Extreme Loss Margin, Special Margins and Base Minimum Capital etc. NSE can impose any other margins as deemed necessary from time-to-time.
17. Punitive Action in case of default by Market Makers: Emerge Platform of National Stock Exchange of India Limited 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.
18. 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.
19. Price Band and Spreads: SEBI Circular bearing reference no: CIR/MRD/DP/ 02/2012 dated January 20, 2012, has laid down that for issue size up to Rs. 250 crores, the applicable price bands for the first day shall be:
 - 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.
20. Additionally, the trading shall take place in TFT segment for first 10 days from commencement of trading. The following spread will be applicable on the SME Exchange Platform.

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

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

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

WITHDRAWAL OF THE ISSUE

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

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 Lead Manager, through the Registrar to the Issue, will instruct the SCSBs and Sponsor Bank (in case of RII's using the UPI Mechanism), 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 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 Prospectus, which our Company will apply for only after Allotment; and (ii) the final RoC approval of the Prospectus.

CAPITAL STRUCTURE

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

Amount (in Lakhs except share data)

| Sr. No. | Particulars | Aggregate Nominal Value | Aggregate value at Issue Price |
|-----------|---|-------------------------|--------------------------------|
| A. | AUTHORISED EQUITY SHARE CAPITAL | | |
| | 50,00,000 Equity Shares of face value of Rs. 10.00/- each | 500.00 | - |
| B. | ISSUED, SUBSCRIBED AND PAID-UP SHARE CAPITAL BEFORE THE ISSUE | | |
| | 28,27,500 Equity Shares of face value of Rs. 10.00/- each | 282.75 | - |
| C. | PRESENT ISSUE IN TERMS OF THIS DRAFT PROSPECTUS * | | |
| | [●] Equity Shares of Rs. 10.00/- each for cash at price of Rs. [●]/- per share | [●] | Upto 550.00 Lakhs |
| | Which comprises: | | |
| | Market Maker Reservation portion: [●] Equity Shares of Rs. 10.00/- each for cash at price of Rs. [●]/- reserved for allocation to Market Maker | [●] | [●] |
| | Net Issue to the Public: [●] Equity Shares of Rs. 10.00/- each for cash at price of Rs. [●]/- per share | [●] | [●] |
| | Of which: | | |
| | Allocation to Retail Individual Investor: Up to [●] Equity Shares of face value of Rs. 10.00/- each fully paid up for a cash price of Rs. [●]/- per Equity Share i.e., 50% of the Net Issue shall be available for allocation to Retail Individual Investors | [●] | [●] |
| | Allocation to Other than Retail Individual Investors: Up to [●] Equity Shares of face value of Rs. 10.00/- each fully paid up for a cash price of Rs. [●]/- per Equity Share i.e., 50% of the Net Issue shall be available for allocation to other than Retail Individual Investors | [●] | [●] |
| D. | ISSUED, SUBSCRIBED AND PAID-UP SHARE CAPITAL AFTER THE ISSUE | | |
| | [●] Equity Shares of face value of Rs. 10.00 each | [●] | |
| E. | SECURITIES PREMIUM ACCOUNT | | |
| | Before the Issue as on the date of this draft prospectus** | Nil | |
| | After the Issue* | [●] | |

**To be included upon finalization of the Issue price. The present Issue has been authorized pursuant to a resolution of our Board of Directors dated July 12, 2022 and by Special Resolution passed under Section 62(1)(c) of the Companies Act, 2013 at the Extraordinary General Meeting of the members held on July 16, 2022.*

***As certified by the statutory auditor Kansariwala & Chevli, Chartered Accountants vide its certificate dated August 08, 2022.*

Class of Shares

Our Company has only one class of share capital i.e., Equity Shares of Rs. 10.00/- each only. All Equity Shares issued are fully paid up. Our Company does not have any outstanding convertible instruments as on the date

of the Draft Prospectus.

NOTES TO THE CAPITAL STRUCTURE

1. Changes in Authorised Equity Share Capital of our Company:

Details of changes in Authorised Share Capital of the Company since incorporation:

| Particulars of change | Date of shareholders' Resolution | AGM/EOGM |
|--|----------------------------------|----------|
| The Authorised Share Capital of our Company is Rs. 1,00,000 consisting of 10,000 Equity Share of face value of Rs. 10.00/- each | On Incorporation | NA |
| Increase in Authorised Share Capital from Rs. 1,00,000 to Rs. 25,00,000 consisting of 250,000 Equity Share of face value of Rs. 10.00/- each. | October 10, 2018 | EOGM |
| Increase in Authorised Share Capital from Rs. 25,00,000 to Rs. 3,00,00,000 consisting of 30,00,000 Equity Share of face value of Rs. 10.00/- each. | April 04, 2022 | EOGM |
| Increase in Authorised Share Capital from Rs. 3,00,00,000 to Rs. 5,00,00,000 consisting of 50,00,000 Equity Share of face value of Rs. 10.00/- each. | June 22, 2022 | EOGM |

2. History of Issued and Paid-Up Share Capital of our Company

a. The following is the history of the Equity Share Capital of our Company:

| Date of Allotment / Issue | Number of Equity Shares allotted | Face value (in Rs.) | Issue Price (in Rs.) | Nature of Consideration | Nature of allotment | Cumulative no. of Equity Shares | Cumulative Paid-up Capital (in Rs.) |
|---------------------------|----------------------------------|---------------------|--|--|--------------------------|---------------------------------|-------------------------------------|
| On Incorporation | 10,000 | 10.00 | 10.00 | Cash | Subscription to MOA(i) | 10,000 | 1,00,000 |
| November 12, 2018 | 2,40,000 | 10.00 | 10.00 | Cash | Rights Issue (ii) | 2,50,000 | 25,00,000 |
| June 06, 2022 | 5,00,000 | 10.00 | 48.00 (including premium of Rs. 38.00) | Other than Cash (Conversion of loan into Equity) | Preferential Issue (iii) | 7,50,000 | 75,00,000 |
| June 24, 2022 | 20,77,500 | 10.00 | Nil | Other than Cash | Bonus Issue (iv) | 28,27,500 | 2,82,75,000 |

i. Initial Subscribers to the MOA subscribed to 10,000 Equity Shares of face value of Rs. 10.00/- each as per the details given below:

| Sr. No. | Name | No. of Equity Shares |
|--------------|-------------------------------|----------------------|
| 1. | Ghanshyambhai Laljibhai Lukhi | 5,000 |
| 2. | Ashokkumar Laljibhai Lukhi | 5,000 |
| Total | | 10,000 |

- ii. Further Allotment (Rights Issue) of Equity Shares as on November 12, 2018 of 2,40,000 equity shares of face value of Rs. 10.00 each fully paid-up shares, the details are given below:

| Sr. No. | Name | No. of Equity Shares |
|--------------|-------------------------------|----------------------|
| 1. | Ghanshyambhai Laljibhai Lukhi | 1,20,000 |
| 2. | Ashokkumar Laljibhai Lukhi | 1,20,000 |
| Total | | 2,40,000 |

- iii. Further Allotment (Preferential Issue) of shares as on June 06, 2022 of 5,00,000 equity shares of face value of Rs. 10/- each fully paid-up shares, the details are given below.

| Sr. No. | Name | No. of Equity Shares |
|--------------|-------------------------------|----------------------|
| 1. | Ghanshyambhai Laljibhai Lukhi | 3,22,917 |
| 2. | Ashokkumar Laljibhai Lukhi | 1,77,083 |
| Total | | 5,00,000 |

- iv. Further Allotment (Bonus Issue) of shares as on June 24, 2022 of 20,77,500 equity shares of face value of Rs. 10/- each fully paid-up shares, the details are given below.

| Sr. No. | Name | No. of Equity Shares |
|--------------|-------------------------------|----------------------|
| 1. | Ghanshyambhai Laljibhai Lukhi | 12,40,730 |
| 2. | Ashokkumar Laljibhai Lukhi | 8,36,770 |
| Total | | 20,77,500 |

b. Issue of Equity Shares for Consideration other than Cash.

Except as set out below, our Company has not issued Equity Shares for consideration other than cash. Further, there are certain benefits that have accrued to our Company on account of allotment of Equity Shares for consideration other than cash:

| Date of Issue/ Allotment | Number of Equity Shares | Face Value (in Rs.) | Issue Price (in Rs.) | Reasons for Allotment | Name of Allottees | No. of Shares Allotted | Benefits Accrued |
|--------------------------|-------------------------|---------------------|--|-----------------------|-------------------------------|------------------------|---------------------------------------|
| June 06, 2022 | 5,00,000 | 10.00 | 48.00 (including premium of Rs. 38.00) | Preferential Issue | Ghanshyambhai Laljibhai Lukhi | 3,22,917 | Conversion of Unsecured Loan |
| | | | | | Ashokkumar Laljibhai Lukhi | 1,77,083 | |
| June 24, 2022 | 20,77,500 | 10.00 | Nil | Bonus Issue | Ghanshyambhai Laljibhai Lukhi | 12,40,730 | Capitalization of Reserves & Surplus. |
| | | | | | Ashokkumar Laljibhai Lukhi | 8,36,770 | |

3. Issue of specified securities at a price lower than the Issue Price in the last year

Except for Bonus Issue made on June 24, 2022, our Company has not issued any Equity Shares at a price which may be lower than the Issue Price during a period of one year preceding the date of this Prospectus.

| Date of Allotment | Name of Allotees | No. of Equity Shares | Issue Price | Promoters/ Promoters Group | Reason for Allotment |
|-------------------|-------------------------------|----------------------|-------------|----------------------------|----------------------|
| June 24, 2022 | Ghanshyambhai Laljibhai Lukhi | 12,40,730 | - | Promoters | Bonus Issue |
| | Ashokkumar Laljibhai Lukhi | 8,36,770 | | | |

4. Our Company does not have any Employee Stock Option Scheme / Employee Stock Purchase Scheme for our employees.
5. As on the date of this Draft Prospectus, our Company does not have any preference share capital.
6. **Shareholding Pattern of the Company**

The table below represents the shareholding pattern of our Company in accordance with Regulation 31 of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015, as on the date of this Draft Prospectus.

The table below represents the current Shareholding pattern of our Company as on the date of this Draft Prospectus:

| Category (I) | Category of Shareholder (II) | No. of Shareholders (III) | No of fully paid-up equity shares held (IV) | No of partly paid-up equity shares held (V) | No. of shares underlying Depository Receipts (VI) | Total No of Shares held (VII = IV + V + VI) | Shareholding as a % of total No. of Shares (calculated as per SCRR,1957 (As a % of (A + B + C2) (VIII) | Number of Voting Rights held in each Class of securities (IX) | | No of underlying outstanding convertible securities (incl. Warrants) (X) | Shareholding as a % assuming full convertible securities (as a % of diluted share capital (As a % of (A + B + C2) (XI = VII + X) | Number of Locked in shares (XII) | | No. of shares Pledged or Otherwise Encumbered (XIII) | | No. of Equity shares held in Demat Form (XIV) |
|--------------|--------------------------------|---------------------------|---|---|---|---|--|---|-----------------------|--|--|----------------------------------|---------------------------------|--|---------------------------------|---|
| | | | | | | | | No of voting Right | Total as % of (A+B+C) | | | No (a) | As a % of total shares held (b) | No (a) | As a % of total shares held (b) | |
| | Promoters and Promoters Group | 6 | 28,26,500 | -- | -- | 28,26,500 | 99.96 | 28,26,500 | 99.96 | -- | 99.96 | -- | 99.96 | -- | -- | 28,26,500 |
| | Public | 1 | 1000 | -- | -- | 1000 | 0.04 | 1000 | 0.04 | -- | 0.04 | -- | -- | -- | -- | 1000 |
| | Non-Promoters Non-Public | -- | -- | -- | -- | -- | -- | -- | -- | -- | -- | -- | -- | -- | -- | -- |
| C1 | Shares Underlying DRs | -- | -- | -- | -- | -- | -- | -- | -- | -- | -- | -- | -- | -- | -- | -- |
| C2 | Shares held by Employee Trusts | -- | -- | -- | -- | -- | -- | -- | -- | -- | -- | -- | -- | -- | -- | -- |
| | Total (A+B+C) | 7 | 28,27,500 | -- | -- | 28,27,500 | 100.00 | 28,27,500 | 100 | -- | 100 | -- | 100.00 | -- | -- | 28,27,500 |

Note:

- As on the date of this Draft Prospectus 1 Equity Share holds 1 vote.
- PAN of the Shareholders will be provided by our Company prior to Listing of Equity Shares on the Stock Exchange.
- Our Company will file shareholding pattern of our Company, in the form prescribed under Regulation 31 of the SEBI Listing Regulations, one day prior to the listing of the Equity Shares. The Shareholding pattern will be uploaded on the website of NSE EMERGE platform before commencement of trading of such equity shares.
- In terms of SEBI circular bearing no. CIR/ISD/3/2011 dated June 17, 2011 and SEBI circular bearing no. SEBI/CIR/ISD/05/2011 dated September 30, 2011 our

Company has ensured that the Equity Shares held by the Promoter / members of the Promoter Group is dematerialized.

7. The share holding pattern of our Promoters and Public before and after the Issue is set forth below:

| Particulars | Pre-Issue | | Post-Issue * | |
|-------------------------------|------------------|------------------------|------------------|------------------------|
| | Number of Shares | Percentage (%) holding | Number of Shares | Percentage (%) holding |
| Promoters (A) | | | | |
| Ghanshyambhai Laljibhai Lukhi | 16,72,647 | 59.16 | [●] | [●] |
| Ashokkumar Laljibhai Lukhi | 11,33,853 | 40.10 | [●] | [●] |
| Total (A) | 28,06,500 | 99.26 | [●] | [●] |
| Promoter Group (B) | | | | |
| Shwetaben Ashokkumar Lukhi | 5,000 | 0.17 | [●] | [●] |
| Ushaben Ghanshyambhai Lukhi | 5,000 | 0.17 | [●] | [●] |
| Yash Ghanshyambhai Lukhi | 5,000 | 0.17 | [●] | [●] |
| Laljibhai Shamjibhai Lukhi | 5,000 | 0.17 | [●] | [●] |
| Total (B) | 20,000 | 0.68 | [●] | [●] |
| Public (C) | | | | |
| Mukeshbhai Ramjibhai Avaiya | 1,000 | 0.06 | [●] | [●] |
| Total (C) | 1,000 | 0.06 | [●] | [●] |
| Total (A+B) | 28,27,500 | 100.00 | [●] | [●] |

**Subject to finalization of Basis of Allotment*

8. None of our Key Management Personnel hold Equity Shares in our Company as on the date of filing of this Draft Prospectus except:

| Particulars | Number of Shares | Percentage (%) Holding |
|-------------------------------|------------------|------------------------|
| Ashokkumar Laljibhai Lukhi | 11,33,853 | 40.10 |
| Ghanshyambhai Laljibhai Lukhi | 16,72,647 | 59.16 |
| Yash Ghanshyambhai Lukhi | 5,000 | 0.17 |
| Total | 28,11,500 | 99.43 |

9. The list of shareholders holding 1% or more of the paid-up capital of our Company is as under:

Particulars of the shareholders holding 1% or more of the paid-up capital of our Company as on the date of this Draft Prospectus:

| Particulars | Number of Shares | Percentage (%) Holding |
|-------------------------------|------------------|------------------------|
| Ashokkumar Laljibhai Lukhi | 11,33,853 | 40.10 |
| Ghanshyambhai Laljibhai Lukhi | 16,72,647 | 59.16 |
| Total | 28,06,500 | 99.26 |

10. Particulars of shareholders holding 1% or more of the paid-up capital of our Company, ten (10) days prior to the date of filing this Draft Prospectus:

| Particulars | Number of Shares | Percentage (%) holding |
|-------------------------------|------------------|------------------------|
| Ashokkumar Laljibhai Lukhi | 11,33,853 | 40.10 |
| Ghanshyambhai Laljibhai Lukhi | 16,72,647 | 59.16 |
| Total | 28,06,500 | 99.26 |

11. Particulars of shareholders holding 1% or more of the paid-up capital, one (1) year prior to the date of filing this Draft Prospectus:

| Particulars | Number of Shares | Percentage (%) holding |
|-------------------------------|------------------|------------------------|
| Ashokkumar Laljibhai Lukhi | 1,25,000 | 50.00 |
| Ghanshyambhai Laljibhai Lukhi | 1,25,000 | 50.00 |
| Total | 2,50,000 | 100.00 |

12. Particulars of shareholders holding 1% or more of the paid-up capital, two (2) years prior to the date of filing this Draft Prospectus

| Particulars | Number of Shares | Percentage (%) holding |
|-------------------------------|------------------|------------------------|
| Ashokkumar Laljibhai Lukhi | 1,25,000 | 50.00 |
| Ghanshyambhai Laljibhai Lukhi | 1,25,000 | 50.00 |
| Total | 2,50,000 | 100.00 |

13. History of the Equity Share capital held by our Promoters

As on the date of this Draft Prospectus, our Promoters hold 28,06,500 Equity Shares, equivalent to 99.26% of the issued, subscribed and paid-up Equity Share capital of our Company.

a) Capital built-up of our Promoters:

| Date of allotment / Transfer | No. of Equity Shares | Face Value (In Rs.) | Issue Price / Average Acquisition Price per Equity Share (In Rs.) | Nature of Consideration | Reason / Nature of Allotment | Percent age of the pre-issue capital (in %) | Percent age of the post-issued capital (in %)* |
|-----------------------------------|----------------------|---------------------|---|-------------------------|------------------------------|---|--|
| Ashokkumar Laljibhai Lukhi | | | | | | | |
| On Incorporation | 5,000 | 10.00 | 10.00 | Cash | Subscription to MOA(i) | 0.18 | [●] |
| November 12, 2018 | 1,20,000 | 10.00 | 10.00 | Cash | Rights Issue(ii) | 4.24 | [●] |
| June 06, 2022 | 1,77,083 | 10.00 | 48.00 (including premium of Rs. 38.00) | Other than Cash | Preferential Issue(iii) | 6.26 | [●] |
| June 24, 2022 | 8,36,770 | 10.00 | Nil | Other than Cash | Bonus Issue(iv) | 29.59 | [●] |
| June 29, 2022 | (5000) | 10.00 | 0.00 | Nil | Transfer via Gift(v) | (0.18) | [●] |
| Total | 11,33,853 | | | | | 40.10 | |

**Subject to finalization of basis of Allotment*

(i) Allotment of Equity Shares on incorporation as subscription to MOA.

- (ii) Further Allotment pursuant to Rights Issue in the ratio of 1:1
- (iii) Further allotment towards conversion of Un-secured loan outstanding in the books of accounts.
- (iv) Further Allotment pursuant to Bonus Issue in the Ration of 277 Equity Shares for Every 100 Equity Shares held.
- (v) Transfer via Gift Deed to Shwetaben Lukhi

| Date of allotment / Transfer | No. of Equity Shares | Face Value (In Rs.) | Issue Price / Average Acquisition Price per Equity Share (In Rs.) | Nature of Consideration | Reason / Nature of Allotment | Percent age of the pre-issue capital (in %) | Percent age of the post-issued capital (in %)* |
|--------------------------------------|----------------------|---------------------|---|-------------------------|------------------------------|---|--|
| Ghanshyambhai Laljibhai Lukhi | | | | | | | |
| On Incorporation | 5,000 | 10.00 | 10.00 | Cash | Subscription to MOA(i) | 0.18 | [●] |
| November 12, 2018 | 1,20,000 | 10.00 | 10.00 | Cash | Rights Issue(ii) | 4.24 | [●] |
| June 06, 2022 | 3,22,917 | 10.00 | 48.00 (including premium of Rs. 38.00) | Other than Cash | Preferential Issue(iii) | 11.42 | [●] |
| June 24, 2022 | 12,40,730 | 10.00 | Nil | Other than Cash | Bonus Issue(iv) | 43.88 | [●] |
| June 29, 2022 | (15,000) | 10.00 | 0.00 | Nil | Transfer via Gift(v) | (0.53) | [●] |
| June 29, 2022 | (1,000) | 10.00 | 48.00 | Cash | Transfer(vi) | (0.04) | [●] |
| Total | 16,72,647 | | 59.16 | | | | |

*Subject to finalization of basis of Allotment

- (i) Allotment of Equity Shares on incorporation as subscription to MOA.
- (ii) Further Allotment pursuant to Rights Issue in the ratio of 1:1
- (iii) Further allotment towards conversion of Un-secured loan outstanding in the books of accounts.
- (iv) Further Allotment pursuant to Bonus Issue in the Ration of 277 Equity Shares for Every 100 Equity Shares held.
- (v) Transfer 5000 Equity Shares to Ushaben Ghanshyambhai Lukhi, 5000 Equity Shares to Laljibhai Shamjibhai Lukhi and 5000 Equity Shares to Yash Ghanshyambhai Lukhi via Gift Deed
- (vi) Transfer 1000 Equity Shares to Mukeshbhai Ramjibhai Avaiya

14. All the Equity Shares allotted to the Promoters as given above were fully paid up as on the date of such allotment. Further, none of the shares have been pledged with any bank/ financial institution and/ or with anybody else.
15. The average cost of acquisition of or subscription to Equity Shares by our Promoters are set forth in the table below:

| Name of the Promoters | No. of Equity shares held | Average cost of Acquisition (in Rs.) |
|-------------------------------|---------------------------|--------------------------------------|
| Ashokkumar Laljibhai Lukhi | 11,33,853 | 8.56 |
| Ghanshyambhai Laljibhai Lukhi | 16,72,647 | 9.92 |

As certified by the Independent Chartered Accountant RJD & Co., vide its certificate dated August 08, 2022.

16. We hereby confirm that:

- i. None of the members of the Promoters, Promoter Group, Directors and their immediate relatives have purchased or sold any Equity shares of our Company within the last six months from the date of this Draft Prospectus, except as stated in “*Capital Structure - History of the Equity Share capital held by our Promoters*” on page 56.
- ii. None of the Promoters, members of the Promoter Group, Directors and their immediate relatives have financed the purchase by any other person of Equity shares of our Company within the period of six months immediately preceding the date of this Prospectus.

17. Details of Promoters contribution locked in for three (3) years:

- i. Pursuant to the Regulations 236 and 238 of SEBI ICDR Regulations, an aggregate of at least 20% of the post Issue Equity Share capital of our Company held by our Promoters shall be locked-in for a period of three years from the date of Allotment in this Issue. As on date of this Draft Prospectus, our Promoters holds 28,06,500 Equity Shares constituting 99.26% of the Pre-Issued, Subscribed and Paid-up Equity Share Capital of our Company, which are eligible for Promoters’ Contribution.

Our Promoters have consented in writing to include such number of Equity Shares held by them as may constitute of the post issue Equity Share capital of our Company as Promoters’ Contribution and have agreed not to sell or transfer or pledge or otherwise dispose of in any manner, the Promoters’ Contribution from the date of filing of this Draft Prospectus until the commencement of the lock-in period specified above. Details of the Equity Shares forming part of Promoters Contribution and their lock-in details are as follows:

| Promoters | Date of Allotment/ Acquisition and when made fully paid-up | Nature of Acquisition | No. of Equity Shares | Face Value (in Rs.) | Issue Price per Equity share (in Rs.) | % of Pre-Issue Equity share capital | % of Post Issue Equity shares Capital | Lock in Period |
|-------------------------------|--|-----------------------|----------------------|---------------------|---------------------------------------|-------------------------------------|---------------------------------------|----------------|
| Ghanshyambhai Laljibhai Lukhi | [●] | [●] | [●] | [●] | [●] | [●] | [●] | [●] |
| Ashokkumar Laljibhai Lukhi | [●] | [●] | [●] | [●] | [●] | [●] | [●] | [●] |
| Total | | | [●] | | | | | [●] |

*To be included in the Prospectus.

The Minimum Promoters' Contribution has been brought in to the extent of not less than the specified minimum lot and from the persons defined as 'promoters' under the SEBI ICDR Regulations. The Equity Shares that are being locked-in are not, and will not be, ineligible for minimum Promoters' contribution under Regulation 237 of the SEBI ICDR Regulations. In this computation, as per Regulation 237 of the SEBI ICDR Regulations, our Company confirms that the Equity Shares which are being locked-in do not, and shall not, consist of:

- i. Equity Shares acquired during the three (3) years preceding the date of filing of this Draft Prospectus for consideration other than cash and revaluation of assets or capitalisation of intangible assets involved in such transactions or resulting from a bonus issue by utilization of revaluation reserves or unrealized profits of our Company or from bonus issue against Equity Shares which are ineligible for computation of minimum Promoters' contribution;
- ii. Equity Shares acquired by our Promoters during the preceding one (1) year, at a price lower than the price at which Equity Shares are being offered to the public in the Issue is not part of the minimum promoter's contribution;
- iii. The Equity Shares held by the Promoters that are subject to any pledge or any other form of encumbrance
- iv. Our Company has not been formed by the conversion of a partnership firm or a limited liability partnership into a company in the past one (1) year and thus, no Equity Shares have been issued to our Promoters upon conversion of a partnership firm a limited liability partnership in the past one (1) year.
- v. As on the date of this Draft Prospectus, the Equity Shares held by the Promoters are in dematerialised form.

18. Equity Shares locked-in for one year other than Minimum Promoters' Contribution.

Pursuant to regulation 238(b) and 239 of the SEBI (ICDR) Regulations, other than the Equity Shares held by our Promoters, which will be locked-in as minimum Promoters' contribution for three years, all pre-Issue [●] Equity Shares shall be subject to lock-in for a period of one year from the date of Allotment in this Issue.

19. Transferability of Locked in Equity Shares

- a) In terms of Regulation 242 of the SEBI (ICDR) Regulations, the locked in Equity Shares held by the Promoter as specified above, can be pledged with any scheduled commercial bank or public financial institution or a systemically important nonbanking finance company or a housing finance company as collateral security for loan granted by such bank or institution provided that the pledge of Equity Shares is one of the terms of the sanction of the loan. Provided that securities locked in as minimum promoter's contribution may be pledged only if, in addition to fulfilling the above requirements, the loan has been granted by such bank or institution, for the purpose of financing one or more of the objects of the Issue.
- b) Further, pursuant to Regulation 243 of SEBI ICDR Regulations, the Equity Shares held by persons other than the Promoters prior to the Issue may be transferred to any other person holding the Equity Shares which are locked-in as per Regulation 239 of 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 SEBI ICDR Regulations has ended, subject to compliance with SEBI Takeover Regulations, as applicable.
- c) Further, pursuant to Regulation 243 of SEBI ICDR Regulations, the Equity Shares held by Promoters prior to the Issue and locked in as per Regulation 238 of the SEBI (ICDR) Regulations, 2018 may be transferred to another Promoters or any person of the Promoters' Group or to a new promoter(s) or persons in control of our Company, subject to continuation of lock-in for the remaining period with transferee and such transferee shall not be eligible to transfer them till the lock-in period stipulated has expired.

20. Pledge of Locked in Equity Shares

In terms of Regulation 242 of the SEBI ICDR Regulations, the locked-in Equity Shares held by our Promoters can be pledged only with any scheduled commercial banks or public financial institutions or a systemically important non-banking finance company or a housing finance company as collateral security for loans granted by such banks or financial institutions or a systemically important non-banking finance company or a housing finance company, subject to the following:

- a) If the specified securities are locked-in in terms of sub-regulation (a) of Regulation 238 of the SEBI ICDR Regulations, the loan has been granted by such bank or institution for the purpose of financing one or more of the objects of the Issue and the pledge of specified securities is one of the terms of sanction of the loan;
- b) If the specified securities are locked-in in terms of sub-regulation (b) of Regulation 238 of the SEBI ICDR Regulations and the pledge of specified securities is one of the terms of 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 equity shares till the lock-in period stipulated in these regulations has expired.

21. Inscription or recording of non-transferability

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

22. As on date of this Draft Prospectus, our Company has 07 shareholders.
23. As on date of this Draft Prospectus, our Company has not allotted any Equity Shares pursuant to any scheme approved under Section 391-394 of the Companies Act, 1956 and Sections 230-232 of the Companies Act, 2013
24. Our company has not re-valued our assets since inception and have not issued any equity shares (including bonus shares) by capitalizing any revaluation reserves.
25. Our Company has not issued any convertible instruments like warrants, debentures etc. since its Incorporation and there are no outstanding convertible instruments as on date of this Draft Prospectus
26. None of the persons/entities comprising our Promoters Group, our Directors or their relatives have financed the purchase by any other person of securities of our Company other than in the normal course of the business of any such entity/individual or otherwise during the period of six (6) months immediately preceding the date of this Draft Prospectus.
27. All the Equity Shares of our Company are fully paid up as on the date of the Draft Prospectus.
28. Our Company has not issued any convertible instruments like warrants, debentures etc. since its Incorporation and there are no outstanding convertible instruments as on date of this Draft Prospectus.
29. There will be no further issue of capital, whether by way of issue of bonus shares, preferential allotment, rights issue or in any other manner during the period commencing from the date of the Draft Prospectus until the Equity Shares have been listed. Our Company does not have any intention or proposal to alter its capital structure within a period of 6 (six) months from the date of opening of the Issue by way of split/consolidation of the denomination of Equity Shares or further issue of Equity Shares whether preferential or bonus, rights or further public issue basis. However, Our Company is in expansion phase and may need additional capital to fund existing/ and or future organic and/or inorganic expansion. Therefore, our Company may further issue Equity Shares (including issue of securities convertible into Equity Shares) whether preferential or otherwise after the issue appropriately in due compliance with the applicable statutory provisions.
30. Our Company, our Promoters, our Directors and the Lead Manager have not entered into any buy-back or standby or similar arrangements for the purchase of Equity Shares being offered through the Issue from any person.
31. Neither the Lead Manager nor any of their associates (as defined under Securities and Exchange Board of India (Merchant Bankers) Regulations, 1992) hold any Equity Shares in our Company. The Lead Manager and their 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 commercial banking

and investment banking transactions with our Company for which they may in the future receive customary compensation.

32. There are no Equity Shares against which depository receipts have been issued.
33. The Issue Price has been determined by our Company and the Promoter, in consultation with the Lead Manager.
34. Our Company shall ensure that transactions in the Equity Shares by the Promoters and the members of the Promoters Group during the period between the date of registering the Prospectus with the RoC and the date of closure of the Issue shall be reported to the Stock Exchange within twenty-four (24) hours of the transaction.
35. Subject to valid applications being received at or above the Issue Price, under subscription, if any, in any of the categories, would be allowed to be met with spill-over from any of the other categories or a combination of categories at the discretion of our Company in consultation with the Lead Manager and Designated Stock Exchange. Such inter-se spill over, if any, would be effected in accordance with applicable laws, rules, regulations and guidelines
36. No payment, direct, indirect in the nature of discount, commission, and allowance, or otherwise shall be made either by us or by our Promoters to the persons who receive allotments, if any, in this Issue.
37. Prior to this Initial Public Offer, our Company has not made any public issue at large.
38. As per RBI regulations, OCBs are not allowed to participate in this Issue.
39. Our Promoters and the members of our Promoters Group will not participate in this Issue.
40. Our Company has not raised any bridge loans against the proceeds of the Issue.
41. There shall be only one denomination of the Equity Shares, unless otherwise permitted by law.
42. In terms of Rule 19(2)(b)(i) of the Securities Contracts (Regulation) Rules, 1957, as amended, (the SCRR) the Issue is being made for at least 25% of the post-issue paid-up Equity Share capital of our Company. Further, this Issue is being made in terms of Chapter IX of the SEBI (ICDR) Regulations, 2018, as amended from time to time.
43. No person connected with the Issue shall offer any incentive, whether direct or indirect, in the nature of discount, commission, and allowance, or otherwise, whether in cash, kind, services or otherwise, to any Applicant
44. The Equity Shares are fully paid-up and there are no partly paid-up Equity Shares as on the date of the prospectus. Since the entire issue price in respect of the issue is payable on application, all the successful applicants will be allotted fully paid-up Equity shares.
45. None of our Directors or Key Managerial Personnel holds Equity Shares in our Company, except as stated in the chapter titled “*Our Management*” on page 138 of this Draft Prospectus.
46. An over-subscription to the extent of 1% of the Issue can be retained for the purpose of rounding off to the nearest integer during finalizing the allotment, subject to minimum allotment, which is

the minimum application size in this Issue. Consequently, the actual allotment may go up by a maximum of 1% of the Issue, as a result of which, the post-issue paid up capital after the Issue would also increase by the excess amount of allotment so made. In such an event, the Equity Shares held by the Promoter and subject to 3 year lock- in shall be suitably increased; so as to ensure that 20% of the post Issue paid-up capital is locked in.

SECTION - IV – PARTICULARS OF THE ISSUE

OBJECTS OF THE ISSUE

The Issue comprises of Fresh Issue of [●] Equity Shares of our Company at an Issue Price of Rs. [●] aggregating upto Rs. 550.00 Lakhs. The Net Proceeds from the Issue are proposed to be utilised by our Company for the following objects (*collectively referred to as “Objects”*):

1. Meeting incremental working capital requirements
2. Repayment / prepayment of certain borrowings availed by our Company
3. General corporate purposes

We believe that listing will enhance our corporate image and visibility of brand name of our Company. We also believe that our Company will receive the benefits from listing of Equity Shares on the NSE Emerge. It will also provide liquidity to the existing shareholders and will also create a public trading market for the Equity Shares of our Company.

Our Company is engaged in the business of manufacturing of confectionary product. The main objects and the objects incidental to the main objects as set out in the Memorandum of Association enables our Company to undertake its existing activities and the activities for which funds are being raised by our Company through the Issue.

NET PROCEEDS

The details of the proceeds of the Issue are summarised in the table below:

| Particulars | Estimated Amount (Rs. in lakhs) |
|--------------------------------|---------------------------------|
| Gross Proceeds from the Issue# | Upto 550.00 |
| Less: Issue Related Expenses | [●] |
| Net Proceeds | [●] |

To be finalised upon determination of the Issue Price and updated in the Prospectus prior to filing with the Stock Exchange.

UTILIZATION OF NET PROCEEDS AND SCHEDULE OF IMPLEMENTATION AND DEPLOYMENT

The Net Proceeds are currently expected to be deployed in accordance with the schedule set forth below:

(Rs. In Lakhs)

| Particulars | Amount to be funded from Net Proceeds | Estimated utilisation of Net Proceeds in FY 2022 – 23 |
|---|---------------------------------------|---|
| Meeting incremental working capital requirements | [●] | [●] |
| Repayment / prepayment of certain borrowings availed by our Company | Upto 135.00 | Upto 135.00 |
| General corporate purposes * | [●] | [●] |

*To be finalised upon determination of Issue Price and updated in the Prospectus. The amount shall not exceed 25% of the Gross Proceeds.

Given the dynamic nature of our business, we may have to revise our funding requirements and deployment on account of a variety of factors such as our financial condition, business strategy and external factors such as market conditions, competitive environment, interest or exchange rate fluctuations, taxes and duties, working capital margin and other external factors which may not be within the control of

our management. This may entail rescheduling or revising the planned expenditure and funding requirements, including the expenditure for a particular purpose, at the discretion of our management. Subject to applicable law, if the actual utilisation towards reduction of borrowings is lower than the proposed deployment, the balance will be used towards general corporate purposes to the extent that the total amount to be utilized towards general corporate purposes will not exceed 25% of the gross proceeds. In case of a shortfall in raising requisite capital from the Net Proceeds towards meeting the Objects, business considerations may require us to explore a range of options including utilising our internal accruals and seeking additional debt from existing and future lenders. We believe that such alternate arrangements would be available to fund any such shortfalls. To the extent our Company is unable to utilise any portion of the Net Proceeds towards the aforementioned objects, per the estimated scheduled of deployment specified above, our Company shall deploy the Net Proceeds in subsequent financial years towards the aforementioned objects

The above fund requirements are based on our current business plan, internal management estimates and have not been appraised by any bank or financial institution. These are based on current conditions and are subject to revisions in light of changes in external circumstances or costs, or our financial condition, business or strategy. For further details of factors that may affect these estimates, see ***“Risk Factors - Our funding requirements and the proposed deployment of Net Proceeds have not been appraised by a public financial institution or a scheduled commercial bank and our management will have broad discretion over utilization of the Net Proceeds.”*** beginning on page no. 22 of this Draft Prospectus.

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. Accordingly, our Company confirms that³¹ 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 Issue as required under the SEBI ICDR Regulations.

DETAILS OF THE OBJECTS OF THE ISSUE

1. Meeting incremental working capital requirements

With the expansion of the business activity, the Company will be in need of additional working capital requirements which is based on our management estimations of the future business plan for the FY 2022-23. The major capital will be invested in procuring of the raw materials, trade receivables and maintaining inventory and reducing trade payables cycles. The funding of the working capital requirements of our Company is expected to lead to a consequent increase in our profitability. As on March 31, 2022, the outstanding amount under the fund based working capital facilities of our Company was Rs. 171.56 Lakhs and non-fund based working capital facility is Nil. For details, see ***“Financial Indebtedness”*** beginning on page 200.

Our Auditors, Kansariwala & Chevli, Chartered Accountants, have provided no assurance on the prospective financial information or projections as disclosed and have performed no service with respect to it.

Basis of estimation of incremental working capital requirement

Details of Company’s working capital as at March 31, 2022, March 31, 2021 and March 31, 2020 and the source of funding, derived on the basis of Restated Financial Statements of our Company

(Rs. In lakhs)

| Sr No | Particulars | As at March 31, 2022 (Audited) | As at March 31, 2021 (Audited) | As at March 31, 2020 (Audited) |
|----------|-----------------------|--------------------------------------|--------------------------------------|--------------------------------------|
| I | Current assets | | | |

| Sr No | Particulars | As at March 31, 2022 (Audited) | As at March 31, 2021 (Audited) | As at March 31, 2020 (Audited) |
|------------|---|-----------------------------------|-----------------------------------|-----------------------------------|
| | Inventories | 251.47 | 225.05 | 165.40 |
| | Trade receivables | 138.61 | 126.37 | 75.98 |
| | Cash and Bank balance | 4.75 | 17.78 | 15.75 |
| | Short Term Loans & Advances & Other Current Assets | 18.65 | 13.62 | 11.08 |
| | Total Current Assets (A) | 413.48 | 382.82 | 268.21 |
| II | Current liabilities | | | |
| | Trade payables | 194.92 | 169.17 | 100.90 |
| | Other Current Liabilities | 186.51 | 197.34 | 173.05 |
| | Total current liabilities (B) | 381.43 | 366.51 | 273.95 |
| | Net working capital (A – B) | 32.05 | 16.31 | (5.74) |
| | | | | |
| III | Sources of funds | | | |
| | Borrowings from banks, financial institution and non-banking financial companies (including bill discounting) | 32.05 | 16.31 | Nil |
| | Long Term Borrowings | - | - | - |
| | Internal accruals / Equity | - | - | - |
| | Total Means of Finance | 32.05 | 16.31 | Nil |

*As certified by Kansariwala & Chevli, Chartered Accountants pursuant to their certificate dated August 08, 2022

For further details, please refer to “**Restated Financial Statement**” on page 162, respectively.

Details of the Company’s projected working capital requirements for Financial Year, together with the assumptions and justifications for holding levels, and the proposed funding of such working capital requirements, are as set forth below:

(Rs. In lakhs)

| Sr No | Particulars | FY 2023 (Projected) |
|------------|---|---------------------|
| I | Current assets | |
| | Inventories | [●] |
| | Trade receivables | [●] |
| | Cash and Bank balance | [●] |
| | Short Term Loans & Advances & Other Current Assets | [●] |
| | Total Current Assets (A) | [●] |
| II | Current liabilities | |
| | Trade payables | [●] |
| | Other Current Liabilities | [●] |
| | Total current liabilities (B) | [●] |
| | | |
| III | Net working capital requirements (A – B) | [●] |
| | | |
| | Sources of funds | |
| | Borrowings from banks, financial institution and non-banking financial companies (including bill discounting) | [●] |

| Sr No | Particulars | FY 2023 (Projected) |
|-------|----------------------------|---------------------|
| | Unsecured Borrowings | [●] |
| | Internal accruals / Equity | [●] |
| | Issue Proceeds | [●] |

Assumptions for our estimated working capital requirement:

(in days)

| Particulars | Holding Levels (March 31, 2023) | Holding Levels (March 31, 2022) | Holding Levels (March 31, 2021) | Holding Levels (March 31, 2020) |
|-------------------|---------------------------------------|---------------------------------------|---------------------------------------|---------------------------------------|
| | Projected | Actual | Actual | Actual |
| Trade receivables | [●] | [●] | [●] | [●] |
| Trade payables | [●] | [●] | [●] | [●] |
| Inventories | [●] | [●] | [●] | [●] |

As certified by Kansariwala & Chevli, pursuant to their certificate dated August 08, 2022.

Justification:

| Particulars | Details |
|-------------------|---------|
| Trade receivables | [●] |
| Trade payables | [●] |
| Inventories | [●] |

To the extent our Company is unable to utilise any portion of the Net Proceeds towards the aforementioned object of the Issue, as per the estimated schedule of utilisation specified above, our Company shall deploy the Net Proceeds in the subsequent Financial Years towards the aforementioned object, in accordance with applicable law.

2. Repayment / prepayment of certain borrowings availed by our Company

Our Company has availed secured term borrowings from Bank of Baroda. As on August 01, 2022, the aggregated outstanding borrowings of our Company proposed to be repaid / prepaid of the Net Proceeds is Rs. 235.50 Lakhs (*As certified by the Statutory Auditor vide its certificate dated August 01, 2022*). For further details, see “**Financial Indebtedness**” on page 200. Our Company proposes to utilize an estimated amount of Rs. 135.00 Lakhs from the Net Proceeds towards full or partial repayment/ prepayment of certain borrowings availed by our Company. Our Company may avail further loans and/ or draw down further funds under existing loans from time to time.

Given the nature of borrowing and the terms of prepayment, the aggregate outstanding loan amount may vary from time to time. Payment of interest, prepayment penalty or premium, if any, and other related costs shall be made by us out of the Net Proceeds. If the Net Proceeds are insufficient for making payments for such pre-payment penalties or premiums or interest, such excessive amount shall be met from our internal accruals. If at the time of Allotment, any of the below mentioned loans are repaid or refinanced or if any additional credit facilities are availed or drawn down or further disbursements under the existing facilities are availed by our Company, then our Company may utilise the Net Proceeds for prepayment / repayment of any such refinanced facilities or repayment of any additional facilities / disbursements obtained by our Company.

In light of the above, at the time of filing the Prospectus, the table below shall be suitably updated to reflect the revised amounts or loans as the case may be which have been availed by us. Further, in the event our Board deems appropriate, the amount allocated for estimated schedule of deployment of Net Proceeds in a particular fiscal may be repaid / pre-paid by our Company in the subsequent Fiscal. The selection of

borrowings proposed to be prepaid or repaid amongst our borrowing arrangements availed will be based on various factors, including (i) cost of the borrowing, including applicable interest rates, (ii) any conditions attached to the borrowings restricting our ability to prepay / repay the borrowings and time taken to fulfil, or obtain waivers for fulfilment of such conditions, (iii) receipt of consents for prepayment from the respective lenders, (iv) levy of any prepayment penalties and the quantum thereof, (v) provisions of any laws, rules and regulations governing such borrowings, and (vi) other commercial considerations including, among others, the amount of the loan outstanding and the remaining tenor of the loan. The amounts proposed to be prepaid and / or repaid against each borrowing facility below is indicative and our Company may utilize the Net Proceeds to prepay and / or repay the facilities disclosed below in accordance with commercial considerations, including amounts outstanding at the time of prepayment and / or repayment. For further details, see “*Financial Indebtedness*” on page 200.

The following table provides details of certain borrowings availed by our Company as on August 01, 2022, out of which our Company proposes to prepay or repay, in full or in part, from the Net Proceeds.

| Name of the Lender | Nature of the Borrowing | Sanctioned Amount (in Rs. Lakh) | Outstanding amount as on August 01, 2022 | Repayment Schedule | Purpose for which disbursed loan amount was utilised |
|--------------------|--------------------------------------|---------------------------------|--|-------------------------------------|--|
| Bank of Baroda | Term Loan | 150.00 | 57.12 | In 78 monthly installment | Purchase of new machineries |
| Bank of Baroda | Cash Credit Facility | 135.00 | 126.60 | Repayable on demand and | Pre and post sales working capital requirements |
| Bank of Baroda | Additional Working Capital Term Loan | 52.00 | 31.78 | Repayable in 36 monthly installment | To meet additional working capital required |
| Bank of Baroda | Term Loan under (“BGECLS”) | 13.50 | 0.00 | NA | To meet additional working capital required |
| Bank of Baroda | Additional Working Capital Term Loan | 20.00 | 20.00 | Repayable in 36 monthly installment | To meet additional working capital required |

The aforesaid loan was obtained in compliance with applicable law and has been used for the purpose for which it has been availed.

**As certified by the Statutory Auditor Kansariwala & Chevli, Chartered Accountants vide it certificate dated August 08, 2022.*

We believe that such repayment / prepayment will help reduce our outstanding indebtedness and improve our debt-equity ratio. This will also help reducing our financial cost into our profitability and improve our leverage capacity.

For further details in relation to the terms and conditions under the aforesaid loan agreements as well as restrictive covenants in relation thereto, see “*Financial Indebtedness*” on page 200.

3. General Corporate Purposes

Our Company intends to deploy any balance Net Proceeds towards general corporate purposes, not exceeding 25% of the Gross Proceeds, in compliance with the SEBI ICDR Regulations. The allocation or quantum of utilisation of funds towards the specific purposes will be determined by our Board, based on our business requirements and other relevant considerations, from time to time.

General corporate purposes may include, but are not restricted to, the following:

- a. strategic initiatives;
- b. funding growth opportunities;
- c. strengthening marketing capabilities and brand building exercises;
- d. meeting ongoing general corporate contingencies;
- e. meeting fund requirements of our Company, in the ordinary course of its business;
- f. meeting expenses incurred in the ordinary course of business; and
- g. any other purpose, as may be approved by the Board, subject to applicable law.

Issue Related Expenses

The total expenses of the Issue are estimated to be Rs. [•] lakhs. The break-up for the Issue expenses is as follows:

| Activity | Estimated Amount (Rs. In lakhs) | As a % of total estimated issue expenses ⁽¹⁾ | As a % of issue size ⁽¹⁾ |
|--|---------------------------------|---|-------------------------------------|
| Lead manager(s) fees including underwriting commission | [•] | [•] | [•] |
| Brokerage, selling commission and upload fees | [•] | [•] | [•] |
| Registrars to the issue | [•] | [•] | [•] |
| Legal Advisors | [•] | [•] | [•] |
| Advertising and marketing expenses | [•] | [•] | [•] |
| Regulators including stock exchanges | [•] | [•] | [•] |
| Printing and distribution of issue stationary | [•] | [•] | [•] |
| Others, if any (to be specified) | [•] | [•] | [•] |
| Total | [•] | [•] | [•] |

Notes:

1. The fund deployed out of internal accruals up to August 06, 2022 is 11.80 Lakhs towards issue expenses vide certificate dated August 08, 2022 received from Kansariwala & Chevli and the same will be recouped out of issue expenses.
2. Structure for commission and brokerage payment to the SCSBs Syndicate, RTAs, CDPs and SCSBs

| | |
|--|--|
| ASBA applications procured directly from the applicant and Bided (excluding applications made using the UPI Mechanism, and in case the Offer is made as per Phase I of UPI Circular) | Rs. [•] per application on wherein shares are allotted |
| Syndicate ASBA application procured directly and bided by the Syndicate members (for the forms directly procured by them) | Rs. [•] per application on wherein shares are allotted |
| Processing fees / uploading fees on Syndicate ASBA application for SCSBs Bank | Rs. [•] per application on wherein shares are allotted |

| | |
|--|--|
| Sponsor Bank shall be payable processing fees on UPI application processed by them | Rs. [●] per application on wherein shares are allotted |
|--|--|

3. *No additional uploading/processing charges shall be payable to the SCSBs on the applications directly procured by them*
4. *The commissions and processing fees shall be payable within 30 working days post the date of receipt of final invoices of the respective intermediaries.*
5. *Amount Allotted is the product of the number of Equity Shares Allotted and the Issue Price*

Interim use of Net Proceeds

Our Company, in accordance with the policies established by the Board, from time to time, will have the flexibility to deploy the Net Proceeds. Pending utilisation for the purposes described above, we undertake to temporarily invest the funds from the Net Proceeds in deposits with one or more scheduled commercial banks included in the Second Schedule of Reserve Bank of India Act, 1934, for the necessary duration. Such investments will be approved by our Board from time to time. Our Company confirms that it shall not use the Net Proceeds for any buying, trading, or otherwise dealing in the shares of any other listed company or for any investment in the equity markets or providing inter-corporate deposits to any related parties.

Additionally, in compliance with Regulation 66 of the SEBI ICDR Regulations, our Company confirms that it shall not use the Net Proceeds for financing or for providing loans to or for acquiring shares of any person who is part of the Promoter Group or Group Companies. Further, our Company confirms that the borrowings proposed to be repaid from the Net Proceeds have not been utilised towards any payments, repayment / refinancing of any loans availed from the Promoter Group or Group Companies.

Bridge financing facilities and other financial arrangements

Our Company has not raised any bridge loans or entered into any other similar financial arrangements from / with any bank or financial institution as on the date of this Draft Prospectus, which are proposed to be repaid from the Net Proceeds.

Monitoring of Utilisation of Funds

Our Company is not required to appoint a monitoring agency for the purposes of this Issue. Our Board and Audit Committee shall monitor the utilization of the Net Proceeds.

Pursuant to Regulation 18(3) of the SEBI Listing Regulations, our Company shall on a quarterly basis disclose to the Audit Committee the uses and application of the Net Proceeds. The Audit Committee shall 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 our Audit Committee. Such disclosure shall be made only until such time that all the Net Proceeds have been utilised in full. The statement shall be certified by the Statutory Auditors of our Company. Further, in accordance with Regulation 32 of the SEBI Listing Regulations, our Company shall furnish to the Stock Exchanges on a quarterly basis, a statement indicating (i) deviations, if any, in the utilisation of the Net proceeds from the Objects, as stated above; and (ii) details of category wise variations in the utilisation of the Net Proceeds from the Objects, as stated above. This information will also be published in newspapers simultaneously with the interim or annual financial results of our Company, after placing such information before our Audit Committee.

Appraising Agency

None of the Objects for which the Net Proceeds will be utilised, require appraisal from any agency in terms of applicable law.

Variation in Objects

Our Company shall not vary the objects of the Issue, as envisaged under Sections 13(8) and 27 of the Companies Act and applicable rules, without our Company being authorised to do so by the Shareholders by way of a special resolution and such variation will be in accordance with the applicable laws including the Companies Act, 2013 and the SEBI ICDR Regulations. In addition, the notice issued to the Shareholders in relation to the passing of such special resolution shall specify the prescribed details and be published in accordance with the Companies Act.

Other Confirmations

No part of the Net Proceeds will be utilised by our Company as consideration to our Promoters, members of the Promoter Group, Directors, or Key Management Personnel. Our Company has not entered into nor is planning to enter into any arrangement / agreements with Promoters, members of the Promoter Group, Directors or Key Management Personnel in relation to the utilisation of the Net Proceeds. Further, except in the ordinary course of business, there is no existing or anticipated interest of such individuals and entities in the Objects, as set out above.

BASIS FOR ISSUE PRICE

The Issue Price of Rs. [•]/- per Equity Share is determined by our Company, in consultation with the Lead Manager on the basis of the following qualitative and quantitative factors. The face value of the Equity Share is Rs. 10.00/- per Equity Share and Issue Price is Rs. [•]/- per Equity Share. The Issue Price is [•] times the face value.

Investors should refer sections / section titled “*Risk Factors*”, “*Financial Statements*”, “*Management Discussion and Analysis of Financial Condition and Results of Operations*” and “*Business Overview*” beginning on page 22, 162, 193 and 99 respectively of this Draft Prospectus to get an informed view before making an investment decision.

Qualitative Factors

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

- Leading player in the fruits and vegetable processing industry with a wide array of products;
- Strong relationships with the large and emerging global and Indian companies and brands;
- Strategically located multi-functional production facilities with quality certifications;
- Large scale procurement and storage capabilities; and
- Experienced Promoter and management team;

For further details, please refer to the paragraph titled “*Our Competitive Strengths*” in the section titled “*Business Overview*” on page 99 of this Draft Prospectus.

Quantitative Factors

Information presented below relating to the Company is based on the Restated Financial Statements. Some of the quantitative factors which form the basis or computing the price, are as follows:

1) Basic and Diluted Earnings Per Share (EPS)

| Year ended | Post- Bonus | | Pre-Bonus | |
|------------------------------|-----------------------|---------|-----------------------|---------|
| | Basic and Diluted EPS | Weights | Basic and Diluted EPS | Weights |
| March 31, 2020 | (0.09) | 1 | (0.30) | 1 |
| March 31, 2021 | 1.07 | 2 | 4.00 | 2 |
| March 31, 2022 | 1.66 | 3 | 6.20 | 3 |
| Weightage Average EPS | 1.17 | | 4.40 | |

Note:

- i. The face value of each Equity Share is Rs. 10.
- ii. Basic Earnings per share = Profit for the period / Weighted average number of equity shares outstanding during the period/year.
- iii. Diluted Earnings per share = Profit for the period / Weighted average number of potential equity shares outstanding during the period/year.
- iv. Weighted average is aggregate of year-wise weighted EPS divided by the aggregate of weights i.e. $\{(EPS \times Weight) \text{ for each year} \} / \{Total \text{ of weights} \}$
- v. Weighted average number of Equity Shares are the number of Equity Shares outstanding at the beginning of the period/ year adjusted by the number of Equity Shares issued during the period/ year multiplied by the time weighing factor. The time weighing factor is the number of days for which the specific shares are outstanding as a proportion of total number of days during the period/ year

- vi. On June 24, 2022 our Company issued bonus in the ratio of 277 Equity Shares for every 100 share held to the existing shareholders as fully paid bonus shares. For calculating the Weighted Average Number of Equity Shares for EPS above, these bonus shares have been considered in all the periods reported.
- vii. The figures disclosed above are based on the Restated Financial Statement of our Company.

2) Price to Earnings (P/E) ratio in relation to Issue Price Rs. [•]/- per Equity Share of Rs. 10.00/- each fully paid up

| Particulars | P/E ratio |
|---|-----------|
| P/E ratio based on Basic and diluted EPS as at March 31, 2022 | [•] |
| P/E ratio based on Weighted Average Basic and diluted EPS | [•] |
| *Industry | |
| Highest | NA |
| Lowest | NA |
| Average | NA |

*There are no listed companies in India that engage in a business similar to that of our Company.

3) Return on Net worth (RoNW)

Return on Net Worth (RoNW) as per restated financial statements (Standalone)

| Year Ended | RONW (%) | Weight |
|-------------------------------|----------|--------|
| March 31, 2020 | (4.95)% | 1 |
| March 31, 2021 | 36.68% | 2 |
| March 31, 2022 | 36.26% | 3 |
| Weightage Average RoNW | 29.53% | 6 |

Note: The figures disclosed above are based on the Restated Financial Statement of our Company. Return on Net worth has been calculated as per the following formula:

- Return on Net Worth (%) = Net Profit after tax attributable to owners of the Company, as restated / Net worth as restated as at year end.
- Weighted average = Aggregate of year-wise weighted RoNW divided by the aggregate of weights i.e. (RoNW x Weight) for each year/Total of weights.
- Net worth is aggregate value of the paid-up share capital of the Company and other equity, excluding revaluation reserves if any, as per Restated Financial Statements.

4) Net Asset Value (NAV)

| Particulars | Pre – Bonus | Post – Bonus |
|---|-------------|--------------|
| Net Asset Value per Equity Share as of March 31, 2021 | 10.97 | 2.91 |
| Net Asset Value per Equity Share as of March 31, 2022 | 17.21 | 4.56 |
| Net Asset Value per Equity Share after Issue | [•] | [•] |
| Issue Price | [•] | [•] |

Note: Net Asset Value has been calculated as per the following formula:

- NAV = $\frac{\text{Net worth excluding revaluation reserve}}{\text{Outstanding number of Equity shares outstanding during the year/period}}$

- ii. The figures disclosed above are based on the Restated Financial Statement of our Company
- iii. On June 24, 2022 our Company issued bonus in the ratio of 277 Equity Shares for every 100 shares held to the existing shareholders as fully paid bonus shares. For calculating the Weighted Average Number of Equity Shares for EPS above, these bonus shares have been considered in all the periods reported.

5) Comparison with industry peers

There are no listed companies in India that engage in a business similar to that of our Company. Accordingly, it is not possible to provide an industry P/E ratio.

6) The Issue price is [●] times of the face value of the Equity Shares

The Issue Price of Rs. [●] per equity share has been determined by the Company in consultation with the lead manager on the basis of an assessment of market demand for the equity shares through the fixed price issue process and on the basis of qualitative and quantitative factors.

Prospective investors should read the above-mentioned information along with “*Risk Factors*”, “*Business Overview*”, “*Management’s Discussion and Analysis of Financial Position and Results of Operations*” and “*Restated Financial Statements*” on pages 22, 99, 193 and 162 respectively, to have a more informed view. The trading price of the equity shares could decline due to the factors mentioned in the “*Risk Factors*” and you may lose all or part of your investments.

STATEMENT OF TAX BENEFITS

To,
The Board of Directors
Tapi Fruit Processing Limited
Office No. - 212 to 214 Sunrise Chambers,
Near Ashok Colony, Mini Bazar, Varachha Road,
Surat, Gujarat - 395006, India.

Subject: Statement of possible special tax benefits available to Tapi Fruit Processing Limited ('the Company') and shareholders prepared in accordance with applicable requirements of the SEBI (ICDR) Regulations 2018 ('SEBI ICDR Regulations')

We hereby report that the accompanying Statement states the possible special tax benefits available to the Company and shareholders of the Company (hereinafter referred to as "**the Statement**") under the Income Tax Act, 1961 (read with Income Tax Rules, circulars, notifications) as amended by the Finance Act, 2018 presently in force in India (together referred to as the "**Direct Tax Laws**") and The Goods and Service Tax Act, 2017 & Customs Act, 1962 (read with rules, circulars, notifications) presently in force in India (together referred to as, the "**Indirect Tax Laws**").

These possible special tax benefits are dependent on the Company and / or the Company' shareholders fulfilling the conditions prescribed under the relevant Tax Laws, Indirect Tax Laws and other laws. Hence, the ability of the Company or the Company' s shareholders to derive these possible special tax benefits is dependent upon their fulfilling such conditions, which is based on business imperatives the Company may face in the future and accordingly, the Company or the Company's shareholders may or may not choose to fulfil. The Company has a Subsidiary as on date of the Draft Prospectus & Prospectus

Management responsibility for the statement

The preparation of this Statement is the responsibility of the Management of the Company. This responsibility includes designing, implementing and maintaining internal control relevant to the preparation and presentation of the Statement, and applying an appropriate basis of preparation; and making estimates that are reasonable in the circumstances. The Management is also responsible for identifying and ensuring that the Company complies with the laws and regulations applicable to its activities.

Auditor's Responsibility

Our work has been carried out in accordance with Standards on Auditing, the Guidance Note on Reports or Certificates for Special Purposes (Revised 2016) and other applicable authoritative pronouncements issued by the Institute of Chartered Accountants of India (the 'ICAI'). The Guidance Note requires that we comply with ethical requirements of the Code of Ethics issued by the ICAI.

Pursuant to the Securities and Exchange Board of India (Issue of Capital and Disclosure Requirements) Regulations 2018, as amended (the 'SEBI ICDR Regulations') and the Companies Act, 2013 (the 'Act'), it is our responsibility to report whether the Statement prepared by the Company, presents, in all material respects, the possible special tax benefits available to the Company and the shareholders of the Company, in accordance with the Indirect Tax Regulations as at the date of our report.

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

Our work was performed solely to assist you in meeting your responsibilities in relation to your compliance with the Act and the SEBI ICDR Regulations in connection with the Issue

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

- a. the Company or its shareholders will continue to obtain these possible special tax benefits in future; or
- b. the conditions prescribed for availing the possible special tax benefits, where applicable, have been/would be met with; and

The contents of this Statement are based on the information explanations and representations obtained from the Company and on the basis of our understanding of the business activities and operations of the Company. No assurance is given that the revenue authorities/ courts will concur with the views expressed herein. Our views are based on the existing provisions of law and its interpretation, which are subject to change from time to time. We do not assume responsibility to update the views consequent to such changes. We conducted our examination in accordance with the "Guidance Note on Reports or Certificates for Special Purposes (Revised 2019)" ("Guidance Note") issued by the Institute of Chartered Accountants of India the Guidance Note requires that we comply with ethical requirements of the Code of Ethics issued by the Institute of Chartered Accountants of India.

Inherent Limitations

We draw attention to the fact that the Statement includes certain inherent limitations that can influence the reliability of the information. Several of the benefits mentioned in the accompanying Statement are dependent on the Company or its shareholders fulfilling the conditions prescribed under the relevant provisions of the tax laws. Hence, the ability of the Company or its shareholders to derive the tax benefits is dependent upon fulfilling such conditions, which may or may not be fulfilled. The benefits discussed in the accompanying Statement are not exhaustive.

The Statement is only intended to provide general information to the investors and is neither designed nor intended to be a substitute for professional tax advice. In view of the individual nature of the tax consequences and the changing tax laws, each investor is advised to consult his or her own tax consultant with respect to the specific tax implications arising out of their participation in the Issue.

Further, we give no assurance that the Revenue Authorities / Courts will concur with our views expressed herein. Our views are based on the existing provisions of law and its interpretation, which are subject to change from time to time. We do not assume responsibility to update the views consequent to such changes.

Opinion

In our opinion, the Statement prepared by the Company presents, in all material respects, the possible special tax benefits available, to the Company and its shareholders, in accordance with the Indirect Tax Regulations as at the date of our report.

Considering the matter referred to in paragraph 8 above, we are unable to express any opinion or provide any assurance as to whether:

- (i) The Company or its shareholders will continue to obtain the benefits as per the Statement in future; or
- (ii) The conditions prescribed for availing the benefits as per the Statement have been / would be met with.

Restriction of use

This report is addressed to and provided to the Board of Directors of the Company solely for the purpose of enabling it to comply with its obligations under the Equity Listing Agreement to submit the accompanying Statement to the Audit Committee accompanied by a report thereon from the statutory auditors and should not be used by any other person or for any other purpose. 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.

This report is addressed to and is provided to enable the Board of Directors of the Company to include this report in the DP and Prospectus, prepared in connection with the Issue to be filed by the Company with the Securities and Exchange Board of India and the concerned stock exchange

We hereby give consent to include this Statement in the Draft Prospectus and Prospectus in connection with the proposed initial public offering of the Company.

For Kansariwala & Chevli
Chartered Accountants

Sd/-

CA Ashok H Chevli
Partner
Mem No. 038259
FRN No. 123689W
Peer Reviewed Number: 011854
UDIN: 22038259ANSPYZ9206
Place: Surat
Dated: July 23, 2022

Enclosure: Annexure I

Annexure 1

STATEMENT OF POSSIBLE SPECIAL TAX BENEFITS AVAILABLE TO THE COMPANY AND COMPANY'S SHAREHOLDERS

Outlined below are the possible special tax benefits available to **Tapi Fruit Processing Limited**. ("the Company") and to its Shareholders under the Act as amended by the Finance Act, 2021 presently in force in India, applicable for the period April 1, 2021 to March 31, 2022.

A. SPECIAL TAX BENEFITS AVAILABLE TO THE COMPANY

(A) Direct Tax

As per section 115BAA of the Act, the Company has an option to pay income tax in respect of its total income at a concessional tax rate of 25.168% (including applicable surcharge and cess) subject to satisfaction of certain conditions with effect from Financial Year 2020-21 (i.e. Assessment Year 2021-22). Such option once exercised shall apply to subsequent assessment years.

In such a case, the Company will not be allowed to claim any of the following deductions/exemptions under the Act:

- 1) Deduction under the provisions of section 10AA of the Act (deduction for units in Special Economic Zone)
- 2) Deduction under clause (iia) of sub-section (1) of section 32 of the Act (Additional depreciation)
- 3) Deduction under section 32AD of the Act or section 33AB of the Act or section 33ABA of the Act (Investment allowance in backward areas, Investment deposit account, site restoration fund)
- 4) Deduction under sub-clause (ii) or sub-clause (iia) or sub-clause (iii) of sub-section (1) or sub-section (2AA) or subsection (2AB) of section 35 of the Act (Expenditure on scientific research)
- 5) Deduction under section 35AD of the Act or section 35CCC of the Act (Deduction for specified business, agricultural extension project)
- 6) Deduction under section 35CCD of the Act (Expenditure on skill development)
- 7) Deduction under any provisions of Chapter VI-A other than the provisions of section 80JJAA of the Act or Section 80M of the Act
- 8) Deduction under Section 80LA of the Act other than deduction applicable to a Unit in the International Financial Services Centre, as referred to in sub-section (1A) of section 80LA of the Act.
- 9) No set off of any loss carried forward or depreciation from any earlier assessment year, if such loss or depreciation is attributable to any of the deductions referred from clause (1) to (8) above
- 10) No set off of any loss or allowance for unabsorbed depreciation deemed so under section 72A of the Act, if such loss or depreciation is attributable to any of the deductions referred from clause (1) to (8) above.

Further, it was clarified by CBDT vide Circular No. 29/ 2019 dated 2 October 2019 that if the Company opts for concessional income tax rate under section 115BAA of the Act, the provisions of section 115JB of the Act regarding Minimum Alternate Tax (MAT) are not applicable. Additionally, such Company will not be entitled to claim tax credit relating to MAT.

In this regard, from Assessment Year 2021-22 relevant to Financial Year 2020-21 onwards the Company has decided to opt for the provisions of Section 115BAA of the Act and would be eligible for a reduced tax rate of 22% (effective rate of 25.168% along with Surcharge and Health and Education Cess) subject to fulfillment of above conditions.

Further, as per the provisions of Section 80M of the Act, dividend received by the Company from any other domestic company or a foreign company shall be eligible for deduction while computing its total income for the relevant year. The amount of such deduction would be restricted to the amount of dividend distributed by the Company to its shareholders on or before one month prior to due date of filing of its Income-tax return for the relevant year. Since the Company has investments in India, it may avail the above-mentioned benefit under Section 80M of the Act.

Subject to fulfillment of prescribed conditions, the Company is entitled to claim deduction, under the provisions of Section 80JJAA of the Act, of an amount equal to thirty per cent of additional employee cost (relating to specified category of employees) incurred in the course of business in the previous year, for three assessment years including the assessment year relevant to the previous year in which such employment is provided.

(B) Indirect Tax

I. Special tax benefits available to the Company

1. Advance authorization

Advance Authorisation is a scheme under FTP that allows duty free import of inputs, which are physically incorporated in an export product. In addition to any inputs, packaging material, fuel, oil, catalyst which is consumed / utilized in the process of production of export product, is also allowed to be imported duty free the quantity of inputs allowed for a given product is based on specific norms defined for that export product. The Directorate General of Foreign Trade (DGFT) provides a sector - wise list of Standard Input - Output Norms (SION) under which the exporters may choose to apply. Alternatively, exporters may apply for their own ad - hoc norms in cases where the SION does not suit the exporter. The inputs imported are exempt from duties like Basic Customs Duty, Additional Customs Duty, Education Cess, Anti-dumping duty, Safeguard Duty and Transition Product - Specific Safeguard duty, Integrated tax, and Compensation Cess, wherever applicable, subject to certain conditions. Advance Authorisation covers manufacturer exporters or merchant exporters tied to supporting manufacturer(s)

2. Export Promotion Capital Goods (EPCG) Scheme

The objective of the Export Promotion Capital Goods (EPCG) Scheme is to facilitate import of capital goods for producing quality goods and services and enhance manufacturing competitiveness. EPCG Scheme allows import of capital goods that are used in pre-production, production and post-production without the payment of customs duty. Capital goods imported under. The benefit under the scheme is subject to an export value equivalent to 6 times of duty saved on the importation of such capital goods within 6 years from the date of issuance of the authorization. EPCG scheme covers manufacturer exporters with or without supporting manufacturer(s), merchant exporters tied to supporting manufacturer(s) and service providers

Notes: 1. The above Statement of Indirect Tax benefits sets out the special tax benefits available to the Company and its shareholders under the Indirect Tax laws mentioned above 2. The above Statement covers only above-mentioned tax laws benefits and does not cover any Income Tax law benefits or benefits under any other law. 3. This Statement is intended only to provide general information to the investors and is neither designed nor intended to be a substitute for professional tax advice. In view of the individual nature of tax consequences, each investor is advised to consult his/her own tax advisor with respect to specific tax consequences of his/her investment in the shares of the Company. No assurance is given that the revenue authorities/courts will concur with the views expressed herein. Our views are based on the existing provisions of law and its interpretation, which are subject to changes from time to time. We do not assume responsibility to update the views consequent to such changes.

B. SPECIAL TAX BENEFITS AVAILABLE TO THE SHAREHOLDERS OF THE COMPANY

1. **Direct Tax**

Dividend income earned by the shareholders would be taxable in their hands at the applicable rates. However, in case of domestic corporate shareholders, deduction under Section 80M of the Act would be available on fulfilling the conditions (as discussed above). Further, in case of shareholders who are individuals, Hindu Undivided Family, Association of Persons, Body of Individuals, whether incorporated or not and every artificial juridical person, surcharge would be restricted to 15%, irrespective of the amount of dividend.

As per Section 112A of the Act, long-term capital gains arising from transfer of an equity share, or a unit of an equity-oriented fund or a unit of a business trust shall be taxed at 10% (without indexation) of such capital gains subject to fulfillment of prescribed conditions under the Act as well as per Notification No. 60/2018/F.No.370142/9/2017-TPL dated 01 October 2018. It is worthwhile to note, that tax shall be levied where such capital gains exceed INR 1,00,000/-

Except for the above, the Shareholders of the Company are not entitled to any other special direct tax benefits under the Act.

Notes:

1. These special direct tax benefits are dependent on the Company or its shareholders fulfilling the conditions prescribed under the relevant provisions of the Act. Hence, the ability of the Company or its shareholders to derive the tax benefits is dependent upon fulfilling such conditions, which based on the business imperatives, the Company or its shareholders may or may not choose to fulfill.
2. The special direct tax benefits discussed in the Statement are not exhaustive and are only intended to provide general information to the investors and hence, are neither designed nor intended to be a substitute for professional tax advice. In view of the individual nature of the tax consequences and the changing tax laws, each investor is advised to consult his or her own tax consultant with respect to the specific tax implications arising out of their participation in the issue.
3. The Statement has been prepared on the basis that the shares of the Company are to be listed on a recognized stock exchange in India and the Company will be issuing equity shares.
4. The Statement is prepared on the basis of information available with the Management of the Company and there is no assurance that:
5. the Company or its shareholders will continue to obtain these benefits in future;
6. the conditions prescribed for availing the benefits have been/ would be met with; and
7. the revenue authorities/courts will concur with the view expressed herein.
8. This Annexure covers only certain relevant direct tax law benefits and does not cover any indirect tax law benefits or benefits under any other law.
9. In respect of non-resident shareholders, the tax rates and consequent taxation will be further subject to any benefits available under the relevant Double Tax Avoidance Agreement(s), if any, between India and the country in which the non-resident has fiscal domicile.
10. No assurance is provided 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.

2. **Indirect Tax**

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

SECTION V – ABOUT THE COMPANY

INDUSTRY OVERVIEW

Industry publications are prepared based on information as at specific dates and may no longer be current or reflect current trends. The information in this section is also derived from extracts from publicly available information, data and statistics and has been derived from various government publications and industry sources. The information has not been independently verified by us, the Lead Manager, or any of our or their respective affiliates or advisors. The data may have been re-classified by us for the purposes of presentation.

*Accordingly, investment decisions should not be based on such information. For additional details, including the disclaimers associated with the Industry Report, see “**Certain Conventions, Presentation of Financial, Industry and Market Data and Currency of Presentation – Industry and Market Data**” on page 14 of this Draft Prospectus.*

FAST MOVING CONSUMER GOODS INDUSTRY

INTRODUCTION

Fast-moving consumer goods (FMCG) sector is India's fourth-largest sector with household and personal care accounting for 50% of FMCG sales in India. Growing awareness, easier access and changing lifestyles have been the key growth drivers for the sector. The urban segment (accounts for a revenue share of around 55%) is the largest contributor to the overall revenue generated by the FMCG sector in India. However, in the last few years, the FMCG market has grown at a faster pace in rural India compared to urban India. Semi-urban and rural segments are growing at a rapid pace and FMCG products account for 50% of the total rural spending.

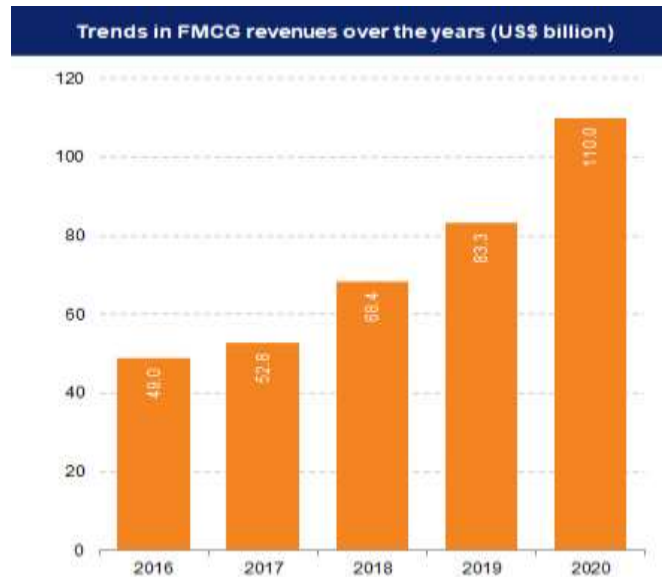
Favourable demographics and rise in income level will boost the FMCG market. The FMCG market in India is expected to increase at a CAGR of 14.9% to reach US\$ 220 billion by 2025, from US\$ 110 billion in 2020. The urban segment contributes to about 55% of the revenue share, while the rural segment accounts for 45%. Rise in rural consumption will drive the FMCG market.

In September 2021, rural consumption of FMCG increased 58.2% YoY; this is 2x more than the urban consumption (27.7%). The Indian FMCG industry grew by 16% in CY21 a 9-year high, despite nationwide lockdowns. In June 2021, MoM growth in FMCG sales value in urban and rural markets was 63.6% and 32.8%, respectively. Tier-II cities led the way in urban growth, with a 23.7% MoM increase in monthly stocking per kirana, whereas stocking in rural kiranas only climbed by 2%. The FMCG sector's revenue growth will double from 5-6% in FY21 to 10-12% in FY22, according to CRISIL Ratings. Price increases across product categories will offset the impact of rising raw material prices, along with volume growth and resurgence in demand for discretionary items, are driving growth. Number of households shopping on modern-trade channel grew 29.15% YoY in the September quarter and shopping volume on the channel went up by 19.2% YoY.



(Source : <https://www.ibef.org/industry/fmccg>)

MARKET SIZE



The FMCG market in India is expected to increase at a CAGR of 14.9% to reach US\$ 220 billion by 2025, from US\$ 110 billion in 2020. The Indian FMCG industry grew by 16% in CY21 a 9-year high, despite nationwide lockdowns, supported by consumption-led growth and value expansion from higher product prices, particularly for staples. The rural market registered an increase of 14.6% in the same quarter and metro markets recorded positive growth after two quarters. Final consumption expenditure increased at a CAGR of 5.2% during 2015-20. According to Fitch Solutions, real household spending is projected to increase 9.1% YoY in 2021, after contracting >9.3% in 2020 due to economic impact of the pandemic. The FMCG sector's revenue growth will double from 5-6% in FY21 to 10-12% in FY22, according to CRISIL Ratings. Price increases across product categories will offset the impact of rising raw material prices, along with volume growth and resurgence in demand for discretionary items, are driving growth. The FMCG sector grew by 36.9% in the April-June quarter of 2021 despite lockdowns in various parts of the country. Number of households shopping on modern-trade channel grew 29.15% YoY in the September quarter and shopping volume on the channel went up by 19.2% YoY.

In September 2021, rural consumption of FMCG increased 58.2% YoY; this is 2x more than the urban consumption (27.7%). In the third quarter of FY20 in rural India, FMCG witnessed a double-digit growth recovery of 10.6% due to various government initiatives (such as packaged staples and hygiene categories); high agricultural produce, reverse migration, and a lower unemployment rate. Rise in rural

consumption will drive the FMCG market. The Indian processed food market is projected to expand to US\$ 470 billion by 2025, up from US\$ 263 billion in 2019-20. FMCG giants such as Johnson & Johnson, Himalaya, Hindustan Unilever, ITC, Lakmé and other companies (that have dominated the Indian market for decades) are now competing with D2C-focused start-ups such as Mamaearth, The Moms Co., Bey Bee, Azah, Nua and Pee Safe. Market giants such as Revlon and Lotus took ~20 years to reach the Rs. 100 crore (US\$ 13.4 million) revenue mark, while new-age D2C brands such as Mamaearth and Sugar took four and eight years, respectively, to achieve that milestone.

Companies with dedicated websites recorded an 88% YoY rise in consumer demand in 2020. Since then, more businesses have begun to adopt the D2C model, and India is now home to >800 D2C brands looking at a US\$ 101 billion opportunity by 2025. E-commerce companies reported sales worth US\$ 9.2 billion across platforms in October and November (2021), driven by increased shopping during the festive season. With festive season sales, Flipkart Group emerged as the leader with a 62% market share. Advertising volumes on television recorded healthy growth in the July-September quarter, registering 461 million seconds of advertising, which is the highest in 2021. FMCG continued to maintain its leadership position with 29% growth in ad volumes against the same period in 2019. Even the e-commerce sector showed a healthy 26% jump over 2020.

(Source : <https://www.ibef.org/industry/fmcg>)

INVESTMENTS

The Government has allowed 100% Foreign Direct Investment (FDI) in food processing and single-brand retail and 51% in multi-brand retail. This would bolster employment, supply chain and high visibility for FMCG brands across organized retail markets thereby bolstering consumer spending and encouraging more product launches. The sector witnessed healthy FDI inflows of US\$ 20.01 billion from April 2000-December 2021.

Some of the recent developments in the FMCG sector are as follows:

1. In February 2022, Dabur India, formed an exclusive partnership with energy provider Indian Oil, which will give Dabur's products direct access to around 140 million Indane LPG consumer households across India.
2. Because, a startup in India, is revolutionising the FMCG market with low-cost, environmentally-friendly consumer goods.
3. In February 2022, Dabur India achieved its goal to collect, process, and recycle approximately 22,000MT of post-consumer plastic three months early.
4. In February 2022, Marico Ltd announced its aims to achieve net-zero emissions by 2040 in its global operations.
5. In November 2021, Tata Consumer Products (TCPL) signed definitive agreements to acquire 100% equity shares of Tata Smart Foodz Limited (TSFL) from Tata Industries Limited for a cash consideration of Rs. 395 crore (US\$ 53.13 million). This move was in line with TCPL's strategic intent to expand into the value-added categories.
6. In November 2021, Unilever Plc agreed to sell its global tea business to CVC Capital Partners for EUR 4.5 billion (US\$ 5.1 billion). The business being sold—Ekaterra—hosts a portfolio of 34 tea brands, including Lipton, PG Tips, Pukka Herbs and TAZO.
7. In November 2021, McDonald's India partnered with an FMCG company ITC to add a differentiated fruit beverage, B Natural, to its Happy Meal, which will be available across all McDonald's restaurants in South and West India, primarily catering to children aged 3–12 years.

8. In October 2021, Procter & Gamble announced an investment of Rs. 500 crore (US\$ 66.8 million) in rural India.
9. In September 2021, PepsiCo commissioned its Rs. 814 crore (US\$ 109.56 million) Kosi Kalan foods facility in Mathura, Uttar Pradesh; it is the company's largest greenfield manufacturing investment in India.
10. In September 2021, Vahdam India, an Indian tea brand, raised Rs. 174 crore (US\$ 24 million) as part of its Series D round led by IIFL AMC's Private Equity Fund.
11. In September 2021, RP-Sanjiv Goenka Group entered the personal-care segment by launching skin and haircare products, aiming at a revenue of Rs. 400-500 crore (US\$ 53.84-67.30 million) in the next 4-5 years
12. In September 2021, Adani Wilmar announced the opening of physical stores under the name 'Fortune Mart' that will exclusively sell Fortune and other Adani Wilmar brand products.
13. In August 2021, Apnklub, a Bengaluru-based B2B wholesale marketplace for consumer goods, raised US\$ 3.5 million in a seed round from Sequoia Capital India's Surge, increasing the total funds to US\$ 5 million.
14. In August 2021, Soothe Healthcare, an Indian personal hygiene products brand, raised Rs. 130 crore (US\$ 17.54 million) in a Series-C round of funding from A91 Partner Partners.
15. In August, Adani Wilmar, a 50/50 joint venture between Adani Group and Singapore-based Wilmar, filed for initial public offering (IPO) to raise up to Rs. 4,500 crore (US\$ 607.13 million) for expansion.
16. In the fourth quarter of FY21, e-commerce sales of Marico Ltd., Hindustan Unilever Ltd., Dabur India, ITC and Godrej Consumer Products Ltd. were 8%, 6%, 5%, 5%, and 4%, respectively, of the total FMCG sales.
17. In July 2021, Emami Ltd. increased its stake (by 15% to 46%) in Helios Lifestyle, which sells male-grooming products under The Man Company brand in line with its ambition to tap emerging online opportunities.
18. In July 2021, Tata Consumer Products Ltd. introduced 'Eight O'Clock', America's Original Gourmet Coffee, under D2C, besides Tata Coffee 1868 and Sonnets, as a part of its strategy to enhance its D2C approach for select coffee brands and their specific websites. The company plans to add more brands in the D2C space as these three coffee brands stabilise.
19. In July 2021, HUL launched in-store vending machine model, Smart Fill machine, for its home care products with the aim to reuse and recycle plastic. Smart Fill machine will allow consumers to reuse plastic bottles by refilling products from its brands like Surf Excel, Comfort and Vim.
20. As of June 2021, e-commerce share has already touched 7-8% for some of the largest FMCG companies in the country, according to Accenture India.
21. In June 2021, Dabur India announced its Rs. 550 crore (US\$ 75.6 million) investment to set up a new plant in Madhya Pradesh for manufacturing of food products, ayurvedic medicines and health supplements.
22. In May 2021, Tata Digital Ltd., a 100% subsidiary of Tata Sons, acquired a 64.3% stake in supermarket grocery supplies, the business-to-business arm of BigBasket in tandem with Tata Group's strategy to build a digital consumer ecosystem. According to the Economic Times, the deal is worth US\$ 1.8-2 billion.

23. In May 2021, Nepal-based CG Corp Global, known for its popular noodles brand Wai Wai, announced its plan to invest Rs. 200 crore (27.42 million) to set up two new manufacturing plants in West Bengal and Uttar Pradesh.

(Source : <https://www.ibef.org/industry/fmcb>)

GOVERNMENT INITIATIVES

Some of the major initiatives taken by the Government to promote the FMCG sector in India are as follows:

- In November 2021, Flipkart signed an MoU with the Ministry of Rural Development of the Government of India (MoRD) for their ambitious Deendayal Antyodaya Yojana – National Rural Livelihood Mission (DAY-NRLM) programme to empower local businesses and self-help groups (SHGs) by bringing them into the e-commerce fold.
- Companies are counting on recent budget announcements like direct transfer of Rs. 2.37 lakh crore (US\$ 30.93 billion) in minimum support payment (MSP) to wheat and paddy farmers and the integration of 150,000 post offices into the core banking system to expand their reach in rural India.
- On November 11, 2020, Union Cabinet approved the production-linked incentive (PLI) scheme in 10 key sectors (including electronics and white goods) to boost India's manufacturing capabilities, exports and promote the 'Atmanirbhar Bharat' initiative.
- Developments in the packaged food sector will contribute to increased prices for farmer and reduce the high levels of waste. In order to provide support through the PLI scheme, unique product lines—with high-growth potential and capabilities to generate medium- to large-scale jobs—have been established.
- The Government of India has approved 100% FDI in the cash and carry segment and in single-brand retail along with 51% FDI in multi-brand retail.
- The Government has drafted a new Consumer Protection Bill with special emphasis on setting up an extensive mechanism to ensure simple, speedy, accessible, affordable and timely delivery of justice to consumers.
- The Goods and Services Tax (GST) is beneficial for the FMCG industry as many of the FMCG products such as soap, toothpaste and hair oil now come under the 18% tax bracket against the previous rate of 23-24%. Also, GST on food products and hygiene products has been reduced to 0-5% and 12-18% respectively.
- GST is expected to transform logistics in the FMCG sector into a modern and efficient model as all major corporations are re modelling their operations into larger logistics and warehousing.

ADVANTAGES TO FMCG SECTOR

1. Growing demand

- The Indian processed food market is projected to expand to US\$ 470 billion by 2025, up from US\$ 263 billion in 2019-20.
- Rural India is witnessing increased demand for quality goods and services driven by upgraded distribution channels of FMCG companies.
- Rising digital connectivity in cities and rural areas is driving the demand for FMCG (through e-commerce portals).

2. Higher investments

- In September 2021, PepsiCo commissioned its Rs. 814 crore (US\$ 109.56 million) Kosi Kalan foods facility in Mathura, Uttar Pradesh; it is the company's largest greenfield manufacturing investment in India.
- In October 2021, Procter & Gamble announced an investment of Rs. 500 crore (US\$ 66.8 million) in rural India.

3. Policy support

- Investment approval of up to 100% foreign equity in single brand retail and 51 % in multi-brand retail.
- The union government's production linked incentive (PLI) scheme gives companies a major opportunity to boost exports with an outlay of US\$ 1.42 billion.
- The minimum capitalisation for foreign FMCG companies to invest in India is US\$ 100 million.

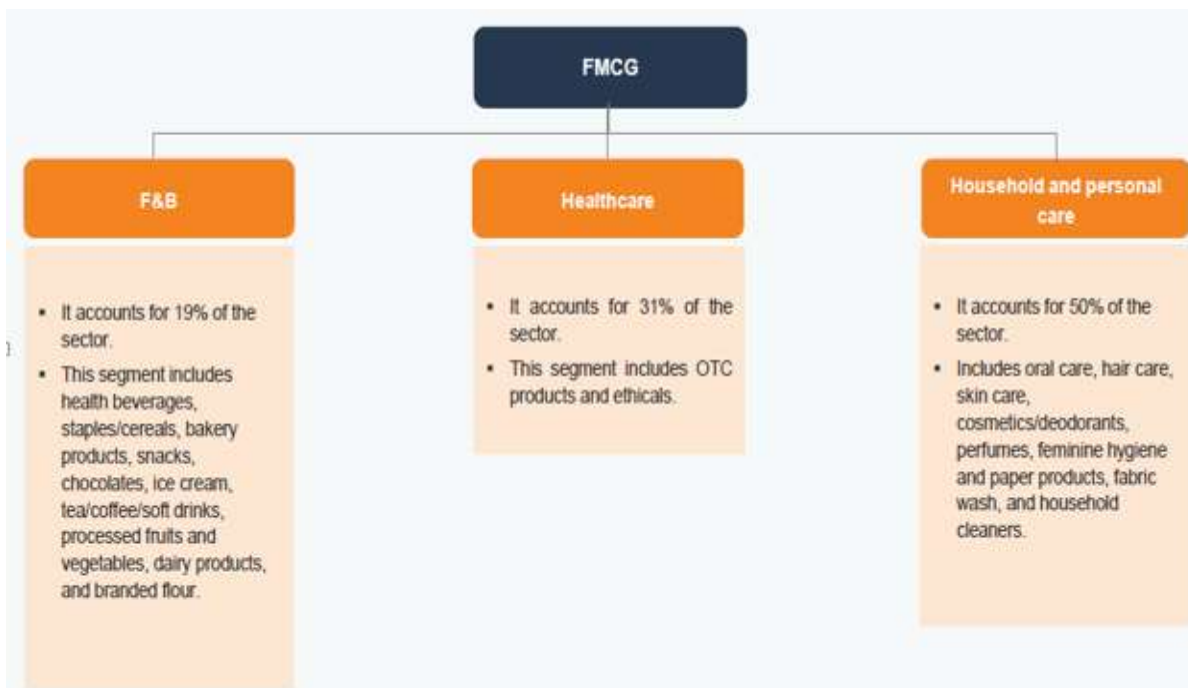
4. Attractive opportunities

- Low penetration levels in rural market offers room for growth.
- Dabur stepping-up product launches to sell only on E-commerce platforms.
- Disposable income in rural India has increased because of the direct cash transfer scheme.
- Exports is another growing segment.
- E-commerce segment is forecast to contribute 11% to the overall FMCG sales by 2030.

EVOLUTION OF FMCG IN INDIA

- FMCG market reached US\$ 110 billion in 2020.
- FMCG sales at India's organised retail stores rose 22 % y-o-y in 2018.
- The market is expected reach US\$ 220 billion by 2025.
- E-commerce share of total FMCG sales is expected to increase by 11% by 2030
- FMCG is the fourth-largest sector in the Indian economy.
- India's household and personal care is the leading segment, accounting for 50% of the overall market. Healthcare (31%) and food and beverages (F&B) (19%) comes next in terms of market share.
- Growing awareness, easier access and changing lifestyles have been the key growth drivers for the sector.

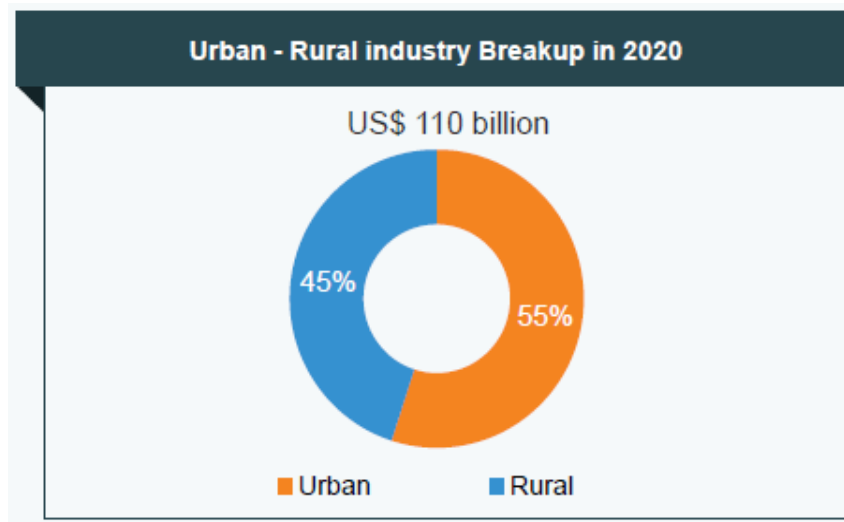
THREE MAIN SEGMENTS OF FMCG



STRONG GROWTH IN INDIAN FMCG SECTOR

- The FMCG sector's revenue reached US\$ 110 billion in 2020.
- FMCG sector will gain support for growth from Inland Waterways Authority of India (IWAI) multi-modal transportation project of freight village at Varanasi, which will bring together retailers, warehouse operators and logistics service providers, and investment worth Rs. 1.7 billion (US\$ 25.35 million).
- In September 2021, rural consumption of FMCG increased 58.2% YoY; this is 2x more than the urban consumption (27.7%).
- In September 2021, FMCG major Godrej Consumer Products, announced that it is looking at clocking a double-digit growth in FY22 with expansion across various segments.
- The Indian FMCG business rose by 16% in CY21, a 9-year high.
- In June 2021, MoM growth in FMCG sales in urban and rural markets was 63.6% and 32.8%, respectively. Tier-II cities led the way in urban growth, with a 23.7% MoM increase in monthly stocking per kirana, whereas stocking in rural kiranas only climbed by 2%.
- The FMCG sector's revenue growth will double from 5-6% in FY21 to 10-12% in FY22. Price increases across product categories will offset the price of raw materials, along with volume growth and a resurgence in demand for discretionary items, will drive growth.

URBAN MARKET ACCOUNTS FOR MAJOR CHUNK OF REVENUES



- Accounting for a revenue share of around 55%, urban segment is the largest contributor to the overall revenue generated by the FMCG sector in India.
- Rural segment is growing at a rapid pace and accounted for a revenue share of 45% in the overall revenues recorded by FMCG sector in India. FMCG products account for 50% of total rural spending.
- In the last few years, the FMCG market has grown at a faster pace in rural India compared to urban India.
- Demand for quality goods and services is on an upward trajectory in rural areas on the back of improved distribution channels of manufacturing and FMCG companies.
- The rural market registered an increase of 14.6% in the same quarter and metro markets recorded positive growth after two quarters.
- Number of households shopping on modern-trade channel grew 29.15% YoY in the September quarter and shopping volume on the channel went up by 19.2% YoY.

GROWTH DRIVERS FOR INDIA'S FMCG SECTOR

A. Shift To Organised Market

- Organised sector is expected to grow as the share of unorganized FMCG market has seen a fall with increased level of brand consciousness.
- Growth in modern retail will augment the growth of organized FMCG sector.

B. Increase In Penetration

- Low penetration levels of branded products in categories like instant foods indicating a scope for volume growth.
- Investment in this sector attracts investors as FMCG products have demand throughout the year.
- Increase in food parks to 17, food processing capacity to 1.41 million and food labs to 42.
- ITC to invest Rs. 700 crore (US\$ 100 million) in food parks in Madhya Pradesh.

- As of February 2021, out of 39 Mega Food Park projects, 22 are operational, 15 are under implementation and 2 are in-principle approval.

C. Rural Consumption

- Rural consumption has increased, led by a combination of increase in income and higher aspiration levels. There is an increased demand for branded products in rural India.

- Huge untapped rural market.

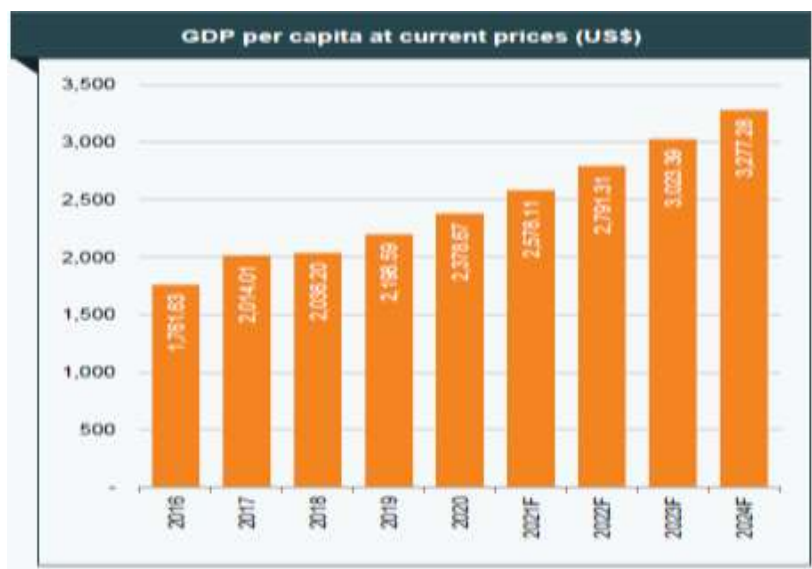
D. Easy Access

- Availability of products has become way easier as internet and different channels of sales has made the accessibility of desired product to customers more convenient at required time and place.

- Online grocery stores and online retail stores like Grofers, Flipkart, and Amazon are making FMCG products more readily available.

(Source : <https://www.ibef.org/industry/fmcb>)

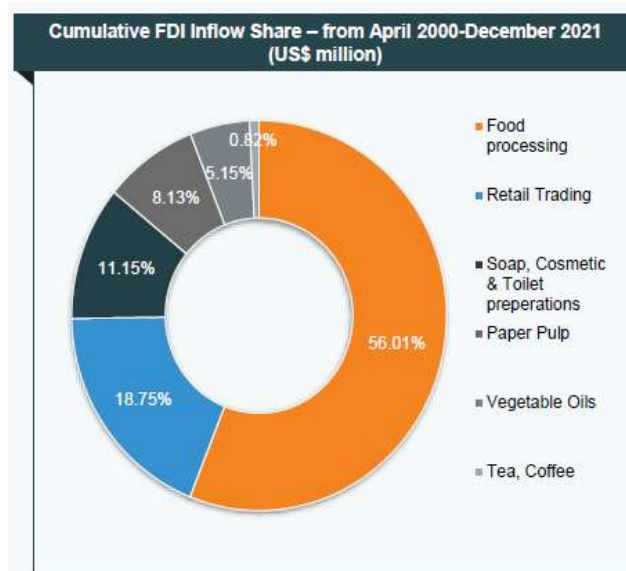
HIGHER INCOMES AID GROWTH IN URBAN AND RURAL MARKETS



- Incomes have risen at a brisk pace in India and will continue rising given the country's strong economic growth prospects.
- India's GDP per capita at current prices is expected to increase from US\$ 1,761.63 in 2016 to US\$ 3,277.28 in 2024.
- An important consequence of rising incomes is growing appetite for premium products, primarily in the urban segment.
- As the proportion of 'working age population' in total population increases, per capita income and GDP are expected to surge.

(Source : <https://www.ibef.org/industry/fmcb>)

BOOSTS IN FDI INFLOWS AND INVESTMENTS



- 100% FDI is allowed in food processing and single-brand retail and 51% in multi-brand retail.
- This would bolster employment and supply chains and provide high visibility for FMCG brands in organised retail markets, bolstering consumer spending and encouraging more product launches.
- The sector recorded an FDI of US\$ 20.01 billion between April 2000- December 2021.
- In August 2021, Apnaklub, a Bengaluru-based B2B wholesale marketplace for consumer goods, raised US\$ 3.5 million in a seed round from Sequoia Capital India's Surge, increasing the total funds to US\$ 5 million.
- In August 2021, Soothe Healthcare, an Indian personal hygiene products brand, raised Rs. 130 crore (US\$ 17.54 million) in a Series- C round of funding from A91 Partner Partners.
- In August 2021, Adani Wilmar, a 50/50 joint venture between Adani Group and Singapore-based Wilmar, filed for initial public offering (IPO) to raise up to Rs. 4,500 crore (US\$ 607.13 million) for expansion.
- In September 2021, PepsiCo commissioned its Rs. 814 crore (US\$ 109.56 million) Kosi Kalan foods facility in Mathura, Uttar Pradesh; it is the company's largest greenfield manufacturing investment in India.
- In September 2021, Vahdam India, an Indian tea brand, raised Rs. 174 crore (US\$ 24 million) as part of its Series D round led by IIFL AMC's Private Equity Fund.

GROWTH OPPORTUNITIES IN THE INDIAN FMCG INDUSTRY

1. Sourcing base

- Indian and multinational FMCG players can leverage India as a strategic sourcing hub for cost competitive product development and manufacturing to cater to international markets.

2. Penetration

- Low penetration levels offer room for growth across consumption categories.
- Major players are focusing on rural markets to increase their penetration in those areas.

3. **Online FMCG**

- The online FMCG market is projected to reach US\$ 65 billion in 2022 from the US\$ 20 billion recorded in 2017.

4. **Premium products**

- With the rise in disposable income, mid- and high-income consumers in urban areas have shifted their purchase trend from essential to premium products.
- Premium brands are manufacturing smaller packs of premium products. Example: Dove soap is available in 50g packaging.
- Nestle is looking to expand its portfolio in premium durables cereals, pet care, coffee, and skin health accessing the potential in India

5. **Innovative products**

- Indian consumers are highly adaptable to new and innovative products. For instance, there has been an easy acceptance of men's fairness creams and beard grooming products, flavoured yoghurt, cuppa mania noodles, gel based facial bleach, drinking yogurt, sugar free chyawanprash.

6. **Rural market**

- Leading players of consumer products have a strong distribution network in rural India. They also stand to gain from the contribution of technological advances like internet and e-commerce to better logistics.

ROAD AHEAD

Rural consumption has increased, led by a combination of increasing income and higher aspiration levels. There is an increased demand for branded products in rural India. On the other hand, with the share of unorganized market in the FMCG sector falling, the organized sector growth is expected to rise with increased level of brand consciousness, augmented by the growth in modern retail.

Another major factor propelling the demand for food services in India is the growing youth population, primarily in urban regions. India has a large base of young consumers who form majority of the workforce, and due to time constraints, barely get time for cooking.

Online portals are expected to play a key role for companies trying to enter the hinterlands. Internet has contributed in a big way, facilitating a cheaper and more convenient mode to increase a company's reach. The number of internet users in India is likely to reach 1 billion by 2025. It is estimated that 40% of all FMCG consumption in India will be made online by 2020. The online FMCG market is forecast to reach US\$ 45 billion in 2020 from US\$ 20 billion in 2017.

It is estimated that India will gain US\$ 15 billion a year by implementing GST. GST and demonetisation are expected to drive demand, both in the rural and urban areas, and economic growth in a structured manner in the long term and improved performance of companies within the sector.

(Source : <https://www.ibef.org/industry/fmcg>)

BUSINESS OVERVIEW

This chapter should be read in conjunction with, and is qualified in its entirety by, the more detailed information about our Company and its financial statements, including the notes thereto, in the sections titled “*Risk Factors*” and “*Financial Information*” and the chapter titled “*Management Discussion and Analysis of Financial Condition and Results of Operations*” beginning on page nos. 22, 162 and 193 respectively, of this Draft Prospectus. Unless the context otherwise requires, in relation to business operations, in this chapter of this Draft Prospectus, all references to “we”, “us”, “our” and “Our Company” are to Tapi Fruit Processing Limited as the case may be.

OVERVIEW

Our history and lineage traces back to Mr. Ghanshyam Laljibhai Lukhi, who savored the flavor of tooty fruity, a candy that is made out of raw papaya to start his business under the name of “Tapi Food Products” a sole proprietorship firm, in the year 1999. Our Company was incorporated as “Tapi Fruit Processing Private Limited” under the provisions of the Companies Act, 2013 on July 11, 2018, bearing Registration Number U15400GJ2018PTC103201 issued by the Registrar of Companies, Central Registration Centre with one of its main objectives being to acquire the running business of the proprietorship concern, M/s. Tapi Food Products. Pursuant to the incorporation of our Company, the entire business of the proprietorship was transferred to our Company with effect from July 11, 2018.

Subsequently, our Company was converted into a Public Limited Company pursuant to Special Resolution passed by the shareholders at the Extraordinary General Meeting dated July 04, 2022 and the name of our Company was changed to Tapi Fruit Processing Limited to reflect the legal status of our Company pursuant to conversion, a fresh certificate of incorporation was granted by the Registrar of Companies, Ahmedabad dated July 15, 2022 bearing Corporate Identification Number U15400GJ2018PLC103201.

We have over the years leveraged our understanding of our target markets and consumer segments, product innovation capabilities, extensive distribution network, strategically located manufacturing facilities, and have focused our marketing and promotional activities to strengthen our product brands and establish our brands across India.

Our diversified product portfolio includes three categories:

- *Candied, Crystallised and Glazed Fruit and Vegetable Products (“Candied Fruit”)*: These products are made out of 100% fruits and vegetables cooked in sugar syrup. Our products under this category includes tooty fruity, karonda cherry, amla candy. We sell these products under our brand “Tapi”, “MumMum” and “Boleto”.
- *Fruit Bar, Jellies, Fruit Jam & Fruit Leathers (“Fruit Jellies”)*: A product made out of natural fruit pulps dried and shaped in to roll form or bar forms. Our products under this category includes mango fruit rolls, tamarind bars etc. These are fruit jellies made from sugar, glucose, pectin along with fruit pulps added with flavours and colors. Our products under this category includes jelly balls, fruit bears, fruit jelly pops, Jams, fruit katli and jelly cubes. Fruit Jam made from sugar, glucose, pectin along with fruit pulps added with flavours and colors.
- *Chutney & Sauces*: In this category we sell Ketchup made from tomato paste under our brand “Tapi”.
- *Beverages*: Under this category our product includes fruit crush and fruit syrups. Our Company recently reintroduced its fruit syrups under its new packaging, with added fruit content.
- *Nutraceutical Products*: We manufacture herbal base nutraceutical products as gummies, fortified with minerals as a functional food. These products are available as multi vitamin gummies, etc.

We seek to differentiate ourselves from our competitors through introduction of new products, including launching innovative flavours targeted at addressing consumer taste, market trends and providing superior value and products to consumers. Our diversified product portfolio enables us to cater to a wide range of taste preferences and consumer segments, including adults and children. Our products in the Candied Fruit and Jellies, are primarily targeted at the children and youth while our other products are for all consumer segments. Our diversified product portfolio is therefore, relatively less susceptible to shifts in consumer preferences, market trends and risks of operating in a particular product segment.

We manufacture our nutraceutical range of products under the private labeling arrangement and contract manufacturing arrangements with our customers.

All our products are manufactured in-house at our manufacturing facilities located in Pipodara village, Distt. Surat, Gujarat, which enables us to have an effective control over the manufacturing process and to ensure consistent quality of our products. Our manufacturing facility is strategically located in proximity to our source of raw materials, which minimises freight and logistics related time and expenses. Our manufacturing facility is generally equipped with modern and semi-automated production processes, with specialized custom-made manufacturing equipment obtained from national and international suppliers. Our manufacturing facility is operated by a large number of rural women employed by our Company. We have received several quality certifications and accreditations, including certification from the ISO 22000:2018 and Food Safety and Standards Authority of India (FSSAI). Our Company has also made registration of our manufacturing facility with the U.S. Food and Drugs Administration which is valid till December 31, 2022.

Over the years, we have developed a large pan-India distribution network in the general trade and through our stockist, we also supply in the modern trade segment. During the Financial Year ended March 31, 2022, we distributed our products across 28 states and Union Territories in India, through our widespread network of 60 super-stockist. Our pan-India distribution network and well-established brand has enabled us to effectively and cost efficiently increase market penetration and expand our footprint across India.

We exported our products, through a network of 5 merchant exporters, under our brand as well as under third party private labels during the Financial Year ended March 31, 2022.

We have a successful track record of over two decades in the Indian food industry which has enabled us to develop an effective business model with stringent control over processes, including raw ingredient procurement, manufacturing operations, inventory management across our large range of products and SKUs, management of distribution logistics across India, as well as managing deemed export sales. We also have an information technology system that enables us to coordinate our operations from manufacturing to logistics and transport, inventory management, invoicing, cost management which help in making effective and meaningful decisions. We adhere to stringent product quality standards and closely track consumer preferences across segments from cross-section of markets in India and abroad.

We have established a track of consistent revenue growth and profitability, even during periods impacted by the COVID-19 pandemic. In Fiscal 2020, Fiscal 2021, and Fiscal 2022, our revenues from operations (net) were Rs. 1127.78 Lakhs, Rs. 1303.22 Lakhs and Rs.1509.90 Lakhs, respectively. In Fiscal 2020, Fiscal 2021, and Fiscal 2022, we recorded EBITDA of Rs. 96.90 Lakhs, Rs. 99.45 Lakhs and Rs. 122.13 Lakhs, respectively. We recorded a profit after tax of Rs. (0.86) Lakhs, Rs.10.06 Lakhs and Rs.15.60 Lakhs in Fiscal 2020, Fiscal 2021, and Fiscal 2022. The revenue from deemed export for the Fiscal 2020, Fiscal 2021, and Fiscal 2022 were Rs. 12.01 Lakhs, Rs. 16.85 Lakhs and Rs. 28.75 Lakhs, respectively. The following table sets forth certain key performance indicators for the periods indicated:

Rs. In Lakhs

| Particulars | Total Sales Volume | For the year ended March 31, 2022 | For the year ended March 31, 2021 | For the year ended March 31, 2020 |
|--------------------|---------------------------|--|--|--|
| Candied Fruit | 443.84 | 169.65 | 132.77 | 141.42 |
| Fruit Jellies | 3430.80 | 1318.19 | 1135.22 | 977.40 |
| Chutneys & Sauces | 46.64 | 17.08 | 26.70 | 2.86 |
| Beverages | 25.64 | 4.72 | 7.31 | 13.61 |
| Others | 17.99 | 6.69 | 1.31 | 10.00 |
| Total | 3964.91 | 1516.33 | 1303.31 | 1145.29 |

OUR STRENGTHS

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

We believe that we are amongst the few organized players in the Candied Fruit & Fruit Jellies segment of confectionaries with a well-established distribution network

We believe that we are one of the few organized players in the Candied Fruit and Jelly Bar & Fruit Bar segment of confectionaries, with a modern state of the art manufacturing facility in Gujarat and a well-established distribution network. We believe that we have been able to create a market for our products and expand our operation to achieve economies of scale that other unorganized producers of Candied Fruit are unable to do.

Our manufacturing facility and our manufacturing process has been tested by international certifying agencies like TUV India and has been found to adhere to the quality control parameters set by such agencies. We believe that by exercising greater control over the production process, from procurement of raw materials until distribution of the finished product, we have been able to achieve our goal of maintaining and enhancing the quality of our products.

We have an established network of super stockist who sell our products to dealers & distributors for further selling it to retail customers and a few bulk customers. Our super stockists also assist us in assessing demand for our products among consumer and such assessments are vital to us while setting monthly sale targets for our products. We believe that having access to an established super stockist network, as compared with most unorganized players in the Candied Fruit, Jellies, Fruit Bar & Fruit Leathers segment of confectionaries, helps us in catering to the demand for our products in the market, including in remote areas.

Wide spread and established sales and distribution network

Our extensive sales and distribution network allows us to reach a wide range of consumers and ensures effective penetration of our products and marketing campaigns. Our sales and distribution network is strategically spread across different states of India, and has an especially strong outreach in certain semi urban and rural markets, where we expect growth to be more significant. Points of sale for our products include general trade (which includes traditional retail points, such as kirana), super markets and convenience stores.

We distribute our products across 28 States and Union Territories in India, through our widespread network of super stockists. As on March 31, 2022, we have a distribution network comprising of 60 super stockists, supplying to wide range of customers through distributors and retail outlets. Our super stockist network is managed by our in- house sales team of over 3 personnel, as on June 30, 2022, who work closely with our super stockists to understand consumer preferences, and to receive feedback on our

products and that of our competition, which enables us to formulate an effective strategy for sales, marketing and pricing. We believe that, our extensive distribution network enables us to serve our customers and markets in an efficient and timely manner. We have supply to various supermarkets and retail store chains through our super-stockists.

We export our products through a channel of 5 merchant exporters. In Fiscal 2020, 2021 and 2022, our deemed export sales represented 1%, 1% and 2% of our sales. Our deemed export sales help to grow our geographical footprint and brand internationally.

The table below provides a channel-wise breakdown of our sales of food products in Fiscal 2020, 2021 and 2022:

Rs. In Lakhs

| Channel | Fiscal 2022 | | Fiscal 2021 | | Fiscal 2020 | |
|-------------------------------|-------------------|------------------------|--------------------|------------------------|--------------------|------------------------|
| | Amount (Rs Lakhs) | Percentage of Sale (%) | Amount (Rs. Lakhs) | Percentage of Sale (%) | Amount (Rs. Lakhs) | Percentage of Sale (%) |
| General Trade ⁽¹⁾ | 1480.89 | 97.66 | 1285.15 | 98.61 | 1123.28 | 98.08 |
| Deemed Exports ⁽²⁾ | 28.75 | 1.90 | 16.85 | 1.29 | 12.01 | 1.05 |
| Others ⁽³⁾ | 6.69 | 0.44 | 1.31 | 0.10 | 10.00 | 0.87 |
| Total | 1516.32 | 100.00 | 1303.31 | 100.00 | 1145.29 | 100.00 |

(1) Sales through superstockists and distributors.

(2) Export through merchant exporters.

(3) Includes other channels like bulk trade, third party manufacturing.

Our state-of-the-art manufacturing infrastructure, superior sourcing and stringent quality and food safety procedures

As of the date of this Draft Prospectus, we own and operate one manufacturing facility near Surat in Gujarat. As of March 31, 2022, the aggregate estimated installed capacity for these owned and operated manufacturing facilities was 3000 MTPA (2 shifts of 10 Hours each) .

Our existing manufacturing facility is strategically located in proximity to (i) our key raw ingredient supplies; and (ii) improve our distribution and supply of finished products, which results in reduced freight and logistics related time and cost. Our facility is located with easy access to sugar, papaya and packaging materials, which are primary ingredients for manufacturing of our products.

We maintain stringent quality control across the entire production chain, including sourcing, processing, manufacturing, packaging and distribution. The raw ingredients used in our products are of premium quality. Our manufacturing facility have obtained the ISO 22000:2018 certification, for quality and management system. Stringent quality control processes have been introduced, including for products that involve manual production, such as our tooty fruity, fruit leather, fruit crush, fruit bar and amla candy products.

Our sourcing strength is a result of strong relationship with our vendors, who have now been associated with us for approximately a decade. We purchase sugar from local traders. Packaging materials such as laminates & pouches material for our operations are sourced from M/s. K M Polypaks, corrugated boxes from M/s. Kraft Packaging, while laminates, poly-packs, trays and cartons are sourced from other local vendors.



Our sourcing strategy and strong relationships ensure consistent quality, competitive pricing and assured quantity in line with the growing demand of our products.

Diversified Product Portfolio

Align pace with the time and market demand, we have time to time diversified our product portfolio, consisting of Candied Fruits, Fruit Jellies, Chutney & Sauces, Beverages. Our diversified and innovative products portfolio has effectively enabled us to cater consumer trends. Further, as per customer convenience and needs, we offer such product in different size of packaging. This helps us to build brand recognition and customer loyalty.

Experienced promoter and management team

We believe that the experience of our Board of Directors and senior management team and their ability to deliver consistent revenue growth will aid our vision to organically and inorganically scale up our business in the coming years. Our Board is led by our Chairman and Managing Director, Ghanshyambhai Laljibhai Lukhi, a graduate in M.Sc. Organic Chem., LL. B is having extensive experience of over 25 years and industry knowledge and understanding. He has led our Company through sustained period of growth and has also taken initiatives such as introduction of new products by understanding consumer behaviour studies, focusing on branding and undertaking consumer engagement. We believe that Mr. Ghanshyambhai Lukhi's experience has helped us develop relationships with our vendors for the procurement of raw materials, institutional customers and our dealers and distributors. Mr. Ashokkumar Lukhi, our whole time director, is responsible for managing our finance and accounting function. Mr. Yash Lukhi is the youngest member to join the Board who is responsible for development of new product verticals and the business.

Our Board is supplemented by our senior and middle-level management team members. We believe that the knowledge and experience of our senior and middle-level management team in the food FMCG business provides us with a significant competitive advantage as we seek to grow our businesses. Our senior management team comprises of Production Manager, Purchase Manager, Inventory Manager, head of human resource and customer care, head of research and development, as well as our Chief Financial

Officer, Company Secretary and Compliance Officer. For further details, see “*Our Management*” on page 138.

OUR BUSINESS STRATEGY

Sustain our focus on semi urban and rural markets

We believe that our focus on semi urban and rural markets for our products and our ability to understand consumer preference in these markets, allows us to benefit from this growing sector where, as a result of difficulties with distribution and logistics, penetration of branded confectionaries and food accompaniments has been relatively slow. With our range of affordable products targeting children, under the ‘MumMum’, ‘Tapi’, and ‘Boleto’ brands, and our distribution network, we intend to consolidate and grow in these markets with an appropriate value proposition including price, quality, taste and packaging.

Expand our distribution network

We have an established and wide network of dealers that sell our products across 28 States and Union Territories of India, and are continually focusing on exploring opportunities to further penetrate into remote areas of such states by expanding our distribution network through new super stockist appointments. We plan to consolidate our presence across the Central and Western regions of India and will continue to assist our existing super stockist in enhancing their performance and improving their sales. The table below provide details of our super stockist territory wise.

| Sr. No. | States / Union Territories | Fiscal 2022 | Fiscal 2021 | Fiscal 2020 |
|----------------|--|--------------------|--------------------|--------------------|
| 1. | Gujarat | 8 | 7 | 5 |
| 2. | Maharashtra & Goa | 6 | 8 | 5 |
| 3. | Karnataka | 2 | 2 | 2 |
| 4. | Tamil Nadu | 1 | 1 | 1 |
| 5. | Andhra Pradesh | 1 | 1 | 1 |
| 6. | Telangana | 1 | 1 | 1 |
| 7. | Orissa | 1 | 1 | 1 |
| 8. | West Bengal | 4 | 3 | 3 |
| 9. | Assam, including Meghalaya, Mizoram, Tripura | 1 | 1 | 1 |
| 10. | Jammu & Leh Ladakh | 1 | 1 | 1 |
| 11. | Kashmir | 1 | 1 | 1 |
| 12. | Delhi | 3 | 2 | 1 |
| 13. | Punjab | 2 | 1 | 1 |
| 14. | Rajasthan | 5 | 5 | 5 |
| 15. | Madhya Pradesh | 2 | 2 | 2 |
| 16. | Bihar | 1 | 1 | 1 |

| Sr. No. | States / Union Territories | Fiscal 2022 | Fiscal 2021 | Fiscal 2020 |
|---------|----------------------------|-------------|-------------|-------------|
| 17. | Uttar Pradesh | 9 | 6 | 5 |
| 18. | Uttarakhand | 2 | 2 | 2 |
| 19. | Jharkhand | 1 | 1 | 1 |
| 20 | Himachal Pradesh | 1 | 1 | 1 |
| 21 | Chhattisgarh | 2 | 1 | 1 |
| | Total | 55 | 49 | 42 |

We seek to increase our presence in export markets by targeting to serve in developed and emerging countries through merchant exporter. We also plan to serve these markets directly by establishing relationship with reputed retail chains and distributors in order to access a more diversified customer base across geographies. We plan to increase our penetration in select export markets, such as USA and Canada, the MENA region, Africa and Europe. We are also in the process of participating in trade fairs in these export markets extensively to strengthen our presence in these markets. We also intend to increase our online presence by registering our products on various B-2-C and B-2-B online platforms.

We believe, we can expand our product reach by further enhancing our product portfolio in our existing markets and increasing our distribution network in new domestic as well as international markets.

Expand our product portfolio into nutraceutical segment

We will continue to expand our product portfolio and distribution reach, focus on increasing sales volumes, and strive to provide differentiated offerings to our consumers. We will leverage our extensive experience to solidify our industry position, by creating new products, entering new product categories and building new brands to capitalize on emerging trends. To cater to the demand for healthier options, we intend to launch a new variety of nutraceutical products under the modern food supplement segment through our subsidiary Tapi Wellness Private Limited. These are functional foods having nutritional values made from healthier ingredients including multiple vitamins and herbs. We intend to increase our research and development efforts on the product attributes that are most valued by our consumers, including taste, nutrition, food-safety and convenience. This would allow us to better serve increasing demand from consumers for healthier, tastier and higher quality food products and would enable us to further gain market share in the target segment.

We also intend to foray into nutraceutical gummies and probiotic JAM, Fruit Crush etc. We perceive this to be a higher margin segment where there is significant demand and growth potential which is relatively untapped. We intend to use our currently established distribution network to cover the new products we plan to introduce.

Continue to Focus on Strengthening Our Brands


We believe that our ability to differentiate our brand and our products from our competitors through our marketing and brand awareness programs is an important factor in attracting consumers. Further, our presence across multiple products such as Candied, Crystallised and Glazed Fruit and Vegetable Products (“Candied Products”), Fruit Jellies, Chutney & Sauces, Beverages has also enabled us to strengthen our brand visibility and we plan to leverage upon it to launch new products.

Our marketing plan comprises advertising in print media, digital, radio and outdoor promotional campaigns along with sponsorship tie-ups of sporting and cultural events across India. We intend to increase our brand awareness in existing markets through digital channels and build our visibility in retail stores through in-store branding activities. We plan to also focus more on digital marketing initiatives with

social media integration, influencer marketing and content marketing. This will result in greater brand awareness and increase in consumption of our products.

OUR PRODUCT PORTFOLIO

We have a diversified portfolio of products split largely into five categories.

| Category | Variants | Domestic / Exports | Product | MRP* |
|----------------------|--------------|--------------------|--|--------|
| Candied Fruit | Tooty Fruity | Domestic / Exports |  | 50-80 |
| | Mummum | Domestic |  | 1 |
| | Amla candy | Domestic / Exports |  | 20-110 |



| Category | Variants | Domestic / Exports | Product | MRP* |
|----------------------|----------------|--------------------|--|--------|
| | Karonda cherry | Domestic / Exports |  | 60-90 |
| Fruit Jam | Fruit Jam | Domestic / Exports |  | 2-160 |
| Fruit Jellies | Imali Ball | Domestic / Exports |  | 50-200 |
| | Jelly Ball | Domestic / Exports |  | 50-200 |

| Category | Variants | Domestic / Exports | Product | MRP* |
|----------|------------------|--------------------|--|--------|
| | Mango Ball | Domestic / Exports |  | 50-200 |
| | Kacchaa Aam Ball | Domestic / Exports |  | 50-200 |
| | Boleto | Domestic |  | 200 |
| | Jelly Cubes | Domestic |  | 50-950 |

| Category | Variants | Domestic / Exports | Product | MRP* |
|----------|---------------|--------------------|--|---------|
| | Mix Fruit Bar | Domestic / Exports |  | 50-80 |
| | Jelly Pop | Domestic / Exports |  | 150-250 |
| | Imali Pop | Domestic / Exports |  | 150-300 |
| | Fruit Bear | Domestic |  | 5 |

| Category | Variants | Domestic / Exports | Product | MRP* |
|---------------------------------------|------------------------|--------------------|--|------|
| | Fruit Gummies | Domestic / Exports |  | 20 |
| | Apple fruit Bar | Domestic / Exports |  | 150 |
| Fruit Bar & Fruit Leathers | Strawberry fruit katli | Domestic |  | 125 |
| | Guava fruit katli | Domestic |  | 125 |

| Category | Variants | Domestic / Exports | Product | MRP* |
|---------------------------|-----------------------------|--------------------|---|-------|
| | Pineapple fruit katli | Domestic |  | 125 |
| | Mango fruit katli | Domestic |  | 125 |
| | Orange fruit katli | Domestic |  | 125 |
| | Mango Fruit pop | Domestic |  | 150 |
| Chutney Sauces | & Tomato Ketchup | Domestic / Exports |  | 1-160 |

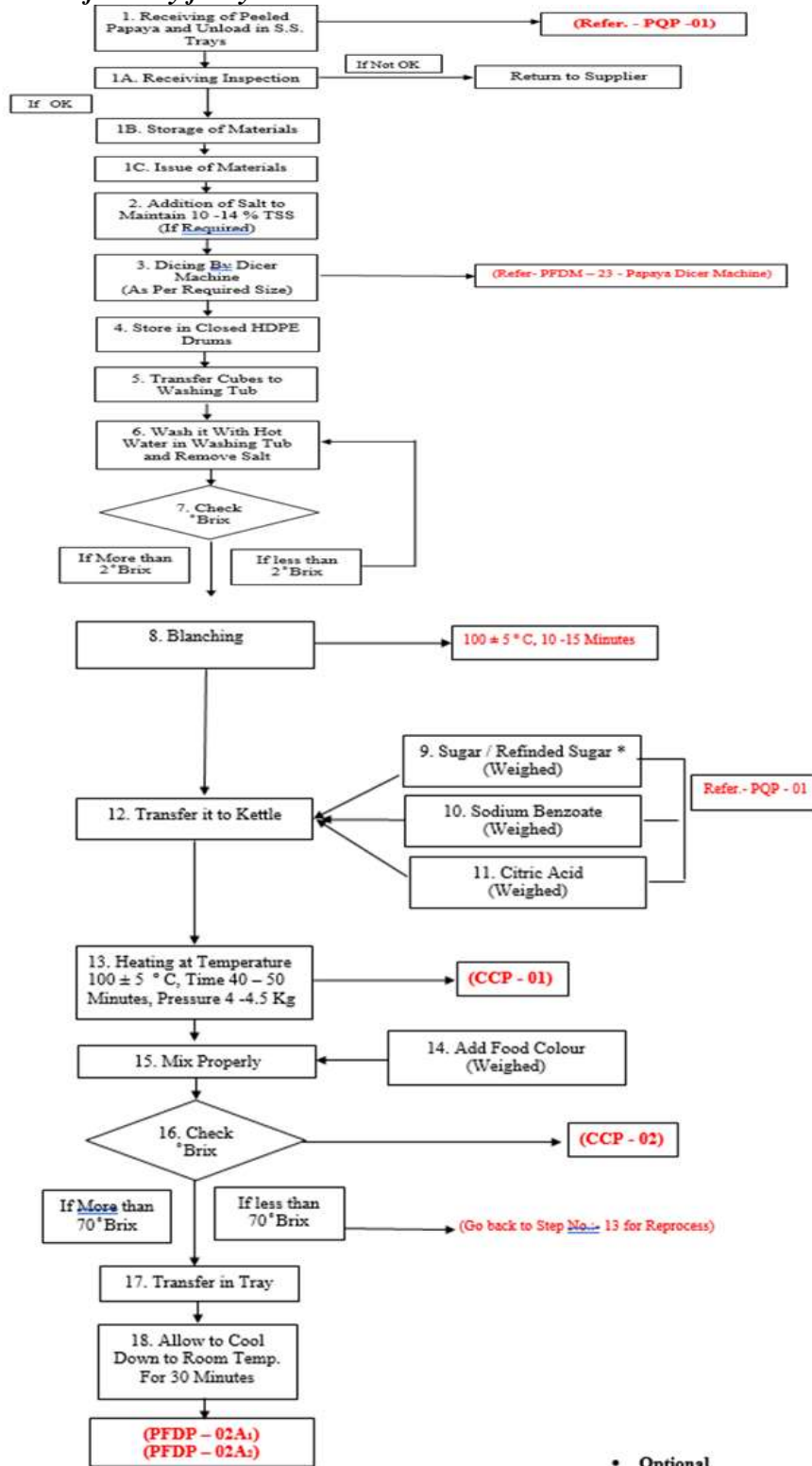
| Category | Variants | Domestic / Exports | Product | MRP* |
|------------------|---------------|--------------------|--|------|
| Beverages | Fruit Crushes | Domestic |  | 180 |
| | Fruit Syrups | Domestic |  | 110 |

* MRP ranges for sale in domestic market as on March 31, 2022

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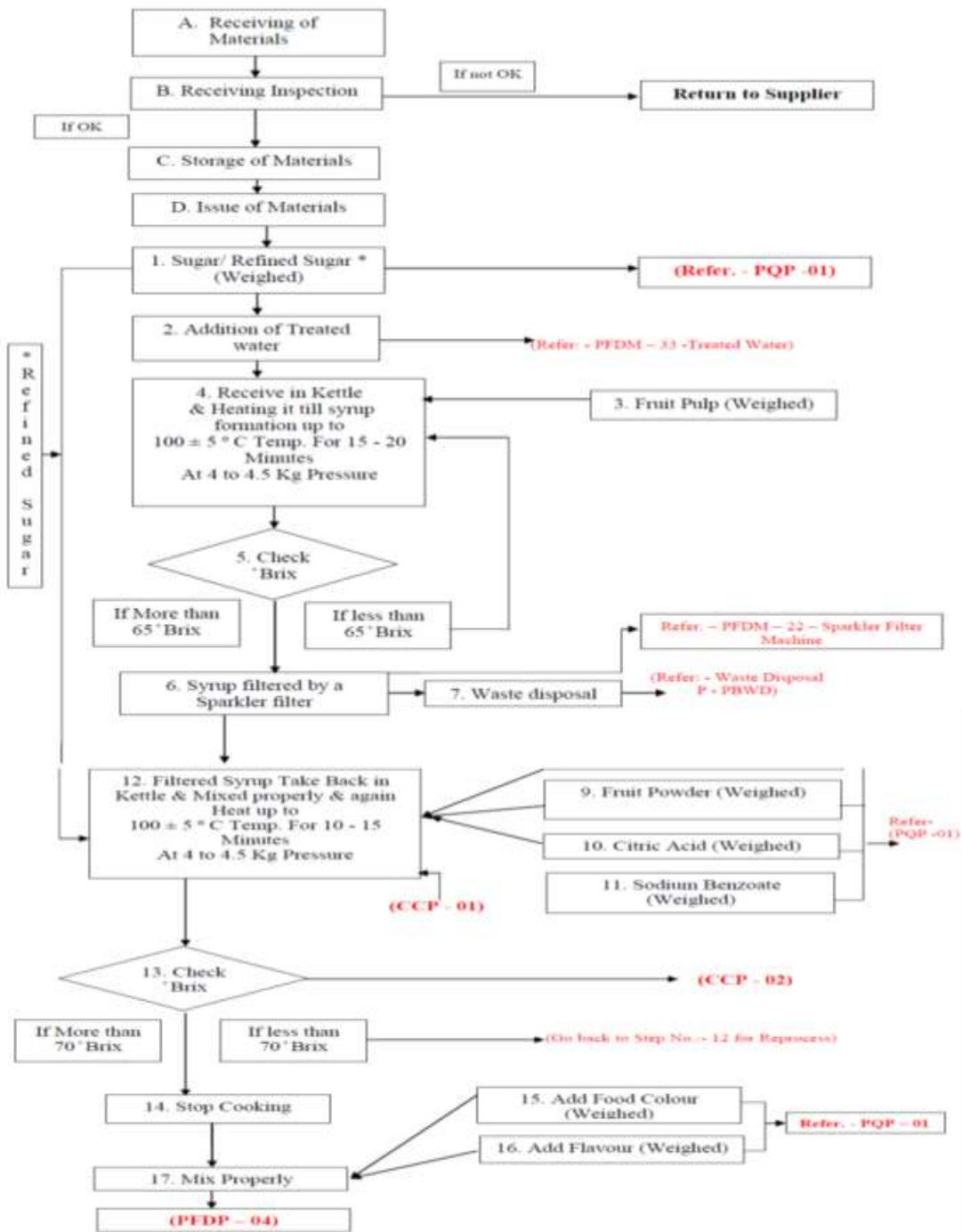
Our Operations

Production Process for tooty fruity

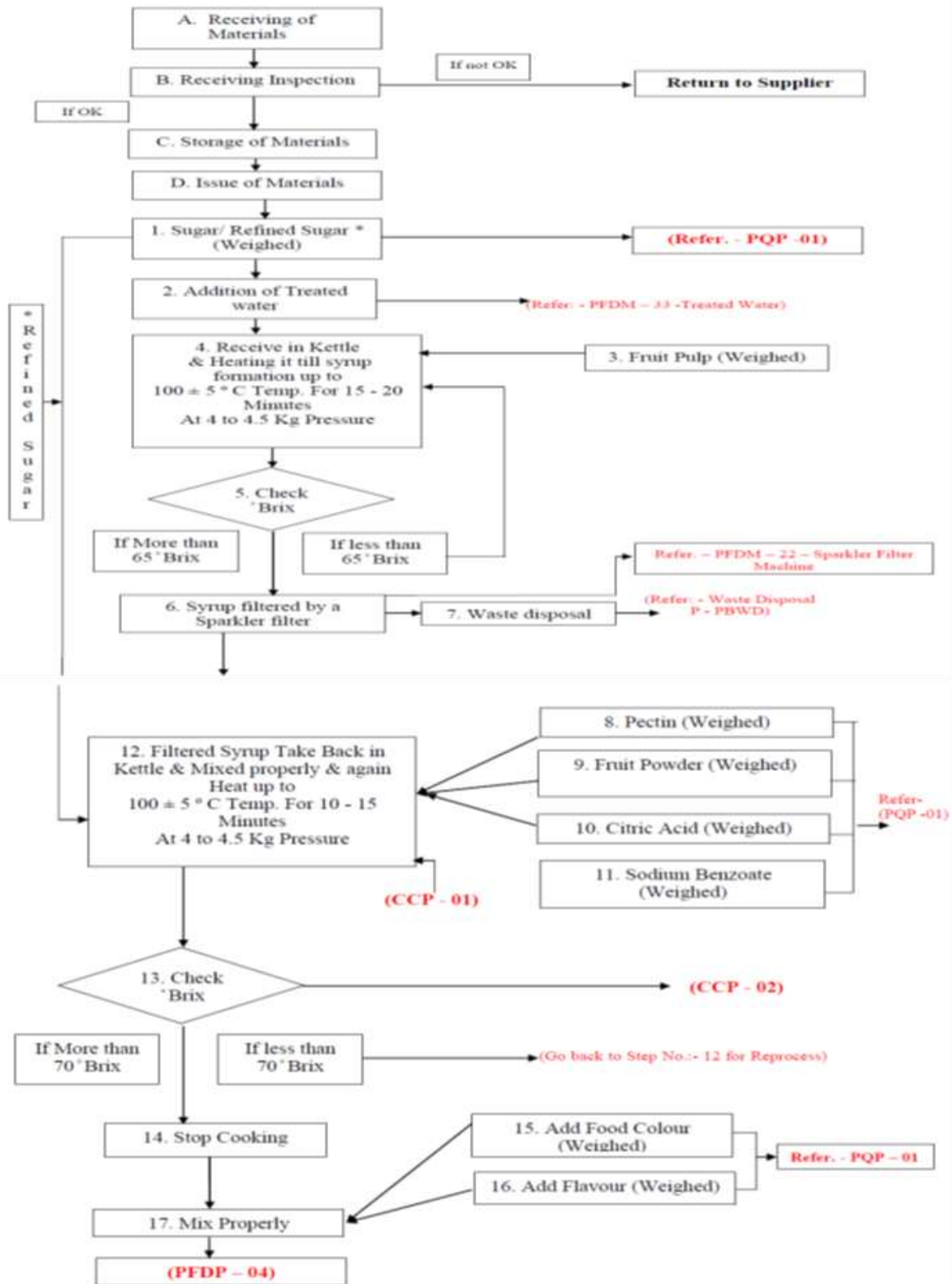


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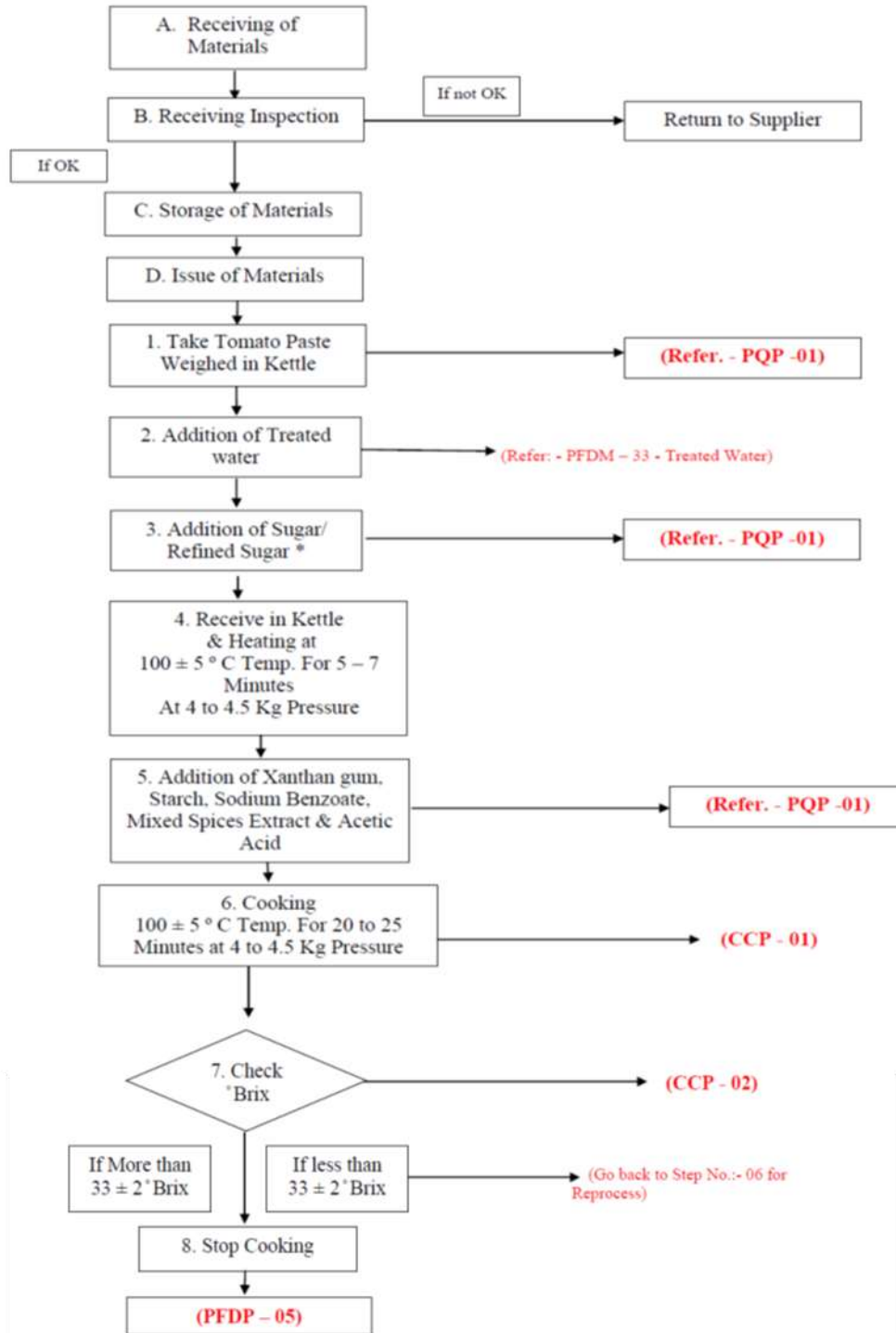
Production Process for Fruit Jellies



Production Process for Fruit Jam



Production Process for Tomato Ketchup



Our Manufacturing Facilities

We manufacture our products in our manufacturing facilities located in Pipodara village, Distt. Surat, Gujarat. Our manufacturing facilities are equipped with advanced equipment and modern technology. For

manufacturing our products, we have installed automated machineries, which help in maintaining consistent quality, increasing productivity and improving cost efficiency.

The following tables set forth the annual installed capacity of our manufacturing facility for each product segment for the respective period mentioned below:

MTPA

| Product Segment | Fiscal 2020 | Fiscal 2021 | Fiscal 2022 |
|--|-------------|-------------|-------------|
| Units for installed capacity (For 1 shift of 10 hours) | 1500 | 1500 | 1500 |
| Capacity Utilisation (%) in Financial Year 2022 | | | |
| Candied Fruits | 148.00 | 124.71 | 166.047 |
| Fruit Jellies* | 654.21 | 710.15 | 770.51 |
| Chutney & Sauces | 4.36 | 39.56 | 32.51 |
| Beverages | 32.19 | 13.80 | 8.14 |

*Includes gummies

As certified by the Independent Chartered Accountant RJD & Co., vide its certificate dated August 08, 2022

Plant & Machinery

| SR. NO. | LIST OF MACHINERIES | SR. NO. | LIST OF MACHINERIES |
|---------|---|---------|---|
| 1 | Dicer Machine | 32 | FFS Machine (Liquid Filling Machine) |
| 2 | Pulper Machine | 33 | Metal Detector Machine |
| 3 | Crusher Machine | 34 | Automatic Bottle Liquid Filling Machine |
| 4 | Boiler | 35 | Continues Sealing Machine |
| 5 | Peeling Machine | 36 | Hand Sealing Machine |
| 6 | Steam Kettle Jacketed (Til - Til Type) | 37 | Shrink Machine |
| 7 | Steam Kettle Jacketed (Horizontal Type) | 38 | Blower |
| 8 | Stirrer Machine | 39 | RO Plant Purifier |
| 9 | Depositor Candy Line Machine | 40 | ETP Water Purifier |
| 10 | Fixed Kettle | 41 | Homogenizer |
| 11 | Hot Air Dryer Room | 42 | Water Chiller |
| 12 | Sugar Sanding Machine | 43 | Air Dryer |
| 13 | Automatic Pillow Packing Machine | 44 | Balance Tank |
| 14 | Conveyor Belts (Packing Materials) | 45 | Hand Manually Dicer Machine (Jelly) |
| 15 | Foil -Hand Sealing Machine | 46 | Hand Manually Dicer Machine (Katli) |
| 16 | Batch Coding Machine | 47 | Sparkler Filter Machine |
| 17 | Adhesive Tape Sealing Machine | 48 | Generator |
| 18 | Strapping Machine (2 - Auto) (1- Semi Auto) | 49 | Automatic Labeling Machine -1 |
| 19 | Pedal Sealing Machine | 50 | Automatic Pillow Pack Machine |
| 20 | Semi Automatic - Pillow Pack (Jelly Pop) Machine | 51 | Automatic load cell Weighing Packing Machine |
| 21 | Biometric Machine | 52 | Adhesive Tape Sealing Machine |
| 22 | Winding/ Rewinding Machine | 53 | Automatics Strapping Machine Shrink Machine -2 |

| SR. NO. | LIST OF MACHINERIES | SR. NO. | LIST OF MACHINERIES |
|---------|---|---------|--|
| 23 | Liquid Transfer Pump | 54 | Spout Nozzle Filling Capping Machine |
| 24 | Juicer Machine | 55 | Automatic Labeling Machine – 2 |
| 25 | Flavour Mixing Machine | 56 | Semi - Automatic Blow Jar Molding Machine |
| 26 | Automatic Blow Jar Molding Machine | 57 | Semi - Automatic Pillow Pack (Jelly Pop) Machine |
| 27 | Air Compressor Machine | 58 | Floor Cleaning Machine |
| 28 | Automatic Load Cell Weighing Packing Machine | 59 | Conveyor Belts |
| 29 | Horizontal Pillow Pack Machine (Semi Automatic) | 60 | Stick Insert Machine |
| 30 | FFS Machine (Mum - Mum) | 61 | Multi Track liquid (FFS) Machine |
| 31 | Horizontal Pillow Packing Machine (Mum - Mum Outer Machine) | 62 | Deep Freezer |

Power, fuel and water supply

Given the scale of our manufacturing operations, we require a significant amount of power and water. We also have particular power requirements due to the need to process raw ingredients to get final products and for packing of different products within a particular range of temperatures. We depend on state electricity supply, Dakshin Gujarat Vij Company Limited for our power requirements and will be procuring diesel generators to ensure that our facilities are operational during power failures or other emergencies. The power supply systems at our facilities are equipped with an express feeder connection to ensure the continuous availability of power. Our cooking process is also partially solar-powered.

The Company meets its water requirement largely by Gujarat Irrigation Board is used for carrying out our day-to-day operations. For the portfolio of products that we manufacture, our water requirement is minimal, mainly for processing of raw ingredients, sanitation, and air-conditioning and firefighting purposes.

Raw Materials

The primary raw materials required to manufacture our products are raw fruit, fruit pulp, vegetables, sugar, liquid glucose, pectin and other ingredients like food acids, food colour, preservatives, flavors, and stabilizing agents. The raw materials constituted 65.94% 59.47% and 62.68%, respectively, as a percentage of our revenue from operations in Financial Years 2022, 2021 and 2020, respectively.

Further, we also require ingredients such edible common salt, sodium bi-carbonate, citric acid, melic acid, acitic acid, starch, flavouring agents and permitted food colours. Besides this, we also need, permitted emulsifiers.

We presently procure all these raw materials from the local market based on our requirements on an on-going basis. We have long-standing relationships with certain of our suppliers, although we do not have any long-term contracts with such third parties. We procure all of our raw materials by way of purchase orders on an on-going basis and therefore, are required to pay the market rate of such products. All our raw materials used in our products are commodities and therefore subject to price fluctuations as a result of seasonality, weather, demand in local and international markets and other factors.

Packaging

The primary packaging material used by us are multi-layer films like polypropylene or low or high density polyethylene or cast Poly propylene and PET for our packaging material. This enables the product to have

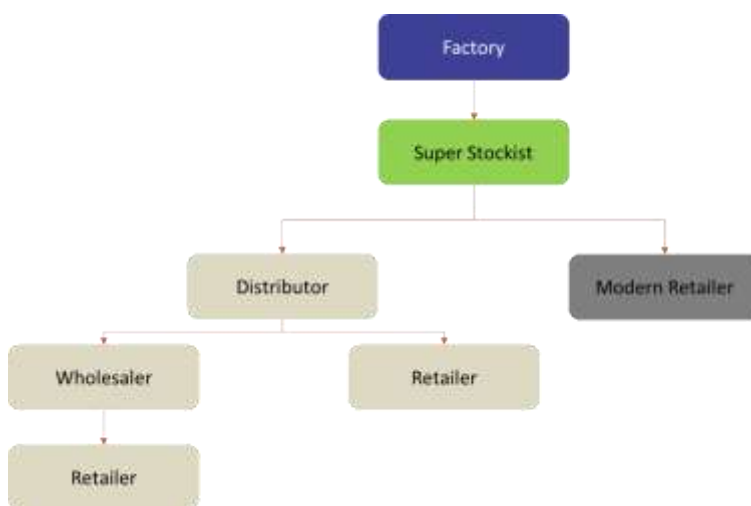
the shelf life of 12 months in case of our products. These laminates are procured from established suppliers through purchase orders on a monthly basis. We use automated packaging machines to pack our products in different pack sizes.

For secondary and Tertiary packaging, we use duplex boxes or cartons and corrugated carton boxes respectively to protect the primary or secondary packs in different stages of sales and distribution.

DISTRIBUTION AND SALES NETWORK

For the distribution and sale of our products, we rely on our extensive distribution network, which enables us to effectively respond to market demand, evolving consumer preferences in our territories, and competitive pressures. Our sales team monitor our network of super stockiest, which enables us to track their coverage, sales, efficiencies and commercial hygiene by introducing ‘KYC’ procedure that helps us maintain detailed database and track future expansion.

Domestic Distribution Network



QUALITY CONTROL AND QUALITY ASSURANCE

We ensure quality control and tests at each stage at the manufacturing process to ensure desired quality is achieved. To ensure that the products dispatched or sold by our Company are of utmost quality, the Quality Division maintains controlled samples for a period of 1 years for every batch which is manufactured and dispatched.

Our manufacturing facilities and processes have been granted quality certifications i.e. ISO 22000:2018.

MARKETING

The efficiency of the marketing and sales network is critical success of our Company. Our success lies in the strength of our relationship with our customers who have been associated with our Company. Our principal markets in India includes the state of Gujarat, Rajasthan, Jammu & Kashmir, Bihar, North East, Tamil Nadu. We sell our products mainly through distributors. Our Company engages in several marketing and promotional activities to promote our brands and increase our sales volumes. Our marketing initiatives include advertising in the print and electronic media, promoting our brands through social media, hosting exhibitions and outdoor promotional activities. Our team through their good experience and good rapport with clients owing to timely and quality delivery of service plays an instrumental role in creating and expanding a work platform for our Company. We believe our relationship with the clients is strong and established as we receive repeat order flows. To retain our

customers, our team regularly interacts with them and focuses on gaining an insight into the additional needs of customers. We intend to expand our existing customer base by reaching out to other geographical areas and widening our distribution network. Our marketing team is ready to take up challenges so as to scale new heights. We also have a dedicated sales and marketing team comprising of 3 employees.

RESEARCH AND DEVELOPMENT

Since inception, we have placed a strong emphasis on developing our in-house R&D abilities, which we believe, has been instrumental in our growth. We believe that our in-house R&D initiatives have resulted in the expansion of our product portfolio, maintaining the quality of our products and translating feedback received from customers, dealers and distributors into concrete results.

Our research and development activities emphasize designing and developing new products keeping in mind market standards, customer requirements, cost of production and compliance with applicable standardization norms. Our R&D centre is located in our manufacturing facility at Pipodara, Gujarat.

HEALTH, SAFETY AND RISK MANAGEMENT

We recognize the safety of our workforce with paramount importance and we have a policy in place in relation to the safety and health of our employees. The policy includes (a) compliance with applicable safety rules and regulations, (b) maintenance of a safe and healthy environment by constant monitoring, (c) providing employees with instructions and knowledge on safety procedures and precautions, (d) conduction classes on safety, first aid training, fire fighting, safety audit; and (e) regular assessment of the safety, health and environment at the workplace

INFORMATION TECHNOLOGY

We use information technology systems to enhance our performance and efficiency. We are implementing the tally ERP Prime Gold application across the various business functions in our Company to integrate systems among our departments, including inventory handling, production and accounting. We are also in the process of implementing a customer relationship management software. We believe that this system will allow us to streamline our processes while enhancing our monitoring and control functions.

TRANSPORTATION

We typically engage third party transportation service providers for the transportation of our raw materials and products, including for supply of our products under deemed exports.

COMPETITION

Our competition depends on the products being offered by various companies in the organized segment besides several other factors such as quality, price and capacity to deliver. Competition emerges not only from the organized sector but also from the unorganized sector and from both small and big players. In the Fruit Jam and Beverages business, we face competition from established regional and national players in the retail and bulk customers segments. In the retail segment for our Candied, Jellies and Fruit Bar, we face competition from national players such as, Mapro, Malas and Manama.

Most of our competitors in the regional level are from the unorganized sector of the food and beverages industry. We intend to continue competing vigorously to capture more market share and manage our growth in an optimal way.

INSURANCE POLICY

We generally maintain insurance covering our assets, stocks and operations at levels that we believe to be appropriate. We maintain insurance cover against loss or damage by fire, earthquake etc. which we believe is in accordance with customary industry practices. Although we consider our insurance coverage to be of a type and level that is economically prudent, we cannot assure that we will be able to maintain insurance at rate which we consider commercially reasonable or that such coverage will be adequate to cover any

claims that may arise. Overall, we generally maintain insurance covering our assets and operations at levels that we believe to be appropriate for our business.

OUR PROPERTIES:




Immovable Property

Following are the properties owned / leased by the Company

| Sr. No. | Details of the Property | Usage | Rights |
|---------|--|--------------------|---|
| 1. | Office No-212 to 214 Sunrise Chambers, Near Ashok Colony, Mini Bazar, Varachha Road, Surat Surat - 395006, Gujarat, India. | Registered Office | The Company has obtained NOC from promoter. |
| 2. | Block No. 124/125, Plot No. 17/A, N.H. No. 8, Opp. Gupta Industries, Pipodara, Tal. Mangarol, Dist. Surat, Gujarat, India - 394110 | Manufacturing Unit | Owned |

Intellectual Property

Our Company has following trademarks, which formed part of the business of the erst while proprietary concern M/s. Tapi Food Products which was acquired by our Company in July 2022. The Company is in the process of assigning these trademarks in its name:

| Sr. No. | Brand Name/ Logo Trademark | Class | Nature of Trademark | Applicant | Application No. & Date | Status | Validity |
|---------|---|------------|---------------------|---------------------------|---------------------------------|------------|-------------------|
| 1. |  | 29, 30, 31 | Word Mark | Ghanshyam Laljibhai Lukhi | 1171586/87/88 February 04, 2003 | Registered | February 04, 2023 |
| 2. |  | 29 | Word Mark | Ghanshyam Laljibhai Lukhi | 1997591 July 23, 2010 | Registered | July 23, 2030 |
| 3. |  | 31 | Word Mark | Ghanshyam Lukhi | 1268018 February 02, 2004 | Registered | February 02, 2024 |

KEY INDUSTRIAL REGULATIONS AND POLICIES IN INDIA

The following description is a summary of certain sector-specific laws currently in force in India, which are applicable to our Company. The information detailed in this chapter has been obtained from various legislations including rules and regulations promulgated by regulatory bodies and the bye laws of the respective local authorities and publications available in the public domain. The description below may not be exhaustive, and is only intended to provide general information to investors, and is neither designed as, nor intended to substitute, professional legal advice. Judicial and administrative interpretations are subject to modification or clarification by subsequent legislative, judicial or administrative decisions.

The information detailed in this chapter has been obtained from various legislations, including rules and regulations promulgated by the regulatory bodies that are available in the public domain.

*The Company may be required to obtain licenses and approvals depending upon the prevailing laws and regulations as applicable. For information on regulatory approvals obtained by us, see “**Government and Other Approvals**” on page 208. We are required to obtain and regularly renew certain licenses / registrations / sanctions / permissions required statutorily under the provisions of various Central and State Government regulations, rules, bye laws, acts and policies. Additionally, the projects undertaken by us require, at various stages, the sanction of the concerned authorities under the relevant central and state legislations and local byelaws.*

Following is an overview of some of the important laws and regulations, which are relevant to our business.

INDUSTRY-SPECIFIC LAWS

The Food Safety and Standards Act, 2006 (the “FSSA”)

The FSSA was enacted on August 23, 2006 repealing and replacing the Prevention of Food Adulteration Act, 1954. The FSSA pursues to consolidate the laws relating to food and establish the Food Safety and Standards Authority of India (“FSSAI”) for laying down scientific standards for articles of food and to regulate their manufacture, storage, distribution, sale and import to ensure availability of safe and wholesome food for human consumption, and for matters connected therewith or incidental thereto. The standards prescribed by the FSSAI include specifications for food additives, flavourings, processing aids and materials in contact with food, ingredients, contaminants, pesticide residue, biological hazards and labels. Under the provisions of the FSSA, no person may carry on any food business except under a license granted by the FSSAI. The FSSA sets forth the requirements for licensing and registering food businesses in addition to laying down the general principles for safety, responsibilities and liabilities of food business operators.

In exercise of powers under the FSSA, the FSSAI has also framed the Food Safety and Standards Rules, 2011 (“FSSR”). The FSSR sets out the enforcement structure of ‘commissioner of food safety’, ‘the food safety officer’ and ‘the food analyst’ and procedures of taking extracts, seizure, sampling and analysis. The FSSA also lays down penalties for various offences, including recall procedures. The Food Safety and Standards (Licensing and Registration of Food Businesses) Regulations, 2011 provides for the conditions and procedures for registration and licensing process for food business and lays down general requirements to be fulfilled by various food business operators (“FBOs”), including petty FBOs as well as specific requirements to be fulfilled by businesses dealing with certain food products.

In terms of the Food Safety and Standards (Food Recall Procedure) Regulations, 2017, every FBO engaged in manufacture, importation or wholesale supply of food is required to have a food recall plan. The packaging done by a FBO is required to comply with the Food Safety and Standards (Packaging) Regulations, 2018, while labelling and display of pre-packaged food items must comply with the Food Safety and Standards (Labelling and Display) Regulations 2020.

According to the Food Safety and Standards (Licensing and Registration of Food Business) Amendment Regulations, 2018, an e-commerce FBO (which includes sellers and brand owner who display or offer their food products, through e-commerce, and providers of transportation services for the food products and/or providing last mile delivery transportation to the end consumers), is required to obtain central license from the concerned central licensing authority.

The Agricultural and Processed Foods Products Export Development Authority Act, 1985 (the “APEDA Act”)

The APEDA Act provides for establishment of Agricultural and Processed Food Products Export Development Authority for the development and promotion of export of certain agriculture and processed food products. Persons exporting scheduled products are required to be registered under the APEDA Act and are required to adhere to specified standards and specifications and to improve their packaging. The APEDA Act provides for imprisonment and monetary penalties for breach of its provisions. Further, the Agricultural and Processed Food Products Export Development Authority Rules, 1986 have been framed for effective implementation of the APEDA Act and provides for the application, grant and cancellation of registration to be obtained by exporters of agricultural produce.

Bureau of Indian Standards Act, 1986 (the “BIS Act”)

The BIS Act provides for the establishment of a bureau for the standardisation, marking and quality certification of goods. The BIS Act provides for the functions of the Bureau of Indian Standards which includes, among others (a) recognize as an Indian standard, any standard established for any article or process by any other institution in India or elsewhere; (b) specify a standard mark to be called the, Bureau of Indian Standards Certification Mark, which shall be of such design and contain such particulars as may be prescribed to represent a particular Indian standard; and (c) make such inspection and take such samples of any material or substance as may be necessary to see whether any article or process in relation to which the standard mark has been used conforms to the Indian Standard or whether the standard mark has been improperly used in relation to any article or process with or without a license.

The Registration Act, 1908

The Registration Act, 1908 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. The purpose of Registration Act is the conservation of evidence, assurances, title and publication of documents and prevention of fraud. Evidence of registration is available through an inspection of relevant land records, which usually contains details of the registered property.

Gujarat Stamp Act, 1958 (the “Stamp Act”)

The purpose of Stamp Act was to streamline and simplify transactions of immovable properties and securities by the State government. The Stamp Act provides for the imposition of stamp duty at the specified rates on instruments listed in Schedule I of the Stamp Act. Stamp duty is payable on all instruments/ documents evidencing a transfer or creation or extinguishment of any right, title or interest in immoveable property. However, under the Constitution of India, the states are also empowered to prescribe or alter the stamp duty payable on such documents executed within the state.

The Indian Stamp Act, 1899 (“Stamp Act”)

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 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. 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.

Gujarat State Tax on Professions, Trade, Callings and Employments Act, 1976

The professional tax slabs in India are applicable to those citizens of India who are either involved in any profession or trade. The State Government of each State is empowered with the responsibility of structuring as well as formulating the respective professional tax criteria and is also required to collect funds through professional tax. The professional taxes are charged on the incomes of individuals, profits of business or gains in vocations. The tax payable under the State Acts by any person earning a salary or wage shall be deducted by his employer from the salary or wages payable to such person before such salary or wages is paid to him, and such employer shall, irrespective of whether such deduction has been made or not when the salary and wage is paid to such persons, be liable to pay tax on behalf of such person and employer has to obtain the registration from the assessing authority in the prescribed manner.

The Information Technology Act, 2000 (“IT Act”)

The Information Technology Act, 2000 regulates and governs the communications made and services provided in the electronic form. It provides legal recognition to transactions carried out by means of electronic data interchange and other means of electronic communication. The IT Act prescribes punishment for publication of, obscene and offensive materials through electronic means. The Information Technology (Amendment) Act, 2008, which amended the IT Act, gives recognition to contracts concluded through electronic means, creates liability for failure to protect sensitive personal data and gives protection to intermediaries in respect of third party information liability. Further, under Section 69A of the IT Act and the Information Technology (Procedure & Safeguards for Blocking for Access of Information by Public) Rules, 2009, directions can be issued by the Government or intermediary, blocking public access to any information generated, transmitted, retrieved, stored or hosted in any computer resource.

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

The Micro, Small and Medium Enterprises Development Act, 2006 and Industries (Development and Regulation) Act, 1951 The Micro, Small and Medium Enterprises Development Act, 2006 (“MSME Act”) In order to promote and enhance the competitiveness of Micro, Small and Medium Enterprise (MSME) the Micro, Small and Medium Enterprises Development Act, 2006 is enacted. A National Board shall be appointed and established by the Central Government for MSME enterprise with its head office at Delhi in the case of the enterprises engaged in the manufacture or production of goods pertaining to any industry mentioned in first schedule to Industries (Development and Regulation) Act, 1951.

Importer exporter code

In India, exports and imports are regulated by the Foreign Trade (Development and Regulation) Act, 1992 ("FTDRA"), which seeks to develop and regulate foreign trade by facilitating imports into India and augmenting exports from India. Pursuant to the provisions of the FTDRA, every importer and exporter in India must obtain an IEC from the Director General of Foreign Trade ("DGFT") or from any other officer duly authorized under the FTDRA. Failure to obtain the IEC number may lead to penal action under the FTDRA. Further, the DGFT is authorized to suspend or cancel IEC in case of (i) contravention by any person of the provisions of FTDRA or the foreign trade policy or any law relating to central excise or

customs or foreign exchange or commission of any other economic offence under any other law specified by the Central Government or (ii) making an export or import in a manner prejudicial to the trade relations of India with any foreign country or to the interests of other persons engaged in imports or exports or bringing disrepute to the credit of the goods of, or services or technology, provided from the country or (iii) importing or exporting specified goods or services or technology, in contravention of any provision of FTDR or any rules or orders made thereunder or the foreign trade policy. Where any IEC number granted to a person has been suspended or cancelled, the person shall not be entitled to import or export any goods or services or technology except under a special license, granted by the DGFT to that person in a manner and subject to conditions as may be prescribed.

TAX RELATED LAWS

Income Tax Act, 1961

The 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 Company assessable to income tax under the IT Act is required to comply with the provisions thereof, including those relating to Tax Deduction at Source, Advance Tax, Minimum Alternative Tax and like. Every such Company is also required to file its returns by 30th September of each assessment year.

The Central Goods and Services Tax Act, 2017 (the "GST Act")

Goods and Services Tax (GST) is levied on supply of goods or services or both jointly by the Central and State Governments. It was introduced as The Constitution (One Hundred and First Amendment) Act 2017 and is governed by the GST Council. GST provides for imposition of tax on the supply of goods or services and will be levied by centre on intra-state supply of goods or services and by the States including Union territories with legislature/ Union Territories without legislature respectively. A destination based consumption tax GST would be a dual GST with the centre and states simultaneously levying tax with a common base. The GST law is enforced by various acts viz. Central Goods and Services Act, 2017 (CGST), State Goods and Services Tax Act, 2017 (SGST), Union Territory Goods and Services Tax Act, 2017(UTGST), Integrated Goods and Services Tax Act, 2017 (IGST) and Goods and Services Tax (Compensation to States) Act, 2017 and various rules made there under. It replaces following indirect taxes and duties at the central and state levels.

Professional Tax

The professional tax slabs in India are applicable to those citizens of India who are either involved in any profession or trade. The State Government of each State is empowered with the responsibility of structuring as well as formulating the respective professional tax criteria and is also required to collect funds through professional tax. The professional taxes are charged on the incomes of individuals, profits of business or gains in vocations. The professional taxes are classified under various tax slabs in India. The tax payable under the State Acts by any person earning a salary or wage shall be deducted by his employer from the salary or wages payable to such person before such salary or wages is paid to him, and such employer shall, irrespective of whether such deduction has been made or not when the salary and wage is paid to such persons, be liable to pay tax on behalf of such person and employer has to obtain the registration from the assessing authority in the prescribed manner. Every person liable to pay tax under these Acts (other than a person earning salary or wages, in respect of whom the tax is payable by the employer), shall obtain a certificate of enrolment from the assessing authority.

Customs Act, 1962

The provisions of the Customs Act, 1962 and rules made there under are applicable at the time of import of goods i.e., bringing into India from a place outside India or at the time of export of goods i.e., taken out of India to a place outside India. Any Company desirous of importing or exporting any goods is first

required to get it registered and obtain an IEC (Importer Exporter Code). The rates of basic customs duty are specified under the Customs Tariff Act, 1975.

LABOUR LAWS

The Industrial Disputes Act, 1947 and Industrial Dispute (Central) Rules, 1957

The Industrial Disputes Act, 1947 ("ID Act") was enacted to make provision for investigation and settlements of industrial disputes and for other purposes specified therein. Workmen under the ID Act have been provided with several benefits and are protected under various labour legislations, whilst those persons who have been classified as managerial employees and earning salary beyond a prescribed amount may not generally be afforded statutory benefits or protection, except in certain cases. Employees may also be subject to the terms of their employment contracts with their employer, which contracts are regulated by the provisions in the Indian Contract Act, 1872. The ID Act also sets out certain requirements in relation to the termination of the services of the workman's services. This includes detailed procedure prescribed for resolution of disputes with labour, removal and certain financial obligations up on retrenchment. The Industrial Dispute (Central) Rules, 1957 specify procedural guidelines for lock outs, closures, lay-offs and retrenchment.

Employees Provident Fund and Miscellaneous Provisions Act, 1952

Employees Provident Funds and Miscellaneous Provisions Act, 1952 ("EPFA") was introduced with the object to institute compulsory provident fund for the benefit of employees in factories and other establishments. The EPFA provides for the institution of provident funds and pension funds for employees in establishments where more than 20 persons are employed and factories specified in Schedule I of the EPFA. Under the EPFA, the Central Government has framed the "Employees Provident Fund Scheme", "Employees Deposit-linked Insurance Scheme" and the "Employees Family Pension Scheme". Liability is imposed on the employer and the employee to contribute to the funds mentioned above, in the manner specified in the statute. There is also a requirement to maintain prescribed records and registers and filing of forms with the concerned authorities. The EPFA also prescribes penalties for avoiding payments required to be made under the abovementioned schemes.

The Act is administered by the Government of India through the Employees' Provident Fund Organisation (EPFO). The following three schemes have been framed under the Act by the Central Government:

- a) The Employees' Provident Fund Schemes, 1952;
- b) The Employees' Pension Scheme, 1995; and
- c) The Employees' Deposit-Linked Insurance Scheme; 1976

The Code on Social Security, 2020

The Government of India has decided to consolidate around 29 central labour laws into 4 codes which are: (a) Code on Wages, 2019, (b) the Code on Social Security, 2020, (c) the Occupational Safety, Health and Working Conditions Code, 2020 and (d) the Industrial Relations Code, 2020. The Code on Social Security, 2020 has been passed by both the houses of parliament and has received the assent of the President on September 28, 2020. However, the Code will be in force from such date the Central Government by notification may appoint. The said Code will subsume various social security, retirement and employee benefit laws like ESI Act, EPF Act, Maternity Benefit Act, Payment of Gratuity Act, etc. Certain other Labour laws and regulations that may be applicable to our Company including the following:

The Employees' Compensation Act, 1923

The Employees' Compensation Act, 1923 ("EC Act") has been enacted with the objective to provide for the payment of compensation to workmen by employers for injuries caused by accident(s) arising out of and in the course of employment, and for occupational diseases resulting in death or disablement. The EC Act makes every employer liable to pay compensation in accordance with the EC Act if a personal

injury/disablement/ loss of life is caused to a workman by accident arising out of and in the course of his employment. In case the employer fails to pay compensation due under the EC Act within 1 (one) month from the date it falls due, the commissioner appointed under the EC Act may direct the employer to pay the compensation amount along with interest and may also impose a penalty

The Employees State Insurance Act, 1948

The Employees State Insurance Act, 1948 ("ESI Act") provides for certain benefits to employees in case of sickness, maternity and employment injury. All employees in establishments covered by the ESI Act are required to be insured, with an obligation imposed on the employer to make certain contributions in relation thereto. Employers of factories and establishments covered under the ESI Act are required to pay contributions to the Employees State Insurance Corporation, in respect of each employee at the rate prescribed by the Central Government. Companies which are controlled by the Government are exempt from this requirement if employees receive benefits similar or superior to the benefits prescribed under the ESI Act. In addition, the employer is also required to register itself under the ESI Act and maintain prescribed records and registers.

The Employees Pension Scheme, 1995

Family pension in relation to this act means the regular monthly amount payable to a person belonging to the family of the member of the Family Pension Fund in the event of his death during the period of reckonable service. The scheme shall apply to all the employees who become a member of the EPF or PF of the factories provided that the age of the employee should not be more than 58 years in order to be eligible for membership under this act. Every employee who is member of EPF or PF has an option of the joining scheme. The employer shall prepare a Family Pension Fund contribution card in respect of the entire employee who is member of the fund.

Equal Remuneration Act, 1976

Equal Remuneration Act, 1976 provides for payment of equal remuneration to men and women workers and for prevention discrimination, on the ground of sex, against female employees in the matters of employment and for matters connected therewith.

Maternity Benefit Act, 1961

The purpose of Maternity Benefit Act, 1961 is to regulate the employment of pregnant women and to ensure that they get paid leave for a specified period before and after child birth. It provides, inter-alia, for payment of maternity benefits, medical bonus and enacts prohibitions on dismissal, reduction of wages paid to pregnant women, etc.

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

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

The Payment of Bonus Act, 1965

The Payment of Bonus Act, 1965 ("PB Act") is applicable to every factory and every other establishment employing 20 (twenty) or more persons. According to the provisions of the PB Act, every employer shall be bound to pay to every employee in respect of the accounting year minimum and maximum bonus and linking the payment of bonus with the production and productivity.

The Minimum Wages Act, 1948

The Minimum Wages Act, 1948 ("MW Act") came in to force with the objective to provide for the fixation of a minimum wage payable by the employer to the employee. Under the MW Act, the appropriate government is authorized to fix the minimum wages to be paid to the persons employed in scheduled or non-scheduled employment. Every employer is required to pay not less than the minimum wages to all employees engaged to do any work whether skilled, unskilled, and manual or clerical (including out-workers) in any employment listed in the schedule to the MW Act, in respect of which minimum rates of wages have been fixed or revised under the MW Act.

The Payment of Gratuity Act, 1972

The Payment of Gratuity Act, 1972 ("PG Act") applies to every factory and shop or establishment in which 10 (ten) or more employees are employed. Gratuity is payable to an employee on the termination of his employment after he has rendered continuous service for not less than 5 (five) years:

- a) On his/her superannuation;
- b) On his/her retirement or resignation;
- c) On his/her death or disablement due to accident or disease (in this case the minimum requirement of 5 (five) years does not apply).

The Payment of Wages Act, 1936

The Payment of Wages Act, 1936 ("PW Act") is applicable to the payment of wages to persons in factories and other establishments. PW Act ensures that wages that are payable to the employee are disbursed by the employer within the prescribed time limit and no deductions other than those prescribed by the law are made by the employer.

Child Labour Prohibition and Regulation Act, 1986

The Child Labour Prohibition and Regulation Act 1986 prohibits employment of children below 14 years of age in certain occupations and processes and provides for regulation of employment of children in all other occupations and processes. Employment of Child Labour in our industry is prohibited as per Part B (Processes) of the Schedule.

Trade Union Act, 1926 and Trade Union (Amendment) Act, 2001

Provisions of the Trade Union Act, 1926 provides that any dispute between employers and workmen or between workmen and workmen, or between employers and employers which is connected with the employment, or non-employment, or the terms of employment or the conditions of labour, of any person shall be treated as trade dispute. For every trade dispute a trade union has to be formed. For the purpose of Trade Union Act, 1926, Trade Union means combination, whether temporary or permanent, formed primarily for the purpose of regulating the relations between workmen and employers or between workmen and workmen, or between employers and employers, or for imposing restrictive condition on the conduct of any trade or business etc.

Workmen's Compensation Act, 1923

The Act provides safety to the workman if any personal injury is caused to a workman by accident arising out of and in the course of his employment his employer shall be liable to pay compensation in accordance with the provisions of this Act. Provided that the employer shall not be so liable –

1. in respect of any injury which does not result in the total or partial disablement of the workman for a period exceeding three days;
2. in respect of any injury not resulting in death or permanent total disablement caused by an accident.

INTELLECTUAL PROPERTY LAWS

Certain laws relating to intellectual property rights such as patent protection under the Patents Act, 1970, copyright protection under the Copyright Act, 1957 trademark protection under the Trade Marks Act, 1999, and design protection under the Designs Act, 2000 are also applicable to us.

The Copyright Act, 1957

The Copyright Act, 1957 (the “Copyright Act”) governs copyright protection in India. Even while copyright registration is not a prerequisite for acquiring or enforcing a copyright in an otherwise copyrightable work, registration under the Copyright Act acts as a prima facie evidence of the particulars entered therein and helps expedite infringement proceedings and reduce delay caused due to evidentiary considerations.

The Trade Marks Act, 1999

The Trademarks Act, 1999 (the “Trademarks Act”) provides for the process for making an application and obtaining registration of trademarks in India. The purpose of the Trademarks Act is to grant exclusive rights to marks such as a brand, label, heading and to obtain relief in case of infringement for commercial purposes as a trade description. The Trademarks Act prohibits registration of deceptively similar trademarks and provides for penalties for infringement, falsifying and falsely applying trademarks.

The Patents Act, 1970

Under statute, India provides for the patent protection under the Patents Act, 1970 (the “Patents Act”). The Patents Act governs the patent regime in India and recognizes process patents as well as product patents. Patents obtained in India are valid for a period of 20 years from the date of filing the application. The Patents Act also provides for grant of compulsory license on patents after expiry of three years of its grant in certain circumstances such as reasonable requirements of the public, non-availability of patented invention to public at affordable price or failure to work the patented invention.

The Designs Act, 2000

The Designs Act, 2000 (the “Designs Act”) protects any visual design of objects that are not purely utilitarian. An industrial design consists of the creation of a shape, configuration or composition of pattern or colour, or combination of pattern and colour in three-dimensional form containing aesthetic value. It provides an exclusive right to apply a design to any article in any class in which the design is registered.

GENERAL LAWS

Indian Contract Act, 1872 (“CONTRACT ACT”)

The Indian Contract Act, 1872 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. A person is free to contract on any terms he chooses. The Contract Act consists of limiting factors subject to which contract may be entered into, executed and breach enforced. It provides a framework of rules and regulations that govern formation and performance of contract.

The Companies Act, 2013

The 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 Act prescribes regulatory mechanism regarding all relevant aspects including organizational, financial and managerial aspects of companies. Regulation of the financial and management aspects constitutes the main focus of

the Act. In the functioning of the corporate sector, although freedom of companies is important, protection of the investors and shareholders, on whose funds they flourish, is equally important. The Companies Act plays the balancing role between the set of competing factors, namely, management autonomy and investor protection.

The Specific Relief Act, 1963

The Specific Relief Act, 1963 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 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.

Arbitration and Conciliation Act, 1996

This Arbitration and Conciliation Act, 1996 (“Arbitration Act”) was enacted by the Parliament to consolidate and amend the law relating to domestic arbitration, international commercial arbitration and enforcement of foreign arbitral awards and also to define the law relating to conciliation and for matters connected therewith or incidental thereto. The main objectives of the Arbitration Act is to comprehensively domestic arbitration and conciliation; to make provision for an arbitral procedure which is fair, efficient and capable of meeting the needs of the specific arbitration; to provide that the arbitral tribunal gives reasons for its arbitral award; to ensure that the arbitral tribunal remains within the limits of its jurisdiction; to minimize the supervisory role of courts in the arbitral process; to permit an arbitral tribunal to use mediation, conciliation or other procedures during the arbitral proceedings; to encourage settlement of disputes; to provide that every final arbitral award is enforced in the same manner as if it was a decree of the court; to provide that a settlement agreement reached by the parties as a result of conciliation proceedings will have the same status and effect as an arbitral award on agreed terms on the substance of the dispute rendered by an arbitral tribunal; and to provide for enforcement of foreign awards.

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 anticompetitive agreements, abuse of dominant position and combinations. The Competition Commission of India 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.

Consumer Protection Act, 2019 (“CPA”) and rules framed thereunder

The CPA, which repeals the Consumer Protection Act, 1986, was enacted to provide simpler and quicker access to redress consumer grievances. It seeks to protect and promote the interests of consumers against deficiencies and defects in goods or services and secure the rights of a consumer against unfair trade practices, which may be practiced by manufacturers, service providers and traders. Further, the definition of “consumer” has been expanded under the CPA to include persons engaged in online and offline transactions through electronic means or by tele-shopping, or direct-selling or multi-level marketing.

In line with the CPA, the Ministry of Consumer Affairs, Food and Public Distribution, Government of India has also notified the Consumer Protection (E-Commerce) Rules, 2020 (“E-Commerce Rules”) which provides a framework to regulate the marketing, sale and purchase of goods and services online. The E-

Commerce Rules govern e-commerce entities which own, operate, or manage, a digital or electronic facility or platform for electronic commerce.

The Transfer of Property Act, 1882

The Transfer of Property Act, 1882 ("TP Act") as amended, establishes the general principles relating to transfer of property in India. It forms a basis for identifying the categories of property that are capable of being transferred, the persons competent to transfer property, the validity of restrictions and conditions imposed on the transfer and the creation of contingencies and vested interest in the property. It also provides for the rights and liabilities of the vendor and purchaser in a transaction of sale of land.

The Sale of Goods Act, 1930

The Sale of Goods Act, 1930 ("Sale of Goods Act") governs the contracts relating to sale of goods. The contracts for sale of goods are subject to the general principles of the law relating to contracts. The Sale of Goods Act is complimentary to the Indian Contract Act, 1872, and the unrepealed provisions of the Indian Contract Act, 1872, save in so far as they are inconsistent with the express provisions of the Sale of Good Act, continue to apply to contracts for the sale of goods. A contract of sale may be an absolute one or based on certain conditions. The Sale of Goods Act contains provisions in relation to the essential aspects of such contracts, including the transfer of ownership of the goods, delivery of goods, rights and duties of the buyer and seller, remedies for breach of contract and the conditions and warranties implied under a contract for sale of goods.

Environment Laws:

National Environmental Policy, 2006

The dominant theme of this policy is that while conservation of environmental resources is necessary to secure livelihoods and well-being of all, the most secure basis for conservation is to ensure that people dependent on particular resources obtain better livelihoods from the fact of conservation, than from degradation of the resource.

The Insecticides Act, 1968

The provisions of the Insecticides Act, 1968 provides that the act shall be applicable on any process or part of a process which is involved in making, altering, finishing, packing, labeling, breaking up or otherwise treating or adopting any insecticide with a view to its sale, distribution or use but it does not include the packing or breaking up of any insecticide in the ordinary course of retail business. The Act provides that any person desiring to import or manufacture any insecticide may apply to the Registration Committee for the registration of such insecticide and there shall be separate application for each such insecticide. This Act also provides that any person desiring to manufacture or to 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.

The Environment (Protection) Act, 1986

The Environment (Protection) Act, 1986 ("EPA") is an umbrella legislation designed to provide a framework for the government to coordinate the activities of various central and state authorities established under various laws, such as the Water (Prevention and Control of Pollution) Act, 1974, the Air (Prevention and Control of Pollution) Act, 1981, etc. The EPA vests with the Government the power to take any measure it deems necessary or expedient for protecting and improving the quality of the environment and preventing and controlling environmental pollution.

Environment (Protection) Act, 1986 as amended ("EPA")

EPA provides for the prevention, control and abatement of pollution. Pollution control boards have been constituted in all states in India to exercise the powers and perform the functions provided for under these

statutes for the purpose of preventing and controlling pollution. Companies are required to obtain consents of the relevant state pollution control boards for emissions and discharge of effluents into the environment.

Noise Pollution (Regulation & Control) Rules 2000 (“Noise Regulation Rules”)

Noise Regulation Rules regulate noise levels in industrial, commercial and residential zones. The Noise Regulation Rules also establish zones of silence of not less than 100 meters near schools, courts, hospitals, etc. The rules also assign regulatory authority for these standards to the local district courts. Penalty for non-compliance with the Noise Regulation Rules shall be under the Provisions of the Environment (Protection) Act, 1986.

The Water (Prevention and Control of Pollution) Act, 1974

The Water (Prevention and Control of Pollution) Act, 1974 ("Water Act") aims to prevent and control water pollution by factories and manufacturing units and to maintain and restore the quality and wholesomeness of water.

The Air (Prevention and Control of Pollution) Act, 1981

The Air (Prevention and Control of Pollution) Act, 1981 ("Air Act") provides for the prevention, control and abatement of air pollution. Pursuant to the provisions of the Air Act, any person establishing or operating any industrial plant within an air pollution control area, must obtain the consent of the relevant state pollution control board prior to establishing or operating such industrial plant.

Legal Metrology Act, 2009 (“Legal Metrology Act”)

The Legal Metrology Act came into effect on January 13, 2010 and has repealed and replaced the Standards of Weights and Measures Act, 1976 and the Standards of Weights and Measures (Enforcement) Act, 1985. The Legal Metrology Act seeks to establish and enforce standards of weights and measures, regulate trade and commerce in weights, measures and other goods which are sold or distributed by weight, measure or number and for matters connected therewith or incidental thereto. The Legal Metrology Act provides that for prescribed specifications for all weights and measures used by an entity to be based on metric system based on the international system of units only.

Legal Metrology (Packaged Commodities) Amendment Rules, 2017 (“Packaged Commodity Rules”)

The Packaged Commodity Rules have amended the Legal metrology (Packaged Commodities) Rules, 2011, and lays down specific provisions applicable to packages intended for retail sale, whole-sale and for export and import. Pursuant to the packaged Commodity Rules, any pre-packaged commodity sold for use and consumption by the citizens must properly mention several details such as, the description and quantity of ingredients, date of manufacturing, date of expiry (for items prone to expiration), weight, statutory warnings, manufacturer address, contact and some other info like consumer care details, country of origin, etc.

Guidelines for in-use Generator sets (Noise and Emissions)

Central Pollution Control Board (CPCB) has prescribed guidelines for emission and noise pollution of gensets up to 1000 KVA. The said guidelines are effective from January 15, 2008 for system procedure for compliance with noise limits.

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

The Hazardous Wastes (Management, Handling and Transboundary Movement) Rules, 2008 (Hazardous Wastes Rules”) set out the regulations for management and disposal of environmental waste. It mandates that every facility generating hazardous waste must obtain prior approval from the relevant State Pollution Control Board. Particular attention must be paid to the recycling the hazardous waste. In the case of improper handling and disposal, every occupier transporter and the operator of a facility generating hazardous waste are liable for environmental damage and penalties thereunder.

The Public Liability Insurance Act, 1991

The Public Liability Insurance Act, 1991 (“Public Liability Act”) , along with the Public Liability Insurance Rules, 1991, require the owner to contribute towards the environment relief fund of a sum equal to the insurance premium paid to the insurer. Further, a liability is imposed on the owner or controller of hazardous substances, in relation to death/injury of a person, or any damage to property arising out of an accident involving such hazardous substances. Vide notification, the Central Government has enumerated a list of hazardous substances covered by the legislation.

OTHER LAWS:

Foreign Exchange Management Act, 1999 (“FEMA”)

Foreign investment in India is primarily governed by the provisions of FEMA and the rules and regulations promulgated there under. FEMA aims at amending the law relating to foreign exchange with facilitation of external trade and payments for promoting orderly developments and maintenance of foreign exchange market in India. It applies to all branches, offices and agencies outside India owned or controlled by a person resident in India and also to any contravention there under committed outside India by any person to whom this Act applies. Every exporter of goods is required to a) furnish to the Reserve Bank or to such other authority a declaration in such form and in such manner as may be specified, containing true and correct material particulars, including the amount representing the full export value or, if the full export value of the goods is not ascertainable at the time of export, the value which the exporter, having regard to the prevailing market conditions, expects to receive on the sale of the goods in a market outside India; b) furnish to the Reserve Bank such other information as may be required by the Reserve Bank for the purpose of ensuring the realization of the export proceeds by such exporter. The Reserve Bank may, for the purpose of ensuring that the full export value of the goods or such reduced value of the goods as the Reserve Bank determines, having regard to the prevailing market conditions, is received without any delay, direct any exporter to comply with such requirements as it deems fit. Every exporter of services shall furnish to the Reserve Bank or to such other authorities a declaration in such form and in such manner as may be specified, containing the true and correct material particulars in relation to payment for such services.

FEMA Regulations

As laid down by the FEMA Regulations, no prior consents and approvals are required from the Reserve Bank of India, for Foreign Direct Investment under the automatic route within the specified sectoral caps. In respect of all industries not specified as FDI under the automatic route, and in respect of investment in excess of the specified sectoral limits under the automatic route, approval may be required from the FIPB and/or the RBI. The RBI, in exercise of its power under the FEMA, has notified the Foreign Exchange Management (Transfer or Issue of Security by a Person Resident Outside India) Regulations, 2000 (“FEMA Regulations”) to prohibit, restrict or regulate, transfer by or issue security to a person resident outside India. Foreign investment in India is governed primarily by the provisions of the FEMA which relates to regulation primarily by the RBI and the rules, regulations and notifications there under, and the policy prescribed by the Department of Industrial Policy and Promotion, Ministry of Commerce & Industry, Government of India.

Foreign Trade (Development and Regulation) Act, 1992 (“FTA”)

The Foreign Trade (Development & Regulation) Act, 1992 The Foreign Trade (Development & Regulation) Act, 1992, 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.

Foreign Direct Investment Policy, 2020

With the intent and objective of the Government of India to attract and promote foreign direct investment in order to supplement domestic capital, technology and skills, for accelerated economic growth. The

Government of India has put in place a policy framework on Foreign Direct Investment, which is transparent, predictable and easily comprehensible. This framework is embodied in the Circular on Consolidated FDI Policy, which may be updated every year, to capture and keep pace with the regulatory changes, effected in the interregnum. The Department for Promotion of Industry and Internal Trade (DPIIT), Ministry of Commerce & Industry, Government of India makes policy pronouncements on FDI through press notes/press releases which are notified by the RBI as amendments to the FEMA Regulations. These notifications take effect from the date of issue of press notes/ press releases, unless specified otherwise therein. In case of any conflict, the relevant FEMA Notification will prevail. The procedural instructions are issued by the RBI vide A.P. (DIR Series) Circulars. The regulatory framework, over a period of time, thus, consists of Acts, Regulations, Press Notes, Press Releases, Clarifications, etc. In addition to the above, our Company is also required to comply with the provisions of the SEBI regulations and rules framed thereunder, and other applicable statutes enacted by the Government of India or relevant state governments and authorities for our day-to-day business and operations. Our Company is also subject to various central and state tax laws.

HISTORY AND CERTAIN CORPORATE MATTERS

HISTORY AND BACKGROUND

Our history and lineage traces back to Mr. Ghanshyambhai Laljibhai Lukhi, who savored the flavor of tooty fruity, a candy that is made out of raw papaya to start his business under the name of “Tapi Food Products” a sole proprietorship firm, in the year 1999. Our Company was incorporated as “Tapi Fruit Processing Private Limited” under the provisions of the Companies Act 2013 on July 11, 2018, bearing Registration Number U15400GJ2018PTC103201 issued by the Registrar of Companies, Central Registration Centre with one of its main objectives being to acquire the running business of the proprietorship concern, M/s. Tapi Food Products. Pursuant to the incorporation of our Company, the entire business of the proprietorship was transferred to the corporate entity with effect from July 11, 2018. Subsequently, Our Company was converted into a Public Limited Company pursuant to Special Resolution passed by the shareholders at the Extraordinary General Meeting dated July 04, 2022 and the name of our Company was changed to Tapi Fruit Processing Limited to reflect the legal status of our Company pursuant to conversion, a fresh certificate of incorporation granted by the Registrar of Companies, Ahmedabad dated July 15, 2022 bearing Corporate Identification Number U15400GJ2018PLC103201.

CHANGES IN REGISTERED OFFICE OF THE COMPANY

There has been no change in the registered office of our Company since inception.

MAIN OBJECTS OF OUR COMPANY

1. The main objects of our Company is to carry on in India or elsewhere the business to process, manufacture, research and development, prepare, disinfect, fermentate, compound, mix, clean, wash, concentrate, crush, grind, segregate, pack, repack, add, remove, heat, grade, preserve, freeze, distillate, boil, sterilize, improve, extract, refine, buy, sell, resell, import, export, barter, transport, store, and to act as broker, representatives, consultant, franchiser, collaborator, adatia, stockiest, export house, job worker or otherwise to deal in all types, descriptions, tastes, uses and packs of all types of dairy products, agro products, food grains, grains, pulses, cereals, vegetables, fruits, grass Deoiled cake, food products, fruit products, oil seeds, oil, cakes, process foods, fruits and vegetable and other agricultural products and its derivatives, by-products, residues and allied products and to carry on in India or elsewhere the business of to provide consultancy services in the field of pesticides products, vegetables, milk products, fruits, and other agricultural or agro products, agro commodities and food products.
2. To carry on business in India and elsewhere as manufacturers or and dealers in and importers and exporters of all kinds of packaging materials, containers including cartons, boxes and cases wholly or partly made of papers, boards, wood, glass, plastic, rubber, metals, gelatin, tin or otherwise and glass bottles, glass jars, flasks, casks and glass containers of every description, fibrite boxes, corrugated containers, corrugated rolling boxes, corrugated cardboard rolls, sheets and boxes, including their printing and waxing; and flat stitching wire, flexible and other packaging items display boxes, aluminum foils and packing requisite of every kind and description relating to above food and other products
3. To take over existing business of proprietorship firm M/s Tapi Food Products.

AMENDMENTS TO THE MEMORANDUM OF ASSOCIATION (MoA)

Since incorporation, the following amendments have been made to the MoA:

| Date of Resolution / Change | Particulars of Change |
|-----------------------------|---|
| October 10, 2018 | Clause V of the Memorandum of Association was amended to reflect increase in Authorized share capital of the Company from Rs. 100,000/- |

| Date of Resolution / Change | Particulars of Change |
|-----------------------------|--|
| | (Rupees One Lakh only) divided into 10,000 equity shares of Rs. 10/- each to Rs. 25,00,000/- (Rupees Twenty-five lakhs only) divided into 250,000 Equity shares of Rs. 10/- each. |
| April 04, 2022 | Clause V of the Memorandum of Association was amended to reflect increase in Authorized share capital of the Company from Rs. 25,00,000/- (Rupees Twenty-Five Lakhs only) divided into 250,000 equity shares of Rs. 10/- each to Rs. 3,00,00,000/- (Rupees Three Crores only) divided into 30,00,000 Equity shares of Rs. 10/- each. |
| June 22, 2022 | Clause V of the Memorandum of Association was amended to reflect increase in Authorized share capital of the Company from Rs. 3,00,00,000/- (Rupees Three Crores only) divided into 30,00,000 Equity shares of Rs. 10/- each to Rs. 5,00,00,000/- (Rupees Five Crores only) divided into 50,00,000 Equity shares of Rs. 10/- each. |
| July 04, 2022 | Clause I of the Memorandum of Association was amended to reflect the conversion of our Company from a private limited company to a public limited company and consequent change in name of our Company from Tapi Fruit Processing Private Limited to Tapi Fruit Processing Limited. |

MAJOR EVENTS, MILESTONES, KEY AWARDS, ACHIEVEMENTS AND ACCOLADES OF OUR COMPANY

The following tables set forth the awards of our company, since incorporation:

| YEAR | PARTICULARS |
|------|---|
| 1999 | Our Promoter Ghansyambhai Lukhi started business in the form of Sole Proprietorship Firm under the name of "Tapi Food Products" |
| 2004 | Tapi Food Products has established present factory under KVIC'S REGP Scheme, and launched "MUM - MUM" brand Tutty Fruity Rs.1 Sachet first time in India. |
| 2006 | Installed Solar Steam Generating System for food processing with 10 parabolic Scheffler dishes and launched new products Syrups & Mix Jelly Cubes. |
| 2010 | Launched Depositor Jelly Candy bar "Boleto" brand. |
| 2012 | Received Certificate of Appreciation from Food & Bev 2012 (India's Foremost Food & Beverage Show) in April 2012 |
| 2012 | Received "Dr. Shirin Gadhia Sustainability Award" to Tapi Food Products, Sole Proprietorship firm for introducing Solar in Food Processing Industry by Eco Center ICNEER (International Center for Networking Ecology Education Reintergration) |
| 2012 | Participate in smart events for Agri, Dairy and Livestock Fest, Chhattisgarh in December 2012 |
| 2015 | Participate in Vend Expo 2015 (National Vendor Development Program Cum Expo) in December 2015 |
| 2016 | Participate in Asia's Biggest Food and Hospitality Exhibition organised by Foodmech Asia |
| 2017 | Received Outstanding Contribution during the 7 th Exhibition issued by Foodmech Asia |
| 2018 | Incorporated as a private limited company under the name of "Tapi Fruit Processing Private Limited" with one of its object to acquire the business of Sole Proprietorship Firm |
| 2019 | Participation in Food & Agri Surat Inter Exhibition issued by The Southern Gujarat Chamber of Commerce & Industry |
| 2022 | Conversion of Private Limited Company to Public Limited Company |

STRATEGIC PARTNERS

Our Company does not have any strategic partners as on the date of this Draft Prospectus.

FINANCIAL PARTNERS

Apart from the arrangements with bankers and lenders which our Company undertakes in the ordinary course of business, as on the date of this Draft Prospectus, our Company does not have any financial partner.

TIME AND COST OVERRUN IN SETTING UP OF PROJECTS

There have been no instances of time and cost overruns in setting up of our projects in the past.

CAPACITY/ FACILITY CREATION, LOCATION OF PLANTS

For details pertaining to capacity / facility creation, location of plant refers section “*Business Overview*” on page 99 of this Draft Prospectus

DETAILS OF LAUNCH OF KEY PRODUCTS, ENTRY IN NEW GEOGRAPHIES OR EXIT FROM EXISTING MARKETS

For details pertaining to launch of key services, entry in new geographies or exit from existing markets, please refer chapter titled “*Business Overview*” on page 99 of this draft Prospectus.

DEFAULTS OR RESCHEDULING / RESTRUCTURING OF BORROWINGS OUR COMPANY WITH FINANCIAL INSTITUTIONS / BANKS

There have been no defaults or rescheduling/restructuring of borrowings with any of the financial institutions/banks or conversion of loans into equity in relation to our Company.

ACQUISITION OR DIVESTMENTS OF BUSINESS / UNDERTAKINGS, MERGERS AND AMALGAMATIONS

Our Company has neither acquired any entity, business or undertakings nor has undertaken any mergers or amalgamation during the last ten (10) years except acquisition of running business of proprietorship firm M/s Tapi Food Products which form part of the main object of the MOA.

REVALUATION OF ASSETS

Our Company has not revalued its assets since incorporation and has not issued any Equity Shares (including bonus shares) by capitalizing any revaluation reserves in last ten years.

HOLDING COMPANY

Our Company does not have a holding company as on the date of this Draft Prospectus.

SUBSIDIARIES

Our Company has one subsidiary company as on the date of this Draft Prospectus. For details with respect to our Subsidiaries, see “*Our Subsidiaries*” on page 159 of this Draft Prospectus.

JOINT VENTURES & COLLABORATION

Our Company has no joint-ventures and has no collaborations as on the date of this Draft Prospectus.

SHAREHOLDERS AND OTHER MATERIAL AGREEMENTS

There are no shareholders and other material agreements, other than those entered into in the ordinary course of business carried on or intended to be carried on by our Company.

LOCK-OUT AND STRIKES

There have been no material instances of strikes or lock-outs at any time in our Company.

INJUNCTION OR RESTRAINING ORDERS

There are no injunctions/restraining orders that have been passed against the company.

OUR MANAGEMENT

In terms of our Articles of Association, our Company is required to have not less than 3 Directors and not more than 15 Directors. As on the date of this Draft Prospectus, our Board comprises of Six (6) Directors including the 3 Executive Directors, 3 Non-Executive Directors which further includes 2 Non-Executive Independent Directors. The Company has 1 woman Director. The present composition of our Board and its committees is in accordance with the corporate governance requirements provided under the Companies Act.

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

| Name, Designation, Din, Date of Birth, Age, Occupation, Address, Nationality, Original Date of Appointment, Change in Designation and Period of Directorship | Other Directorships |
|--|--|
| <p>GHANSHYAMBHAI LALJIBHAI LUKHI Designation: Managing Director DIN: 06704416 Date of Birth: September 12, 1974 Age: 47 Years Occupation: Business Address: C/1004, Laxmi Residency, Near Gajera School, Gajera Road, Katargam, Surat, Gujarat - 395004, India. Nationality: Indian Original Date of Appointment: July 10, 2018 Change in Designation : July 16, 2022 Period of Directorship : For a period of Five (5) consecutive years with effect from July 16, 2022 and shall not be liable to retire by rotation.</p> | <p>Public Limited Company Nil</p> <p>Private Limited Company Tapi Wellness Private Limited</p> |
| <p>ASHOKKUMAR LALJIBHAI LUKHI Designation: Whole-Time Director DIN: 06704408 Date of Birth: July 18, 1976 Age: 46 Years Occupation: Business Address: E-1004, Laxmi Residency, Near Gajera School, Katargam, Surat, Gujarat - 395004, India. Nationality: Indian Original Date of Appointment: July 10, 2018 Change in Designation : July 16, 2022 Period of Directorship : For a period of Five (5) consecutive years with effect from July 16, 2022 and shall be liable to retire by rotation.</p> | <p>NIL</p> |
| <p>YASH GHANSHYAMBHAI LUKHI Designation: Whole Time Director DIN: 09476684 Date of Birth: April 06, 1999 Age: 23 Years Occupation: Business Address: C-1004, Laxmi Residency, Near Gajera School, Katargam, Surat, Gujarat - 395004, India. Nationality: Indian Original Date of Appointment: June 22, 2022</p> | <p>Public Limited Company Nil</p> <p>Private Limited Company Tapi Wellness Private Limited</p> |

| Name, Designation, Din, Date of Birth, Age, Occupation, Address, Nationality, Original Date of Appointment, Change in Designation and Period of Directorship | Other Directorships |
|---|---|
| <p>Change in Designation : August 03, 2022 Period of Directorship : For a period of Five (5) consecutive years with effect from July 16, 2022 and shall be liable to retire by rotation.</p> | |
| <p>NAVEEN ANAND Designation: Non - Executive Director DIN: 08416606 Date of Birth: April 01, 1982 Age: 40 years Occupation: Business Address: House No. 36 - B Flower Enclave Dugri, Basant Avenue, Ludhiana, Punjab - 141013, India. Nationality: Indian Original Date of Appointment: July 12, 2022 Change in Designation : July 16, 2022 Period of Directorship : Appointed with effect from July 12, 2022 and Shall be liable to retire by rotation</p> | <p>Public Limited Company Nil Private Limited Company Maalana Foods Private Limited.</p> |
| <p>KAMLESHKUMAR NARMDASHANKAR PANDYA Designation: Independent Non - Executive Director DIN: 09655572 Date of Birth: October 15, 1973 Age: 48 years Occupation: Business Address: A - 402, Kelly Residency, Pal Gam Road, Near Galaxy Circle, Pal, Surat - 394510, Gujarat, India Nationality: Indian Original Date of Appointment: July 18, 2022 Change in Designation : July 28, 2022 Period of Directorship : For a period of Five (5) consecutive years with effect from July 16, 2022 and shall not be liable to retire by rotation.</p> | <p>Public Limited Company Nil Private Limited Company Nil</p> |
| <p>REKHA HASMUKH SHAH Designation: Independent Non - Executive Director DIN: 09657830 Date of Birth: August 31, 1972 Age: 49 years Occupation: Business Address: C - 908, Shikha Tower, Samarth Park, Adajan Char Rasta, Navyug College, Surat - 395009, Gujarat, India. Nationality: Indian Original Date of Appointment: July 18, 2022 Change in Designation : July 28, 2022 Period of Directorship : For a period of Five (5) consecutive years with effect from July 16, 2022 and shall not be liable to retire by rotation.</p> | <p>Public Limited Company Nil Private Limited Company Nil</p> |

Brief Biographies of our Directors

Ghanshyambhai Laljibhai Lukhi, aged 47 years, is a Promoter and Managing Director of our Company since incorporation. He possesses Bachelor's Degree in Science from South Gujarat University, Master's Degree in Organic Chemistry from South Gujarat University and Bachelors Degree in Law (General) from The Heer Narmad South Gujarat, Surat. Our history and lineage traces back to Mr. Ghanshyam Laljibhai Lukhi, who savored the flavor of tooty fruity, a candy that is made out of raw papaya to start his business under the name of "Tapi Food Products" a sole proprietorship firm, in the year 1999 and a founding member of the Company. He has over 25 years of experience in the food processing industry. At the Company, he has played a pivotal role in the growth and development of the Company and is responsible for creating the overall vision of the Company and is actively involved in all techno-commercial departments.

Ashokkumar Laljibhai Lukhi, aged 46 Years, is a Promoter and Whole-Time Director of our Company since incorporation. He possesses a Bachelor of Commerce Degree from University of South Gujarat in 1998 and Bachelor of Law Degree from University of The Heer Narmad South Gujarat in 2012. He presently runs a sole proprietorship firm under the name "Lukhi & Associates" carrying the business of Finance. He is currently looking after all the financial and strategic matters of the company.

Yash Ghanshyambhai Lukhi, aged 23 years, is an Executive Director of our Company since June 22, 2022. He has completed his graduation in Bachelor of Technology (Food Technology and Management) in 2021 from National Institute of Food Technology Entrepreneurship and Management, Delhi. He has joined our Company as a Head - Business Development since April 2020. He is currently responsible to look after Research and Development and Business Development of our Company.

Naveen Anand, aged 40 years, is a Non - Executive Director of our Company since July 12, 2022. He has not completed his formal education. He has experience in the field of marketing and trading of food for more than 20 years. He is the promoter of Maalana Foods Private Limited and also runs a trading firm under the "Freunde Enterprise" which deals in the FMCG Foods Products.

Kamleshkumar Narmdashankar Pandya, aged 47 years, is an Independent Director of our Company. He is Fellow Member of the Institute of Chartered Accountants of India (ICAI) and also possess diploma in Information System Audit (DISA), a post qualification course conducted Institute of Chartered Accountants of India (ICAI). He is the founder partner of Kamlesh Pandya & Co., Chartered Accountants, Surat. He has 20+ years of experience in chartered accountancy and finance.

Rekha Hasmukh Shah, aged 49 years, is an Independent Director of our Company. She possesses diploma in Hotel Management from Bangalore, Diploma in Complete Bakery & Confectionary from Bangalore and hold a certificate in Swiss Chocolate Making. She is the founder of Exotica Homemade Cookies located in Surat. She has 20+ years of experience in Bakery and Confectionary.

Relationship between our Directors

Except as mentioned below, as on the date of this Draft Prospectus, none of our directors are related to each other as per section 2(77) of the Companies Act, 2013.

| Director | Other Directors | Relation |
|-------------------------------|-------------------------------|--|
| Ashokkumar Laljibhai Lukhi | Ghanshyambhai Laljibhai Lukhi | Brother |
| Ghanshyambhai Laljibhai Lukhi | Yash Ghanshyambhai Lukhi | Father - Son |
| Ashokkumar Laljibhai Lukhi | Yash Ghanshyambhai Lukhi | Co-parceners of Laljibhai Shamjibhai Lukhi HUF |

Relationship between our Directors and KMPs

Except as mentioned below, as on the date of this Draft Prospectus, none of our directors and KMPs are related to each other as on the date of this Draft Prospectus.

| Director | Other Directors | Relation |
|-------------------------------|-------------------------------|--|
| Ashokkumar Laljibhai Lukhi | Ghanshyambhai Laljibhai Lukhi | Brother |
| Ghanshyambhai Laljibhai Lukhi | Yash Ghanshyambhai Lukhi | Father - Son |
| Ashokkumar Laljibhai Lukhi | Yash Ghanshyambhai Lukhi | Co-parceners of Laljibhai Shamjibhai Lukhi HUF |

Details of any arrangement or understanding with major shareholders, customers, suppliers or others

As on the date of this Draft Prospectus, our Company has no arrangement or understanding with any major shareholders, customers or suppliers and none of our Directors or members of senior management were appointed pursuant to any arrangement or understanding with any major shareholders, customers, suppliers or others.

Service contracts with Directors

Our Company do not have any service contract with the Directors pursuant to which they are entitled to any benefits upon termination of employment.

Borrowing Powers of the Board

Pursuant to a special resolution passed at an Extraordinary General Meeting of our Company held on July 16, 2022 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 deem fit, notwithstanding that the money to be borrowed together with the money already borrowed by our Company may exceed in the aggregate, its paid up capital and free reserves and security premium (apart from temporary loans obtained / to be obtained from bankers in the ordinary course of business), provided that the outstanding principal amount of such borrowing at any point of time shall not exceed in the aggregate of Rs. 50.00 crores.

Terms and conditions of employment of our Executive Directors

Ghanshyambhai Laljibhai Lukhi

Ghanshyambhai Laljibhai Lukhi was appointed as a First Director of our Company pursuant to Articles of Association. Later, he was re-designated as Managing Director for a period of five (5) years by virtue of a resolution passed by the Board of Directors in its meeting held on July 12, 2022 and by the members in Extraordinary General Meeting held on August 03, 2022 have approved the following terms of remuneration:

| Particulars | Remuneration |
|--------------|--|
| Remuneration | Maximum limit not exceeding Rs. 1,50,000/- (Rupees One Lakh Fifty Thousand Only) per month as Basic Salary within which the board may from time to time increase limit upto Rs. 5,00,000/- p.m. |
| Perquisites | i. Medical Allowance: Reimbursement of all expenses incurred for self and family at actual (including domiciliary and medical expenses and insurance premium for medical and hospitalization policy as applicable), as per Company policy, subject to maximum of Rs. 15000/- (Rupees Fifteen Thousand Only) per annum. ii. Reimbursement of entertainment, travelling and all other expenses incurred for the business of the Company as per the policy of the Company. |

| Particulars | Remuneration |
|-------------|--|
| | iii. Conveyance Allowance: Not exceeding of Rs. 19,200/- (Rupees Nineteen Thousand and Two Hundred Only) per annum. iv. Other Allowances / benefits, perquisites - any other allowances, benefits and perquisites as per the Rules applicable to the Senior Executives of the Company and / or which may become applicable in the future and / or any other allowance, perquisites as the Board may from time to time decide. v. Any other, one time / periodic retirement allowances / benefits as may be decided by the Board at the time of retirement. |

Ashokkumar Laljibhai Lukhi

Ashokkumar Laljibhai Lukhi was appointed as a First Director of our Company pursuant to Articles of Association. Later, He was re-designated as Whole-time Director for a period of five (5) years by virtue of a resolution passed by the Board of Directors in its meeting held on July 12,2022 and by the members in Extraordinary General Meeting held on July 16,2022. The Shareholders have approved the following terms:

| Particulars | Remuneration |
|--------------|---|
| Remuneration | Not Exceeding Rs. 75,000 per month with such increments as the Board may decide from to time subject to a ceiling of Rs. 1,00,000 per month. |
| Perquisites | i. Medical Allowance: Reimbursement of all expenses incurred for self and family at actual (including domiciliary and medical expenses and insurance premium for medical and hospitalization policy as applicable), as per Company policy, subject to maximum of Rs. 15000/- (Rupees Fifteen Thousand Only) per annum. ii. Reimbursement of entertainment, travelling and all other expenses incurred for the business of the Company as per the policy of the Company. iii. Conveyance Allowance: Not exceeding of Rs. 19,200/- (Rupees Nineteen Thousand and Two Hundred Only) per annum. iv. Other Allowances / benefits, perquisites - any other allowances, benefits and perquisites as per the Rules applicable to the Senior Executives of the Company and / or which may become applicable in the future and / or any other allowance, perquisites as the Board may from time to time decide. v. Any other one time / periodic retirement allowances / benefits as may be decided by the Board at the time of retirement. |

Yash Ghanshyambhai Lukhi

Yash Ghanshyambhai Lukhi was appointed as whole time director by the members in Extraordinary General Meeting held on August 03, 2022 and have also approved the following terms of remuneration:

| Particulars | Remuneration |
|--------------|--|
| Remuneration | Not exceeding Rs. 1,00,000/- (Rupees One Lakh Only) per month with such increments as the Board may decide from time to time subject however to a ceiling of Rs. 3,50,000/- (Rupees Three Lacs Fifty Thousand only) per month as Basic Salary. |
| Perquisites | i. Medical Allowance: Reimbursement of all expenses incurred for self and family at actual (including domiciliary and medical expenses and insurance premium for medical and hospitalization policy as applicable), as per Company policy, subject to maximum of Rs. 15000/- (Rupees Fifteen Thousand Only) per annum. |

| Particulars | Remuneration |
|-------------|---|
| | ii. Reimbursement of entertainment, travelling and all other expenses incurred for the business of the Company as per the policy of the Company. iii. Conveyance Allowance: Not exceeding of Rs. 19,200/- (Rupees Nineteen Thousand and Two Hundred Only) per annum. iv. Other Allowances / benefits, perquisites - any other allowances, benefits and perquisites as per the Rules applicable to the Senior Executives of the Company and / or which may become applicable in the future and / or any other allowance, perquisites as the Board may from time to time decide. v. Any other one time / periodic retirement allowances / benefits as may be decided by the Board at the time of retirement. |

Remuneration paid to Executive Directors During FY 2021-2022

| Name of the Directors | 2021-22 |
|-------------------------------|----------|
| Ashokkumar Laljibhai Lukhi | 6,00,000 |
| Ghanshyambhai Laljibhai Lukhi | 8,40,000 |
| Yash Ghanshyambhai Lukhi | 6,00,000 |

Payment or benefit to Non-Executive Directors and Independent Directors of our Company

No remuneration has been paid to our Non - Executive Directors and Independent Directors during Financial year 2021-22.

Our Company does not pay any remuneration to our Non-Executive and Non-Executive Independent Directors as an annual remuneration/ commission.

Our Board of Directors have resolved in their meeting dated July 18, 2022 for payment of an amount not exceeding Rs. 2000 per meeting as a sitting fee to all Non-Executive Directors / Independent Director / Committee Member for attending each such meeting of the Board or Committee thereof.

Remuneration paid or payable to our Directors by our Subsidiaries

None of the Directors of our Company has been paid any remuneration by our Subsidiaries, including any contingent or deferred compensation accrued for Financial Year 2021-22.

Shareholding of Directors in our Company

As per our AOA, our directors are not required to hold any qualification shares.

The shareholding of our Directors in our Company as on the date of this Draft Prospectus is set forth below:

| Name of Director | Number of Equity Shares |
|-------------------------------|-------------------------|
| Ashokkumar Laljibhai Lukhi | 11,38,853 |
| Ghanshyambhai Laljibhai Lukhi | 16,72,647 |
| Yash Ghanshyambhai Lukhi | 5,000 |
| Total | 28,11,500 |

Confirmations

None of our Directors is or was a director of any listed companies, whose shares have been or were suspended from being traded on any stock exchanges having nationwide terminals, during the five (5) years preceding from the date of this Draft Prospectus, during their term of directorship in such company.

None of our Directors is or was, a director of any listed companies, which has been or were delisted from any stock exchange(s), during their term of directorship in such company.

None of our Directors have been or was identified as a wilful defaulter or a fraudulent borrower as defined under SEBI ICDR Regulations.

No consideration, either in cash or shares or in any other form have been paid or agreed to be paid to any of our Directors or to the firms, trusts or companies in which they have an interest in, by any person, either to induce him to become or to help him qualify as a Director, or otherwise for services rendered by him or by the firm, trust or company in which he is interested, in connection with the promotion or formation of our Company.

Interest of directors

All our Non-Executive Directors including Independent Director may be deemed to be interested to the extent of sitting fees payable to them for attending meetings of the Board or a committee thereof and as well as to the extent of reimbursement of expenses payable to them under the Articles. Our executive Directors deemed to be interested to the extent of remuneration payable to them pursuant to Articles of the Company and resolution approved by the Board of Directors/ Members of our Company, as the case may be, time to time for services rendered as an officer or employee of our Company. The Directors may also be deemed to be interested in the Equity Shares, if any, held by them and/or any Equity Shares that may be held by their relatives, the companies, firms and trusts, in which they are interested as directors, members, partners, trustees, beneficiaries and promoters and in any dividend distribution which may be made by our Company in the future. For the shareholding of the Directors, please refer chapter titled “*Our Management - Shareholding of Directors in our Company*” on page 138 of this Draft Prospectus.

Other than our promoter directors, none of the other Directors have any interest in the promotion of our Company other than in the ordinary course of business.

Except as stated in the chapter “*Business Overview*” on page 99” of this draft prospectus and in the chapter “*Restated Financial Statement*” on page 162 none of our Directors have any interest in the property acquired or proposed to be acquired by our Company.

Except as stated in “*Restated Financial Statements*” on page 162 and as disclosed in this section, our Directors do not have any other interest in our Company or in any transaction by our Company including, for acquisition of land, construction of buildings or supply of machinery.

Payment of benefits (non-salary related)

Except as disclosed above, no amount or benefit has been paid or given within the two (2) years preceding the date of filing of this Draft Prospectus or is intended to be paid or given to any of our Directors except the remuneration for services rendered and/or sitting fees as Directors.

Bonus or profit-sharing plan for the Directors

None of the Directors are party to any bonus or profit-sharing plan of our Company.

Changes in the board of directors in the last three (3) years

There has been no change in the Board of Directors, except as stated below during the last three (3) years:

| Sr. No. | Name | Date & Nature of Change | Reason |
|---------|-----------------------------------|-------------------------|---|
| 1. | Ashokkumar Laljibhai Lukhi | July 12, 2022 | Change in designation as Whole-Time Director |
| 2. | Ghanshyambhai Laljibhai Lukhi | July 12, 2022 | Change in designation as Managing Director |
| 3. | Yash Ghanshyambhai Lukhi | June 22, 2022 | Appointed as Additional Executive Director |
| 4. | Yash Ghanshyambhai Lukhi | August 03, 2022 | Change in designation as Wholetime Director |
| 5. | Naveen Anand | July 12, 2022 | Appointed as Additional Non - Executive Director |
| 6. | Naveen Anand | July 16, 2022 | Change in designation as Non - Executive Director |
| 7. | Kamleshkumar Narmdashankar Pandya | July 18, 2022 | Appointed as Independent Non - Executive Director |
| 8. | Kamleshkumar Narmdashankar Pandya | July 28, 2022 | Change in designation as Independent Non - Executive Director |
| 9. | Rekha Hasmukh Shah | July 18, 2022 | Appointed as Independent Non - Executive Director |
| 10. | Rekha Hasmukh Shah | July 28, 2022 | Change in designation as Independent Non - Executive Director |

Corporate Governance

We are in compliance with the requirements of the applicable regulations, including SEBI Listing Regulations, SEBI regulations and the Companies Act in respect of corporate governance including constitution of the Board and committees thereof.

Our Board has been constituted in compliance with the Companies Act and SEBI Listing Regulations. The Board functions either as a full board or through various committees constituted to oversee specific functions

Committees of the Board of directors

Our Board of Directors presently has three (3) committees which have been constituted in accordance with the relevant provisions of the Companies Act and SEBI Listing Regulations: (i) Audit Committee, (ii) Nomination and Remuneration Committee and (iii) Stakeholders Relationship Committee

(i) Audit Committee

Our Company has constituted an Audit Committee as per Section 177 and other applicable provisions of Companies Act, 2013 read with Rule 6 of the Companies (Meetings of Board and its Power) Rules, 2014 and applicable Clauses of Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015 and any other applicable guidelines vide resolution passed in the meeting of our Board dated July 23, 2022. The constitution of the Audit Committee is as follows:

| Name of Director | Position in the Committee | Designation |
|-----------------------------------|---------------------------|----------------------|
| Kamleshkumar Narmdashankar Pandya | Chairman | Independent Director |
| Rekha Hasmukh Shah | Member | Independent Director |
| Ashokkumar Laljibhai Lukhi | Member | Whole time Director |

The Company Secretary and Compliance Officer of the Company would act as the Secretary to the Audit Committee.

The scope and function of the Audit Committee is in accordance with section 177 of the Companies Act. The recommendations of the Audit Committee on any matter relating to financial management, including the audit report, are binding on the Board. If the Board is not in agreement with the recommendations of the Committee, reasons for disagreement shall have to be incorporated in the minutes of the Board Meeting and the same has to be communicated to the shareholders. The Chairman of the Audit committee has to attend the Annual General Meetings of the Company to provide clarifications on matters relating to the audit.

Tenure:

The Audit Committee shall continue to be in function as a committee of the Board until otherwise resolved by the Board, to carry out the functions of the Audit Committee as approved by the Board.

Meetings of the Committee:

The committee shall meet at least four times in a year and not more than 120 days shall elapse between any two meetings. The quorum for the meeting shall be either two members or one third of the members of the committee, whichever is higher but there shall be presence of minimum two Independent members at each meeting.

Role and Powers

The Role of Audit Committee together with its powers as Part C of Schedule II of SEBI Listing Regulation, 2015 as amended and Companies Act, 2013 shall be as under:

Role of Audit Committee

1. Oversight of the listed entity's financial reporting process and the disclosure of its financial information to ensure that the financial statement is correct, sufficient and credible;
2. Recommendation for appointment, remuneration and terms of appointment of auditors of the listed entity;
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 and auditor's report thereon before submission to the board for approval;
5. Reviewing, with the management, the half yearly financial statements before submission to the board for approval, with particular reference to;
6. matters required to be included in the director's responsibility statement to be included in the board's report in terms of clause (c) of sub-section (3) of Section 134 of the Companies Act, 2013;
7. changes, if any, in accounting policies and practices and reasons for the same;
8. major accounting entries involving estimates based on the exercise of judgment by management;
9. significant adjustments made in the financial statements arising out of audit findings;
10. compliance with listing and other legal requirements relating to financial statements;
11. disclosure of any related party transactions;
12. modified opinion(s) in the draft audit report;
13. 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;

14. Reviewing and monitoring the auditor's independence and performance, and effectiveness of audit process;
15. Approval or any subsequent modification of transactions of the listed entity with related parties;
16. Scrutiny of inter-corporate loans and investments;
17. Valuation of undertakings or assets of the listed entity, wherever it is necessary;
18. Evaluation of internal financial controls and risk management systems;
19. Reviewing, with the management, performance of statutory and internal auditors, adequacy of the internal control systems;
20. 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;
21. Discussion with internal auditors of any significant findings and follow up there on;
22. The Audit Committee may call for the comments of the auditors about internal control systems, the scope of audit, including the observations of the auditors and review of financial statement before their submission to the Board and may also discuss any related issues with the internal and statutory auditors and the management of the company.
23. Discussing with the 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;
24. 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;
25. 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;
26. The Audit Committee shall have authority to investigate into any matter in relation to the items specified in section 177(4) of Companies Act 2013 or referred to it by the Board.
27. 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;
28. To review the functioning of the whistle blower mechanism;
29. Approving the appointment of the Chief Financial Officer (i.e. the whole time finance director or any other person heading the finance function) after assessing the qualifications, experience and background, etc., of the candidate; and;
30. Audit committee shall oversee the vigil mechanism.
31. Audit Committee will facilitate KMP/auditor(s) of the Company to be heard in its meetings.
32. Carrying out any other function as is mentioned in the terms of reference of the audit committee or containing into SEBI Listing Regulations 2015.

The powers of the Audit Committee include the following:

- i. To investigate activity within its terms of reference;
- ii. To seek information from any employees;

- iii. To obtain outside legal or other professional advice;
- iv. To secure attendance of outsiders with relevant expertise, if it considers necessary; and
- v. To have full access to the information contained in the records of the Company.

Further, the Audit Committee shall mandatorily review the following:

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; and
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:
 - i. Quarterly statement of deviation(s) including report of monitoring agency, if applicable, submitted to stock exchange(s) in terms of Regulation 32(1).
 - ii. Annual statement of funds utilized for purposes other than those stated in the offer document/prospectus/notice in terms of Regulation 32(7).

(ii) Nomination and Remuneration Committee

Our Company has constituted Nomination and Remuneration Committee in terms of Section 178, Schedule V and other applicable provisions of Companies Act, 2013 read with rule 6 of the Companies (Meetings of Board and its Power) Rules, 2014 and applicable clauses of Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015 and any other applicable guidelines, in the meeting of the Board of Directors held on July 23, 2022. The Nomination and Remuneration Committee presently consists of the following Directors of the Board :-

| Name of Director | Position in the Committee | Designation |
|-----------------------------------|---------------------------|------------------------|
| Kamleshkumar Narmdashankar Pandya | Chairman | Independent Director |
| Rekha Hasmukh Shah | Member | Independent Director |
| Naveen Anand | Member | Non-Executive Director |

The Company Secretary of our Company acts as the Secretary to the Committee.

Tenure:

The Nomination and Remuneration Committee shall continue to be in function as a committee of the Board until otherwise resolved by the Board.

Meetings:

The committee shall meet as and when the need arises for review of Managerial Remuneration. The quorum for the meeting shall be one third of the total strength of the committee or two members, whichever is higher. The Chairperson of the nomination and remuneration committee may be present at the annual general meeting, to answer the shareholders queries; however, it shall be up to the chairperson to decide who shall answer the queries.

Role of Terms of Reference:

1. Identify persons who are qualified to become directors and may be appointed in senior management in accordance with the criteria laid down, recommend to the Board their appointment and removal and shall carry out evaluation of every director's performance;
2. Formulate the criteria for determining the qualifications, positive attributes and independence of a director and recommend to the Board a policy relating to the remuneration for directors, KMPs and other employees;
3. Formulation of criteria for evaluation of performance of independent directors and the board of directors;
4. Devising a policy on diversity of board of directors;
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. Determine our Company's policy on specific remuneration package for the Managing Director / Executive Director including pension rights;
7. Decide the salary, allowances, perquisites, bonuses, notice period, severance fees and increment of Executive Directors;
8. Define and implement the Performance Linked Incentive Scheme (including ESOP of the Company) and evaluate the performance and determine the amount of incentive of the Executive Directors for that purpose.
9. Decide the amount of Commission payable to the Whole Time Directors;
 - Review and suggest revision of the total remuneration package of the Executive Directors keeping in view the performance of the Company, standards prevailing in the industry, statutory guidelines etc; and
 - To formulate and administer the Employee Stock Option Scheme.

(iii) Stakeholders Relationship Committee

Our Company has constituted the Stakeholders Relationship Committee in terms of Section 178 sub section (5) and other applicable provisions of Companies Act, 2013 read with Rule 6 of the Companies (Meeting of Board and its Power) Rules, 2014 and applicable clauses of Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015, in the meeting of Board of Directors dated July 23, 2022. The Stakeholders Relationship Committee presently consists of the following Directors of the Board:

| Name of Director | Position in the Committee | Designation |
|--------------------------|---------------------------|-------------|
| Naveen Anand | Non - Executive Director | Chairman |
| Rekha Hasnmukh Shah | Independent Director | Member |
| Yash Ghanshyambhai Lukhi | Wholetime Director | Member |

The Company Secretary and Compliance Officer of the Company would act as the Secretary to the Stakeholder's Relationship Committee.

Tenure:

The Stakeholders Relationship Committee shall continue to be in function as a committee of the Board until otherwise resolved by the Board, to carry out the functions of the Stakeholders Relationship Committee as approved by the Board.

Meetings:

The Stakeholders Relationship Committee shall meet at least four times a year with maximum interval of four months between two meetings and shall report to the Board on a quarterly basis regarding the status of redressal of complaints received from the shareholders of the Company. The quorum shall be two members or one third of the members, whichever is greater present.

Terms of Reference:

Redressal of shareholders' and investors' complaints, including and in respect of:

1. Allotment, transfer of shares including transmission, splitting of shares, changing joint holding into single holding and vice versa, issue of duplicate shares in lieu of those torn, destroyed, lost or defaced or where the space at back for recording transfers have been fully utilized.
2. Issue of duplicate certificates and new certificates on split/consolidation/renewal, etc.;
3. Review the process and mechanism of redressal of Shareholders' /Investor's grievance and suggest measures of improving the system of redressal of Shareholders' /Investors' grievances.
4. Non-receipt of share certificate(s), non-receipt of declared dividends, non-receipt of interest/dividend warrants, non-receipt of annual report and any other grievance/complaints with Company or any officer of the Company arising out in discharge of his duties.
5. Oversee the performance of the Registrar & Share Transfer Agent and also review and take note of complaints directly received and resolved them.
6. Oversee the implementation and compliance of the Code of Conduct adopted by the Company for prevention of Insider Trading for Listed Companies as specified in the Securities & Exchange Board of India (Prohibition of insider Trading) Regulations, 2015 as amended from time to time.
7. Any other power specifically assigned by the Board of Directors of the Company from time to time by way of resolution passed by it in a duly conducted Meeting, and
8. Carrying out any other function contained in the equity listing agreements as and when amended from time to time.

POLICY ON DISCLOSURES AND INTERNAL PROCEDURE FOR PREVENTION OF INSIDER TRADING

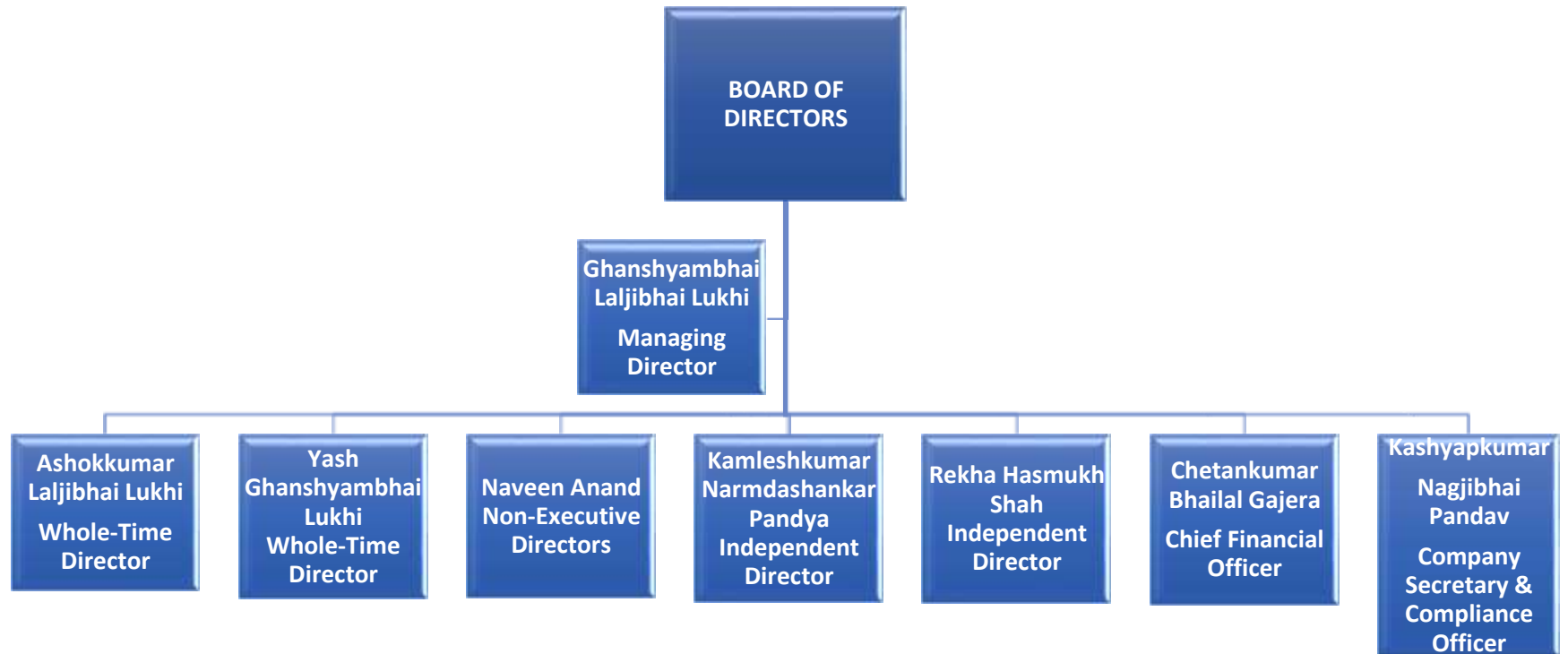
The provisions of regulation 9(1) of the SEBI (Prohibition of Insider Trading) Regulations, 2015 will be applicable to our Company immediately upon the listing of its Equity Shares on the . We shall comply with the requirements of the SEBI (Prohibition of Insider Trading) Regulations, 2015 on listing of Equity Shares on stock exchanges.

The Company Secretary & Compliance Officer will be responsible for setting forth policies, procedures, monitoring and adherence to the rules for the preservation of price sensitive information and the implementation of the Code of Conduct under the overall supervision of the Board.

POLICY FOR DETERMINATION OF MATERIALITY & MATERIALITY OF RELATED PARTY TRANSACTIONS AND ON DEALING WITH RELATED PARTY TRANSACTIONS

The provisions of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 will be applicable to our Company immediately upon the listing of Equity Shares of our Company on EMERGE Platform of NSE. We shall comply with the requirements of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 on listing of Equity Shares on the NSE EMERGE. The Board of Directors at their meeting held on July 23, 2022 have approved and adopted the policy for determination of materiality and determination of materiality of related party transactions and on dealing with related party transactions.

Management Organization Structure



Our Key Managerial Personnel

Our Company is managed by our Board of Directors, assisted by qualified and experienced professionals, who are permanent employees of our Company. Following are the Key Managerial Personnel of our Company:

Brief Profile of Key Managerial Personnel:

The details of the Key Management Personnel, in addition to our Managing Director and Wholetime Directors, are set out below:

Kashyap Kumar Nagjibhai Pandav, Company Secretary & Compliance Officer

Kashyap Kumar Nagjibhai Pandav aged 30 years is Company Secretary & Compliance Officer of our Company. He was appointed by our Board of Directors in their meeting held on July 23, 2022. He is an Associate Member of “The Institute of Company Secretaries of India” (ICSI). He has experience in secretarial and compliance. Prior to joining our Company, he handled secretarial compliances in Praful N. Vekariya, Practising Company secretaries. His role in the Company is to handle the core secretarial compliances in accordance with Companies Act, 2013 and SEBI (LODR) Regulations 2015 and other applicable laws enforced in India.

Chetankumar Bhailal Gajera, Chief Financial Officer

Chetankumar Bhailal Gajera, aged 38 years, is the Chief Financial Officer of our Company. He has been appointed by the Board of Directors of our Company as Chief Financial Officer with effect from July 12, 2022. He holds a Degree of Bachelors of Commerce from The Heer Narmad South Gujarat, Surat and Degree of Bachelor of Laws from The Heer Narmad South Gujarat, Surat. He has an overall work experience of over 15 years in the field of accounts and finance.

Nature of any family relation between any of the key managerial personnel

Except as mentioned below, as on the date of this Draft Prospectus, none of our Key Managerial Personnel are related to each other:

| Director | Other Directors | Relation |
|-------------------------------|-------------------------------|--|
| Ashokkumar Laljibhai Lukhi | Ghanshyambhai Laljibhai Lukhi | Brother |
| Ghanshyambhai Laljibhai Lukhi | Yash Ghanshyambhai Lukhi | Father - Son |
| Ashokkumar Laljibhai Lukhi | Yash Ghanshyambhai Lukhi | Co-parceners of Laljibhai Shamjibhai Lukhi HUF |

Arrangement or understanding with major shareholders, customers, suppliers or others

As on the date of this Draft Prospectus, our Company has no arrangement or understanding with any major shareholders, customers or suppliers or others, pursuant to which any of the Key Managerial Personnel were selected as a Key Managerial Personnel.

Compensation paid to Key Managerial Personnel during last financial year i.e., 2021-2022

For details with respect to the compensation paid to our Key Managerial Personnel during preceding Financial Year 2021-2022 refer “*Our Management - Terms and conditions of employment of our Executive Directors*” of our Company on page 138 and “*Restated Financial Statements*” on page 162 of this Draft Prospectus.

Kashyap Kumar Nagjibhai Pandav has been appointed as Company Secretary and Compliance Officer w.e.f July 23, 2022. Hence, he has not received remuneration during preceding Financial Year 2021-2022.

Chetankumar Bhailal Gajera has been appointed as Chief Financial Officer w.e.f July 12, 2022. Hence, he has not received remuneration during preceding Financial Year 2021-2022.

Bonus or profit-sharing plan for Key Managerial Personnel

None of the Key Management Personnel is party to any bonus or profit-sharing plan of our Company other than the performance linked incentives given to each Key Management Personnel.

Contingent and Deferred Compensation payable to our Directors and Key Managerial Personnel

There is no contingent or deferred compensation payable to our Directors and Key Managerial Personnel, which does not form part of their remuneration.

Status of Permanent Employment of KMPs

All the key managerial personnel mentioned above are permanent employees of our Company.

Shareholding of the Key Managerial Personnel

None of the Key Managerial Personnel holds Equity Shares of our Company as on the date of this Draft Prospectus *except*

| Name of Director | Number of Equity Shares |
|-------------------------------|--------------------------------|
| Ashokkumar Laljibhai Lukhi | 11,38,853 |
| Ghanshyambhai Laljibhai Lukhi | 16,72,647 |
| Yash Ghanshyambhai Lukhi | 5,000 |
| Total | 28,11,500 |

Changes in Key Managerial Personnel During Last Three (3) Years

Except as mentioned below, there has been no change in Key Managerial Personnel during the last three (3) years:

| Sr. No. | Name | Date & Nature of Change | Reason |
|----------------|-------------------------------|------------------------------------|---|
| 1. | Ashokkumar Laljibhai Lukhi | July 12, 2022 | Change in designation as Whole-Time Director |
| 2. | Ghanshyambhai Laljibhai Lukhi | July 12, 2022 | Change in designation as Managing Director |
| 3. | Yash Ghanshyambhai Lukhi | June 22, 2022 | Appointed as Executive Director |
| 4. | Kashyapkumar Nagjibhai Pandav | July 23, 2022 | Appointed as Company Secretary and Compliance Officer |
| 5. | Chetankumar Pandya | July 12, 2022 | Appointed as Chief Financial Officer |
| 6. | Yash Ghanshyambhai Lukhi | August 03, 2022 | Change in designation as Whole-Time Director |

Attrition of Key Managerial Personnel

The attrition of key management personnel is not high in our company compared to the industry.

Employees' Stock Option or or Employee Stock Purchase Scheme

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

Service Contracts with KMPs.

Our Company does not have any service contract with the KMP pursuant to which they are entitled to any benefits upon termination of employment.

Payment of Benefits to of Our KMPs (*non-salary related*)

Except as disclosed in this Draft Prospectus other than any statutory payments made by our Company to its KMPs in last three (3) Preceding Financial Years, our Company has not paid any sum, any non-salary

related amount or benefit to any of its officers or to its employees. For further details, please refer section titled '*Restated Financial Statements*' beginning on page 162 of this Draft Prospectus.



OUR PROMOTERS AND PROMOTERS GROUP

OUR PROMOTERS

The Promoters of our Company are Ghanshyambhai Laljibhai Lukhi and Ashokkumar Laljibhai Lukhi.

As on the date of this Draft Prospectus, our Promoters hold in aggregate 28,06,500 Equity Shares of face value Rs. 10/- each, representing 99.26% of the issued, subscribed and paid-up Equity Share Capital of our Company.

BRIEF PROFILE OF OUR PROMOTERS IS AS FOLLOWS:

| | |
|---|--|
|  | <p>Ghanshyambhai Laljibhai Lukhi, aged 47 years, is our Promoter and Director on our Board.</p> <p>Address: C-1004, Laxmi Residency, Near Gajera School, Katargam, Surat City, Surat, Gujarat - 395004, India.</p> <p>Date of Birth: September 12, 1974</p> <p>For further details of his experience, educational qualifications, positions / posts held in the past directorship held and business & financial activities and special achievements, please refer to section titled "<i>Our Management</i>" on page 138 of this Draft Prospectus.</p> |
|  | <p>Ashokkumar Laljibhai Lukhi, aged 46 years, is our Promoter and Director on our Board.</p> <p>Address: E-1004, Laxmi Residency, Near Gajera School, Katargam, Surat City, Surat, Gujarat - 395004, India.</p> <p>Date of Birth: July 18, 1976</p> <p>For further details of his experience, educational qualifications, positions / posts held in the past directorship held and business & financial activities and special achievements, please refer to section titled "<i>Our Management</i>" on page 138 of this Draft Prospectus.</p> |

DECLARATION

Our Company confirms that the Permanent Account Number (PAN), Aadhar Card Number, Driving License Number, Bank Account Number(s) and Passport Number(s) of our Promoter shall be submitted to NSE EMERGE at the time of filing this Draft Prospectus.

OTHER VENTURES OF OUR PROMOTERS

Other than as disclosed in this section “*Our Promoters and Promoters Group*” and “*Our Subsidiary*” on page 154 and 159, our promoters are not involved in any other ventures.

CHANGE IN THE MANAGEMENT AND CONTROL OF OUR COMPANY

There has not been any effective change in the management and control of our Company in the five years immediately preceding the date of this Draft Prospectus.

INTEREST OF PROMOTERS

Interest in Promotion of our Company

Our Company is promoted by Ghanshyambhai Laljibhai Lukhi and Ashokkumar Laljibhai Lukhi who holds 16,72,647 and 11,33,853 Equity Shares respectively of our Company as of the date of this Draft Prospectus.

Our Promoters are interested in our Company to the extent of the promotion of our Company and to the extent of their shareholdings in our Company and the shareholding of their relatives in our Company and employment related benefits paid by our Company i.e., remuneration and reimbursement of expenses payable to them in such capacities. For further details, please refer section titled “*Capital Structure*” and “*Management*” beginning on pages 56 and 138, respectively of this Draft Prospectus.

Our Promoters may also be interested to the extent of providing personal guarantees for some of the loans taken by our Company and also to the extent of unsecured loans.

No sum has been paid or agreed to be paid to our Promoters and our Promoters are not interested as members of any firm or any company and hence no sum has been paid or agreed to be paid to such firm or company in cash or shares or otherwise by any person for services rendered by our Promoters or by such firm or company in connection with the promotion or formation of our Company.

Further, our Promoters are also Directors on the board, or are shareholders, members or partners, of certain entities forming part of the Promoters Group and other entities with which our Company has had related party transactions and may be deemed to be interested to the extent of the payments made by our Company, if any, to such entities forming part of the Promoters Group, Group Company and such other entities. For the payments that are made by our Company to certain entities forming part of the Promoters Group, Group Company and other related parties, see “*Offer Document Summary - Summary of Related Party Transactions*” and “*Our Group Companies*” page number 16 & 158 respectively.

Our Promoters are not interested in any transaction in acquisition of land, construction of building or supply of machinery.

For further details regarding the payments made by our Company to the entities mentioned above, see “*Offer Document Summary - Summary of Related Party Transactions*” on page 16.

For further details, please refer section titled “*Capital Structure*”, “*Restated Financial Statement*” and “*Our Management*” on pages 56, 162 and 138, respectively of this Draft Prospectus.

Interest in the properties of our Company

Except as mentioned in the chapter titled “*Business Overview*” and in the chapter titled “*Restated Financial Statement*” on page 99 and 162 respectively of this Draft Prospectus, none of our Promoters and Members of Promoters Group have any interest in any property acquired by or proposed to be acquired by our Company during a period of three (3) years prior to filing of the Draft Prospectus.

Other Interest

Except as mentioned in the chapter titled “*Restated Financial Statements*”, and “*Business Overview*” on page 162 and 99 respectively, our Promoters are not interested in any transaction for acquisition of land or property, construction of building and supply of machinery, or any other contract, agreement or

arrangement entered into by the Company and no payments have been made or are proposed to be made in respect of these contracts, agreements or arrangements.

Further, our Promoters are on the board of the Company and members of certain Promoters Group companies and may be deemed to be interested to the extent of the payments made by our Company, if any, to these Promoters Group Companies.

INTEREST OF DIRECTORS

For further details please refer Chapter “*Our Management*” on page 138 of this Draft Prospectus.

PAYMENT OR BENEFITS TO OUR PROMOTERS AND PROMOTERS GROUP DURING THE LAST TWO YEARS

Except in the ordinary course of business and as stated in section “*Restated Financial Statements*” beginning on page 162 of this Draft Prospectus, there has been no payment or benefits to our Promoter during the two (2) years preceding the date of filing of this Draft Prospectus, nor there is any intention to pay or give any benefit to our Promoters and Promoters Group as on the date of this Draft Prospectus.

EXPERIENCE OF OUR PROMOTERS IN THE BUSINESS OF OUR COMPANY

For details in relation to experience of our Promoters in the business of our Company, see Section titled “*Business Overview*” and “*Our Management*” on page no. 99 and 138 respectively of this Draft Prospectus.

OUTSTANDING LITIGATION INVOLVING OUR PROMOTERS

For details of legal and regulatory proceedings involving our Promoters, please refer section titled “*Outstanding Litigation and Material Developments*” on page [●] of this Draft Prospectus.

MATERIAL GUARANTEES

Except as stated in the chapter titled “*Financial Indebtedness*” and section titled “*Restated Financial Statements*” beginning on page 200 and 162 of this Draft Prospectus, respectively, there are no material guarantees given by our Promoters to third parties with respect to specified securities of the Company as on the date of this Draft Prospectus.

COMPANIES WITH WHICH OUR PROMOTERS HAS DISASSOCIATED IN THE LAST THREE (3) YEARS

Our Promoters have not disassociated themselves from any firms or companies in the last three (3) years preceding this Draft Prospectus.

OUR PROMOTERS GROUP

Our Promoters Group in terms of Regulations 2(1) (pp) of the SEBI (ICDR) Regulations 2018, is as under:

- A. *The natural persons who are part of the Promoters Group (due to their relationships with our Promoters), other than our Promoters, are as follows:*

| Relationship With Promoters | Ashokkumar Laljibhai Lukhi | Ghanshyambhai Laljibhai Lukhi |
|------------------------------------|-----------------------------------|--------------------------------------|
| Father | Laljibhai Lukhi | Laljibhai Lukhi |
| Mother | Gauriben Laljibhai Lukhi | Gauriben Laljibhai Lukhi |
| Brother | Ghanshyambhai Laljibhai Lukhi | Ashokkumar Laljibhai Lukhi |
| Sister | Manjulaben Dhameliya | Manjulaben Dhameliya |
| Spouse | Sweta Ashokkumar Lukhi | Ushaben Ghanshyambhai Lukhi |
| Son | Swar Ashokkumar Lukhi | Yash Ghanshyambhai Lukhi |
| Daughter | Vishwa Ashokkumar Lukhi | Yesha Ghanshyambhai Lukhi |
| Spouse’s Father | Late Ganshyamjibhai Patel | Late Jivrajbhai Ghusabhai Kheni |
| Spouse’s Mother | Labhuben Ganshyamjibhai Patel | Hansaben Jivrajbhai Kheni |
| Spouse’s Brother | -- | Shubhasbhai Jivrajbhai Kheni |

| Relationship With Promoters | Ashokkumar Laljibhai Lukhi | Ghanshyambhai Laljibhai Lukhi |
|-----------------------------|---|-------------------------------|
| | | Mukeshbhai Jivrajbhai Kheni |
| Spouse's Sister | Snehal Prashant Patel Kshama Arjun Khunt | -- |

B. Our Promoters Group as defined under Regulation 2(1) (pp) of SEBI ICDR Regulations 2018 includes entities, companies, firms, proprietorships and HUFs which form part of our Promoter Group are as follows:

- a. Lukhi & Associates, Proprietor
- b. Ashokkumar Laljibhai Lukhi HUF
- c. Ghanshyambhai Laljibhai Lukhi HUF
- d. Laljibhai Shamjibhai Lukhi HUF
- e. Tapi Wellness Private Limited
- f. Solar Food Products

SHAREHOLDING OF THE PROMOTERS GROUP IN OUR COMPANY

For details of the shareholding of our Promoters and Promoters Group as on the date of this Draft Prospectus, please refer chapter titled “*Capital Structure*” on page 56 of this Draft Prospectus.

OUR GROUP COMPANIES

In terms of the SEBI ICDR Regulations 'group companies' of our Company shall include (i) the companies (other than our Subsidiaries) with which there were related party transactions, in accordance with AS 18, as disclosed in the Restated Financial Statements; and (ii) such other companies as considered material by our Board pursuant to the materiality policy.

Accordingly, based on the parameters outlined above, as on the date of this Draft Prospectus, our Company does not have any group companies.

OUR SUBSIDIARIES

As on the date of this Draft Prospectus, our Company has one subsidiary:

Tapi Wellness Private Limited

Tapi Wellness Private Limited was incorporated as a Private Limited Company under the Companies Act 2013 pursuant to a certificate of incorporation dated on June 09, 2022 issued by the Deputy Registrar of Companies for and on behalf of the Jurisdictional Registrar of Companies, Central Registration Centre, and its CIN is U24230GJ2022PTC132724. Its registered office is currently located at Office No. - 212 to 214, Sunrise Chambers, Near Ashok Colony, Mini Bazar, Varachha Road, Surat - 395006, Gujarat, India. Our Company subscribed to 9,900 Equity shares of Tapi Fruit Processing Limited

A. Nature of Business

To manufacture, formulate, process, develop, refine, import, export, marketing, wholesale and/or retail trade all kinds of nutraceuticals products, nutritions, minerals, pharmaceuticals, pro biotics, pre biotics, amino acid, biologicals, healthcare, ayurvedic, vitamins, foods supplements and dietary supplement products, medicinal preparations, vaccines, cordials, soups, broths and other restoratives or foods and also to deal in medicinal goods such as contraceptives, patent medicines, hospital requisites, proprietary medicines, veterinary medicines and tinctures extracts and to carry on the business of vialling, bottling, repacking, processing of tablets, capsules, syrups, injections, ointments and also to carry on the business of chemists, druggists, buyers, sellers, agents, distributors and stockists of all kinds of nutraceuticals, pharmaceuticals and allied products.

B. Capital Structure

The details of the capital structure of Tapi Wellness Private Limited are as follows:

| Particulars | Aggregate Nominal Value (Rs. in Lakhs) |
|---|---|
| Authorized Share Capital | |
| 10,000 Equity shares of Rs. 10 each | 1.00 |
| Issued, subscribed and paid-up capital | |
| 10,000 Equity shares of Rs. 10 each | 1.00 |

C. Shareholding of Tapi Wellness Private Limited:

| Name of the shareholder | Number of Equity shares held | Percentage of the total shareholding (%) |
|--------------------------------|-------------------------------------|---|
| Tapi Fruit Processing Limited | 9,900 | 99.00 |
| Yash Ghanshyambhai Lukhi | 100 | 1.00 |

Tapi Wellness Private Limited is yet to commence its business activities.

Other confirmations

Tapi Wellness Private Limited is yet to commence its business activities There are no accumulated profits or losses, which are not accounted for by the Company.

Listing

None of our Subsidiaries are listed on any stock exchange in India or abroad, nor have any of the securities of our Subsidiaries been refused listing by any stock exchange in India or abroad, or failed to meet the listing requirements of any stock exchange in India or abroad.

Business interests of our Subsidiaries in the Company

Currently, the business of our subsidiary is yet to commence and do not have any business interests in our Company. Our Company ensures necessary procedure and practices as permitted by laws and regulatory guidelines to disclose any business interest as and when they arise.

Common pursuits

Our Subsidiary objects of the business is to trade all kinds of nutraceuticals products. Our Company ensures necessary procedure and practices as permitted by laws and regulatory guidelines to address any conflict situations as and when they arise.

DIVIDEND POLICY

The declaration and payment of dividends will be recommended by the Board of Directors and approved by the Shareholders, at their discretion, subject to the provisions of the Articles of Association and the Companies Act. The declaration of dividend, if any, will depend on a number of factors, including but not limited to the future expansion plans and capital requirements, profit earned during the financial year, capital requirements, and surpluses, contractual restrictions, liquidity and applicable taxes including dividend distribution tax payable by our Company and any other factors considered by our Board of Directors. The Articles of Association also provides discretion to our Board to declare and pay interim dividends. In addition, our ability to pay dividends may be impacted by a number of factors, including restrictive covenants under the loan or financing arrangements our Company is currently availing of or may enter into to finance our fund requirements for our business activities. For further details, please refer chapter titled “*Financial Indebtedness*” on page 200 of this Draft Prospectus.

All dividend payments are made in cash to the Shareholders of our Company. Our Company has not adopted any Dividend Distribution Policy as on the date of this Draft Prospectus since the requirements under Regulation 43A of SEBI Listing Regulations are not applicable to the Company. However, depending upon the availability of distributable profits and fund flow, dividends maybe recommended by the Board of Directors and shall pay dividends in accordance with the provisions of the Companies Act, 2013, the Memorandum of Association and Articles of Association and other Applicable Laws.

Our Company has not declared and/or paid any dividend on the Equity Shares since incorporation.

SECTION -VI FINANCIAL STATEMENTS
RESTATED FINANCIAL STATEMENTS
(Remainder page Intentionally Left Blank)

INDEPENDENT AUDITORS' REPORT ON RESTATED FINANCIAL INFORMATION
(As required by Section 26 of Companies Act, 2013 read with Rule 4 of Companies (Prospectus and Allotment of Securities) Rules, 2014)

**To,
The Board of Directors,
Tapi Fruit Processing Limited**

Dear Sir,

We have examined the attached Restated Audited Financial Information of Tapi Fruit Processing Limited (formerly known as Tapi Fruit Processing Private Limited) (hereunder referred to “the Company”, “Issuer”) comprising the Restated Audited Statement of Assets and Liabilities as at March 31, 2022, March 31, 2021 & March 31, 2020, the Restated Audited Statement of Profit & Loss and the Restated Audited Cash Flow Statement for the financial year ended March 31, 2022, March 31, 2021 & March 31, 2020, the Summary statement of Significant Accounting Policies and other explanatory Information (Collectively the Restated Financial Information) as approved by the Board of Directors in their meeting held on 23.07.2022 for the purpose of inclusion in the Offer Document, prepared by the Company in connection with its Initial Public Offer of Equity Shares (IPO) and prepared in terms of the requirement of:-

- a) Section 26 of Part I of Chapter III of the Companies Act, 2013 as amended (the “Act”);;
- b) The Securities and Exchange Board of India (Issue of Capital and Disclosure Requirements) Regulations 2018 (“ICDR Regulations”) as amended (ICDR Regulations”); and
- c) The Guidance Note on Reports in Company Prospectuses (Revised 2019) issued by the Institute of Chartered Accountants of India as amended from time to time. (“The Guidance Note”).

The Company’s Board of Directors is responsible for the preparation of the Restated Financial Information for the purpose of inclusion in the offer document to be filed with Stock Exchange, Securities and Exchange Board of India, and Registrar of Companies, Ahmedabad in connection with the proposed IPO. The Restated Financial Information have been prepared by the management of the Company for the financial year ended on March 31, 2022, 2021 and 2020 on the basis of preparation stated in ANNEXURE –IV to the Restated Financial Information. The Board of Directors of the company’s responsibility includes designing, implementing and maintaining adequate internal control relevant to the preparation and presentation of the Restated Financial Information.

We have examined such Restated Financial Information taking into consideration:

- a) The terms of reference and terms of our engagement agreed upon with you in accordance with our engagement letter dated 4th July, 2022 in connection with the proposed IPO of equity shares of the Company;
- 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 Information; and,
- d) The requirements of Section 26 of the Act and the ICDR Regulations. Our work was performed solely to assist you in meeting your responsibilities in relation to your compliance with the Act, the ICDR Regulations and the Guidance Note in connection with the IPO.

These Restated Financial Information have been compiled by the management from:

- a) Audited financial statements of company as at March 31, 2022, 2021 and 2020 prepared in accordance with the Accounting Standards as prescribed under Section 133 of the Act, read with Rule 7 of the Companies (Accounts) Rules, 2014, as amended, and other accounting principles generally accepted in India.

For the purpose of our examination, we have relied on:

- a) Auditors' Report issued by the Previous Auditors M/s RJD & Co. (the "Previous Auditors") dated September 8, 2020, dated November 5, 2021 and dated June 29, 2022 for the Financial year ended 31st March 2020, 31st March 2021 and 31st March 2022 respectively.
- b) The audit were conducted by the Company's previous auditor, and accordingly reliance has been placed on the statement of assets and liabilities and statements of profit and loss, the Significant Accounting Policies, and other explanatory information and (collectively, the Audited Financial Statement") examined by them for the said years.

The modification in restated financials were carried out based on the modified reports, if any, issued by Previous Auditor which is giving rise to modifications on the financial statements as at and for the years ended March 31, 2022, March 31, 2021 and March 31, 2020. There is no qualification of previous auditor for the Financial Statement of 31st March 2022, March 31st, 2021 and 31st March 2020.

The audit reports on the financial statements were modified and included following matter(s) giving rise to modifications on the financial statements for the period ended on March 31, 2022, 2021 & 2020:-

- a) The Restated Financial Information or Restated Summary Financial Statement have been made after incorporating adjustments for the changes in accounting policies retrospectively in respective financial period/years to reflect the same accounting treatment as per the changed accounting policy for all reporting periods, if any;
- b) The Restated Financial Information or Restated Summary Financial Statement have been made after incorporating adjustments for prior period and other material amounts in the respective financial years/period to which they relate and there are no qualifications which require adjustments;
- c) Extra-ordinary items that needs to be disclosed separately in the accounts has been disclosed wherever required;
- d) There were no qualifications in the Audit Reports issued by us and the Previous Auditors for the Financial Year Ended March 31, 2022, 2021 and 2020 which would require adjustments in this Restated Financial Statements of the Company;
- e) Profits and losses have been arrived at after charging all expenses including depreciation and after making such adjustments/restatements and regroupings as in our opinion are appropriate and are to be read in accordance with the Significant Accounting Polices and Notes to Accounts as set out in ANNEXURE –D to this report;
- f) Adjustments in Restated Financial Information or Restated Summary Financial Statement have been made in accordance with the correct accounting policies,
- g) There was no change in accounting policies, which needs to be adjusted in the Restated Financial Information or Restated Summary Financial Statement;
- h) There are no revaluation reserves, which need to be disclosed separately in the Restated Financial Information or Restated Summary Financial Statement
- i) The Company has not paid any dividend since its incorporation.

In accordance with the requirements of Part I of Chapter III of Act including rules made there under, ICDR Regulations, Guidance Note and Engagement Letter, we report that:

- a) The "Restated Statement of Assets and Liabilities" as set out in ANNEXURE –A to this report, of the Company as at March 31, 2022, 2021 and 2020 is prepared by the Company and approved by the Board of Directors. These Restated Summary Statement of Assets and Liabilities, have been arrived at after making such adjustments and regroupings to

the individual financial statements of the Company, as in our opinion were appropriate and more fully described in Significant Accounting Policies and Notes to Accounts as set out in ANNEXURE –D to this Report.

- b) The “Restated Statement of Profit and Loss” as set out in ANNEXURE –B to this report, of the Company for the Financial year ended on March 31, 2022, 2021 and 2020 is prepared by the Company and approved by the Board of Directors. These Restated Summary Statement of Profit and Loss have been arrived at after making such adjustments and regroupings to the individual financial statements of the Company, as in our opinion were appropriate and more fully described in Significant Accounting Policies and Notes to Accounts as set out in ANNEXURE –D to this Report.
- c) The “Restated Statement of Cash Flow” as set out in ANNEXURE –C to this report, of the Company for the Financial year ended on March 31, 2022, 2021 and 2020 is prepared by the Company and approved by the Board of Directors. These Statement of Cash Flow, as restated have been arrived at after making such adjustments and regroupings to the individual financial statements of the Company, as in our opinion were appropriate and more fully described in Significant Accounting Policies and Notes to Accounts as set out in ANNEXURE –D to this Report.

Audit for the financial year ended on March 31, 2020, March 31, 2021 and March 31, 2022 were conducted by M/s RJD & Co. & accordingly reliance has been placed on the financial statement examined by previous auditor for the said years. Financial Reports included for said years are solely based on report submitted by them.

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 Financial Year Ended March 31, 2022, 2021 and 2020 proposed to be included in the Draft Prospectus / Prospectus (“Offer Document”) for the proposed IPO.

| | |
|---|---------------------------------|
| Restated Statement of Share Capital, Reserves And Surplus | Annexure – A.1 & Annexure – I.2 |
| Restated Statement of Long Term Borrowings | Annexure – A.3 |
| Restated Statement of Short Term Borrowings | Annexure – A.4 |
| Restated Statement of Trade Payables | Annexure – A.5 |
| Restated Statement of Other Current Liabilities | Annexure – A.6 |
| Restated Statement of Short Term Provisions | Annexure – A.7 |
| Restated Statement of Property, Plant & Equipment | Annexure – A.8 |
| Restated Statement of Non-Current Investments | Annexure – A.9 |
| Restated Statement of Deferred Tax Assets | Annexure – A.10 |
| Restated Statement of Other Non-Current Assets | Annexure – A.11 |
| Restated Statement of Inventories | Annexure – A.12 |
| Restated Statement of Trade Receivables | Annexure – A.13 |
| Restated Statement of Cash &Cash Equivalents | Annexure – A.14 |
| Restated Statement of Short-Term Loans And Advances | Annexure – A.15 |
| Restated Statement of Other Current Assets | Annexure – A.16 |
| Restated Statement of Revenue from Operations | Annexure – B.1 |
| Restated Statement of Other Income | Annexure – B.2 |
| Restated Statement of Cost of Material Consumed | Annexure - B.3 |
| Restated Statement of Change in Inventories of Finished Goods/ Work-in-Progress | Annexure - B.4 |
| Restated Statement of Employee Benefit Expenses | Annexure - B.5 |
| Restated Statement of Finance Costs | Annexure - B.6 |
| Restated Statement of Depreciation & Amortisation | Annexure - B.7 |
| Restated Statement of Other Expenses | Annexure – B.8 |
| Restated Statement of Exceptional Items | Annexure – B.9 |
| Restated Statement of Deferred Tax Asset / Liabilities | Annexure – B.10 |

| | |
|---|--------------|
| Material Adjustment to the Restated Financial | Annexure – E |
| Restated Statement of Tax shelter | Annexure – F |
| Restated Statement of Capitalization | Annexure – G |
| Restated Statement of Contingent Liabilities | Annexure – H |
| Restated Statement of Accounting Ratios | Annexure – I |
| Restated statement of related party transaction | Annexure – J |

In our opinion and to the best of information and explanation provided to us, the Restated Financial Information of the Company, read with significant accounting policies and notes to accounts as appearing in ANNEXURE –D are prepared after providing appropriate adjustments and regroupings as considered appropriate.

We, Kansariwala & Chevli, Chartered Accountants have been subjected to the peer review process of the Institute of Chartered Accountants of India (“ICAI”) and hold a valid peer review certificate issued by the “Peer Review Board” of the ICAI.

The preparation and presentation of the Financial Statements referred to above are based on the Audited financial statements of the Company and are in accordance with the provisions of the Act and ICDR Regulations. The Financial Statements and information referred to above is the responsibility of the management of the Company.

The report should not in any way be construed as a re-issuance or re-dating of any of the previous audit reports issued by any other Firm of Chartered Accountants nor should this report be construed as a new opinion on any of the financial statements referred to therein.

We have no responsibility to update our report for events and circumstances occurring after the date of the report.

In our opinion, the above financial information contained in ANNEXURE –A to J of this report read with the respective Significant Accounting Policies and Notes to Accounts as set out in ANNEXURE –D are prepared after making adjustments and regrouping as considered appropriate and have been prepared in accordance with the Companies Act, ICDR Regulations, Engagement Letter and Guidance Note.

Our report is intended solely for use of the management and for inclusion in the Offer Document in connection with the IPO-SME for Proposed Issue of Equity Shares of the Company and our report should not be used, referred to or distributed for any other purpose without our prior consent in writing.

For, KANSARIWALA & CHEVLI
Chartered Accountants
Firm Registration Number: - 123689W
Peer Review No. – 011854

CA A. H. Chevli
(Partner)
Membership No. 038259
UDIN – 22038259ANPLSE5834
Date: 23.07.2022
Place: Surat

TAPI FRUIT PROCESSING LIMITED
(FORMERLY KNOWN AS TAPI FRUIT PROCESSING PRIVATE LIMITED)

ANNEXURE – A : RESTATED STATEMENT OF ASSETS AND LIABILITIES

(Rs. in Lakhs)

| Sr. No. | Particulars | Note No. | As at 31st March | | |
|-----------|--|----------|------------------|---------------|---------------|
| | | | 2022 | 2021 | 2020 |
| A. | Equity and Liabilities | | | | |
| 1 | Shareholders' Funds | | | | |
| | Share Capital | A.1 | 25.00 | 25.00 | 25.00 |
| | Reserves & Surplus | A.2 | 18.02 | 2.42 | (7.64) |
| | Share application money pending allotment | | - | - | - |
| 2 | Non-Current Liabilities | | | | |
| | Long-Term Borrowings | A.3 | 379.23 | 343.47 | 297.87 |
| | Other Non-Current Liabilities | | | | - |
| | Long-Term Provisions | | - | - | - |
| | Deferred Tax Liabilities (Net) | | - | - | - |
| 3 | Current Liabilities | | | | |
| | Short Term Borrowings | A.4 | 154.54 | 165.88 | 158.41 |
| | Trade Payables : | A.5 | | | |
| | (A) total outstanding dues of micro enterprises and small enterprises; and | | - | - | - |
| | (B) total outstanding dues of creditors other than micro enterprises and small enterprises.".] | | 194.12 | 169.17 | 100.90 |
| | Other Current Liabilities | A.6 | 25.33 | 28.96 | 14.64 |
| | Short Term Provisions | A.7 | 6.64 | 2.50 | - |
| | Total | | 802.88 | 737.40 | 589.18 |
| B. | Assets | | | | |
| 1 | Non-Current Assets | | | | |
| | Property, Plant and Equipment | | | | |
| | Tangible Assets | A.8 | 385.68 | 319.07 | 319.97 |
| | Capital Work in Progress | | - | 32.97 | - |
| | Non-Current Investments | A.9 | 0.94 | 0.89 | 0.83 |
| | Deferred Tax Assets | A.10 | 2.75 | 1.58 | 0.07 |
| | Long Term Loans & Advances | | - | - | - |
| | Other Non Current Assets | A.11 | 0.03 | 0.07 | 0.10 |
| 2 | Current Assets | | | | |
| | Current Investments | | - | - | - |
| | Inventories | A.12 | 251.47 | 225.05 | 165.40 |
| | Trade Receivables | A.13 | 138.61 | 126.37 | 75.98 |
| | Cash and Cash Equivalents | A.14 | 4.75 | 17.78 | 15.75 |
| | Short-Term Loans and Advances | A.15 | 18.65 | 13.62 | 11.08 |
| | Other Current Assets | A.16 | - | - | - |
| | Total | | 802.88 | 737.40 | 589.18 |

Note : The above statements should be read with the significant accounting policies and notes to restated summary, profits and losses and cash flows appearing in Annexure D,B & C

For Kansariwala & Chevli
Chartered Accountants
Firm Registration No : 123689W
Peer Review No. : 011854

On behalf of Board of Directors
Tapi Fruit Processing Limited

Ghanshyambhai Lukhi
Chairman Cum Managing Director
DIN : 06704416

Ashokkumar Lukhi
Whole Time Director
DIN : 06704408

CA A. H. CHEVLI
Partner
M. No. 038259
UDIN : 22038259ANPLSE5834

Chetankumar Gajera
Chief Financial Officer

Kashyapkumar Panc
Company Secretary

Date : 23.07.2022
Place : SURAT

TAPI FRUIT PROCESSING LIMITED
(FORMERLY KNOWN AS TAPI FRUIT PROCESSING PRIVATE LIMITED)

ANNEXURE – B : RESTATED STATEMENT OF PROFIT AND LOSS

(Rs. in Lakhs)

| Sr. No | Particulars | Note No. | For The Year Ended 31st March | | |
|-----------|--|-------------|-------------------------------|----------------|----------------|
| | | | 2022 | 2021 | 2020 |
| A. | Revenue: | | | | |
| | Revenue from Operations | B.1 | 1516.33 | 1303.31 | 1145.29 |
| | Other income | B.2 | 5.76 | 9.19 | 0.40 |
| | Total revenue | | 1522.09 | 1312.50 | 1145.69 |
| B. | Expenses: | | | | |
| | Cost of Material Consumed | B.3 | 999.81 | 775.07 | 717.89 |
| | Increase/ Decrease in Stock | B.4 | (12.96) | (0.12) | (10.43) |
| | Employees Benefit Expenses | B.5 | 179.53 | 172.99 | 141.43 |
| | Finance costs | B.6 | 43.25 | 42.33 | 47.93 |
| | Depreciation and Amortization | B.7 | 57.54 | 47.14 | 44.32 |
| | Other expenses | B.8 | 233.18 | 264.04 | 199.16 |
| | Total Expenses | | 1500.35 | 1301.45 | 1140.30 |
| | Profit before exceptional and extraordinary items and tax | | 21.74 | 11.05 | 5.39 |
| | Exceptional Items | B.9 | 0.67 | - | - |
| | Profit before extraordinary items and tax | | 21.07 | 11.05 | 5.39 |
| | Extraordinary items | | - | - | - |
| | Profit before tax | | 21.07 | 11.05 | 5.39 |
| | Tax expense : | | | | |
| | Current tax | | 6.64 | 2.50 | - |
| | Deferred Tax | B.10 | (1.17) | (1.51) | 6.25 |
| | Profit (Loss) for the period from continuing operations | | 15.60 | 10.06 | (0.86) |
| | Earning per equity share in Rs.: | | | | |
| | (1) Basic | | 6.24 | 4.03 | (0.34) |
| | (2) Diluted | | 6.24 | 4.03 | (0.34) |

Note : The above statements should be read with the significant accounting policies and notes to restated summary, profits and losses and cash flows appearing in Annexure D,A&C.

For Kansariwala & Chevli
Chartered Accountants
Firm Registration No : 123689W
Peer Review No. : 011854

- On behalf of Board of Directors
Tapi Fruit Processing Limited

Ghanshyambhai Lukhi Ashokkumar Lukhi
Chairman Cum Managing Whole Time Director
DIN : 06704416 DIN : 06704408

CA A. H. Chevli
Partner
M. No. 038259
UDIN : 22038259ANPLSE5834

Chetankumar Gajera Kashyapkumar Pandav
Chief Financial Officer Company Secretary

Date : 23.07.2022
Place : SURAT

TAPI FRUIT PROCESSING LIMITED
(FORMERLY KNOWN AS TAPI FRUIT PROCESSING PRIVATE LIMITED)

ANNEXURE – C: RESTATED STATEMENT OF CASH FLOWS

(Rs. in Lakhs)

| Particulars | For The Year Ended 31st March | | |
|---|-------------------------------|----------------|----------------|
| | 2022 | 2021 | 2020 |
| A. CASH FLOW FROM OPERATING ACTIVITIES | | | |
| Profit/ (Loss) before tax | 21.07 | 11.05 | 5.39 |
| Adjustments for: | | | |
| Depreciation | 57.54 | 47.14 | 44.32 |
| Interest Expense | 43.25 | 42.33 | 47.93 |
| Loss on sale of Fixed Assets | 0.67 | - | - |
| Operating profit before working capital changes | 122.53 | 100.52 | 97.64 |
| Movements in working capital : | | | |
| (Increase)/Decrease in Inventories | (26.42) | (59.65) | (25.16) |
| (Increase)/Decrease in Trade Receivables | (12.24) | (50.39) | (4.61) |
| (Increase)/Decrease in Loans & Advances | (3.78) | (0.04) | 32.86 |
| Increase/(Decrease) in Trade Payables | 24.95 | 68.27 | 9.91 |
| Increase/(Decrease) in Other Current Liabilities | (3.63) | 14.32 | (0.57) |
| Cash generated from operations | 101.41 | 73.03 | 110.07 |
| Income tax paid during the year | 3.75 | 2.50 | - |
| Net cash from operating activities (A) | 97.66 | 70.53 | 110.07 |
| B. CASH FLOW FROM INVESTING ACTIVITIES | | | |
| Sale/(Purchase) of Investments | | | |
| Purchase of Fixed Assets | (93.85) | (119.21) | (79.34) |
| Proceeds from Fixed Assets | 2.00 | - | - |
| (Increase)/Decrease in Non Current Investments | (0.05) | (0.06) | (0.83) |
| (Increase)/Decrease in Other Current Assets/ Non Current Assets | 0.04 | 0.03 | 0.03 |
| Capital Government Grant Received | - | 40.00 | - |
| Net cash from investing activities (B) | (91.86) | (79.24) | (80.14) |
| C. CASH FLOW FROM FINANCING ACTIVITIES | | | |
| Interest paid on borrowings | (43.25) | (42.33) | (47.93) |
| Proceeds/(Repayment) of Borrowings | 24.42 | 53.07 | 31.35 |
| Proceeds from Issue of Equity Shares | - | - | - |
| Proceeds from Securities Premium | - | - | - |
| Repayment of Share Application Money | - | - | - |
| Net cash from financing activities (C) | (18.83) | 10.74 | (16.58) |
| Net increase in cash and cash equivalents (A+B+C) | (13.03) | 2.03 | 13.35 |
| Cash and cash equivalents at the beginning of the year | 17.78 | 15.75 | 2.40 |
| Cash and cash equivalents at the end of the year | 4.75 | 17.78 | 15.75 |

Note : The above statements should be read with the significant accounting policies and notes to restated summary, profits and losses and cash flows appearing in Annexure C,A&B.

For Kansariwala & Chevli
Chartered Accountants
Firm Registration No : 123689W
Peer Review No. : 011854

On behalf of Board of Directors
Tapi Fruit Processing Limited

CA A. H. Chevli
Partner
M. No. 038259
UDIN : 22038259ANPLSE5834

Ghanshyambhai Lukhi
Chairman Cum Managing Director
DIN : 06704416

Ashokkumar Lukhi
Whole Time Director
DIN : 06704408

Date : 23.07.2022
Place : SURAT

Chetankumar Gajera
Chief Financial Officer

Kashyapkumar Pande
Company Secretary

ANNEXURE - A.1 : Restated Statement of Share Capital

| Particulars | As at 31st March | | |
|---|------------------|--------------|--------------|
| | 2022 | 2021 | 2020 |
| Equity Share Capital | | | |
| Authorised Share Capital | | | |
| 250000 Equity Shares of Rs. 10 Each | 25.00 | 25.00 | 25.00 |
| Total | 25.00 | 25.00 | 25.00 |
| Issued, Subscribed & Fully Paid Up Share Capital | | | |
| 250000 Equity Shares of Rs. 10 Each | 25.00 | 25.00 | 25.00 |
| Total | 25.00 | 25.00 | 25.00 |

Notes :

A.1.1 Right, Preferences and Restrictions attached to Shares :

The Company has one class of equity shares having a par value of Rs. 10/- per share. Each Shareholder is eligible for one vote per share held. In the event of liquidation, the equity shareholders are eligible to receive the remaining assets of the Company in proportion of

A.1.2

| Particulars | As at 31st March | | |
|---|------------------|----------------|----------------|
| | 2022 | 2021 | 2020 |
| Equity Shares | | | |
| Shares outstanding at the beginning of the year | 250,000 | 250,000 | 250,000 |
| Shares issued during the year | - | - | - |
| Share outstanding at the end of the year | 250,000 | 250,000 | 250,000 |

ANNEXURE – A.2 : Restated Statement of Reserves and Surplus

(Rs. In Lakhs)

| Particulars | As at 31st March | | |
|--|------------------|-------------|---------------|
| | 2020 | 2019 | 2020 |
| Reserves & Surplus | | | |
| I. Securities Premium | | | |
| Balance as at the beginning of the year | - | - | - |
| Addition during the year | - | - | - |
| Balance as at the end of the year | - | - | - |
| Balance in Statement of Profit & Loss | | | |
| Balance as at the beginning of the year | 2.42 | (7.64) | (6.78) |
| Add: Profit for the year | 15.60 | 10.06 | (0.86) |
| Balance as at the end of the year | 18.02 | 2.42 | (7.64) |
| Grand Total | 18.02 | 2.42 | (7.64) |

Note : The above statements should be read with the significant accounting policies and notes to restated summary, profits and losses and cash flows appearing in Annexure D,A,B,C.

ANNEXURE – A.3 : Restated Statement of Long Term Borrowings

| Particulars | As at 31st March | | |
|----------------------------------|------------------|-------|--------|
| | 2022 | 2021 | 2020 |
| Secured: | | | |
| From Bank: | | | |
| AWCT Term Loan - Bank of Baroda | 20.00 | - | - |
| ECLGS Term Loan - Bank of Baroda | 20.22 | 37.56 | - |
| ECLGS Term Loan - Bank of Baroda | - | 1.91 | - |
| Subsidy Loan - Bank of Baroda | - | 15.00 | - |
| Term Loan - Bank of Baroda | 38.20 | 64.81 | 105.78 |

| | | | |
|-------------------------------------|---------------|---------------|---------------|
| Unsecured: | | | |
| Ashoklumar Laljibhai Lukhi | 104.11 | 73.04 | 58.01 |
| Ashoklumar Laljibhai Lukhi - HUF | 5.05 | | |
| Ghanshyambhai Laljibhai Lukhi | 173.60 | 146.15 | 129.08 |
| Ghanshyambhai Laljibhai Lukhi - HUF | 7.05 | | |
| British Life Sciences Pvt Ltd | 5.00 | 5.00 | 5.00 |
| Eximburg International Pvt Ltd | 1.00 | | |
| SPGN | 5.00 | | |
| Total | 379.23 | 343.47 | 297.87 |

Note A.3.1: There were no re-schedulement or default in the repayment of loans taken by the Company.

Note A.3.2 : The above statements should be read with the significant accounting policies and notes to restated summary, profits and losses and cash flows appearing in Annexure D,A,B,C.

ANNEXURE – A.4 :Restated Statement of Short Term Borrowings

| Particulars | As at 31st March | | |
|------------------------------------|------------------|---------------|---------------|
| | 2022 | 2021 | 2020 |
| Secured: | | | |
| From Bank: | | | |
| Cash Credit - Bank of Baroda | 112.10 | 118.12 | 135.33 |
| Current Maturity of Long Term Debt | 42.32 | 47.76 | 23.08 |
| | | | |
| Unsecured: | | | |
| Credit Card - Bank of Baroda | 0.12 | | |
| Total | 154.54 | 165.88 | 158.41 |

Note A.3.1: There were no re-schedulement or default in the repayment of loans taken by the Company.

Note A.3.2 : The above statements should be read with the significant accounting policies and notes to restated summary, profits and losses and cash flows appearing in Annexure D,A,B,C.

ANNEXURE – A.5 : Restated Statement of Trade Payables

(Rs. In Lakhs)

| Particulars | As at 31st March | | |
|-------------------------------|------------------|---------------|---------------|
| | 2022 | 2021 | 2020 |
| | | | |
| Trade Payables due to | | | |
| - Micro and Small Enterprises | | - | - |
| - Others | | | |
| - Promotor/Promotor Group | | - | - |
| - Others | 194.12 | 169.17 | 100.90 |
| Total | 194.12 | 169.17 | 100.90 |

Note A.4.1 : The above statements should be read with the significant accounting policies and notes to restated summary, profits and losses and cash flows appearing in Annexure D,A,B,C.

Note. A.4.2 : The company has not receive any intimation from the suppliers regarding status under The Micro, Small and Medium Enterprises Developments Act, 2006 for the year ended on 31st March, 2022 and hence disclosure regarding these provision shall not be made.

ANNEXURE – A.6 : Restated Statement of Other Current Liabilities

(Rs. In Lakhs)

| Particulars | As at 31st March | | |
|---------------------------------|------------------|--------------|--------------|
| | 2022 | 2021 | 2020 |
| Duties and Taxes Payable | 4.41 | 1.27 | 2.17 |
| Audit Fees Payable | 0.20 | 0.20 | 0.30 |
| Statutory Payables | 1.04 | 1.03 | 0.80 |
| Advance Received from Customers | 5.28 | 10.13 | 11.37 |
| Provision for Exp. | 0.17 | - | 0.00 |
| Salary Payable | 14.23 | 16.33 | - |
| Grand Total | 25.33 | 28.96 | 14.64 |

Note A.5.1 : The above statements should be read with the significant accounting policies and notes to restated summary, profits and losses and cash flows appearing in Annexure D,A,B,C.

ANNEXURE – A.7 : Restated Statement of Short Term Provisions

(Rs. In Lakhs)

| Particulars | As at 31st March | | |
|--------------------------|------------------|-------------|----------|
| | 2022 | 2021 | 2020 |
| Provision for Income Tax | 6.64 | 2.50 | - |
| Grand Total | 6.64 | 2.50 | - |

Note A.6.1 : The above statements should be read with the significant accounting policies and notes to restated summary, profits and losses and cash flows appearing in Annexure D,A,B,C.

ANNEXURE – A.8 : Restated Statement of Property, Plant and Equipment

| Particulars | As at 31st March | | |
|--|------------------|---------------|---------------|
| | 2022 | 2021 | 2020 |
| Tangible Assets | | | |
| Factory Building | | | |
| Gross Block at the beginning of the year | 161.52 | 164.52 | 103.26 |
| Additions | 50.22 | - | 61.26 |
| Deletion | - | 3.00 | - |
| Total Gross Block at the end of the year | 211.74 | 161.52 | 164.52 |
| Less: Accumulated Depreciation | 45.43 | 29.47 | 15.32 |
| Net Block | 166.31 | 132.05 | 149.20 |
| Land at Pipodara | | | |
| Gross Block at the beginning of the year | 15.41 | 15.41 | 15.41 |
| Additions | - | - | - |
| Deletion | - | - | - |
| Total Gross Block at the end of the year | 15.41 | 15.41 | 15.41 |
| Less: Accumulated Depreciation | - | - | - |
| Net Block | 15.41 | 15.41 | 15.41 |
| CCTV Camera | | | |
| Gross Block at the beginning of the year | 5.57 | 5.57 | 4.62 |
| Additions | - | - | 0.95 |
| Deletion | - | - | - |
| Total Gross Block at the end of the year | 5.57 | 5.57 | 5.57 |
| Less: Accumulated Depreciation | 5.24 | 4.67 | 3.13 |
| Net Block | 0.33 | 0.90 | 2.44 |
| Computer | | | |
| Gross Block at the beginning of the year | 1.13 | 0.58 | - |
| Additions | 2.41 | 0.55 | 0.58 |
| Deletion | - | - | - |
| Total Gross Block at the end of the year | 3.54 | 1.13 | 0.58 |

| | | | |
|--|---------------|---------------|---------------|
| Less: Accumulated Depreciation | 1.60 | 0.46 | 0.06 |
| Net Block | 1.94 | 0.67 | 0.52 |
| Projector | | | |
| Gross Block at the begening of the year | 0.28 | 0.28 | 0.28 |
| Additions | - | - | - |
| Deletion | - | - | - |
| Total Gross Block at the end of the year | 0.28 | 0.28 | 0.28 |
| Less: Accumulated Depreciation | 0.26 | 0.24 | 0.19 |
| Net Block | 0.02 | 0.04 | 0.09 |
| Electric Fitting | | | |
| Gross Block at the begening of the year | 8.74 | 8.04 | 0.29 |
| Additions | 1.51 | 0.70 | 7.75 |
| Deletion | - | - | - |
| Total Gross Block at the end of the year | 10.25 | 8.74 | 8.04 |
| Less: Accumulated Depreciation | 4.68 | 2.78 | 0.86 |
| Net Block | 5.57 | 5.96 | 7.18 |
| Electrical Equipments | | | |
| Gross Block at the begening of the year | 4.77 | 1.12 | - |
| Additions | 1.61 | 3.65 | 1.12 |
| Deletion | - | - | - |
| Total Gross Block at the end of the year | 6.38 | 4.77 | 1.12 |
| Less: Accumulated Depreciation | 1.75 | 0.52 | 0.11 |
| Net Block | 4.63 | 4.25 | 1.01 |
| Furniture & Fixtures | | | |
| Gross Block at the begening of the year | 3.56 | 3.28 | - |
| Additions | 8.81 | 0.28 | 3.28 |
| Deletion | - | - | - |
| Total Gross Block at the end of the year | 12.37 | 3.56 | 3.28 |
| Less: Accumulated Depreciation | 3.06 | 0.97 | 0.16 |
| Net Block | 9.31 | 2.59 | 3.12 |
| Office Equipments | | | |
| Gross Block at the begening of the year | 0.64 | 0.64 | 0.35 |
| Additions | 0.55 | - | 0.29 |
| Deletion | - | - | - |
| Total Gross Block at the end of the year | 1.19 | 0.64 | 0.64 |
| Less: Accumulated Depreciation | 0.87 | 0.46 | 0.21 |
| Net Block | 0.32 | 0.18 | 0.43 |
| Boiler | | | |
| Gross Block at the begening of the year | 17.47 | 17.47 | 16.19 |
| Additions | - | - | 1.28 |
| Deletion | - | - | - |
| Total Gross Block at the end of the year | 17.47 | 17.47 | 17.47 |
| Less: Accumulated Depreciation | 8.40 | 6.40 | 3.95 |
| Net Block | 9.07 | 11.07 | 13.52 |
| Plant and Machinery | | | |
| Gross Block at the begening of the year | 182.43 | 138.37 | 123.18 |
| Additions | 57.45 | 88.46 | 15.19 |
| Deletion | 2.00 | 44.40 | - |
| Total Gross Block at the end of the year | 237.88 | 182.43 | 138.37 |
| Less: Accumulated Depreciation | 80.98 | 51.65 | 29.85 |
| Net Block | 156.90 | 130.78 | 108.52 |

| R. O. Plant | | | |
|--|---------------|---------------|---------------|
| Gross Block at the beginning of the year | 4.03 | 4.03 | 3.15 |
| Additions | - | - | 0.88 |
| Deletion | - | - | - |
| Total Gross Block at the end of the year | 4.03 | 4.03 | 4.03 |
| Less: Accumulated Depreciation | 1.81 | 1.31 | 0.71 |
| Net Block | 2.22 | 2.72 | 3.32 |
| Storage Equipment | | | |
| Gross Block at the beginning of the year | 18.65 | 18.65 | 13.36 |
| Additions | 4.25 | - | 5.29 |
| Deletion | - | - | - |
| Total Gross Block at the end of the year | 22.90 | 18.65 | 18.65 |
| Less: Accumulated Depreciation | 9.25 | 6.20 | 3.44 |
| Net Block | 13.65 | 12.45 | 15.21 |
| | | | |
| | | | |
| Total Tangible Assets | 385.68 | 319.07 | 319.97 |

Note A.7.1 : The above statements should be read with the significant accounting policies and notes to restated summary, profits and losses and cash flows appearing in Annexure D,A,B,C.

ANNEXURE – A.9 : Restated Statement of Non Current Investments

(Rs. In Lakhs)

| Particulars | As at 31st March | | |
|--------------------------|------------------|-------------|-------------|
| | 2022 | 2021 | 2020 |
| FD - E. E. KRBC Division | 0.94 | 0.89 | 0.83 |
| Grand Total | 0.94 | 0.89 | 0.83 |

Note A.10.1 : The above statements should be read with the significant accounting policies and notes to restated summary, profits and losses and cash flows appearing in Annexure D,A,B,C.

ANNEXURE – A.10: Restated Statement of Deferred Tax Assets/(Liabilities) (Net)

(Rs. In Lakhs)

| Particulars | As at 31st March | | |
|--|------------------|-------------|-------------|
| | 2022 | 2021 | 2020 |
| Deferred Tax Liability | | | |
| Related to Fixed Assets | | - | - |
| <i>Total (a)</i> | | - | - |
| Deferred Tax Assets | | | |
| Related to Fixed Assets | 2.75 | 1.58 | 0.07 |
| <i>Total (b)</i> | 2.75 | 1.58 | 0.07 |
| Net deferred tax asset/(liability){(b)-(a)} | 2.75 | 1.58 | 0.07 |

Note A.8.1 : The above statements should be read with the significant accounting policies and notes to restated summary, profits and losses and cash flows appearing in Annexure D,A,B,C.

ANNEXURE – A.11 : Restated Statement of Other Non Current Assets

(Rs. In Lakhs)

| Particulars | As at 31st March | | |
|--|------------------|-------------|-------------|
| | 2022 | 2021 | 2020 |
| Pre Incorporation and Preliminary Expenses | 0.03 | 0.07 | 0.10 |
| Grand Total | 0.03 | 0.07 | 0.10 |

Note A.10.1 : The above statements should be read with the significant accounting policies and notes to restated summary, profits and losses and cash flows appearing in Annexure D,A,B,C.

ANNEXURE – A.12 : Restated Statement of Inventories

(Rs. In Lakhs)

| Particulars | As at 31st March | | |
|--------------------|------------------|---------------|---------------|
| | 2022 | 2021 | 2020 |
| Raw Materials | 210.14 | 196.69 | 137.15 |
| Work-in-Progress | 10.03 | 8.50 | 12.71 |
| Finished Goods | 31.30 | 19.86 | 15.54 |
| Grand Total | 251.47 | 225.05 | 165.40 |

Note A.10.1 : The above statements should be read with the significant accounting policies and notes to restated summary, profits and losses and cash flows appearing in Annexure D,A,B,C.

ANNEXURE – A.13 : Restated Statement of Trade Receivables

(Rs. In Lakhs)

| Particulars | As at 31st March | | |
|--|------------------|---------------|--------------|
| | 2022 | 2021 | 2020 |
| Outstanding for a period exceeding six months (Unsecured and considered Good) | | | |
| From Directors/Promoters/Promoter Group/Associates/ Relatives of Directors/ Group Companies. | | - | - |
| Others | 0.23 | 0.27 | - |
| Outstanding for a period not exceeding 6 months (Unsecured and considered Good) | | | |
| From Directors/Promoters/Promoter Group/Associates/ Relatives of Directors/ Group Companies. | | - | - |
| Others | 138.38 | 126.10 | 75.98 |
| Grand Total | 138.61 | 126.37 | 75.98 |

Note A.11.1 : The above statements should be read with the significant accounting policies and notes to restated summary, profits and losses and cash flows appearing in Annexure D,A,B,C.

ANNEXURE – A.14 : Restated Statement of Cash and Bank Balances

(Rs. In Lakhs)

| Particulars | As at 31st March | | |
|------------------------------------|------------------|--------------|--------------|
| | 2022 | 2021 | 2020 |
| <u>Cash & Cash Equivalents</u> | | | |
| Cash in hand | 4.75 | 2.78 | 4.40 |
| <u>Balances with Banks:</u> | | | |
| In Current Accounts | - | - | 11.35 |
| In Deposit Accounts | - | 15.00 | - |
| Grand Total | 4.75 | 17.78 | 15.75 |

Note A.12.1 : The above statements should be read with the significant accounting policies and notes to restated summary, profits and losses and cash flows appearing in Annexure D,A,B,C..

ANNEXURE – A.15 : Restated Statement of Short Term Loans and Advances
(Rs. In Lakhs)

| Particulars | As at 31st March | | |
|----------------------------------|------------------|--------------|--------------|
| | 2022 | 2021 | 2020 |
| Pre Paid Insurance | 0.32 | 0.30 | 0.23 |
| Balance with Revenue Authorities | 0.24 | 2.71 | 3.78 |
| Advance to Suppliers | 8.21 | 2.62 | 1.10 |
| Security Deposit - DGVCL | 3.23 | 2.98 | 2.98 |
| Security Deposit - ITPO | 0.26 | | |
| Security Deposit - Water | 0.36 | 0.48 | 0.52 |
| Advance Salary | 1.18 | 0.92 | 0.37 |
| Advance Tax | 3.75 | 2.50 | |
| TCS Receivable | - | 0.01 | |
| Daxesh Kishorbhai Mavani | - | - | 1.00 |
| Pradipkumar Kishannarayan Sharma | 1.10 | 1.10 | 1.10 |
| Grand Total | 18.65 | 13.62 | 11.08 |

Note A.13.1 : The above statements should be read with the significant accounting policies and notes to restated summary, profits and losses and cash flows appearing in Annexure D,A,B,C.

ANNEXURE – A.16 : Restated Statement of Other Current Assets
(Rs. In Lakhs)

| Particulars | As at 31st March | | |
|--------------------|------------------|----------|----------|
| | 2022 | 2021 | 2020 |
| Prepaid Expenses | - | - | - |
| Grand Total | - | - | - |

Note A.14.1 : The above statements should be read with the significant accounting policies and notes to restated summary, profits and losses and cash flows appearing in Annexure D,A,B,C.

(Rs. In Lakhs)
ANNEXURE – B.1: Restated Statement of Revenue from Operations

| Particulars | As at 31st March | | |
|--------------------------------|------------------|----------------|----------------|
| | 2022 | 2021 | 2020 |
| Sales | 1513.48 | 1311.79 | 1,156.54 |
| Product Trial Income | 3.00 | | |
| Less : Special Discount | (0.15) | (8.48) | (11.25) |
| Revenue from operations | 1516.33 | 1303.31 | 1145.29 |

Note B.1.1 : The above statements should be read with the significant accounting policies and notes to restated summary, profits and losses and cash flows appearing in Annexure D,A,B,C.

ANNEXURE – B.2 : Restated Statement of Other Income
(Rs. In Lakhs)

| Particulars | As at 31st March | | |
|--------------------------------------|------------------|-------------|-------------|
| | 2022 | 2021 | 2020 |
| Exchange Rate Difference | - | - | 0.26 |
| GOG Covid-19 Relief Received | - | 0.11 | |
| Interest on Fixed Deposit | 0.06 | 0.05 | 0.01 |
| Interest on Security Deposit - DGVCL | 0.13 | 0.17 | 0.13 |
| Interest Subsidy Received | 5.57 | 8.86 | |
| Grand Total | 5.76 | 9.19 | 0.40 |

Note B.2.1 : The above statements should be read with the significant accounting policies and notes to restated summary, profits and losses and cash flows appearing in Annexure D,A,B,C.

ANNEXURE – B.3 : Restated Statement of Cost of Material Consumed
(Rs. In Lakhs)

| Particulars | As at 31st March | | |
|---------------------------------------|------------------|---------------|---------------|
| | 2022 | 2021 | 2020 |
| Opening Stock of Raw Materials | 196.69 | 137.15 | 122.41 |
| Add : Purchase during the year | 1,013.26 | 834.61 | 732.63 |
| Less : Closing Stock of Raw Materials | 210.14 | 196.69 | 137.15 |
| Cost of Materials Consumed | 999.81 | 775.07 | 717.89 |

Note B.3.1 : The above statements should be read with the significant accounting policies and notes to restated summary, profits and losses and cash flows appearing in Annexure D,A,B,C.

ANNEXURE – B.4 : Restated Statement of Change in Inventories of Finished Goods/ Work-in-progress
(Rs. In Lakhs)

| Particulars | As at 31st March | | |
|---|------------------|---------------|----------------|
| | 2022 | 2021 | 2020 |
| Inventories at the end of the year | | | - |
| Finished Goods | 31.30 | 19.87 | 15.54 |
| Work-in Progress | 10.03 | 8.50 | 12.71 |
| Inventories at the beginning of the year | | | |
| Finished Goods | 19.87 | 15.54 | 7.72 |
| Work-in Progress | 8.50 | 12.71 | 10.10 |
| Net Increase/ (Decrease) in Stock | (12.96) | (0.12) | (10.43) |

Note B.3.1 : The above statements should be read with the significant accounting policies and notes to restated summary, profits and losses and cash flows appearing in Annexure D,A,B,C.

ANNEXURE – B.5 : Restated Statement of Employee Benefit Expense
(Rs. In Lakhs)

| Particulars | As at 31st March | | |
|-----------------------------------|------------------|---------------|---------------|
| | 2022 | 2021 | 2020 |
| Director Remuneration | 14.40 | 13.40 | 6.60 |
| Employer Contribution to EPF | 5.49 | 4.36 | 5.69 |
| Salaries and Wages | 159.64 | 155.23 | 128.80 |
| Staff and Labour Welfare Expenses | - | - | 0.34 |
| Grand Total | 179.53 | 172.99 | 141.43 |

Note B.3.1 : The above statements should be read with the significant accounting policies and notes to restated summary, profits and losses and cash flows appearing in Annexure D,A,B,C.

ANNEXURE – B.6 : Restated Statement of Finance costs
(Rs. In Lakhs)

| Particulars | As at 31st March | | |
|--|------------------|--------------|--------------|
| | 2022 | 2021 | 2020 |
| Interest on Term Loan | 9.46 | 13.23 | 12.44 |
| Interest on Cash Credit | 9.09 | 11.82 | 11.12 |
| Interest on Loans from Directors and Relatives | 24.30 | 16.21 | 23.63 |
| Bank Commission and Bank Charges | 0.33 | 0.52 | 0.36 |
| CC Renewal and Loan Processing Charges | 0.07 | 0.55 | 0.38 |
| Grand Total | 43.25 | 42.33 | 47.93 |

Note B.4.1 : The above statements should be read with the significant accounting policies and notes to restated summary, profits and losses and cash flows appearing in Annexure D,A,B,C.

ANNEXURE – B.7 : Restated Statement of Depreciation & Amortization

(Rs. In Lakhs)

| Particulars | As at 31st March | | |
|--------------------|------------------|--------------|--------------|
| | 2022 | 2021 | 2020 |
| Depreciation | 57.54 | 47.14 | 44.32 |
| Grand Total | 57.54 | 47.14 | 44.32 |

Note B.5.1 : The above statements should be read with the significant accounting policies and notes to restated summary, profits and losses and cash flows appearing in Annexure D,A,B,C.

ANNEXURE – B.8 : Restated Statement of Other Expenses

(Rs. In Lakhs)

| Particulars | As at 31st March | | |
|--|------------------|-------|-------|
| | 2022 | 2021 | 2020 |
| Manufacturing Expenses | | | |
| Carriage Inward Expenses | 4.82 | 4.66 | 2.72 |
| Claim, Rebate and Rate Difference Expenses | 0.08 | 0.50 | 0.11 |
| Clearing and Forwarding Charges | 0.84 | 0.02 | 0.25 |
| Compensation Cess | 0.18 | 0.10 | |
| Factory Expenses | 13.75 | 8.03 | 5.59 |
| Jobwork Charges | - | | - |
| Machinery Repairing Expenses | 18.39 | 22.22 | 15.52 |
| Packing Charges | 43.43 | 67.84 | 34.57 |
| Power and Fuel Expenses | 22.41 | 19.80 | 18.66 |
| Tempo Rent Expense | 3.60 | 3.60 | |
| Administrative and Selling Expenses | | | |
| Advertisement Expenses | 1.97 | 0.05 | 0.77 |
| Amortisation of Pre Incorporation Expenses | 0.03 | 0.03 | 0.03 |
| Audit Fees | 0.20 | 1.20 | 0.30 |
| Bank Commission and Bank Charges | - | | - |
| Canteen Expenses | 2.66 | 2.31 | 2.18 |
| Carriage Outward Expenses | 88.53 | 77.98 | 53.09 |
| Commission Expenses | 3.56 | 26.10 | 33.67 |
| Courier and Postage Expenses | 0.66 | 0.27 | 0.57 |
| Insurance Expenses | 1.26 | 1.11 | 0.66 |
| Interest on Late Payment of TDS | 0.01 | 0.02 | 0.03 |
| Internet Expenses | 0.18 | - | 0.07 |
| Lab Testing Fees | 0.52 | 0.67 | |
| Legal and Professional Charges | 2.23 | 7.20 | 1.43 |
| Loading and Unloading Charges | 0.33 | 0.53 | 0.58 |
| Marketing Expenses | 5.93 | 4.14 | 8.35 |
| Membership Fees | 0.14 | - | 0.30 |
| Miscellaneous Expenses | 0.08 | 0.10 | 0.16 |
| PF Penalty | - | - | 0.01 |
| Sales Promotion Expenses | 0.13 | 3.75 | 3.97 |
| Software Renewal Charges | 0.11 | 0.11 | 0.11 |
| Stall Service Charges | - | 0.10 | - |
| Stationery and Printing Expenses | 3.24 | 1.75 | 0.91 |
| Tea and Refreshment Expenses | 3.25 | 2.93 | 2.86 |
| Telephone Expenses | 0.22 | 0.19 | 0.26 |
| Travelling Expenses | 2.32 | 0.64 | 5.05 |
| Vatav/ Kasar | - | 0.10 | 0.08 |
| Vehicle Expenses | 8.12 | 5.99 | 6.30 |

| | | | |
|--------------------|---------------|---------------|---------------|
| Grand Total | 233.18 | 264.04 | 199.16 |
|--------------------|---------------|---------------|---------------|

Note B.6.1 : The above statements should be read with the significant accounting policies and notes to restated summary, profits and losses and cash flows appearing in Annexure D,A,B,C.

ANNEXURE – B.9 : Restated Statement of Exceptional Items

(Rs. In Lakhs)

| Particulars | As at 31st March | | |
|--|------------------|----------|----------|
| | 2022 | 2021 | 2020 |
| Loss on sale of Property, Plant and Equipments | 0.67 | - | - |
| Grand Total | 0.67 | - | - |

Note B.5.1 : The above statements should be read with the significant accounting policies and notes to restated summary, profits and losses and cash flows appearing in Annexure D,A,B,C.

ANNEXURE – B.10 : Restated Statement of Deferred Tax Asset / Liabilities

(Rs. In Lakhs)

| Particulars | As at 31st March | | |
|---|------------------|--------|--------|
| | 2022 | 2021 | 2020 |
| WDV as per Companies Act, 2013 (A) | 370.27 | 303.66 | 304.56 |
| WDV as per Income tax Act, 1961 (B) | 381.21 | 309.94 | 304.81 |
| Difference in WDV (A-B) | 10.94 | 6.28 | 0.25 |
| | | | |
| Restated Closing Balance of Deferred Tax Asset / (Liability) | 2.75 | 1.58 | 0.07 |
| DTA/(DTL) Balance as per Books | 1.58 | 0.07 | 6.32 |
| Additional Provision to be made/Reversal of Provision/ Creation of Deferred Tax Asset | 1.17 | 1.51 | -6.25 |

Note B.7.1 : The above statements should be read with the significant accounting policies and notes to restated summary, profits and

A.1.3 Details of Shareholding more than 5% of the aggregate shares in the company

| Name of Shareholder | 31-Mar-22 | | 31-Mar-21 | | 31-Mar-20 | |
|----------------------------|----------------|----------------|----------------|----------------|----------------|----------------|
| | Nos | % of Holding | Nos | % of Holding | Nos | % of Holding |
| Ghanshyam Laljibhai Lukhi | 125,000 | 50.00% | 125,000 | 50.00% | 125,000 | 50.00% |
| Ashokkumar Laljibhai Lukhi | 125,000 | 50.00% | 125,000 | 50.00% | 125,000 | 50.00% |
| Total | 250,000 | 100.00% | 250,000 | 100.00% | 250,000 | 100.00% |

Note : The above statements should be read with the significant accounting policies and notes to restated summary, profits and losses and cash flows appearing in Annexure A,B,C,D.

ANNEXURE – A.3.2

STATEMENT OF PRINCIPAL TERMS OF SECURED LOANS (Amount in Lacs)

| Name of Lender | Purpose | Sanctioned Amount (Rs.) | Securities offered | Re-Payment Schedule | Moratorium | Outstanding amount as on (as per Books) |
|----------------------------|-------------------------------|-------------------------|---|--|------------|---|
| | | | | | | 31/03/2022 |
| Bank of Baroda Term Loan | Additional Working Capital | 20.00 | Book Debt, Movable Property, Stocks and Plant & Machinery | Payable in 36 Principal Installment of Rs. 55560.00 | 24 Months | 20.00 |
| Bank of Baroda Term Loan | Additional Working Capital | 52.00 | Book Debt, Movable Property, Stocks and Plant & Machinery | Payable in 36 Principal Installment of Rs. 144445.00 | 12 Months | 37.56 |
| Bank of Baroda Term Loan | Additional Working Capital | 13.50 | Book Debt, Movable Property, Stocks and Plant & Machinery | 15% of Loan amount i.e.2,02,500/- will be repayable in monthly installment of Rs. 33750/- for first 6 months and rest 85% of loan amount i.e. Rs. 11,47,500/- will be repayable in monthly installment of Rs. 95,625/- | 6 Months | 1.91 |
| Bank of Baroda Term Loan | Purchase of Plant & Machinery | 150.00 | Hypothecation of Plant & Machinery | Payable in 78 Principal Installment of Rs. 192307.69 | 6 Months | 61.27 |
| Bank of Baroda Cash Credit | Working Capital | 135.00 | Book Debt, Movable Property, Stocks and Plant & Machinery | Repayable on Demand | NA | 112.10 |
| Total | | 370.50 | | | | 232.84 |

Note : The above statements should be read with the significant accounting policies and notes to restated summary, profits and losses and cash flows appearing in Annexure D,A,B,C.

ANNEXURE – D

SUMMARY SIGNIFICANT ACCOUNTING POLICIES AND NOTES TO ACCOUNTS AS RESTATED

A. COMPANY INFORMATION

Company was originally incorporated on July 10, 2018 as “Tapi Fruit Processing Private Limited” vide CIN : U15400GJ2018PTC103201 under the provisions of the Companies Act, 2013. Further, our Company was converted into Public Limited Company and consequently name of company was changed from “Tapi Fruit Processing Private Limited” to “Tapi Fruit Processing Limited” vide Special resolution passed by the Shareholders at the Annual General Meeting held on 04.07.2022 and a fresh certificate of incorporation dated 15.07.2022 issued by the Registrar of Companies, Ahmedabad. The Company is primarily engaged in business of manufacturing of food products.

B. SIGNIFICANT ACCOUNTING POLICIES

1. Accounting Convention

The financial statements are prepared under the historical cost convention on the “Accrual Concept” and Going Concern assumption of accountancy in accordance with the accounting principles generally accepted in India and comply with the accounting standards as prescribed by Companies (Accounting Standard) Rules, 2006 and with the relevant provisions of the Companies Act, 2013 and rules made there under.

2. Use of Estimates

The preparation of financial statements requires management to make estimates and assumptions that affect the reported amount of assets and liabilities on the date of the financial statement and the reported amount of revenues and expenses during the reporting period. Difference between the actual results and estimates are recognized in the period in which results are known/materialized.

3. Property, Plant and Equipment

Property, Plant and Equipment are stated at cost less accumulated depreciation and impairment losses, if any. Cost comprises of all expenses incurred to bring the assets to its present location and condition. Borrowing cost directly attributable to the acquisition /construction are included in the cost of fixed assets. Adjustments arising from exchange rate variations attributable to the fixed assets are capitalized.

In case of new projects / expansion of existing projects, expenditure incurred during construction / preoperative period including interest and finance charge on specific / general purpose loans, prior to commencement of commercial production are capitalized. The same are allocated to the respective Fixed Assets on completion of construction / erection of the capital project / fixed assets.

Subsequent expenditures related to an item of tangible asset are added to its book value only if they increase the future economic benefits from the existing asset beyond its previously assessed standard of performance.

Capital assets (including expenditure incurred during the construction period) under erection / installation are stated in the Balance Sheet as “Capital Work in Progress.”

4. Impairment of Assets

At each balance sheet date, the Company reviews the carrying amount of its fixed assets to determine whether there is any indication that those assets suffered an impairment loss. If any such indication exists, the recoverable amount of the assets is estimated in order to determine the extent of impairment loss. Recoverable amount is the higher of an asset’s net selling price and value in use. In assessing value in use, the estimated future cash flows expected from the continuing use of the assets and from its disposal are discounted to their present value using a pre-tax discount rate that reflects the current market assessments of time value of money and the risks specific to the assets.

5. Depreciation

All fixed assets, except capital work in progress, are depreciated on WDV Method. Depreciation is provided based on useful life of the assets as prescribed in Schedule II to the Companies Act, 2013. Depreciation on additions to / deletions from fixed assets made during the period is provided on pro-rata basis from / up to the date of such addition / deletion as the case may be.

6. Investments

Investments are classified into current investments and non-current investments. Current investments i.e. investments that are readily realizable and intended to be held for not more than a year valued at cost. Any permanent reduction in the carrying amount or any reversals of such, reductions are charged or credited to the Statement of Profit & loss Account.

Non-current investments are stated at cost. Provision for diminution in the value of these investments is made only if such decline is other than temporary, in the opinion of the management.

7. Inventories

Inventories are valued at Cost or Net Realizable Value, whichever is lower.

8. Revenue Recognition

Revenue from the operations is recognized on generally accepted accounting principal and when it is earned and no significant uncertainty exists as to its ultimate collection and includes taxes, wherever applicable.

The capital gain on sale of investments if any are recognized on completion of transaction. No notional profit/loss are recognized on such investments.

Interst income is recognized on time proportion basis, when it is accrued and due for payment.

9. Borrowing Cost

Borrowing cost that are attributable to the acquisition, construction or production of qualifying assets are capitalized as part of the cost of such assets. A qualifying assets is one that necessarily takes a substantial period of time to get ready for its intended use. All other borrowing costs are charged to revenue.

10. Employee Benefits

Short – term employee benefits are recognized as an expense at the undiscounted amount in the profit & loss account of the year in which the related service is rendered.

Post employment and other long term employee benefits are recognized as an expense in the profit & loss account for the year in which the liabilities are crystallized.

11. Taxes on Income

Income tax expenses for the year comprises of current tax and deferred tax. Current tax provision is determined on the basis of taxable income computed as per the provisions of the Income Tax Act. Deferred tax is recognized for all timing differences that are capable of reversal in one or more subsequent periods subject to conditions of prudence and by applying tax rates that have been substantively enacted by the balance sheet date.

12. Foreign Currency Translation

- a) Transaction denominated in foreign currencies are recorded at the exchange rate prevailing at the date of the transaction. Monetary assets and liabilities denominated in foreign currencies at the year end are restated at closing rate..
- b) Any exchange difference on account of settlement of foreign currency transaction and restatement of monetary assets and liabilities denominated in foreign currency is recognized in the statement of Profit & loss Account.

13. Provision, Contingent Liabilities and Contingent Assets

Provisions involving substantial degree of estimation in measurement are recognized when there is a present obligation as a result of past events and it is probable that there will be an outflow of resources.

C. NOTES ON ACCOUNTS

1. The financial statements including financial information have been prepared after making such regroupings and adjustments, considered appropriate to comply with the same. As result of these regroupings and adjustments, the amount reported in the financial statements/information may not necessarily be same as those appearing in the respective audited financial statements for the relevant years.

2. Segment Reporting

The Company at present is engaged in the manufacturing of food products, which constitutes a single business segment. In view of above, primary and secondary reporting disclosures for business/ geographical segment as envisaged in AS –17 are not applicable to the Company.

3. Post Employment Benefits:

Company has not valued its obligation related to Gratuity as per Accounting Standard 15.

4. Provisions, Contingent Liabilities and Contingent Assets (AS 29)

Contingent liabilities and commitments (to the extent not provided for). There are no contingent liabilities as on March 31, 2022 except as mentioned in Annexure-H, for any of the years covered by the statements.

5. Related Party Disclosure (AS 18)

Related party transactions are reported as per AS-18 of Companies (Accounting Standards) Rules, 2006, as amended, in the Annexure – J of the enclosed financial statements.

6. Accounting For Taxes on Income (AS 22)

Deferred Tax liability/Asset in view of Accounting Standard – 22: “Accounting for Taxes on Income” as at the end of the year/period is reported as under.

| Particulars | (Rs. In Lakhs) | | |
|--|------------------|--------|--------|
| | As at 31st March | | |
| | 2022 | 2021 | 2020 |
| Related to Fixed Assets | | | |
| WDV as per Companies Act (A) | 370.27 | 303.66 | 304.56 |
| WDV as per Income Tax (B) | 381.21 | 309.94 | 304.81 |
| Timing Difference (A-B) C | 10.94 | 6.28 | 0.25 |
| Deferred Tax Assets/(Liability) on Timing Difference (D) | 2.75 | 1.58 | 0.07 |

7. MATERIAL ADJUSTMENT TO THE RESTATED FINANCIAL STATEMENT

1 Material Regrouping:

Appropriate adjustments have been made in the Restated Financial Statements of Assets and Liabilities, Profit and Losses and Cash Flows, wherever required, by reclassification of the corresponding items of income, expenses, assets and liabilities in order to bring them in line with the regroupings as per the audited financial statements of the company and the requirements of SEBI Regulations.

2. Material Adjustments in restated profit & loss account:

(Rs. In Lakhs)

| Particulars | For The Year Ended March 31, | | |
|--|------------------------------|--------------|---------------|
| | 2022 | 2021 | 2020 |
| (A) Net Profits as per audited financial statements (A) | 15.60 | 10.06 | (0.86) |
| Add/(Less) : Adjustments on account of - | | | |
| 2) Difference on Account of Change in Deferred Tax | - | - | - |
| 2) Difference on Account of Change in Provision for Tax | - | - | - |
| Total Adjustments (B) | - | - | - |
| Restated Profit/ (Loss) (A+B) | 15.60 | 10.06 | (0.86) |

Reconciliation of Equity:

(Rs. In Lakhs)

| Particulars | As at March 31 | | |
|--|----------------|--------------|--------------|
| | 2022 | 2021 | 2020 |
| (A) Total Equity as per audited financial statements (A) | 43.02 | 27.42 | 17.36 |
| Add/(Less) : Adjustments on account of change in profit (B) | - | - | - |
| Total Equity as per Restated Financial Statements (A+B) | 43.02 | 27.42 | 17.36 |

On behalf of Board of Directors
Tapi Fruit Processing Limited

For Kansariwala & Chevli
Chartered Accountants
Firm Registration No : 123689W
Peer Review No. : 011854

Ghanshyambhai Lukhi
Chairman Cum Managing Director
DIN : 06704416

Ashokkumar Lukhi
Whole Time Director
DIN : 06704408

CA A. H. CHEVLI
Partner
M. No. 038259
UDIN : 22038259ANPLSE5834

Chetankumar Gajera
Chief Financial Officer

Kashyapkumar Pandav
Company Secretary

Date : 23.07.2022
Place : SURAT

ANNEXURE – E : STATEMENT OF MATERIAL ADJUSTMENT TO THE RESTATED FINANCIAL STATEMENT

1 Material Regrouping

Appropriate adjustments have been made in the Restated Standalone Financial Statements of Assets and Liabilities, Profit and Losses and Cash Flows, wherever required, by reclassification of the corresponding items of income, expenses, assets and liabilities in order to bring them in line with the regroupings as per the audited financial statements of the company and the requirements of SEBI Regulations.

2. Material Adjustments in Restated Profit & Loss Account :

| Particulars | For The Year Ended March 31, | | |
|--|------------------------------|--------------|---------------|
| | 2022 | 2021 | 2020 |
| (A) Net Profits as per audited financial statements (A) | 15.60 | 10.06 | (0.86) |
| Add/(Less) : Adjustments on account of - | | | |
| 1) Difference on Account of Calculation in Deferred Tax | - | - | - |
| 2) Change in Provision for Current Tax | - | - | - |
| Total Adjustments (B) | - | - | - |
| Restated Profit/ (Loss) (A+B) | 15.60 | 10.06 | (0.86) |
| | | | |

Reconciliation Statement between Restated Reserve & Surplus affecting Equity due to Adjustment made in Restated Financial Statements:

| Particulars | For The Year Ended March 31, | | |
|--|------------------------------|--------------|--------------|
| | 2022 | 2021 | 2020 |
| Equity Share Capital & Reserves & Surplus as per Audited financial Statement | 43.02 | 27.42 | 17.36 |
| Add/(Less) : Adjustments on account of change in Profit/Loss | - | - | - |
| Total Adjustments (B) | - | - | - |
| Equity Share Capital & Reserves & Surplus as per Restated Financial Statement | 43.02 | 27.42 | 17.36 |

ANNEXURE - F : RESTATED STATEMENT OF TAX SHELTERS

| Sr. No | Particulars | As at 31st March | | |
|----------|--|------------------|---------------|---------------|
| | | 2022 | 2021 | 2020 |
| A | Restated Profit before tax | 21.07 | 11.05 | 5.39 |
| | Short Term Capital Gain at special rate | (0.66) | - | - |
| | Normal Corporate Tax Rates (%) | 25.168% | 25.168% | 26.00% |
| | Short Term Capital Gain at special rate | - | - | - |
| | MAT Tax Rates (%) | 0.00% | 0.00% | 19.06% |
| B | Tax thereon (including surcharge and education cess) | | | |
| | Tax on normal profits | 5.47 | 2.78 | 1.40 |
| | Short Term Capital Gain at special rate | - | - | - |
| | Total | 5.47 | 2.78 | 1.40 |
| | Adjustments: | | | |
| C | Permanent Differences | | | |
| | Deduction allowed under Income Tax Act | - | - | - |
| | Exempt Income | - | - | - |
| | Allowance of Expenses under the Income Tax Act Section 35 | - | - | - |
| | Disallowance of Income under the Income Tax Act | - | - | - |
| | Disallowance of Expenses under the Income Tax Act | 0.01 | 0.02 | 0.04 |
| | Total Permanent Differences | 0.01 | 0.02 | 0.04 |
| D | Timing Differences | | | |
| | Difference between Depreciation as per Income tax, 1961 and Companies Act 2013 | 3.99 | 6.03 | 4.45 |
| | Unabsorbed Depreciation as per Income Tax Act | | (7.42) | (9.88) |
| | Provision for Gratuity disallowed | 0 | 0 | 0 |
| | Expense disallowed u/s 43B | 0 | 0 | 0 |
| | Total Timing Differences | 3.99 | (1.39) | (5.43) |
| E | Net Adjustments E= (C+D) | 4.00 | (1.37) | (5.39) |
| F | Tax expense/(saving) thereon | 1.01 | (0.34) | (1.40) |
| G | Total Income/(loss) (A+E) | 25.73 | 9.68 | (0.00) |
| | Taxable Income/ (Loss) as per MAT | 21.07 | 11.05 | - |
| I | Income Tax as per normal provision | 6.64 | 2.44 | (0.00) |
| J | Income Tax under Minimum Alternative Tax under Section 115 JB of the Income Tax Act | - | - | - |
| | Net Tax Expenses (Higher of I,J) | 6.64 | 2.44 | - |
| K | Relief u/s 90/91 | | - | - |
| | Total Current Tax Expenses | 6.64 | 2.44 | - |
| L | Adjustment for Interest on income tax/ others | - | 0.06 | - |
| | Total Current Tax Expenses | 6.64 | 2.50 | - |

Note : The above statements should be read with the significant accounting policies and notes to restated summary, profits and losses and cash flows appearing in Annexure D,A,B,C.

ANNEXURE - G : RESTATED STATEMENT OF CAPITALISATION

(Rs. In Lakhs)

| Sr. No | Particulars | Pre issue | Post issue** |
|---|------------------------------------|---------------|--------------|
| | Debts | | |
| A | Long Term Debt* | 421.55 | - |
| B | Short Term Debt | 112.10 | - |
| C | Total Debt | 533.65 | - |
| | Equity Shareholders Funds | | |
| | Equity Share Capital# | 25.00 | - |
| | Reserves and Surplus | 18.02 | - |
| D | Total Equity | 43.02 | - |
| | Long Term Debt/ Equity Ratio (A/D) | 9.80 | - |
| | Total Debt/ Equity Ratio (C/D) | 12.40 | - |
| Notes : | | | |
| 1) Long Term Debt are borrowings other than short-term borrowings and also includes current maturities of long- term debt included in other current liabilities | | | |
| * The amounts are consider as outstanding as on 31.03.2022 | | | |
| **Post issue figures in above table will be provided in prospectus of the company. | | | |

ANNEXURE - H : RESTATED STATEMENT OF CONTINGENT LIABILITIES
(Rs. In Lakhs)

| Particulars | As at 31st March | | |
|---|------------------|------|------|
| | 2022 | 2021 | 2020 |
| 1. Bank Guarantee/ LC Discounting for which FDR margin money has been given to the bank as Security | - | - | - |
| 2. Capital Commitment | - | - | - |
| 3. Income Tax Demand | - | - | - |
| 4. TDS Demands | - | - | - |
| 5. ESIC Demand | - | - | - |
| Total | - | - | - |

ANNEXURE - I : RESTATED STATEMENT OF ACCOUNTING RATIOS

| Particulars | As at 31st March | | |
|---|------------------|---------|---------|
| | 2022 | 2021 | 2020 |
| Restated PAT as per P& L Account (Rs. in Lakhs) | 15.60 | 10.06 | -0.86 |
| EBITDA | 121.86 | 100.52 | 97.64 |
| Actual No. of Equity Shares outstanding at the end of the period | 250,000 | 250,000 | 250,000 |
| Weighted Average Number of Equity Shares at the end of the Period (Note -2) | 250,000 | 250,000 | 250,000 |
| Net Worth | 43.02 | 27.42 | 17.36 |
| Current Assets | 413.48 | 382.82 | 268.21 |
| Current Liabilities | 380.63 | 366.51 | 273.95 |
| Earnings Per Share | | | |
| Basic EPS (Pre Bonus) | 6.24 | 4.03 | (0.34) |
| EPS (Post Bonus) | 6.24 | 4.03 | (0.34) |
| | | | - |
| Return on Net Worth (%) | 36.26% | 36.70% | -4.95% |
| | | | |
| Net Asset Value Per Share (Before Bonus) | 17.21 | 10.97 | 6.94 |
| Net Asset Value Per Share (After bonus) (Rs) | 17.21 | 10.97 | 6.94 |
| Current Ratio | 1.09 | 1.04 | 0.98 |
| EBITDA | 121.86 | 100.52 | 97.64 |
| Nominal Value per Equity share(Rs.) | 10 | 10 | 10 |

* The Company does not have any diluted potential Equity Shares. Consequently the basic and diluted profit/earning per share of the company remain the same.

Notes :

- 1) The ratios have been calculated as below:
 - a) Basic Earnings Per Share (Rs.) = Restated PAT attributable to Equity Shareholders/ Weighted Average Number of Equity Shares outstanding during the year.
 - b) Diluted Earnings Per Share (Rs.) = Restated PAT attributable to Equity Shareholders/ Weighted Average Number of Diluted Potential Equity Shares outstanding during the year.
 - c) Return on Net Worth (%) = Restated PAT attributable to Equity Shareholders/ Net Worth X 100
 - d) Restated Net Asset Value per equity share (Rs.) = Restated Net Worth as at the end of the year/ Total Number of Equity Shares outstanding during the year.
- 2) Weighted Average Number of equity shares is the number of equity shares outstanding at the beginning of the year adjusted by the number of equity shares issued during the year multiplied by the time weighting factor. Further, number of shares are after considering impact of the bonus shares.
- 3) Earnings Per Share calculation are in accordance with Accounting Standard 20- Earnings Per Share, notified under the Companies (Accounting Standards) Rules 2006, as amended.
- 4) Net Worth = Equity Share Capital + Reserve and Surplus (including surplus in the Statement of Profit & Loss)
- 5) The figures disclosed above are based on the Restated Financial Statements of the Company.

ANNEXURE - J(i) : RESTATED STATEMENT OF RELATED PARTY DISCLOSURES

As required under Accounting Standard 18 "Related Party Disclosures" as notified pursuant to Company (Accounting Standard) Rules 2006, following are details of transactions during the year with related parties of the company as defined in AS 18.

i. List of Related Parties and Nature of Relationship :

| Particulars | Name of Related Parties |
|----------------------------------|----------------------------------|
| 1. Other Related Parties: | |
| a) Key Management Personnel's | Ghanshyam Laljibhai Lukhi |
| | Ashokkumar Laljibhai Lukhi |
| b) Sister Concern | Tapi Food Products |
| | Solar Food Products |
| | Laljibhai S. Lukhi (HUF) |
| | Yash Ghanshyambhai Lukhi |
| | Manjulaben Ghanshyambhai Patel |
| | Ghanshyam Laljibhai Lukhi (HUF) |
| | Ashokkumar Laljibhai Lukhi (HUF) |

Note 1 : The above statements should be read with the significant accounting policies and notes to restated summary, profits and losses and cash flows appearing in Annexure D,A,B,C.

ANNEXURE - J(ii) - Transactions carried out with related parties referred to in (1) above, in ordinary course of business:

(Rs. In Lakhs)

| Nature of Transactions | Name of Related Parties | As at March 31 | | |
|---|---|----------------|---------------|---------------|
| | | 2022 | 2021 | 2020 |
| 1. Directors Remuneration | Ghanshyam Laljibhai Lukhi | 8.40 | 7.40 | 4.20 |
| | Ashokkumar Laljibhai Lukhi | 6.00 | 6.00 | 2.40 |
| Total | | 14.40 | 13.40 | 6.60 |
| | | | | |
| 2. Salary | Yash Ghanshyambhai Lukhi | 6.00 | 5.40 | - |
| | | - | - | - |
| Total | | 6.00 | 5.40 | - |
| | | | | |
| 3. Loan Recived(Paid) during the Year to Related Parties | Ghanshyam Laljibhai Lukhi | | | |
| | Opening Balance | 146.15 | 129.08 | 124.96 |
| | Loan Received during the year | 44.24 | 101.82 | 23.75 |
| | Loan Paid during the year | 16.80 | 84.75 | 19.63 |
| | Closing Balance | 173.59 | 146.15 | 129.08 |
| | | | | |
| | Ashokkumar Laljibhai Lukhi | | | |
| | Opening Balance | 73.03 | 58.01 | 45.25 |
| | Loan Received during the year | 34.58 | 17.50 | 20.01 |
| | Loan Paid during the year | 3.50 | 2.48 | 7.25 |
| | Closing Balance | 104.11 | 73.03 | 58.01 |
| | | | | |
| | Ghanshyam Laljibhai Lukhi (HUF) | | | |
| | Opening Balance | - | - | - |
| | Loan Received during the year | 7.05 | - | - |
| | Loan Paid during the year | - | - | - |
| | Closing Balance | 7.05 | - | - |
| | | | | |
| | Ashokkumar Laljibhai Lukhi (HUF) | | | |
| Opening Balance | - | - | - | |
| Loan Received during the year | 5.05 | - | - | |
| Loan Paid during the year | - | - | - | |
| Closing Balance | 5.05 | - | - | |
| | | | | |
| 4. Interest Received | Ghanshyam Laljibhai Lukhi | 15.89 | 9.32 | 16.29 |
| | Ashokkumar Laljibhai Lukhi | 8.41 | 6.89 | 7.34 |
| Total | | 24.30 | 16.21 | 23.63 |
| | | | | |
| 5. Rent Paid | Tapi Food Products | 3.60 | 3.60 | - |
| Total | | 3.60 | 3.60 | - |
| | | | | |
| 6. Sales | Tapi Food Products | | | 5.17 |
| Total | | | | 5.17 |
| | | | | |
| 7. Purchase | Tapi Food Products | | - | 24.90 |
| | Solar Food Products | 8.82 | 19.78 | 18.90 |
| | Laljibhai S. Lukhi (HUF) | 8.65 | | - |
| | Manjulaben Ghanshyambhai Patel | 1.50 | | - |
| Total | | 18.97 | 19.78 | 43.80 |

Note : The above statements should be read with the significant accounting policies and notes to restated summary, profits and losses and cash flows appearing in Annexure D,A,B,C.

ANNEXURE - J(iii) - Outstanding Balance as at the end of the year**(Rs. In Lakhs)**

| | | 2022 | 2021 | 2020 |
|--------------|----------------------------|---------------|---------------|---------------|
| 1. Payables | Ghanshyam Laljibhai Lukhi | 173.60 | 146.15 | 129.08 |
| | Ashokkumar Laljibhai Lukhi | 104.11 | 73.04 | 58.01 |
| Total | | 277.71 | 219.19 | 187.09 |

Note : The above statements should be read with the significant accounting policies and notes to restated summary, profits and losses and cash flows appearing in Annexure D,A,B,C.

MANAGEMENT'S DISCUSSION AND ANALYSIS OF FINANCIAL POSITION AND RESULTS OF OPERATIONS

You should read the following discussion of our financial position and results of operations together with our Restated Financial Statements which have been included in this Draft Prospectus. The following discussion and analysis of our financial position and results of operations is based on our Restated Financial Statements for financial year ended March 31, 2022, 2021 & 2020 including the related notes and reports, included in this Draft Prospectus prepared in accordance with requirements of the Companies Act and restated in accordance with the SEBI Regulations, which differ in certain material respects from IFRS, U.S. GAAP and GAAP in other countries. Our Company has not attempted to explain those differences or quantify their impact on the financial data included in this Draft Prospectus and it is urged that you consult your own advisors regarding such differences and their impact on our Company's financial information. Our Financial Statements, as restated have been derived from our audited financial statements for the respective period and years. Accordingly, the degree to which our Restated Financial Statements will provide meaningful information to a prospective investor in countries other than India is entirely dependent on the reader's level of familiarity with AS, Companies Act, SEBI Regulations and other relevant accounting practices in India. Our fiscal year ends on March 31 of each year, so all references to a particular fiscal year ("Fiscal Year") are to the twelve-month period ended March 31 of that year.

This discussion contains forward-looking statements and reflects our current views with respect to future events and financial performance. Actual results may differ materially from those anticipated in these forward-looking statements as a result of certain factors such as those described under "**Risk Factors**" and "**Forward Looking Statements**" beginning on pages 22 and 13, respectively, and elsewhere in this Draft Prospectus.

In this section, unless the context otherwise requires, any reference to "we", "us" or "our" refers to Tapi Fruit Processing Limited, our Company. Unless otherwise indicated, financial information included herein are based on our "**Restated Financial Statements**" for the Financial Year 2022, 2021 & 2020 beginning on page no. 162 of this Draft Prospectus.

BUSINESS OVERVIEW

Our Promoter commenced business under the name of "Tapi Food Products" sole proprietorship firm in the year 1999. Subsequently, the running business of sole proprietorship firm has been taken over by our Company in the year 2018. Our primary product has been tutty fruity, over the years we have been involved in processing a wide variety of confectionary products such As Fruit Jam, Candied Food Products, Fruit Crushes, Fruit Jelly, Tomato Ketchup, Fruit Syrup and Fruit Leathers in the State of Gujarat. Currently, all our packaged products are sold under brand name "Tapi", "Boleto" and "MumMum".

With a client-centric approach, our Company strives hard for utmost contentment of the customers. We maintain hygienic norms and use good quality raw materials for manufacturing of our products. We place significant emphasis on quality control and safety at each step of the production process, and have obtained several quality control ISO accreditations 22000:2018 for our facilities and products. The manufactured products are prepared completely under hygienic atmosphere by the professional makers. We have been certified by Food Safety and Standards Authority of India (FSSAI). Our team of experts carries out various application tests in our in-house R&D laboratory on all the constituents of our products, to ascertain the true nature of the constituents and ensure the quality of our products as per the customer requirements and international standards.

For further details, please refer section titled "**Business Overview**" beginning on page 99 of this Draft Prospectus

SIGNIFICANT DEVELOPMENTS SUBSEQUENT TO THE LAST FINANCIAL PERIOD

After the date of last financial year i.e., March 31, 2022, the following material events have occurred after the last audited period.

1. The Board of Directors of the Company approved the Initial Public Offering of our Company in their meeting held on July 12, 2022.
2. The Shareholders of the Company approved the Initial Public Offering of our Company in their meeting held on July 16, 2022.
3. The Board has allotted 20,77,500 Equity shares pursuant to Bonus Issue vide Board Resolution dated June 24, 2022.

SIGNIFICANT FACTORS AFFECTING OUR RESULTS OF OPERATIONS

Our business is subjected to various risks and uncertainties, including those discussed in the section titled “*Risk Factors*” beginning on page 22 of this Draft Prospectus. Our results of operations and financial conditions are affected by numerous factors including the following:

- Volatility in supply and pricing of products;
- Our ability to successfully implement our growth strategy and expansion plans;
- Our ability to attract and retain qualified personnel;
- Substantial capital expenditure & working capital requirements;
- Uncertainty in relation to continuing effect of the COVID-19 pandemic on our business and operations;
- Changes in laws, rules & regulations and legal uncertainties;
- Pricing pressures from the competitive business environment;
- Economic and Demographic condition;
- The occurrence of natural disasters or calamities;
- Other factors beyond our control and
- Our ability to manage risks that arise from these factors.

SIGNIFICANT ACCOUNTING POLICIES

For more details kindly refer to section titled “*Restated Financial Statements*” beginning on page 162 of this Draft Prospectus.

DISCUSSION ON RESULTS OF OPERATIONS

The following table sets forth financial data from our restated financial statements of profit & loss for the period ended March 31, 2022, March 31, 2021 and March 31, 2020, the components of which are also expressed as a percentage of total revenue for such periods:

(Rs. in Lakhs)

| Particulars | Year ended March 31, 2022 | | Year ended March 31, 2021 | | Year ended March 31, 2020 | |
|----------------------------|------------------------------|---------------|------------------------------|---------------|------------------------------|---------------|
| | Rs. in lakhs | % * | Rs. in lakhs | % * | Rs. in lakhs | %* |
| (A) REVENUE | | | | | | |
| Revenue from Operations | 1516.3 3 | 99.62 | 1303.31 | 99.30 | 1145.29 | 99.97 |
| Other Income | 5.76 | 0.38 | 9.1 9 | 0.70 | 0.40 | 0.0 3 |
| Total Revenue | 1522.0 9 | 100.00 | 1312.50 | 100.00 | 1145.69 | 100.00 |
| (B) EXPENDITURE | | | | | | |
| Cost of materials consumed | 999.81 | 65.69 | 775.07 | 59.05 | 717.89 | 62.66 |

| Particulars | Year ended March 31, 2022 | | Year ended March 31, 2021 | | Year ended March 31, 2020 | |
|--|------------------------------|--------------|------------------------------|--------------|------------------------------|---------------|
| | Rs. in lakhs | % * | Rs. in lakhs | % * | Rs. in lakhs | %* |
| Increase / Decrease in Stock | (12.96) | (0.85) | (0.12) | (0.01) | (10.43) | (0.91) |
| Employee Benefits Expenses | 179.53 | 11.79 | 172.99 | 13.18 | 141.43 | 12.34 |
| Finance Costs | 43.25 | 2.84 | 42.33 | 3.23 | 47.9 3 | 4.18 |
| Depreciation and Amortization Expense | 57.54 | 3.78 | 47.14 | 3.59 | 44.3 2 | 3.87 |
| Other Expenses | 233.18 | 15.32 | 264.04 | 20.12 | 199.16 | 17.38 |
| Total Expenditure | 1500.3 5 | 98.57 | 1301.45 | 99.16 | 1140.30 | 99.53 |
| Profit Before Exceptional and Extraordinary Items and Tax | 21.74 | 1.43 | 11.05 | 0.84 | 5.39 | 0.47 |
| Exceptional Items | 0.67 | 0.04 | 0.00 | 0.00 | 0.00 | 0.00 |
| Profit Before Extraordinary Items and Tax | 21.07 | 1.38 | 11.05 | 0.84 | 5.39 | 0.47 |
| Extraordinary Items | 0.00 | 0.00 | 0.0 0 | 0.00 | 0.00 | 0.00 |
| Profit Before Tax | 21.07 | 1.38 | 11.05 | 0.84 | 5.39 | 0.47 |
| Prior Period Items | 0.00 | 0.00 | 0.0 0 | 0.00 | 0.00 | 0.00 |
| Tax Expense: | | | | | | |
| (1) Current tax | 6.64 | 0.44 | 2.5 0 | 0.19 | - | 0.00 |
| (2) Deferred tax | (1.17) | (0.08) | (1.51) | (0.12) | 6.25 | 0.55 |
| (3) Excess / Short Tax Provision W/off | 0.00 | 0.00 | 0.0 0 | 0.00 | 0.00 | 0.00 |
| Profit for the year | 15.60 | 1.02 | 10.06 | 0.77 | (0.86) | (0.08) |

*(%) column represents percentage of total revenue.

Key Components of our Statement of Profit and Loss Based on our Restated Financial Statements

Income

Our total income comprises of revenue from operations and other income.

Revenue from Operations

Our revenue from operations represents sale of our products. The company is engaged in the business of manufacturing of confectionary product viz Fruit jellies, Candied Fruits, fruit jams etc. For detail, please refer to section “*Business Overview*” on page 99 of this Draft Prospectus.

Other Income

Other income includes Interest on Fixed Deposit, Interest on Security Deposit - DGVCL and Interest Subsidy Received.

Expenditure

Our total expenditure primarily consists of Cost of Material Consumed, Increase/Decrease in Stock, Employee Benefit Expenses, Finance costs, Depreciation and Amortization and Other Expenses.

Employee Benefit Expenses

Employee benefit expenses comprises of salaries and wages, bonus, staff welfare expenses, other employee benefits, and Director's remuneration.

Depreciation & Amortization Cost

Depreciation Expenses consist of depreciation on the Tangible assets of our company i.e., Depreciation on Fixed Assets.

Finance costs

Finance cost includes Interest on Term Loan, Interest on Cash Credit, Interest on Loans from Directors and Relatives, Bank Commission and Bank Charges and CC Renewal and Loan Processing Charges.

Other Expenses

Other expenses are divided into two categories: Manufacturing Expenses and Administrative and Selling Expenses.

Manufacturing Expenses include Carriage Inward Expenses, Claim, Rebate and Rate Difference Expenses, Clearing and Forwarding Charges, Compensation Cess, Factory Expenses, Jobwork Charges, Machinery Repairing Expenses, Packing Charges, Power and Fuel Expenses and Tempo Rent Expense.

Administrative, Selling and other Expenses consists of Advertisement Expenses, Amortisation of Pre Incorporation Expenses, Audit Fees, Bank Commission and Bank Charges, Canteen Expenses, Carriage Outward Expenses, Commission Expenses, Courier and Postage Expenses, Insurance Expenses, Interest on Late Payment of TDS, Internet Expenses, Lab Testing Fees, Legal and Professional Charges, Loading and Unloading Charges, Marketing Expenses, Membership Fees, Miscellaneous Expenses, PF Penalty, Sales Promotion Expenses, Software Renewal Charges, Stall Service Charges, Stationery and Printing Expenses, Tea and Refreshment Expenses, Telephone Expenses, Travelling Expenses, VataV/ Kasar, Vehicle Expenses etc.

Provision for Tax

The provision for current taxation is computed in accordance with relevant tax regulation. Deferred tax is recognized on timing differences between the accounting and the taxable income for the year and quantified using the tax rates and laws enacted or subsequently enacted as on balance sheet date.

COMPARISON OF FINANCIAL YEAR ENDED MARCH 31, 2022 TO FINANCIAL YEAR ENDED MARCH 31, 2021

Total Revenue

Our total revenue increased by 16.34% to Rs. 1516.33 Lakhs for the financial year March 31, 2022 from Rs. 1303.31 Lakhs for the financial year 2020-2021.

Revenue from Operations

The total income from operations for the F.Y. 2022 was Rs. 1522.09 Lakhs and it was Rs. 1312.50 Lakhs during the F.Y. 2021. The revenue of the Company has increased in the year FY 2022 by 15.97%.

Other Income

In the F.Y. 2022 it was Rs. 5.76 Lakhs as compared to Rs. 9.19 Lakhs for the F.Y. 2021 which shows a decrease by (37.32)%.

Expenditure

Cost of Materials Consumed

The cost of materials consumed in F.Y. 2022 was increased by 29.00% to Rs. 999.81 Lakhs in F.Y. 2022 compared from Rs. 775.07 in F.Y. 2021.

Increase/Decrease in Stock

Our Increase/Decrease in Stock changed by 10700% to Rs. (12.96) Lakhs in F.Y. 2022 from Rs. (0.12) Lakhs in F.Y. 2021. This was primarily due to higher level of closing inventories of finished goods at end of financial year 2021-2022 as compared to financial year 2020-2021.

Employee Benefits Expenses

The Employee benefit expenses for F.Y. 2022 was increased by 3.78% to Rs. 179.53 Lakhs as compared from Rs. 172.99 Lakhs in F.Y. 2021.

Finance Cost

The Finance Cost for F.Y. 2022 was Rs. 43.25 Lakhs which is an increase of about 2.17% against the Finance Cost of F.Y. 2021 which was Rs. 42.33 Lakhs.

Depreciation and Amortization Expenses

The Depreciation for F.Y. 2022 was increased by 22.06% to Rs. 57.54 Lakhs as compared from Rs. 47.14 Lakhs in F.Y. 2021.

Other Expenses

The other expenses in the F.Y. 2022 was Rs. 233.18 Lakhs as compared to Rs. 264.04 Lakhs for the F.Y. 2021 which shows a decrease of (11.69)% in other expenses.

Profit after Tax (PAT)

PAT increased to Rs. 15.60 Lakhs in F.Y. 2022 from Rs. 10.06 Lakhs in F.Y. 2021. The profit after tax increased by 55.07% as compared to F.Y. 2021 on account of increase in revenue from operations.

COMPARISON OF FINANCIAL YEAR ENDED MARCH 31, 2021 TO FINANCIAL YEAR ENDED MARCH 31, 2020

Total Revenue

Our total revenue increased by 14.56% to Rs. 1312.50 Lakhs for the financial year March 31, 2021 from Rs. 1145.69 Lakhs for the financial year 2019-2020.

Revenue from Operations

The total income from operations for the F.Y. 2021 was Rs. 1303.31 Lakhs and it was Rs. 1145.29 Lakhs during the F.Y. 2020. The revenue of the Company has increased in the year FY 2021 by 13.80%.

Other Income

In the F.Y. 2021 it was Rs. 9.19 Lakhs as compared to Rs. 0.40 Lakhs for the F.Y. 2020 which shows an increase by 2197.50%

Expenditure

Cost of Materials Consumed

The cost of materials consumed in F.Y. 2021 was increased by 7.97% to Rs. 775.07 Lakhs in F.Y. 2021 compared from Rs. 717.89 in F.Y. 2020.

Increase/Decrease in Stock

Our Increase/Decrease in Stock changed by (98.85)% to Rs. (0.12) Lakhs in F.Y. 2021 from Rs. (10.43) Lakhs in F.Y. 2020. This was primarily due to lower level of closing inventories of finished goods at end of financial year 2020-2021 as compared to financial year 2019-2020.

Employee Benefits Expenses

The Employee benefit expenses for F.Y. 2021 was increased by 22.31% to Rs. 172.99 Lakhs as compared from Rs. 141.43 Lakhs in F.Y. 2020.

Finance Cost

The Finance Cost for F.Y. 2021 was Rs. 42.33 Lakhs which is a decrease of about (11.68)% against the Finance Cost of F.Y. 2020 which was Rs. 47.93 Lakhs.

Depreciation and Amortization Expenses

The Depreciation for F.Y. 2021 was increased by 6.36% to Rs. 47.14 Lakhs as compared from Rs. 44.32 Lakhs in F.Y. 2020.

Other Expenses

The other expenses in the F.Y. 2021 was Rs. 264.04 Lakhs as compared to Rs. 199.16 Lakhs for the F.Y. 2020 which shows an increase of 32.58% in other expenses.

Profit after Tax (PAT)

PAT increased to Rs. 10.06 Lakhs in F.Y. 2021 from Rs. (0.86) Lakhs in F.Y. 2020. The profit after tax increased by 110.06% as compared to F.Y. 2020 on account of increase in revenue from operations.

Information required as per Item 11 (II) (C) (iv) of Part A of Schedule VI to the SEBI Regulations:

1. Unusual or infrequent events or transactions

To our knowledge there have been no unusual or infrequent events or transactions that have taken place during the last three (3) years.

2. Significant economic changes that materially affected or are likely to affect income from continuing operations.

Our business has been subject, and we expect it to continue to be subject to significant economic changes arising from the trends identified above in 'Factors Affecting our Results of Operations' and the uncertainties described in the section entitled "**Risk Factors**" beginning on page 22 of this Draft Prospectus. To our knowledge, except as we have described in this Draft Prospectus, there are no known factors which we expect to bring about significant economic changes.

3. Income and Sales on account of major product/main activities

Income and sales of our Company on account of main activities derives from sale of Tutty Fruity, Fruit Jam, Candied Food Products, Fruit Crushes, Fruit Jelly, Tomato Ketchup, Fruit Syrup and Fruit Leathers, etc.

4. Known trends or uncertainties that have had or are expected to have a material adverse impact on sales, revenue or income from continuing operations.

Apart from the risks as disclosed under Section titled "**Risk Factors**" beginning on page 22 of this Draft Prospectus, in our opinion there are no other known trends or uncertainties that have had or are expected to have a material adverse impact on revenue or income from continuing operations.

5. Extent to which material increases in net sales or revenue are due to increase in services

Increases in revenues are by and large linked to increases in volume of business.

6. Total turnover of each major industry segment in which the issuer company operated.

The Company is engaged in the manufacturing and trading business of Tutty Fruity, Fruit Jam, Candied Food Products, Fruit Crushes, Fruit Jelly, Tomato Ketchup, Fruit Syrup and Fruit Leathers, etc., as available, has been included in the section titled "**Industry Overview**" beginning on page 88 of this Draft Prospectus.

7. Status of any publicly announced new products or business segment.

Our Company has not announced any new products or business segment. For details, please refer to "**Business Overview**" on page 99.

8. The extent to which business is seasonal.

Our Company's business is not seasonal.

9. Any significant dependence on a single or few suppliers or customers.

Significant proportion of our revenues have historically been derived from a limited number of customers. The % of Contribution of our Company's customers and supplier's vis a vis the revenue from operations and raw materials purchase respectively for the year ended on March 31, 2022, 2021 and 2020 based on Restated Financial Statements are as follows:

| Particular | Supplier | | | Customers | | |
|---|----------------------|----------------------|----------------------|----------------------|----------------------|----------------------|
| | As at March 31, 2022 | As at March 31, 2021 | As at March 31, 2020 | As at March 31, 2022 | As at March 31, 2021 | As at March 31, 2020 |
| Top 10 suppliers / customers (Rs. in Lakhs) | 733.29 Lakhs | 583.55 Lakhs | 552.07 Lakhs | 923.43 Lakhs | 774.18 Lakhs | 770.81 Lakhs |
| % to total purchase/sales | 57.61% | 52.80% | 60.70% | 54.13% | 52.85% | 59.40% |

10. Competitive conditions.

Competitive conditions are as described under the Sections titled "**Industry Overview**" and "**Business Overview**" beginning on pages 88 and 99, respectively of this Draft Prospectus.

MATERIAL DEVELOPMENTS SUBSEQUENT TO MARCH 31, 2022

Except as disclosed in this Draft Prospectus, there are no significant developments or circumstances that have arisen since March 31, 2022, the date of the last financial statements included in this Draft Prospectus:

1. Our Company has invested and holds 99% in subsidiary name "Tapi Wellness Private Limited" incorporated on June 09, 2022.
2. Conversion of unsecured loan into Equity of Promoters and Issue of Bonus as mentioned in "Capital Structure" on page 56 of this Draft Prospection

Further, except as disclosed in this Draft Prospectus, there are no circumstances that have arisen since March 31, 2022, the date of the last financial statements included in this Draft Prospectus, which materially and adversely affect or is likely to affect our operations or profitability, or the value of our assets or our ability to pay our material liabilities within the next twelve months.

FINANCIAL INDEBTEDNESS

Our Company utilizes the following credit facility from Bank of Baroda for conducting its business.

Set forth below is a brief summary of all the borrowings of our Company as on March 31, 2022 together with a brief description of certain significant terms of such financing arrangements.

(Rs. in Lakhs)

| Nature of Borrowing | Amount |
|----------------------|---------------|
| Secured borrowings | 232.84 |
| Unsecured borrowings | 379.35 |
| Total | 612.19 |

A. Details of Secured Loans

(Rs. in Lakhs)

| Name of Lenders | Type of Loans | Date of Sanction | Amount Sanctioned | Amount outstanding as on March 31, 2022 | Terms and Condition of Sanction |
|-----------------------|--------------------------------------|-------------------|-------------------|---|---------------------------------|
| Bank of Baroda | Term Loan and Cash Credit Facility | October 03, 2018 | 285.00 | 173.37 | Note 1 & Note 2 |
| Bank of Baroda | Additional Working Capital Term Loan | June 09, 2020 | 52.00 | 37.55 | Note 3 |
| Bank of Baroda | Term Loan under (“BGECLS”) | June 09, 2020 | 13.50 | 1.91 | Note 4 |
| Bank of Baroda | Additional Working Capital Term Loan | December 23, 2021 | 20.00 | 20.00 | Note 5 |

Note 1: Terms and Conditions of Sanction

| | |
|---------------------------|---|
| Facility | Term Loan and Cash Credit Facility |
| Amount | 2,85,00,000 |
| Purpose | For Purchase of Plant & Machinery |
| Type | Term Loan |
| Interest Rate | 2.25% above MCLR (Present MCLR @8.55% pa) + strategic premium @0.25% pa. i.e. 11.5% subject to change in MCLR from time to time. |
| Maturity Date | Total Period of 60 months including initial moratorium of 6 months subject to annual review |
| Primary Security | 1. Hypothecation of entire raw materials, stock-in-process, stores & spares, packing materials, finished goods and Book-debts of the Company both present & future. 2. Hypothecation of entire machineries, electrical installations, furniture & fixtures, office equipment & other movable fixed assets of the borrower. |
| Personal Guarantee | Mr. Ghanshyambhai Laljibhai Lukhi Mr. Ashokkumar Laljibhai Lukhi |
| Margin | 25% against Stock & 30% against Book Debts upto period of 90 Days. |
| Tenor | 12 months subject to annual review / Repayable on Demand |

Note 2: Terms and Conditions of Sanction

| | |
|-----------------|------------------------------------|
| Facility | Term Loan and Cash Credit Facility |
| Amount | 2,85,00,000 |

| | |
|---------------------------|--|
| Purpose | For Purchase of Plant & Machinery |
| Type | Term Loan |
| Interest Rate | 2.25% above MCLR (Present MCLR @ 8.55% p.a.) + Strategic premium @ 0.25% p.a. i.e. presently 11.05% p.a. |
| Maturity Date | Total Period of 60 months including initial moratorium of 6 months subject to annual review |
| Primary Security | <ol style="list-style-type: none"> 1. All that piece and parcels of the property bearing Sub Plot No. 17/A admeasuring about 650.290 sq. mtrs consisting of construction of teen shed situated towards the northern side of land bearing Plot No. 17 paiki which is forming part land bearing Revenue Survey No. 124 and 125/1, Block No. 124+125 paiki i.e. New Revision Survey No.128 of Village-Pipodra, Tal-Mangrol, Dist.-Surat. Together with all building and structures constructed thereon together with the building and structures which may hereafter be erected/constructed thereon on the said plot of land. 2. All that piece and parcels of the property bearing Sub Plot No. 17/A/2 admeasuring about 538 sq. mtrs of Plot No. 17 paiki which is forming part land bearing Revenue Survey No. 124 and 125/1, Block No. 124+125 paiki i.e. New Revision Survey No. 128 of Village-Pipodra, Tal-Mangrol, Dist.-Surat. Together with all building and structures constructed thereon together with the building and structures which may hereafter be erected/constructed thereon on the said plot of land. 3. All that piece and parcels of the property bearing Sub Plot No. 17/A/3 admeasuring about 1188.28 sq. mtrs which is forming part of northern side portion admeasuring 2376.56 sq. meters of Plot No. 17/A paiki which is forming part land bearing Revenue Survey No. 124 and 125/1, Block No. 124+125 paiki i.e. New Revision Survey No.128 of Village-Pipodra, Tal-Mangrol, Dist.-Surat. Together with all building and structures constructed thereon together with the building and structures which may hereafter be erected/constructed thereon on the said plot of land. |
| Personal Guarantee | N.A. |
| Margin | Term Loan - 25% of Plant & Machinery Cash Credit - 25% against stock & 30% against book debts upto period of 90 days. |
| Tenor | Total Period of 60 months including initial moratorium of 6 months subject to annual review. |

Note 3: Terms and Conditions of Sanction

| | |
|-------------------------|---|
| Facility | Additional Working Capital Term Loan |
| Amount | 52,00,000 |
| Purpose | To meet the temporary liquidity mismatch arising out of impact of covid 19 pandemic. |
| Type | Additional Working Capital Term Loan |
| Interest Rate | BRLLR + 1% i.e. 7.85% at present (6.85 being the BRLLR+1%) |
| Maturity Date | Door to door tenure maximum 48 months. Moratorium 12 months. |
| Primary Security | 1. The Whole of the borrower's stocks, both present and future and including but without prejudice to the generality of the foregoing words, all stocks of raw materials, work in progress, semi-finished goods and finished goods. |

| | |
|---------------------------|--|
| | <p>2. All the present and future book debts, outstanding moneys, receivables, claims, bills, contracts, engagements and securities which are now due and owing or which may at any time hereafter during the continuance of this security become due and owing to the Borrower.</p> <p>3. All the tangible movable machinery and plant and cranes, boats and crafts and the vehicles of the Borrower together with spares, tools and accessories and other movables both present and future..... situated at Block No. 124-125 Paiki P. No. 17A, N.H. No. 8, Village Pipodra, Tehsil Mangrol, Dist.- Surat</p> |
| Personal Guarantee | N.A. |
| Margin | Nil |
| Tenor | Max 48 months moratorium of 6 months |

Note 4: Terms and Conditions of Sanction

| | |
|---------------------------|---|
| Facility | Term Loan under BGECLS |
| Amount | 13,50,000 |
| Purpose | To meet the temporary liquidity mismatch arising out of impact of covid 19 pandemic. |
| Type | Term Loan under BGECLS |
| Interest Rate | BRLLR i.e. @7.25% at present ROI to be linked to benchmark as applicable |
| Maturity Date | Door to door tenure of maximum 24 months. Moratorium 6 months. |
| Primary Security | <p>1) The Whole of the borrower's stocks, both present and future and including but without prejudice to the generality of the foregoing words, all stocks of raw materials, work in progress, semi-finished goods and finished goods.</p> <p>2) All the present and future book debts, outstanding moneys, receivables, claims, bills, contracts, engagements and securities which are now due and owing or which may at any time hereafter during the continuance of this security become due and owing to the Borrower.</p> <p>3) All the tangible movable machinery and plant and cranes, boats and crafts and the vehicles of the Borrower together with spares, tools and accessories and other movables both present and future situated at Block No. 124-125 Paiki P. No. 17A, N.H. No. 8, Village Pipodra, Tehsil Mangrol, Dist.- Surat.</p> |
| Personal Guarantee | N.A. |
| Margin | Nil. However, 80% of the limits shall be backed by value of stocks & receivables and 20% can be given on clean basis. |
| Tenor | Max 24 months moratorium of 6 months |

Note 5: Terms and Conditions of Sanction

| | |
|-------------------------|--|
| Facility | Additional Working Capital Term Loan |
| Amount | 20,00,000 |
| Purpose | To meet the temporary liquidity mismatch arising out of impact of covid 19 pandemic. |
| Type | Additional Working Capital Term Loan |
| Interest Rate | BRLLR +1% i.e: 7.50% at present (6.50 being the BRLLR +1)% ROI to be linked to benchmark as applicable at the time of disbursement. |
| Maturity Date | Door to door tenure maximum 24 months. Moratorium 12 months. The Principal is to be repaid in 36 monthly instalments. Interest to be served as and when applied. |
| Primary Security | <ul style="list-style-type: none"> • D.P. Note executed by proprietorship firm • Loan cum Hypothecation Agreement • Letter of Guarantee from Guarantors wherever applicable |

| | |
|---------------------------|--|
| | <ul style="list-style-type: none"> • Undertaking from execution of documents / perfection of security / payment of stamp duty and fine thereof if any per timeline permitted • Undertaking letter from Borrower as per Annexure 2 mentioned in circular number BCC:BR:112:307 dated May 27, 2020 |
| Personal Guarantee | N.A. |
| Margin | Nil |
| Tenor | Max 24 months |

Details of Unsecured Borrowings*:

| Name of the Lender | Unsecured loan as on March 31, 2022 | Conversion of unsecured loan to Equity Share after March 31, 2022 | Balance Amount after conversion of unsecured loan as on August 08, 2022 |
|-----------------------------------|--|--|--|
| Ashokkumar Laljibhai Lukhi | 104.11 | 84.99 | 12.68 |
| Ghanshyambhai Laljibhai Lukhi | 173.60 | 155.00 | 7.35 |
| Ashokkumar Laljibhai Lukhi HUF | 5.05 | - | Nil |
| Ghanshyambhai Laljibhai Lukhi HUF | 7.05 | - | Nil |
| British Life Sciences Pvt Ltd | 5.00 | - | 5.00 |
| Eximburg International Pvt Ltd | 1.00 | - | 1.00 |
| SPGN | 5.00 | - | 5.00 |

**As certified by the Statutory Auditor Kansairwala & Chevli vide it certificate dated August 08, 2022.*

SECTION VII: LEGAL AND OTHER INFORMATION

OUTSTANDING LITIGATION AND MATERIAL DEVELOPMENTS

Except as stated in this section, there are no outstanding, (i) criminal proceedings; (ii) actions taken by statutory or regulatory authorities; (iii) claims related to direct or indirect taxes, in a consolidated manner; or (iv) other material litigation as per the Materiality Policy, in each case involving our Company, Promoters or Directors (collectively, the “Relevant Parties”). Further, there are no (i) disciplinary actions including penalties imposed by SEBI or stock exchanges against our Promoters since incorporation dated 10/07/2018, including any outstanding action.

In accordance with the Materiality Policy, all outstanding litigation involving the Relevant Parties, other than (i) criminal litigation, (ii) tax matters, (iii) statutory and regulatory actions, and (iv) disciplinary actions by SEBI or Stock Exchanges since the incorporation dated July 10, 2018, against Promoters, would be considered ‘material’, if the monetary amount of claim made by or against the Relevant Party in any such outstanding litigation is in excess of 5% of the latest restated Profit after Tax.

Further, it is clarified that for the purpose of the above, pre-litigation notices received by any of the Relevant Parties from third parties (excluding those notices issued by statutory/regulatory/tax authorities) shall, in any event, not be considered as litigation and accordingly have not been disclosed in this section until such time that the Relevant Parties, as applicable, are impleaded as defendants in litigation proceedings before any judicial or quasi-judicial forum. Unless stated to the contrary, the information provided below is as of the date of this Draft Prospectus.

Except as stated in this section, there are no outstanding material dues to creditors of our Company. Further, for outstanding dues to any party which is a micro, small or medium enterprise (“MSME”), the disclosure will be based on information available with our Company regarding status of the creditor as defined under Section 2 of the Micro, Small and Medium Enterprises Act, 2006, as amended.

A. LITIGATION INVOLVING OUR COMPANY

I. Litigation against our Company:

- (i) **Litigation involving Criminal Laws: Nil**
- (ii) **Litigation involving actions by Statutory / Regulatory Authorities: Nil**
- (iii) **Litigation involving actions by Direct / Indirect Tax Authorities: Nil**
- (iv) **Litigation involving Civil Laws: Nil**
- (v) **Other Pending Litigations: Nil**

II. Litigation by our Company

- (i) **Litigation involving Criminal Laws: Nil**
- (ii) **Litigation involving Civil Laws: Nil**
- (iii) **Litigation involving actions by Statutory / Regulatory Authorities: Nil**
- (iv) **Litigation involving actions by Direct / Indirect Tax Authorities: Nil**
- (v) **Other Pending Litigations: Nil**

B. LITIGATION INVOLVING OUR DIRECTORS

I. Litigation against our Directors

- (i) **Litigation involving Criminal Laws: Nil**
- (ii) **Litigation involving Civil Laws: Nil**
- (iii) **Litigation involving actions by Statutory / Regulatory Authorities: Nil**
- (iv) **Litigation involving actions by Direct / Indirect Tax Authorities: Nil**

- (v) **Other Pending Litigations:** Nil

II. Litigation by our Directors

- i. **Litigation involving Civil Laws:** Nil
- ii. **Litigation involving Criminal Laws:** Nil
- iii. **Litigation involving actions by Statutory/Regulatory Authorities:** Nil
- iv. **Litigation involving Tax Matters:** Nil
- v. **Others pending litigations:** Nil

C. LITIGATION INVOLVING OUR PROMOTERS

I. Litigation against our Promoter:

- (i) **Litigation involving Criminal Laws:** NIL
- (ii) **Litigation involving Civil Laws:** NIL
- (iii) **Litigation involving actions by statutory or regulatory authorities:** Nil
- (iv) **Other Pending Litigations:** Nil

II. Litigation by our Promoter:

- (i) **Litigation involving Criminal Laws:** NIL
- (ii) **Litigation involving Civil Laws:** NIL
- (iii) **Litigation involving actions by statutory or regulatory authorities:** Nil
- (iv) **Other Pending Litigations:** Nil

D. LITIGATION INVOLVING GROUP COMPANIES

I. Litigation against our Group Company:

- (i) **Litigation involving Criminal Laws:** N.A.
- (ii) **Litigation involving Civil Laws:** N.A.
- (iii) **Litigation involving actions by statutory or regulatory authorities:** N.A.
- (iv) **Litigation involving Tax Matters:** N.A.
- (v) **Other Pending Litigations:** N.A.

II. Litigation by our Group Company:

- (i) **Litigation involving Criminal Laws:** N.A.
- (ii) **Litigation involving Civil Laws:** N.A.
- (iii) **Litigation involving actions by statutory or regulatory authorities:** N.A.
- (iv) **Litigation involving Tax Matters:** N.A.
- (v) **Other Pending Litigations:** N.A.

E. Tax proceedings

A summary of tax proceedings, in a consolidated manner, involving our Company, our Promoters, our Directors are stated below:

| Sr. No | Nature of Case | Number of Cases | Amount Involved (in INR) | Interest Accrued | Remarks, if any |
|---------------|--|------------------------|---------------------------------|-------------------------|------------------------|
| A | Our Company | | | | |
| | Direct Tax | - | - | - | - |
| B | OUR DIRECTORS, PROMOTERS AND PROMOTER GROUP | | | | |

| Sr. No | Nature of Case | Number of Cases | Amount Involved (in INR) | Interest Accrued | Remarks, if any |
|----------|---|-----------------|--------------------------|------------------|--|
| 1 | Assessment Year 2018: Mr. Ghanshyambhai Laljibhai Lukhi | 1 | 2,24,030 | 5,026 | Pending Payment under section code 143a. Further Mr. Ghanshyambhai Laljibhai Lukhi has filled rectification u/s 154 with supporting documents copy which are as under 1. Income Tax Audit Report AY 2018-19 2. intimation u/s 143 3. GST Tax and Income Tax Challan. |
| C | Other Tax Proceedings | - | - | - | - |
| D | Other Subsidiaries Companies | - | - | - | - |

F. OUTSTANDING DUES TO CREDITORS OF OUR COMPANY

As on March 31, 2022, the Company do not have any outstanding liability against Micro, Small and Medium Enterprise creditors. Also, In the absence of information available with us, dues outstanding to micro and small enterprises as defined under the Micro, Small and Medium Enterprises Development Act, 2006, as of 31/03/2022, cannot be ascertained.

G. MATERIAL DEVELOPMENTS SINCE THE DATE OF THE LAST AUDITED ACCOUNTS:

To our knowledge no circumstances have arisen since the date of the latest audited balance sheet i.e. March 31, 2022 which may materially and adversely affect or are likely to affect our operations, performance, prospects or profitability, or the value of our assets or our ability to pay material liabilities within the next 12 months.

H. OTHER MATERIAL INFORMATIONS

1. Material frauds against our Company

There have been no material frauds committed against our Company since incorporation dated 10/07/2018, from the date of this Draft Prospectus.

2. Past cases where penalties imposed

There are no past cases since incorporation dated 10/07/2018 preceding the date of this Draft Prospectus, where penalties were imposed on our Company by concerned authorities.

3. Past inquiries, inspections and investigations under the Companies Act

There have been no inquiries, inspections or investigations initiated or conducted under the Companies Act, since incorporation dated July 10, 2018 , preceeding the year of issue of the Draft Prospectus in the case of our Company.

4. Details of fines imposed or compounding of offences under the Companies Act since incorporation dated 10/07/2018 immediately preceding the year of this Draft prospectus:

There have been no fines imposed on our Company or compounding of offences by our Company under the Companies Act, since incorporation dated 10/07/2018 immediately preceding the date of this Draft Prospectus.

5. Proceedings initiated against our Company for economic offences

There are no pending proceedings initiated against our Company for any economic offences as on the date of this Draft Prospectus.

6. Outstanding litigation involving any other persons or companies whose outcome could have an adverse effect on our Company:

There is no outstanding litigation against any other persons or companies whose outcome could have an adverse effect on our Company.

7. Disciplinary action including penalty imposed by SEBI or stock exchanges against our Company

There are no disciplinary actions taken by SEBI or stock exchanges against our Company or its Directors.

8. Disclosures pertaining to wilful defaulters:

Neither our Company or the Promoters and nor our Directors are or have been classified as a wilful defaulter by a bank or financial institution or a consortium thereof in accordance with the guidelines on wilful defaulters issued by RBI.

GOVERNMENT AND OTHER APPROVALS

Our business requires various approvals, licenses, registrations and permits issued by relevant Central and State regulatory authorities under various rules and regulations. For details see “**Key Industry Regulations and Policies**” on page 122 of this Draft Prospectus.

Our Company has received the necessary licenses, permissions and approvals from the Central and State Governments and other government agencies/regulatory, authorities/certification bodies required to undertake the Issue or continue our business activities. In view of the approvals listed below, we can undertake the Issue and our current/ proposed business activities and no further major approvals from any governmental/regulatory authority or any other entity are required to be undertaken, in respect of the Issue or to continue our business activities. It must, however, be distinctly understood that in granting the above approvals, the Government of India and other authorities do not take any responsibility for the financial soundness of the Company or for the correctness of any of the statements or any commitments made or opinions expressed in this behalf.

The main objects clause of the Memorandum of Association of the Company and the objects incidental, enable our Company to carry out its activities.

I. APPROVALS FOR THE ISSUE

The following approvals have been obtained or will be obtained in connection with the offer:

1. Our Board of Directors have, pursuant to a resolution passed in its meeting held on July 12, 2022 authorized the Offer subject to approval of the shareholders of our Company under Section 62(1)(c) of the Companies Act, 2013
2. The shareholders of our Company have, pursuant to a special resolution passed in the Extraordinary general meeting of our Company held on July 16, 2022 authorized the Issue under Section 62(1)(c) of the Companies Act, 2013;
3. Our Company has obtained in-principle approval from the stock exchange for the listing of our Equity Shares pursuant to letter dated [●] bearing reference no. [●].

II. CORPORATE APPROVALS

- a. Certificate of incorporation dated **July 10, 2018** issued to our Company by the ROC, in the name of “**Tapi Fruit Processing Private Limited**”.
- b. Corporate Identity Number (CIN): U15400GJ2018PTC103201
- c. Fresh Certificate of Incorporation dated July 15, 2022 issued to our Company by the RoC, in the name of “Tapi Fruit Processing Limited” upon conversion of our Company from a Private Company to a Public company.

III. AGREEMENTS WITH NSDL AND CDSL

- a. The Company has entered into an agreement dated August 05, 2022 with the Central Depositories Services (India) Limited (“CDSL”) and the Registrar and Transfer Agent, who in this case is Bigshare Services Private Limited for the dematerialization of its shares.
- b. The Company has entered into an agreement dated June 09, 2022 with the National Securities Depository Limited (“NSDL”) and the Registrar and Transfer Agent, who in this case is Bigshare Services Private Limited for the dematerialization of its shares.
- c. The Company’s International Securities Identification Number (“ISIN”) is INE0M7001010.

IV. TAX RELATED APPROVALS

| Sr. No. | Description | Authority | Registration No. | Date of Expiry |
|---------|--------------------------------|---|------------------|--------------------|
| 1. | Permanent account number (PAN) | Income Tax Department, Government of India | AAGCT8468E | Valid until cancel |
| 2. | Tax deduction account number | Income Tax Department, Government of India | SRTT02550C | Valid until cancel |
| 3. | GST Registration Certificate | Approving Authority of Government of India under Centre Goods and Services Tax Act, 2017. | 24AAGCT8468EIZ3 | Valid until cancel |

V. LABOUR / EMPLOYMENT RELATED APPROVALS

Under the Employees' Provident Fund and Miscellaneous Provisions Act, 1952 the Company has been granted code no. GJ/SRT/37688 for complying with the provisions of the act by the Employees provident fund organisation through the Ministry of Labour and employment, Government of India.

VI. OTHER BUSINESS APPROVALS

Our Company requires various other approvals to carry on our business in India. Some of these may expire in the ordinary course of business and applications for renewal of these approvals will be submitted in accordance with applicable procedures and requirements as and when required.

| Sr. No. | Description | Authority | Registration No. | Date of Issue | Date of Expiry |
|---------|---|--|---------------------|--------------------|--------------------|
| 1. | Udyam Registration Certificate under Ministry of micro, small and medium enterprise | Government of India | UDYAM-GJ-22-0006399 | September 05, 2020 | Valid until cancel |
| 2. | U.S. Food & Drug Administration | Department of Health & Human Services • USA* | 16876586882 | December 19, 2020 | December 31, 2022 |

*Our Company has made an application registration for export of goods in USA.




VII. CERTIFICATES

| Sr. No. | Nature of License/ Approval | Registration/ License No. | Issuing Authority | Date of granting License / Approval / with effect from | Validity |
|---------|---|---------------------------|--|--|-------------------|
| 1. | Food Safety and Standards | 10012021000213 | Food Safety and Standards Authority of India | December 26, 2021 | December 31, 2023 |
| 2. | Registration-Cum-Membership Certificate | 203800 | Agricultural and Processed Food | August 06, 2020 | December 31, 2023 |

| Sr. No. | Nature of License/ Approval | Registration/ License No. | Issuing Authority | Date of granting License / Approval / with effect from | Validity |
|---------|---|---------------------------|--|--|-------------------|
| | | | Products Export Development Authority | | |
| 3. | ISO 22000:2018 | FM 02 00004 | TUV India Pvt Ltd. | January 25, 2021 | January 24, 2024 |
| 4. | Factory License | 340/15499/2008 | Directorate Industrial safety and Health | February 01, 2008 | December 31, 2023 |
| 5. | GPCB consent | AWH-33979 | Gujarat Pollution Control Board - Surat | January 17, 2019 | December 27, 2023 |
| 6. | Certificate of Importer-Exporter Code (IEC) | AAGCT8468E | Ministry of Commerce and Industry | October 22, 2018 | - |

VIII. INTELLECTUAL PROPERTY APPROVALS

As on the date of Draft Prospectus, the Company has the following Trademark pending applications:

| Sr. No. | Brand Name/ Logo Trademark | Class | Nature of Trademark | Applicant | Application No. & Date | Status | Validity |
|---------|---|------------|---------------------|---------------------------|---------------------------------|------------|-------------------|
| 1. |  | 29, 30, 31 | Word Mark | Ghanshyam Laljibhai Lukhi | 1171586/87/88 February 04, 2003 | Registered | February 04, 2023 |
| 2. |  | 29 | Word Mark | Ghanshyam Laljibhai Lukhi | 1997591 July 23, 2010 | Registered | July 23, 2030 |
| 3. |  | 31 | Word Mark | Ghanshyam Lukhi | 1268018 February 02, 2004 | Registered | February 02, 2024 |

IX. KEY APPROVALS THAT HAVE EXPIRED AND FOR WHICH RENEWAL APPLICATIONS HAVE BEEN MADE:

There are no key approvals which have expired and for which renewal applications have been made as on the date of this draft prospectus.

X. KEY APPROVALS APPLIED FOR BY OUR COMPANY BUT NOT RECEIVED

There are no key approvals applied for by our but not received as on the date of this draft prospectus.

XI. KEY APPROVALS REQUIRED BUT NOT OBTAINED OR APPLIED FOR BY OUR COMPANY

There are no key approvals required but not obtained or applied for as on the date of this Prospectus.

Note : Application for change in name of the Company in the certificates related to Tax Approvals, Other Business Approval & Certificate upon conversion from Private Limited Company to Public Limited Company has been made and if not, necessary application for name change shall be made.

OTHER REGULATORY AND STATUTORY APPROVALS

AUTHORITY FOR THE ISSUE

The Issue has been authorised by a resolution of the Board of Directors passed at their meeting held on July 12, 2022 subject to the approval of shareholders of our Company through a special resolution to be passed, pursuant to Section 62(1)(c) of the Companies Act, 2013.

The members of our Company have approved this Issue by a special resolution passed pursuant to Section 62(1)(c) of the Companies Act, 2013 at the Extraordinary General Meeting of our Company held on July 16, 2022.

Our Board has approved this Draft Prospectus through its resolution dated August 08, 2022 and the Prospectus through its resolution dated [●], 2022.

We have received In-Principle Approval from NSE Limited vide their letter dated [●] to use the name of NSE Limited in the Prospectus for listing of our Equity Shares on EMERGE Platform of NSE Limited. NSE Limited is the Designated Stock Exchange.

PROHIBITION BY SEBI

Our Company, Promoters, Promoter Group, Directors are not prohibited from accessing the capital markets or debarred from buying, selling or dealing in securities under any order or direction passed by the Board or any securities market regulator in any other jurisdiction or any other authority/court as on the date of this Draft Prospectus.

The listing of any securities of our Company has never been refused at any time by any of the stock exchanges in India.

CONFIRMATIONS

1. Our Company, Promoters and Promoter Group are in compliance with the Companies (Significant Beneficial Ownership) Rules, 2018 to the extent applicable to each of them as on the date of the Draft Prospectus.
2. Our directors are not in any manner associated with the securities market and no action has been taken by the SEBI against any of the Directors or any entity with which our directors are associated as promoters or directors in past 5 (five) years.

ELIGIBILITY FOR THE ISSUE

Our Company is not ineligible in terms of Regulations 228 of SEBI ICDR Regulations for this Issue as:

- i. Neither our company, nor any of its promoters, promoter group or directors are debarred from accessing the capital market by the Board.
- ii. Neither our promoters, nor any directors of our company is a promoter or director of any other company which is debarred from accessing the capital market by the Board
- iii. Neither our Promoter nor any of our directors is declared as Fugitive Economic Offender
- iv. Neither our Company, nor our Promoter, nor our directors, are Wilful Defaulters or Fraudulent Borrowers

Our company is an “Unlisted Issuer” in terms of the SEBI (ICDR) Regulations, 2018; and this Issue is an “Initial Public Issue” in terms of the SEBI (ICDR) Regulations, 2018.

Our company is eligible for the Issue in accordance with Regulation 229(1) of Chapter IX of SEBI (ICDR) Regulations, 2018, as amended from time to time, whereby, an issuer whose post issue paid up capital is

less than or equal to ten crores, shall issue shares to the public and propose to list the same on the Small and Medium Enterprise Exchange ("EMERGE Exchange", in this case being the EMERGE Platform of NSE Limited or "NSE EMERGE"). Our Company also complies with eligibility conditions laid by EMERGE Platform of NSE Limited for listing of Equity Shares.

We confirm that:

- a. In accordance with Regulation 246 of the SEBI (ICDR) Regulations, 2018, the Lead Manager shall ensure that the Issuer shall file copy of the Draft Prospectus / Prospectus with SEBI along with Due Diligence certificate including additional confirmations as required at the time of filing the Draft Prospectus / Prospectus to SEBI.
- b. In accordance with Regulation 260 of the SEBI (ICDR) Regulations, 2018, this Issue has been one hundred (100) percent underwritten and that the Lead Manager to the Issue has underwritten at least 15% of the Total Issue Size. For further details pertaining to said underwriting please see "**General Information**" on page 47 of this Draft Prospectus.
- c. In accordance with Regulation 268(1) of the SEBI (ICDR) Regulations, 2018, 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 unblocked forthwith. If such money is not unblocked within eight (8) days from the date our Company becomes liable to unblock it, then our Company and every officer in default shall, on and from expiry of eight days, be liable to unblock such application money with interest as prescribed under the SEBI Regulations, the Companies Act 2013 and applicable laws.
- d. In accordance with Regulation 261 of the SEBI (ICDR) Regulations, we shall enter into an agreement with the Lead Manager and Market Maker to ensure compulsory Market Making for a minimum period of three years from the date of listing of equity shares offered in this issue. For further details of the arrangement of market making please see "**General Information**" on page 47 of this Draft Prospectus.

We further confirm that we shall be complying with all the other requirements as laid down for such an issue under Chapter IX of SEBI (ICDR) Regulations, 2018, as amended from time to time and subsequent circulars and guidelines issued by SEBI and the Stock Exchange.

Our Company is also eligible for the Issue in accordance with eligibility norms for Listing on EMERGE Platform of NSE Limited which states as follows:

In terms of Regulation 229(3) of the SEBI (ICDR) Regulations, 2018, We confirm that we have fulfilled eligibility criteria for EMERGE Platform of NSE, which are as under

1. The issuer should be a Company incorporated Under Companies Act, 1956/2013

Our Company is incorporated under the Companies Act, 2013 on July 11, 2018.

2. The post issue paid up capital of the company (face value) shall not be more than Rs. 25 crores.

The post issue paid up capital of the Company will be Rs. [●] Lakhs, less than Rs. 25 crores

3. Track Record

Our Company was incorporated on July 11, 2018 and has a track record of at least 3 years as on the date of filing Draft Prospectus.

4. The company/entity should have positive cash accruals (earnings before depreciation and tax) from operations for at least 2 financial years preceding the application and its net-worth should be positive

(Rs. in lakhs)

| Particulars | March 31, 2022 | March 31, 2021 | March 31, 2020 |
|---|----------------|----------------|----------------|
| Cash Accruals as per Restated Financial Statement | 122.13 | 99.45 | 96.90 |

| Particulars | March 31, 2022 | March 31, 2021 | March 31, 2020 |
|---|----------------|----------------|----------------|
| Net Worth as per Restated Financial Statement | 15.60 | 10.06 | (0.86) |

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.

The Company's shares bear an ISIN No: INE0M7001010

6. Company shall mandatorily have a website.

Our Company has a live and operational website www.tapifood.com

7. Other Listing Condition:

- Our Company has not been referred to the Board for Industrial and Financial Reconstruction (BIFR).
- There is no winding up petition against the company that has been admitted by the Court and accepted by a court or a Liquidator has not been appointed.
- There has been no change in the promoter/s of the Company in preceding one year from the date of filing application to NSE Limited for listing on EMERGE segment.

8. DISCLOSURES

- There is no material regulatory or disciplinary action taken by any stock exchange or regulatory authority in the past one year in respect of promoters of our Company.
- There is no default in payment of interest and/or principal to the debenture/bond/fixed deposit holders, banks, FIs by our Company, promoters/promoting Company(ies), group companies, companies promoted by the promoters/promoting Company(ies) during the past three years.
- There are no criminal cases filed or nature of the investigation being undertaken with regard to alleged commission of any offence by any of its directors and its effect on the business of the company, where all or any of the directors of issuer have or has been charge-sheeted with serious crimes like murder, rape, forgery, economic offences etc. For further details please refer the section titled "**Legal and Other Information**" on page 204 of this Draft Prospectus
- The applicant, promoters/promoting company(ies), group companies, companies promoted by the promoters/promoting company(ies) litigation record, the nature of litigation, and status of litigation. For further details please refer the section titled "**Legal and Other Information**" on page 204 of this Draft Prospectus.

We confirm that we comply with all the above requirements / conditions so as to be eligible to be listed on the EMERGE Platform of the NSE Limited.

SEBI DISCLAIMER CLAUSE

IT IS TO BE DISTINCTLY UNDERSTOOD THAT SUBMISSION OF DRAFT PROSPECTUS / 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 ISSUE IS PROPOSED TO BE MADE OR FOR THE CORRECTNESS OF THE STATEMENTS MADE OR OPINIONS EXPRESSED IN THE DRAFT PROSPECTUS / PROSPECTUS. THE LEAD MANAGER, FEDEX SECURITIES PRIVATE LIMITED HAS CERTIFIED THAT THE

DISCLOSURES MADE IN THE DRAFT PROSPECTUS / PROSPECTUS ARE GENERALLY ADEQUATE AND ARE IN CONFORMITY WITH THE REGULATIONS. THIS REQUIREMENT IS TO FACILITATE INVESTORS TO TAKE AN INFORMED DECISION FOR MAKING INVESTMENT IN THE PROPOSED ISSUE.

IT SHOULD ALSO BE CLEARLY UNDERSTOOD THAT WHILE THE ISSUER IS PRIMARILY RESPONSIBLE FOR THE CORRECTNESS, ADEQUACY AND DISCLOSURE OF ALL RELEVANT INFORMATION IN THE DRAFT PROSPECTUS / PROSPECTUS, THE LEAD MANAGER IS EXPECTED TO EXERCISE DUE DILIGENCE TO ENSURE THAT THE ISSUER DISCHARGES ITS RESPONSIBILITY ADEQUATELY IN THIS BEHALF AND TOWARDS THIS PURPOSE, THE LEAD MANAGER, FEDEX SECURITIES PRIVATE LIMITED HAS FURNISHED TO SEBI A DUE DILIGENCE CERTIFICATE DATED AUGUST 08, 2022 IN THE FORMAT PRESCRIBED UNDER SCHEDULE V(A) OF THE SECURITIES AND EXCHANGE BOARD OF INDIA (ISSUE OF CAPITAL AND DISCLOUSER REQUIREMENTS) REGULATIONS, 2018.

THE FILING OF THE DRAFT PROSPECTUS / PROSPECTUS DOES NOT, HOWEVER, ABSOLVE OUR COMPANY FROM ANY LIABILITIES UNDER THE COMPANIES ACT, 2013 OR FROM THE REQUIREMENT OF OBTAINING SUCH STATUTORY OR OTHER CLEARANCES AS MAY BE REQUIRED FOR THE PURPOSE OF THE PROPOSED ISSUE. SEBI FURTHER RESERVES THE RIGHT TO, TAKE UP AT ANY POINT OF TIME, WITH THE LEAD MANAGER, ANY IRREGULARITIES OR LAPSES IN THE DRAFT PROSPECTUS AND PROSPECTUS.

ALL LEGAL REQUIREMENTS PERTAINING TO THIS ISSUE WILL BE COMPLIED WITH AT THE TIME OF FILING OF THE PROSPECTUS WITH THE REGISTRAR OF COMPANIES, MUMBAI, IN TERMS OF SECTION 26 OF THE COMPANIES ACT, 2013

DISCLAIMER FROM OUR COMPANY AND THE LEAD MANAGER

Our Company, the Directors, and the Lead Manager accept no responsibility for statements made otherwise than in this Draft Prospectus or in the advertisements or any other material issued by or at instance of the above-mentioned and that anyone placing, on any other source of information, including our website: www.tapifood.com, www.fedsec.in would be doing so at his or her own risk.

None amongst our Company is liable for any failure in (i) uploading the Applications due to faults in any software/ hardware system or otherwise; or (ii) the blocking of Applications Amount in the ASBA Account on receipt of instructions from the Sponsor Bank on account of any errors, omissions or non-compliance by various parties involved in, or any other fault, malfunctioning or breakdown in, or otherwise, in the UPI Mechanism.

The Lead Manager and their respective associates and affiliates may engage in transactions with, and perform services for, our Company, affiliates or associates or third parties in the ordinary course of business and have engaged, or may in the future engage, in commercial banking and investment banking transactions with or become customers to our Company, affiliates or associates or third parties, for which they have received, and may in the future receive, compensation.

DISCLAIMER IN RESPECT OF JURISDICTION

This issue is being made in India to persons resident in India including Indian Nationals Resident in India who are not 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 the applicable trust law and who are authorized under their constitution to hold and invest in shares, and any FII Sub - Account registered with SEBI which is a Foreign Corporate or Foreign Individual, Permitted Insurance Companies and Pension Funds and to FIIs and Eligible NRIs. This Draft Prospectus does not, however, constitute an invitation to subscribe to Equity Shares offered hereby in any other

jurisdiction to any person to whom it is unlawful to make an offer or invitation in such jurisdiction. Any person into whose possession the Draft Prospectus comes is required to inform him or herself about and to observe, any such restrictions. Any dispute arising out of this Issue will be subject to the jurisdiction of appropriate court(s) in Surat, Gujarat, India only.

No action has been or will be taken to permit a public offering in any jurisdiction where action would be required for that purpose.

Accordingly, our Company's Equity Shares, represented thereby may not be offered or sold, directly or indirectly, and Draft Prospectus may not be distributed, in any jurisdiction, except in accordance with the legal requirements applicable in such jurisdiction. Neither the delivery of Draft Prospectus nor any sale here under shall, under any circumstances, create any implication that there has been any change in our Company's affairs from the date hereof or that the information contained herein is correct as of any time subsequent to this date.

DISCLAIMER CLAUSE OF THE EMERGE PLATFORM OF NSE LIMITED

As required, a copy of this Draft Prospectus has been submitted to NSE Limited. The Disclaimer Clause as intimated by the NSE Limited to us, post scrutiny of this Draft Prospectus will be produced by our Company in the Prospectus.

DISCLAIMER CLAUSE UNDER RULE 144A OF THE U.S. SECURITIES ACT.

The Equity Shares have not been and will not be registered under the U.S. Securities Act 1933, as amended (the "Securities Act") or any state securities laws in the United States and may not be offered or sold within the United States or to, or for the account or benefit of, "U.S. persons" (as defined in Regulation S of the Securities Act), except pursuant to an exemption from, or in a transaction not subject to, the registration requirements of the Securities Act. Accordingly, the Equity Shares will be offered and sold (i) in the United States only to "qualified institutional buyers", as defined in Rule 144A of the Securities Act, and (ii) outside the United States in offshore transactions in reliance on Regulation S under the Securities Act and in compliance with the applicable laws of the jurisdiction where those offers and sales occur.

Accordingly, the Equity Shares are being offered and sold only outside the United States in offshore transactions in compliance with Regulation S under the Securities Act and the applicable laws of the jurisdictions where those offers and sales occur.

The Equity Shares have not been, and will not be, registered, listed or otherwise qualified in any other jurisdiction outside India and may not be offered or sold, and applications may not be made by persons in any such jurisdiction, except in compliance with the applicable laws of such jurisdiction. Further, each applicant where required agrees that such applicant will not sell or transfer any Equity Share or create any economic interest therein, including any off-shore derivative instruments, such as participatory notes, issued against the Equity Shares or any similar security, other than pursuant to an exemption from, or in a transaction not subject to, the registration requirements of the Securities Act and in compliance with applicable laws and legislations in each jurisdiction, including India.

LISTING

Our company has obtained In-Principle Approval from NSE Limited vide letter dated [●] to use name of NSE Limited in this offer document for listing of equity shares on EMERGE Platform of NSE Limited. In terms of Chapter IX of the SEBI (ICDR) Regulations, 2018, there is requirement of obtaining In-principle approval from EMERGE Platform of NSE Limited. Application will be made to the EMERGE Platform of NSE Limited for obtaining permission to deal in and for an official quotation of our Equity Shares. National Stock Exchange of India Limited is the Designated Stock Exchange, with which the Basis of Allotment will be finalized for the issue.

If the permissions to deal in and for an official quotation of our Equity Shares are not granted by the EMERGE Platform of NSE Limited, the Company shall forthwith unblock, without interest, all moneys received from the applicants in pursuance of the Prospectus. If such money is not unblocked within Eight

days after our Company becomes liable to unblock it then our Company and every officer in default shall, on and from such expiry of Eight days, be liable to unblock such application money, with interest at the rate of 15% per annum on application money, as prescribed under as prescribed under Section 40 of the Companies Act, 2013. Our Company shall ensure that all steps for the completion of the necessary formalities for listing and commencement of trading at the EMERGE Platform of the NSE Limited mentioned above are taken within Six Working Days from the Issue Closing Date

IMPERSONATION

Attention of the Applicants is specifically drawn to the provisions of sub-section (1) of Section 38 of the Companies Act, 2013 which is reproduced below:

“Any person who –

(a) makes or abets making of an application in a fictitious name to a company for acquiring, or subscribing for, its securities, or

(b) makes or abets making of multiple applications to a company in different names or in different combinations of his name or surname for acquiring or subscribing for its securities; or vis-à-vis 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 of Companies Act, 2013.”

The liability prescribed under Section 447 of the Companies Act, 2013, includes imprisonment for a term of not less than six months extending up to ten years (provided that where the fraud involves public interest, such term shall not be less than three years) and fine of an amount not less than the amount involved in the fraud, extending up to three times of such amount.

CONSENTS

The written consents of Directors, Company Secretary, Compliance Officer & Chief Financial Officer, Statutory Auditor and Peer Reviewed Auditor, Legal Advisor to the Issue, Bankers to our Company, Lead Manager, Registrar to the Issue, Underwriter, Market Maker, Banker to Issue and Sponsor Bank to act in their respective capacities have been obtained and will be filed along with a copy of the Prospectus with the ROC, as required under Sections 26 of the Companies Act, 2013 and such consents shall not be withdrawn up to the time of delivery of the Prospectus for registration with the RoC.

In accordance with the Companies Act and the SEBI (ICDR) Regulations, M/s. Kansariwala & Chevli, Chartered Accountants, Peer Review Auditors, of the Company have agreed to provide their written consent to the inclusion of their report, restated financial statements and statement of Tax Benefits dated July 23, 2022 respectively, which may be available to the Company and its shareholders, included in this Draft Prospectus in the form and context in which they appear therein and such consent and reports have not been withdrawn up to the time of delivery of the Prospectus with ROC.

PRICE INFORMATION AND THE TRACK RECORD OF THE PAST ISSUES HANDLED BY THE LEAD MANAGER

For details regarding the price information and track record of the past issue handled by Fedex Securities Private Limited, as specified in the circular reference CIR/CFD/DIL/7/2015 dated October 30, 2015, issued by SEBI, please refer Annexure "A" and the website of Lead Manager at www.fedsec.in

Annexure A

DISCLOSURE OF PRICE INFORMATION OF PAST ISSUES HANDLED BY FEDEX SECURITIES PRIVATE LIMITED

TABLE 1

| 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 th calendar days from listing | +/- % change in closing price, [+/- % change in closing benchmark]- 90 th calendar days from listing | +/- % change in closing price, [+/- % change in closing benchmark]- 180 th calendar days from listing |
|--------|--------------------------------------|-----------------|-------------------|--------------------|-------------------------------|---|---|--|
| 1. | Atam Valves Limited | 4.50 | 40 | October 06, 2020 | 40.00 | -0.12% (2.63%) | -1.75% (21.74%) | -0.12% (24.22%) |
| 2. | Rangoli Tradecomm Limited | 45.14 | 207 | March 22, 2021 | 211.00 | 14.49% (-4.15%) | 255.07% (5.63%) | 377.78% (18.57%) |
| 3. | Rajeshwari Cans Limited | 4.03 | 20 | April 15 2021 | 20.75 | -10.00% (-0.15%) | 7.00 % (8.13%) | 2.50% (23.06%) |
| 4. | Kuberan Global Edu Solutions Limited | 1.16 | 20 | May 05, 2021 | 21.00 | -7.50% (7.30%) | -10.25% (8.78%) | -30.00% (24.95%) |
| 5. | Aashka Hospitals Limited | 101.64 | 121 | September 01, 2021 | 121.1 | -58.68% (3.12%) | -64.34% (-0.14%) | -62.89% (-1.90%) |
| 6. | Euro Panel Products Limited | 45.15 | 70 | December 24, 2021 | 70.00 | 62.36% (0.85%) | 39.29% (1.42%) | 36.14% (-8.03%) |
| 7. | Wherrelz IT Solutions Limited | 2.011 | 171 | December 29, 2021 | 173.05 | 19.88% (-0.92%) | 18.13% (-0.37%) | 16.96% (-8.11%) |
| 8. | Sunrise Efficient Marketing Limited | 16.69 | 121 | April 12, 2022 | 121.25 | 0.41% (-7.66%) | -20.00% (-7.14%) | Not Applicable |
| 9. | Le Merite Exports Limited | 48.00 | 75 | May 09, 2022 | 75 | -5.13% (0.70%) | Not Applicable | Not Applicable |
| 10. | Kesar India Limited | 15.82 | 170 | July 12, 2022 | 172.5 | Not Applicable | Not Applicable | Not Applicable |

Sources: www.bseindia.com and www.nseindia.com

Notes:

1. Opening price information as disclosed on the website of the Designated Stock Exchange.
2. Change in closing price over the issue/offer price as disclosed on Designated Stock Exchange.
3. For change in closing price over the closing price as on the listing date, the CNX NIFTY or S&P BSE SENSEX is considered as the Benchmark Index as per the Designated Stock Exchange disclosed by the respective Issuer at the time of the issue, as applicable.
4. In case 30th/90th/180th day is not a trading day, closing price on BSE/NSE of the next trading day has been considered
5. In case 30th/90th/180th days, scrips are not traded then last trading price has been considered.
6. This disclosure is restricted to last 10 issues handled by the Lead Manager.

TABLE 2: SUMMARY STATEMENT OF DISCLOSURE

| Financial year | Total no. of IPO | Total funds Raised (Rs.. Cr) | Nos of IPOs trading at discount on 30th Calendar Day from listing date | | | Nos of IPOs trading at premium on 30 th Calendar Day from listing date | | | Nos of IPOs trading at discount on 180 th Calendar Day from listing date | | | Nos of IPOs trading at premium on 180 th Calendar Day from listing date | | |
|----------------|------------------|------------------------------|--|----------------|---------------|---|----------------|---------------|---|----------------|---------------|--|----------------|---------------|
| | | | 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% |
| 2020-21 | *2 | 49.64 | - | - | 1 | - | - | 1 | - | - | 1 | 1 | - | - |
| 2021-22 | **5 | 153.99 | 1 | - | 2 | 1 | - | 1 | 1 | 1 | - | - | 1 | 2 |
| 2022-23 | ***3 | 80.51 | - | - | 1 | - | - | 1 | - | - | - | - | - | - |

* The script of Atam Valves Limited and Rangoli Tradecomm Limited were listed on October 06, 2020 and March 22, 2021 respectively.

** The script of Rajeshwari Cans Limited, Kuberan Global Edu Solutions Limited, Aashka Hospitals Limited Euro Panel Products Limited and Wherrelz IT Solutions Limited were listed on April 15, 2021, May 05, 2021, September 01, 2021, December 24, 2021 and December 29, 2021 respectively.

*** The script of Kesar India Limited was listed on July 12, 2022 and has not completed 30 days. The scripts of Sunrise Efficient Marketing Limited and Le Merite Exports Limited were listed on April 12, 2022 and May 09, 2022 respectively and have not completed 180 calendar days.

Track Record of past issues handled by Fedex Securities Private Limited

For details regarding track record of the Lead Manager to the Offer as specified in the Circular reference no. CIR/MIRSD/1/2012 dated January 10, 2012 issued by the SEBI, please refer the website of the Lead Manager at: www.fedsec.in.

EXPERT OPINION

Except for

(a) Peer Review Auditors' reports dated July 23, 2022 on the Restated Financial Statements by Kansariwala & Chevli., Chartered Accountants

(b) Statement of Tax Benefits dated July 23, 2022 by Kansariwala & Chevli, Chartered Accountants; we have not obtained any other expert opinions.

PREVIOUS PUBLIC OR RIGHTS ISSUE

Except as stated in the chapter titled "*Capital Structure*" beginning on page 56 of this Draft Prospectus, we have not made any previous rights and / or public issues during the last Five (5) years and are an "Unlisted Issuer" in terms of SEBI (ICDR) Regulations and this Issue is an "Initial Public Offering" in terms of the SEBI (ICDR) Regulations.

COMMISSION OR BROKERAGE

We have not made any public issue in last five (5) years. Hence, no sums have been paid or payable as Commission or Brokerage.

CAPITAL ISSUE DURING THE PREVIOUS THREE (3) YEARS BY ISSUER, LISTED GROUP COMPANIES AND SUBSIDIARIES OF OUR COMPANY

Except as disclosed in Chapter titled "*Capital Structure*" on page 56 and below, our Company, Group Companies and Subsidiaries Company has not made any capital issue during the previous three (3) years. Further Our Company do not have any listed group Companies/ Subsidiaries / Associates.

PERFORMANCE VIS-À-VIS objects;

Except as stated in the chapter titled "*Capital Structure*" beginning on page 56 of this Draft Prospectus, we have not made any previous rights and / or public issues during the last five (5) years and are an "Unlisted Issuer" in terms of SEBI (ICDR) Regulations and this Issue is an "Initial Public Offering" in terms of the SEBI (ICDR) Regulations, the relevant data regarding performance vis-à-vis objects is not available with the Company.

None of our Group Companies have their equity shares listed on any stock exchange.

STOCK MARKET DATA FOR OUR EQUITY SHARES

This being an Initial Public Offering of the Equity Shares of our Company, the Equity Shares are not listed on any stock exchange.

MECHANISM FOR REDRESSAL OF INVESTOR GRIEVANCES

The agreement between the Registrar to the Issue and our Company provides for the retention of records with the Registrar to the Issue for a period of at least three years from the last date of dispatch of the letters of Allotment, demat credit and refund orders to enable the investors to approach the Registrar to the Issue for redressal of their grievances.

All grievances relating to the Offer may be addressed to the Registrar to the Issue, giving full details such as name, address of the applicant, application number, number of Equity Shares applied for, amount paid on application and the bank branch or collection center where the application was submitted.

All grievances relating to the ASBA process and UPI may be addressed to the Registrar to the Issue with a copy to the relevant SCSB or the member of the Syndicate (in Specified Cities), as the case may be, where

the Application Form was submitted by the ASBA Applicants, giving full details such as name, address of the applicant, application number, number of Equity Shares applied for, amount paid on application and designated branch or the collection center of the SCSBs or the member of the Syndicate (in Specified Cities) or Sponsor Bank, as the case may be, where the Application Form was submitted by the ASBA Applicants.

Disposal of Investor Grievances by our Company

The Company has appointed Registrar to the Issue, to handle the investor grievances in co-ordination with our Company.

All grievances relating to the present Issue may be addressed to the Registrar with a copy to the Compliance Officer, giving full details such as name, address of the Applicant, number of Equity Shares applied for, amount paid on application and name of bank and branch. The Company would monitor the work of the Registrar to the Issue to ensure that the investor grievances are settled expeditiously and satisfactorily. The Registrar to the Issue will handle investor's grievances pertaining to the Issue. A fortnightly status report of the complaints received and redressed by them would be forwarded to the Company. The Company would also be coordinating with the Registrar to the Issue in attending to the grievances to the investor.

All grievances relating to the ASBA process and UPI may be addressed to the SCSBs, giving full details such as name, address of the Applicant, number of Equity Shares applied for, amount paid on application and the Designated Branch of the SCSB where the Application Form was submitted by the ASBA Applicant. We estimate that the average time required by us or the Registrar to the Issue or the SCSBs for the redressal of routine investor grievances will be seven (7) business days from the date of receipt of the complaint. In case of non-routine complaints and complaints where external agencies are involved, we will seek to redress these complaints as expeditiously as possible.

The Registrar to the Issue shall obtain the required information from the SCSBs for addressing any clarifications or grievances of ASBA applicants or UPI Payment Mechanism Applicants. Our Company, the Lead Manager and the Registrar to the Issue accept no responsibility for errors, omissions, commission or any acts of SCSBs / Sponsor Bank including any defaults in complying with its obligations under applicable SEBI ICDR Regulations.

The Company has obtained authentication on the SCORES and shall comply with the SEBI circular (CIR/OIAE/1/2013) dated April 17, 2013 in relation to redressal of investor grievances through SCORES.

Our Company has constituted a Stakeholders Relationship Committee of the Board vide resolution passed on July 23, 2022 comprising of Naveen Anand as a Chairman, Rekha Hasan Shah and Yash Ghanshyam Lukhi as members. For further details, please refer the chapter titled "***Our Management***" on page no. 138 of Draft Prospectus.

Our Company has also appointed Kashyapkumar Nagjibhai Pandav as the Company Secretary and Compliance Officer of our company, for this Issue she may be contacted in case of any pre-issue or post-issue related problems at the following address:

TAPI FRUIT PROCESSING LIMITED

Office No. - 212 to 214, Sunrise Chambers,
Near Ashok Colony, Mini Bazar, Varachha Road,
Surat, Gujarat, India.

Tel No: 9825503717

Email: cs@tapifood.com

Website: www.tapifood.com

SECTION VIII - ISSUE INFORMATION

TERMS OF THE ISSUE

The Equity Shares being issued are subject to the provisions of the Companies Act, SEBI (ICDR) Regulations, 2018, SCRA, SCRR, our Memorandum and Articles of Association, SEBI Listing Regulation, the terms of this Draft Prospectus, the Application Form, the Revision Form, the Confirmation of Allocation Note and other terms and conditions as may be incorporated in the allotment advices and other documents/certificates that may be executed in respect of this 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 Stock Exchange, the RBI, ROC and/or other authorities, as in force on the date of the Issue and to the extent applicable.

Please note that, in terms of Regulation 256 of the SEBI ICDR Regulations 2018 read with SEBI Circular No. CIR/CFD/POLICYCELL/11/2015 dated November 10, 2015, all the applicants have to compulsorily apply through the ASBA Process and further in terms of SEBI through its circular no. SEBI/HO/CFD/DIL2/CIR/P/2018/138 dated November 1, 2018, and as modified through its circular SEBI/HO/CFD/DIL2/CIR/P/2019/50 dated April 3, 2019, circular no. SEBI/HO/CFD/DIL2/CIR/P/2019/76 dated June 28, 2019, circular no. SEBI/HO/CFD/DIL2/CIR/P/2019/85 dated July 26, 2019 and circular no. SEBI/HO/CFD/DCR2/CIR/P/2019/133 dated November 8, 2019 (together, the “UPI Circular”) in relation to clarifications on streamlining the process of public issue of equity shares and convertibles it has proposed to introduce an alternate payment mechanism using Unified Payments Interface (“UPI”) and consequent reduction in timelines for listing in a phased manner. Currently, for application by RIIs through Designated Intermediaries, the existing process of physical movement of forms from Designated Intermediaries to SCSBs for blocking of funds is discontinued and RIIs submitting their Application Forms through Designated Intermediaries (other than SCSBs) can only use the UPI mechanism with existing timeline of T+6 days until March 31, 2020 (“UPI Phase II”). Further SEBI through its circular no SEBI/HO/CFD/DIL2/CIR/P/2020/50 dated March 30, 2020 has decided to continue with the Phase II of the UPI ASBA till further notice.

Further vide the said circular Registrar to the Issue and Depository Participants have been also authorized to collect the Application forms. Investor may visit the official website of the concerned 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.

Authority for the Present Issue

This Issue has been authorized by a resolution of our Board passed at their meeting held on July 12, 2022 subject to the approval of shareholders through a special resolution to be passed pursuant to Section 62(1)(c) of the Companies Act, 2013. The shareholders have authorized the Issue by a special resolution in accordance with Section 62(1)(c) of the Companies Act, 2013 passed at the Extra Ordinary General Meeting of the Company held on July 16, 2022.

Ranking of Equity Shares

The Equity Shares being issued shall be subject to the provisions of the Companies Act 2013, our Memorandum and Articles of Association and shall rank pari-passu in all respects with the existing Equity Shares including in respect of the rights to receive dividends and other corporate benefits, if any, declared by us after the date of Allotment. For further details, please see the section titled “**Main Provisions of the Articles of Association**” beginning on page 263 of this Draft Prospectus.

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.

We shall pay dividends in cash and as per provisions of the Companies Act and our Articles of Association. Further Interim Dividend (if any declared) will be approved by the Board of Directors. For further details, please refer to section titled "*Dividend Policy*" and "*Main Provisions of Articles of Association*" beginning on page 161 and 263 respectively of this Draft Prospectus.

Face Value and Issue Price

The face value of the Equity Shares is Rs. 10.00/- each and the Issue Price is Rs. [●] /- per Equity Share (including premium of Rs. [●] /- per Equity Share).

The Issue Price is determined by our Company in consultation with the Lead Manager and is justified under the section titled "*Basis for Issue Price*" beginning on page 79 of this Draft Prospectus.

At any given point of time there shall be only one denomination for the Equity Shares.

The Issue

The Issue comprises a Fresh Issue by our Company. Expenses for the Issue shall be in the manner specified in "*Objects of the Issue*" on page no. 71 of this Prospectus.

Compliance with SEBI ICDR Regulations, 2018

Our Company shall comply with all requirements of the SEBI (ICDR) Regulations, 2018. Our Company shall comply with all disclosure and accounting norms as specified by SEBI from time to time.

Rights of the Equity Shareholders

Subject to applicable laws, rules, regulations and guidelines and the Articles of Association, the Equity shareholders shall have the following rights:

- Right to receive dividend, if declared;
- Right to receive Annual Reports and notices to members;
- Right to attend general meetings and exercise voting rights, unless prohibited by law;
- Right to vote on a poll either in person or by proxy in accordance with the provisions of the Companies Act, 2013;
- Right to receive offer/ issue for rights shares and be allotted bonus shares, if announced;
- Right to receive surplus on liquidation subject to any statutory and other preferential claim being satisfied;
- Right of free transferability subject to applicable law, including any RBI rules and regulations; and
- Such other rights, as may be available to a shareholder of a listed public limited company under the Companies Act, 2013, the terms of the SEBI Listing Regulations, and the Memorandum and Articles of Association of our Company.

For a detailed description of the main provisions of the Articles of Association relating to voting rights, dividend, forfeiture and lien and/or consolidation/splitting, please refer to the section titled "*Main Provisions of Articles of Association*" beginning on page 263 of this Draft Prospectus.

Minimum Application Value; Market Lot and Trading Lot

The trading of the Equity Shares will happen in the minimum contract size of [●] Equity Shares and the same may be modified by EMERGE Platform of NSE Limited from time to time by giving prior notice to investors at large.

Allocation and allotment of Equity Shares through this Offer will be done in multiples of [●] Equity Share subject to a minimum allotment of [●] Equity Shares to the successful applicants in terms of the SEBI circular No. CIR/MRD/DSA/06/2012 dated February 21, 2012.

In accordance with Regulation 267(2) of the SEBI (ICDR) Regulations 2018 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

The minimum number of allottees in this Issue shall be fifty (50) shareholders. In case the minimum number of prospective allottees is less than 50, no allotment will be made pursuant to this Issue and all the monies blocked by the SCSBs shall be unblocked within Four (4) working days of closure of issue.

Jurisdiction

Exclusive jurisdiction for the purpose of this Issue is with the competent courts/authorities in Gujarat, Surat, India.

The Equity Shares have not been and will not be registered under the U.S Securities Act or any other applicable law of the United States and, unless so registered, may not be offered or sold within the United States, except pursuant to an exemption from, or in a transaction not subject to, the registration requirements of the U.S Securities Act and applicable state securities laws. Accordingly, the Equity Shares are only being offered and sold (i) within the United States only to persons reasonably believed to be “qualified institutional buyers” (as defined in Rule 144A under the U.S Securities Act and referred to in this Draft Prospectus as “U.S. QIBs”, for the avoidance of doubt, the term U.S. QIBs does not refer to a category of institutional investor defined under applicable Indian regulations and referred to in this Draft Prospectus as “QIBs”) in transactions exempt from, or not subject to, the registration requirements of the U.S Securities Act, and (ii) outside the United States in offshore transactions in reliance on Regulation S under the U.S Securities Act and the applicable laws of the jurisdiction where those offers and sales occur.

The Equity Shares have not been and will not be registered, listed or otherwise qualified in any other jurisdiction outside India and may not be offered or sold, and Applications may not be made by persons in any such jurisdiction, except in compliance with the applicable laws of such jurisdiction.

Joint Holders

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.

The Equity Shares have not been and will not be registered under the U.S Securities Act or any other applicable law of the United States and, unless so registered, may not be offered or sold within the United States, except pursuant to an exemption from, or in a transaction not subject to, the registration requirements of the U.S Securities Act and applicable state securities laws. Accordingly, the Equity Shares are only being offered and sold (i) within the United States only to persons reasonably believed to be “qualified institutional buyers” (as defined in Rule 144A under the U.S Securities Act and referred to in this Prospectus as “U.S. QIBs”, for the avoidance of doubt, the term U.S. QIBs does not refer to a category of institutional investor defined under applicable Indian regulations and referred to in this Prospectus as “QIBs”) in transactions exempt from, or not subject to, the registration requirements of the U.S Securities Act, and (ii) outside the United States in offshore transactions in reliance on Regulation S under the U.S Securities Act and the applicable laws of the jurisdiction where those offers and sales occur.

The Equity Shares have not been and will not be registered, listed or otherwise qualified in any other jurisdiction outside India and may not be offered or sold, and Applications may not be made by persons in any such jurisdiction, except in compliance with the applicable laws of such jurisdiction.

Nomination Facility to Investor

In accordance with Section 72 of the Companies Act, 2013 read with Companies (Share Capital and Debentures) Rules, 2014, the sole or first applicant, along with other joint applicant, may nominate any one (1) person in whom, in the event of the death of sole applicant or in case of Joint Applicants, death of all the Applicants, as the case may be, the Equity Shares allotted, if any, shall vest. A person, being a nominee, entitled to the Equity Shares by reason of the death of the original holder(s), shall 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 accordance to Section 72 (4) of the Companies Act, 2013, 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 buyer will be entitled to make a fresh nomination in the manner prescribed. Fresh nomination can be made only on the prescribed form available on request at the Registered Office of our Company or to the Registrar and Transfer Agents of our Company.

In accordance with Articles of Association of the Company, any Person who becomes a nominee by virtue of Section 72 of the Companies Act, 2013, shall upon the production of such evidence as may be required by the 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, the Board may at any time give notice requiring any nominee to choose either to be registered himself or herself or to transfer the Equity Shares, and if the notice is not complied with within a period of ninety (90) days, the Board may thereafter withhold payment of all dividends, bonuses or other moneys payable in respect of the Equity Shares, until the requirements of the notice have been complied with.

Since the allotment of Equity Shares 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.

Period of Operation of Subscription List of Public Issue

| | |
|--|-----|
| ISSUE OPENS ON | [•] |
| ISSUE CLOSES ON | [•] |
| FINALISATION OF BASIS OF ALLOTMENT WITH THE DESIGNATED STOCK EXCHANGE | [•] |
| INITIATION OF REFUNDS / UNBLOCKING OF FUNDS FROM ASBA ACCOUNT | [•] |
| CREDIT OF EQUITY SHARES TO DEMAT ACCOUNTS OF ALLOTTEES | [•] |
| COMMENCEMENT OF TRADING OF THE EQUITY SHARES ON THE STOCK EXCHANGE | [•] |

- *In terms of Regulation 265 of ICDR Regulations, the issue shall be open after at least three (3) working days from the date of filing the Prospectus with the Registrar of Companies.*
- *In terms of Regulation 266 (3) of ICDR Regulations, in case of force majeure, banking strike or similar circumstances, our Company may, for reasons to be recorded in writing, extend the Issue Period disclosed in the Prospectus, for a minimum period of three (3) working days, subject to subject to the Issue Period not exceeding ten (10) working days*

The above timetable is indicative and does not constitute any obligation or liability on our Company or the Lead Manager. Whilst our Company shall ensure that all steps for the completion of the necessary formalities for the listing and the commencement of trading of the Equity Shares on NSE EMERGE are taken within six (6) Working Days of the Issue Closing Date, the timetable may change due to various factors, such as extension of the Issue Period by our Company, or any delays in receiving the

final listing and trading approval from NSE EMERGE. The Commencement of trading of the Equity Shares will be entirely at the discretion of NSE EMERGE and in accordance with the applicable laws.

Submission of Application Forms:

| Issue period (except the Issue Closing Date) | |
|--|--|
| Submission and Revision of Application Form | Only between 10.00 a.m. to 5.00 p.m. IST |
| Issue Closing Date | |
| Submission and Revision of Application Form | Only between 10.00 a.m. to 3.00 p.m. IST |

On the Issue Closing Date, for uploading the Application Forms:

1. Until 4.00 p.m. IST in case of application by QIBs and Non - Institutional Investors and
2. Until 5.00 p.m. IST or such extended time as permitted by the Stock Exchange, in case of Retail Individual Investors which may be extended up to such time as deemed fit by the Stock Exchange after taking into account the total number of applications received up to the closure of timings and reported by LM to the Stock Exchange.

Due to limitation of time available for uploading the application forms on the Issue Closing Date, Applicants are advised to submit their applications one (1) day prior to the Issue Closing Date and, in any case, not later than 3.00 p.m. (IST) on the Issue Closing Date. Any time mentioned in the Prospectus is IST. Applicants are cautioned that, in the event a large number of Application Forms are received on the Issue Closing Date, as is typically experienced in public issues, some Application Forms may not get uploaded due to the lack of sufficient time. Such Application Forms that cannot be uploaded will not be considered for allocation under this Issue.

Applications will be accepted only on Working Days, i.e., Monday to Friday (excluding any public holidays). Neither our Company nor the LM is liable for any failure in uploading the Application Forms due to faults in any software/hardware system or otherwise.

It is clarified that applications not uploaded on the electronic bidding system or in respect of which the full application Amount is not blocked by SCSBs or under the UPI Mechanism, as the case may be, would be rejected.

In case of force majeure, banking strike or similar circumstances, the issuer may, for reasons to be recorded in writing, extend the (Issue) period disclosed in the prospectus, for a minimum period of three (3) working days, subject to the Issue Period not exceeding ten (10) working days.

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

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

Minimum Subscription

This Issue is not restricted to any minimum subscription level. This Issue is 100% underwritten as per Regulation 260(1) of SEBI ICDR Regulation.

If the issuer does not receive the subscription of hundred per cent (100%) of the offer through Prospectus on the date of closure of the issue including devolvement of underwriters, if any, or if the subscription level falls below hundred per cent (100%) after the closure of issue on account of withdrawal of applications, or after technical rejections, or if the listing or trading permission is not obtained from the stock exchange for the securities so offered under the Prospectus, the issuer shall forthwith refund the entire subscription amount received. If there is a delay beyond Four (4) days after the issuer becomes liable to pay the amount,

the issuer and every director of the issuer who are officers in default, shall pay interest at the rate of fifteen per cent per annum (15% p.a)

The minimum number of allottees in this Issue shall be 50 shareholders. In case the minimum number of prospective allottees is less than fifty (50), no allotment will be made pursuant to this Issue and the monies blocked by the SCSBs shall be unblocked within Four (4) working days of closure of issue.

Arrangements for Disposal of Odd Lots

The trading of the equity shares will happen in the minimum contract size of [●] Equity 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 NSE Limited.

The lead merchant banker shall ascertain whether the issuer coming for fresh issue of capital proposes to set up trusts in order to provide service to the investors in the matter of disposal of odd lot shares of the issuer held by them and if so, disclosures relating to setting up and operation of the trust shall be contained in the offer document. (Point mentioned in ICDR: No mention in any Draft Prospectus)

Whenever any issue results in issue of shares in odd lots, the issuer, shall as far as possible issue certificates in the denomination of 1-2-5-10-20-50 shares. (Point mentioned in ICDR: No mention in any Draft Prospectus)

Withdrawal of the Issue

Our Company in consultation with the Lead Manager, reserve the right to not to proceed with the Issue after the Issue Opening Date but before the Allotment. In such an event, our Company would issue a public notice in the newspapers in which the pre-issue advertisements were published, within two (2) days of the Issue Closing Date or such other time as may be prescribed by SEBI, providing reasons for not proceeding with the Issue. The Lead Manager through, the Registrar to the Issue, shall notify the SCSBs or the Sponsor Bank to unblock the bank accounts of the ASBA Bidders within one (1) working day from the date of receipt of such notification. Our Company shall also inform the same to the Stock Exchange on which Equity Shares are proposed to be listed. If the Issue is withdrawn after the designated Date, amounts that have been credited to the Public Issue Account shall be transferred to the Refund Account.

Notwithstanding the foregoing, this Issue is also subject to obtaining (i) the final listing and trading approvals of the Stock Exchange, which our Company shall apply for after Allotment, and (ii) the final ROC approval of the Prospectus after it is registered with the ROC. If our Company withdraws the Issue after the Issue Closing Date and thereafter determines that it will proceed with an issue, our Company shall file a fresh Draft Prospectus.

Restrictions, if any on Transfer and Transmission of Equity Shares

Except for lock-in of the Pre-Issue Equity Shares and Promoters' minimum contribution in the Issue as detailed in the chapter "**Capital Structure**" beginning on page 56 of the Draft Prospectus, and except as provided in the Articles of Association, there are no restrictions on transfers of Equity Shares. There are no restrictions on transmission of shares and on their consolidation / splitting except as provided in the Articles of Association. For details, please refer to the section titled "**Main Provisions of the Articles of Association**" beginning on page 263 of the Draft Prospectus.

The above information is given for the benefit of the Applicants. The Applicants are advised to make their own enquiries about the limits applicable to them. Our Company and the Lead Manager do not accept any responsibility for the completeness and accuracy of the information stated hereinabove. Our Company and the Lead Manager are not liable to inform the investors of any amendments or modifications or changes in applicable laws or regulations, which may occur after the date of this Draft Prospectus. Applicants are advised to make their independent investigations and ensure that the number of Equity Shares Applied for do not exceed the applicable limits under laws or regulations.

Migration to Main Board

The Company may be migrated to Main Board pursuant to Regulation 277 of the SEBI (ICDR) Regulation and in accordance to that Securities Exchange Board of India (SEBI) vide Circular Nos. CIR/MRD/DSA/17/2010 dated May 18, 2010 has stipulated the requirements for migration from SME platform to main board. The migration eligibility of NSE is notified on <https://www.nseindia.com/companies-listing/raising-capital-public-issues-sme-selecting-a-migration-to-main-board> and as amended time to time.

Market Making

The shares offered through this issue is proposed to be listed on the EMERGE Platform of National Stock Exchange of India Limited, wherein the Lead Manager to this Issue shall ensure compulsory Market Making through the registered Market Makers of the EMERGE Platform of National Stock Exchange of India Limited for a minimum period of three (3) years from the date of listing of shares offered through this Prospectus. For further details of the agreement entered into between the Company, the Lead Manager and the Market Maker please see “*General Information*” beginning on page 47 of this Prospectus.

New Financial Instruments

As on the date of this Draft Prospectus, there are no outstanding warrants, new financial instruments or any rights, which would entitle the shareholders of our Company, including our Promoters, to acquire or receive any Equity Shares after the Issue. Further, our Company is not issuing any new financial instruments through this Issue.

Application by eligible NRIs, FPIs Registered with SEBI, VCFs, AIFs registered with SEBI and QFIs is to be understood that there is no reservation for Eligible NRIs or FPIs or QFIs or VCFs or AIFs registered with SEBI. Such Eligible NRIs, QFIs, FPIs, VCFs or AIFs registered with SEBI will be treated on the same basis with other categories for the purpose of Allocation.

Allotment of Equity Shares Only in Dematerialized Form

In terms of Section 29 of the Companies Act 2013, the Equity Shares shall be Allotted only in dematerialized form. As per the existing SEBI ICDR Regulations, 2018 the trading of the Equity Shares shall only be in dematerialized form for all investors.

In this context, two agreements will be signed by our Company with the respective Depositories and the Registrar to the Issue before filing the Draft Prospectus:

- Tripartite agreement dated August 05, 2022 among CDSL, our Company and the Registrar to the Issue; and
- Tripartite agreement dated June 09, 2022 among NSDL, our Company and the Registrar to the Issue

Investors should note that Allotment of Equity Shares to all successful Applicants will only be in the dematerialized form. Applicants will not have the option of getting Allotment of the Equity Shares in physical form. The Equity Shares on Allotment shall be traded only in the dematerialized segment of the Stock Exchange. Allottees shall have the option to re-materialize the Equity Shares, if they so desire, as per the provision of the Companies Act and the Depositories Act.

ISSUE STRUCTURE

This Issue is being made in terms of Regulation 229 of Chapter IX of SEBI (ICDR) Regulations, 2018, as amended from time to time, whereby, an issuer whose post issue Face value capital exceeds Rs. 10 crores, shall issue shares to the public and propose to list the same on the Small and Medium Enterprise Exchange ("EMERGE Exchange", in this case being the EMERGE Platform of NSE Limited). For further details regarding the salient features and terms of such an issue please refer chapter titled “*Terms of the Issue*” and “*Issue Procedure*” on page 221 and 230 respectively of this Draft Prospectus.

Public issue of up to [●] equity shares of face value of Rs. 10.00/- each for cash at a price of Rs. [●] per equity share including a share premium of Rs. [●] per equity share (the “issue price”) aggregating upto Rs. 550.00 Lakhs (“the issue”) by our company.

| Particulars | Net Issue to Public | Market Maker Reservation Portion |
|--|--|---|
| Number of Equity Shares | [●]* | [●] |
| Percentage of Issue Size available for allocation | [●] | [●] |
| Basis of Allotment/Allocation if respective category is oversubscribed | [●] | [●] |
| Mode of Application | Retail Individual Investor may apply through UPI Payment Mechanism. All other applicants and Retail Individual Investors (whose bank do not provide UPI ID) shall apply through ASBA process only. | Through ASBA mode Only. |
| Minimum Application Size | For QIB and NII: Such number of Equity Shares in multiples of [●] Equity Shares such that the Application Value exceeds Rs. 2,00,000 For Retail Individuals: Such number of equity shares where application size is of at least [●]. | [●] Equity Shares |
| Maximum Bid | For QIB and NII: Such number of Equity Shares in multiples of [●] Equity Shares such that the Application Size does not exceed net issue subject to adhere under the relevant laws and regulations as applicable. For Retail Individuals: Such number of equity Shares so that the Application Value does not exceed Rs. 2,00,000/- | [●] Equity Shares |
| Mode of Allotment | Compulsorily in dematerialized mode | Compulsorily in dematerialized mode |
| 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. |

| Particulars | Net Issue to Public | Market Maker Reservation Portion |
|------------------|--|----------------------------------|
| Terms of payment | In case of ASBA, the entire application amount shall be blocked at the time of submission of Application Form to the SCSBs and in case of UPI as an alternate mechanism, application amount shall be blocked at the confirmation of mandate collection request by the Applicant. | |

* 50% of the shares offered in the Net Issue to Public portion are reserved for applications whose value is below Rs. 2,00,000 and the balance 50 % of the shares are available for applications whose value is above Rs. 2,00,000.

Note:

1. *In case of joint application, the Application Form should contain only the name of First Applicant whose name should also appear as the first holder of 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 joint holders.*
2. *Applicants will be required to confirm and will be deemed to have represented to our Company, the LM, their respective directors, officers, agents, affiliates and representatives that they are eligible under applicable laws, rules, regulations, guidelines and approvals to acquire the Equity Shares in this Issue.*
3. *SCSBs applying in the Issue must apply through an ASBA Account maintained with any other SCSB.*

*This Issue is being made in terms of Chapter IX of the SEBI (ICDR) Regulations, 2018. For further details please refer chapter titled “**Issue Procedure**” beginning on page 230 of this Draft Prospectus.*

ISSUE PROCEDURE

All Applicants should read the General Information Document for Investing in Public Issue (“GID”), prepared and issued in accordance with the SEBI circular no SEBI/HO/CFD/DIL1/CIR/P/2020/37 dated March 17, 2020 notified by SEBI and updated pursuant to the circular SEBI/HO/CFD/DIL2/CIR/P/2 dated March 30, 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 website of Stock Exchange, the Company and the Lead Manager. Please refer to the relevant provisions of the General Information Document which are applicable to the Issue.

Additionally, all Applicants 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 application size; (iii) price discovery and allocation; (iv) payment Instructions for ASBA Applicants; (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, 2013 relating to punishment for fictitious applications; (xii) mode of making refunds; and (xiii) interest in case of delay in Allotment or refund.

Please note that the information stated/covered in this section may not be complete and/or accurate and as such would be subject to modification/change. Our Company and Lead Manager do not accept any responsibility for the completeness and accuracy of the information stated in this section and the General Information Document. Our Company and Lead Manager would not be able for any amendment, modification or change in applicable law, which may occur after the date of this Draft Prospectus. Applicants are advised to make their independent investigations and ensure that their applications are submitted in accordance with the applicable laws and do not exceed the investment limits or maximum number of Equity Shares that can be held by them under applicable law or as specified in this Draft Prospectus and the Prospectus.

SEBI through its circular no. SEBI/HO/CFD/DIL2/CIR/P/2018/138 dated November 1, 2018, and as modified through its circular SEBI/HO/CFD/DIL2/CIR/P/2019/50 dated April 3, 2019, circular no. SEBI/HO/CFD/DIL2/CIR/P/2019/76 dated June 28, 2019, circular no. SEBI/HO/CFD/DIL2/CIR/P/2019/85 dated July 26, 2019 and circular no. SEBI/HO/CFD/DCR2/CIR/P/2019/133 dated November 8, 2019 and the circular no. SEBI/HO/CFD/DIL2/CIR/P/2020/50 dated March 30, 2020 (collectively the “UPI Circulars”) has proposed to introduce 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 mechanisms for RIIs applying through Designated Intermediaries have been made effective along with the existing process and existing timeline of T+6 days. The same was applicable until June 30, 2019 (“UPI Phase I”).

With effect from July 1, 2019, with respect to Bids by RIBs through Designated Intermediaries (other than SCSBs), the existing process of physical movement of forms from such Designated Intermediaries to SCSBs for blocking of funds has been discontinued and only the UPI Mechanism for such Bids with existing timeline of T+6 days will continue for a period of three months or launch of five main board public issues, whichever is later (“UPI Phase II”). Further, as per the SEBI circular SEBI/HO/CFD/DCR2/CIR/P/2019/133 dated November 8, 2019, the UPI Phase II has been extended 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 be continued till further notice. Subsequently, the final reduced timeline will be made effective using the UPI mechanism for applications by RIIs (“UPI Phase III”), as may be prescribed by SEBI.

The revisions of the circular dated June 02, 2021 are elaborated as under: -

- SCSB's shall continue to send SMS alerts during the actual block/debit/unblock of UPI mandate in the prescribed format, the details of total number of shares applied/allotted/non-allotted etc. shall be included in SMS for Public Issues opening on/after January 01, 2022.
- The automated web portal shall be live and operational after due testing and mock trials with the CUG entities for Public Issues opening on or after October 01, 2021. The requisite information on this automated portal shall be updated periodically in intervals not exceeding two hours.
- In the interim, for the Public Issues opening from the date of this circular and till the automated web portal is live and operational, the Sponsor Banks shall send the details to the e-mail address of CUG entities periodically in intervals not exceeding three hours. In case of exceptional events viz., technical issues with UPI handles/PSPs/TPAPS/SCSB's etc., the same shall be intimated immediately to the CUG entities so as to facilitate the flow of information in the Public Issue process.
- The Stock Exchanges and Book Running Lead Managers shall facilitate providing the requisite data of CUG entities to Sponsor Bank for the development of automated web portal. Such information shall be provided to the Sponsor Bank before opening of the Public Issue.
- The Registrar to the Issue shall provide the allotment/ revoke files to the Sponsor Bank by 8:00 PM on T+3 i.e., the day when the Basis of Allotment (BOA) has to be finalized.
- The Sponsor Bank shall execute the online mandate revoke file for Non-Allottees/ Partial Allottees and provide pending applications for unblock, if any, to the Registrar to the Issue, not later than 5:00 PM on BOA+1.
- Subsequent to the receipt of the pending applications for unblock from the Sponsor Bank, the Registrar to the Issue shall submit the bank-wise pending UPI applications for unblock to the SCSBs, not later than 6:30 PM on BOA+1 and ensure that the unblocking is completed on T+4.

ASBA Applicants are required to submit ASBA Applications to the selected branches / offices of the RTAs, DPs, Designated Bank Branches of SCSBs. 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 <http://www.sebi.gov.in>. For details on designated branches of SCSB collecting the Application Form, please refer the above-mentioned SEBI link. The list of Stock Brokers, Depository Participants ("DP"), Registrar to an Issue and Share Transfer Agent ("RTA") that have been notified by Stock Exchange to act as intermediaries for submitting Application Forms are provided on the website of the Stock Exchange. For details on their designated branches for submitting Application Forms, please refer the above-mentioned Stock Exchange website.

Phased implementation of Unified Payments Interface

SEBI has issued a **UPI Circulars** in relation to streamlining the process of public issue of equity shares and convertibles. Pursuant to the UPI Circulars, UPI will be 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 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 Mechanism, the UPI Circular proposes to introduce and implement the UPI Mechanism in three phases in the following manner:

Phase I:

This phase has become applicable from January 1, 2019 and will continue till June 30, 2019. Under this phase, a Retail Individual Applicant would also have the option to submit the Application Form with any of the intermediary and use his / her UPI ID for the purpose of blocking of funds. The time duration from public issue closure to listing would continue 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 be continued for a period of three months or launch 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, the UPI Phase II has been extended 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 be continued till further notice. Under this phase, submission of the Application Form by a Retail Individual Applicant through intermediaries to SCSBs for blocking of funds will be discontinued and will be replaced by the UPI Mechanism. However, the time duration from public issue closure to listing would continue to be six working days during this phase.

Phase III:

Subsequently, the time duration from public issue closure to listing would be reduced to be three working days. All SCSBs offering facility of making application in public issues shall also provide facility to make application using the UPI Mechanism. The Issuers are to appoint one of the SCSBs as a sponsor bank to act as a conduit between the Stock Exchanges and NPCI in order to facilitate collection of requests and / or payment instructions of the Retail Individual Applicants into the UPI mechanism.

For further details, refer to the General Information Document available on the websites of the Stock Exchange and the Lead Manager

Fixed Price Issue Procedure

The Issue is being made under Chapter IX of SEBI (Issue of Capital and Disclosure Requirements) Regulations, 2018 through a Fixed Price Process. Wherein a minimum 50% of the Net Issue is allocated for Retail Individual Applicants and the balance shall be offered to individual applicants other than Retail Individual Applicants and other investors including Corporate Bodies or Institutions, QIBs and Non-Institutional Applicants. However, if the aggregate demand from the Retail Individual Applicants is less than 50%, then the balance Equity Shares in that portion will be added to the non-retail portion offered to the remaining investors including QIBs and NIIs and vice-versa subject to valid Applications being received from them at or above the Issue Price.

Additionally, if the Retail Individual Applicants category is entitled to more than fifty per cent on proportionate basis, the Retail Individual Applicants shall be allocated that higher percentage. However, the Application by an Applicant should not exceed the investment limits prescribed under the relevant regulations/statutory guidelines.

Subject to the valid Applications being received at the Issue Price, allocation to all categories in the Net Issue, shall be made on a proportionate basis, except for the Retail Portion where Allotment to each Retail Individual Applicants shall not be less than the minimum 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, except in 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 LM and the Stock Exchange are required to submit their Applications to the Application Collecting Intermediaries i.e. SCSB or Registered Brokers of Stock Exchanges or Registrar to the Issue and Share Transfer Agents (RTAs) or Depository Participants (DPs) registered with SEBI. In case of QIB Applicants, the Company in consultation with the Lead Manager may reject Applications at the time of acceptance of Application Form provided that the reasons for such rejection shall be provided to such Applicant in writing.

In case of Non-Institutional Applicants and Retail Individual Applicants, the Company would have a right to reject the Applications only on technical grounds. In case DP ID, Client ID and PAN mentioned in the Application Form and entered into the electronic system of the stock exchange, do not match with the DP ID, Client ID and PAN available in the depository database, the application is liable to be rejected.

Investors should note that Equity Shares will be allotted to successful Applicants in dematerialized form only. The Equity Shares on Allotment shall be traded only in the dematerialize segment of the Stock Exchange, as mandated by SEBI. Applicants will not have the option of getting allotment of the Equity Shares in physical form. However, the Investors may get the Equity Shares rematerialized subsequent to the allotment.

Availability of Prospectus and Application Forms

Copies of the Application Form and the Draft Prospectus / Prospectus will be available at the offices of the LM, the Designated Intermediaries at Bidding Centers, and Registered Office of our Company. An electronic copy of the Application Form will also be available for download on the websites of the Stock Exchange(s), the SCSBs, the Registered Brokers, the RTAs and the CDPs at least one (1) day prior to the Issue Opening Date.

Applicants shall only use the specified Application Form for the purpose of making an Application in terms of the Draft Prospectus / Prospectus. All the Applicants (other than Anchor Investor and Retail Individual Investor using UPI Payment Mechanism) shall mandatorily participate in the Issue only through the ASBA process for application. ASBA applicants must provide bank account details and authorization to block funds in the relevant space provided in the Application Form and the Application Forms that do not contain such details are liable to be rejected.

Retail Individual Investors submitting their application form to any Designated Intermediaries (other than SCSBs) shall be required to bid using the UPI Mechanism and must provide the UPI ID in the relevant space provided in the Application Form. Retail Individual Investors submitting their application form to any Designated Intermediaries (other than SCSBs) failed to mention UPI ID are liable to be rejected. Retail Individual Investors may also apply through the SCSBs and mobile applications using the UPI handles as provided on the website of the SEBI.

ASBA Applicants shall ensure that the applications are made on Application Forms bearing the stamp of the Designated Intermediary, submitted at the Collection Centres only (except in case of electronic Bid cum Application Forms) and the Bid cum Application Forms not bearing such specified stamp are liable to be rejected

The prescribed colour of the Application Form for various categories is as follows:

| Category | Colour of Application Form |
|--|-----------------------------------|
| Resident Indians / Eligible NRIs applying on a non-repatriation basis (ASBA) | White* |
| Non-Residents and Eligible NRIs applying on a repatriation basis (ASBA) | Blue* |

**Excluding electronic Application Form.*

In case of ASBA Forms, Designated Intermediaries shall upload the relevant Application details in the electronic Bidding system of the Stock Exchanges. Subsequently, for ASBA Forms (other than RIIs using UPI mechanism) Designated Intermediaries (other than SCSBs) shall submit/deliver the Application Form (except the Application Form from a RIIs using the UPI mechanism) to the respective SCSBs, where the Applicant has a bank account and shall not submit it to any non-SCSB bank or any Escrow Bank. For RIIs using UPI mechanism, the Stock Exchanges shall share the Application details (including UPI ID) with the Sponsor Bank on a continuous basis to enable the Sponsor Bank to initiate UPI Mandate Request to RIIs for blocking of funds.

Application Forms will also be available on the website of the NSE (www.nseindia.com). Same Application Form applies to all ASBA Applicants/Retail Individual Investors applying through UPI mechanism, irrespective of whether they are submitted to the SCSBs, to the Registered Brokers, to Registrars to an Issue and Share Transfer Agents, Depository Participants or to the Syndicate (in Specified Cities).

Submission and Acceptance of Application Form

Pursuant to SEBI Circular No. CIR/CFD/POLICYCELL/11/2015 Dated November 10, 2015, an Investor, intending to subscribe to this Issue, shall submit a completed 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. | 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) |

The aforesaid intermediaries shall, at the time of receipt of application, give an acknowledgement to investor, by giving the counter foil or specifying the application number to the investor, as a proof of having accepted the application form, in physical or electronic mode, respectively.

Designated Intermediaries shall submit Application Forms to SCSBs only

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 exchanges(s) and may by 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 without use of UPI for payment: | After accepting the application form, respective intermediary shall capture and upload the relevant details in the electronic bidding system of stock exchange(s). Post uploading, they shall forward a schedule as per prescribed format along with the 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 application form, respective intermediary shall capture and upload the relevant bid details, including UPI ID, in the electronic bidding system of stock exchange(s). Stock Exchange shall share bid 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(s) shall validate the electronic bid details with depository’s records for DP ID/ClientID 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.

Upon completion and submission of the Application Form to Application Collecting intermediaries, the Application are deemed to have authorised our Company to make the necessary changes in the prospectus, without prior or subsequent notice of such changes to the Applicants.

Who can apply?

In addition to the category of Applicants set forth under General Information Document, the following persons are also eligible to invest in the Equity Shares under all applicable laws, regulations and guidelines, including:

1. FPIs other than Category III foreign portfolio investor;
2. Category III foreign portfolio investors, which are foreign corporates or foreign individuals only under the Non-Institutional Investors (NIIs) category;
3. Mutual Funds registered with SEBI;
4. VCFs registered with SEBI;
5. FVCIs registered with SEBI;
6. Multilateral and bilateral development financial institutions;
7. State Industrial Development Corporations;
8. Insurance companies registered with Insurance Regulatory and Development Authority;
9. Provident Funds with a minimum corpus of Rs. 2500 lakhs and who are authorised under their constitution to hold and invest in equity shares;
10. Pension Funds with a minimum corpus of Rs. 2500 lakhs and who are authorised under their constitution to hold and invest in equity shares;
11. National Investment Fund set up by resolution no. F.NO.2/3/2005-DDII dated November 23, 2005 of the GoI, published in the Gazette of India;
12. Insurance funds set up and managed by the army, navy or air force of the Union of India and by the Department of Posts, India;
13. Nominated Investor and Market Maker
14. Scientific and/or industrial research organisations authorised in India to invest in the Equity Shares.
15. Any other person eligible to apply in this Issue, under the laws, rules, regulations, guidelines and polices applicable to them.

Applications not to be made by:

1. Minors (except under guardianship)
2. Partnership firms or their nominees
3. Foreign Nationals (except NRI)
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 Application Form, the OCB shall be eligible to be considered for share allocation

The Equity Shares have not been and will not be registered under the U.S Securities Act or any other applicable law of the United States and, unless so registered, and may not be offered or sold within the United States, except pursuant to an exemption from, or in a transaction not subject to, the registration requirements of the U.S Securities Act and applicable state securities laws. Accordingly, the Equity Shares are only being offered and sold (i) within the United States only to persons reasonably believed to be “qualified institutional buyers” (as defined in Rule 144A under the U.S Securities Act and referred to in this Draft Prospectus as “U.S. QIBs”, for the avoidance of doubt, the term U.S. QIBs does not refer to a category of institutional investor defined under applicable

Indian regulations and referred to in this Draft Prospectus as “QIBs”) in transactions exempt from, or not subject to, the registration requirements of the U.S Securities Act, and (ii) outside the United States in offshore transactions in reliance on Regulations S under the U.S Securities Act and the applicable laws of the jurisdiction where those offers and sales occur.

The Equity Shares have not been and will not be registered, listed or otherwise qualified in any other jurisdiction outside India and may not be offered or sold, and Applications may not be made by persons in any such jurisdiction, except in compliance with the applicable laws of such jurisdiction.

For Retails Individual Applicants

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 Applicant does not exceed Rs.2,00,000. In case of revision of Applications, the Retail Individual Investors have to ensure that the Application Price does not exceed Rs.2,00,000.

For Other than Retail Individual Investors (Non-Institutional Investors and QIBs):

The Application must be for a minimum of such number of Equity Shares that the Application Amount exceeds Rs.2,00,000 and in multiples of [●] Equity Shares thereafter. An Application cannot be submitted for more than the Net Issue Size. However, the maximum Application by a QIB investor should not exceed the investment limits prescribed for them by applicable laws. Under existing SEBI Regulations, a QIB Applicant and Non-Institutional Investor cannot withdraw its Application after the Issue Closing Date and is required to pay 100% Bid Amount upon submission of Bid.

In case of revision in Applications, the Non-Institutional Applicants, who are individuals, have to ensure that the Application Amount is greater than Rs.2,00,000 for being considered for allocation in the Non-Institutional Portion.

Applicants 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 Prospectus.

Participation by associates/affiliates of Lead Manager

The Lead Manager shall not be entitled to subscribe to this Issue in any manner except towards fulfilling their underwriting obligations. However, associates and affiliates of the Lead Manager may subscribe to Equity Shares in the Issue, either in the QIB Portion and Non-Institutional Category where the allotment is on a proportionate basis and such subscription may be on their own account or on behalf of their clients. All categories of investors, including associates or affiliates of the LM, shall be treated equally for the purpose of allocation to be made on a proportionate basis

Option to Subscribe to the Issue

1. Our Company shall allot the specified securities in dematerialised form only. Investors opting for allotment in dematerialised form may get the specified securities rematerialised subsequent to allotment.
2. The equity shares, on allotment, shall be traded on stock exchange in demat segment only.
3. A single application from any investor shall not exceed the investment limit/minimum number of specified securities that can be held by him/her/it under the relevant regulations/statutory guidelines.

Application By HUF

Hindu Undivided Families or HUFs, in the individual name of the Karta. The Applicant should specify that the Bid is being made in the name of the HUF in the Bid cum Application Form/Application Form as follows: “Name of sole or first Bidder/Applicant: XYZ Hindu Undivided Family applying through XYZ, where XYZ is the name of the Karta”. Bids/Applications by HUFs may be considered at par with Bids/Applications from individuals

Application by Mutual Funds

As per the current regulations, the following restrictions are applicable for investments by mutual funds:

Application made by asset management companies or custodians of Mutual Funds shall specifically state names of the concerned schemes for which such Applications are made. In case of a mutual fund, a separate Application can be made in respect of each scheme of the mutual fund registered with SEBI and such Applications in respect of more than one (1) scheme of the mutual fund will not be treated as multiple Applications, provided, that the Applications clearly indicate the scheme concerned for which the Application has been made.

With respect to Applications by Mutual Funds, a certified copy of their SEBI registration certificate must be attached with the Application Form. Failing this, our Company reserves the right to reject their Application in whole or in part, in either case, without assigning any reason thereof.

No mutual fund scheme shall invest more than 10% of its net asset value in the 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.

Application by Indian Public including eligible NRIs applying on Non-Repatriation

Application must be made only in the names of individuals, Limited Companies or Statutory Corporations/institutions and not in the names of Minors (other than minor having valid depository accounts as per demographic details provided by the depository), Foreign Nationals, Non Residents (except for those applying on non-repatriation), trusts, (unless the trust is registered under the Societies Registration Act, 1860 or any other applicable trust laws and is authorized under its constitution to hold shares and debentures in a Company), Hindu Undivided Families (HUF), partnership firms or their nominees. In case of HUFs, application shall be made by the Karta of the HUF.

Eligible NRIs applying on a non-repatriation basis may make payments by inward remittance in foreign exchange through normal banking channels or by debits to NRE / FCNR accounts as well as NRO accounts.

An applicant in the Net Public Category cannot make an application for that number of Equity Shares exceeding the number of Equity Shares offered to the public.

Application by Eligible NRIs/FII's on Repatriation Basis

Eligible NRIs may obtain copies of Application Form from the Designated Intermediaries. Eligible NRI Applicants applying 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 Applicants applying on a non-repatriation basis by using Resident Forms should authorize their SCSB to block their Non-Resident Ordinary ("NRO") accounts for the full Application Amount, at the time of the submission of the Application Form.

Eligible NRIs applying on a repatriation basis are advised to use the Application Form meant for Non-Residents (blue in colour).

Eligible NRIs applying on non-repatriation basis are advised to use the Application Form for residents (white in colour).

Pursuant to the provisions of the FEMA regulations, investments by NRIs under the Portfolio Investment Scheme ("PIS") is subject to certain limits, i.e., 10.00% of the paid-up equity share capital of the company. Such limit for NRI investment under the PIS route can be increased by passing a board resolution, followed by a special resolution by the shareholders, subject to prior intimation to the RBI. Our Company has not passed any resolution to increase this limit and hence investments by NRIs under the PIS will be subject to a limit of 10% of the paid-up equity capital of the Company.

Application by FPIs

In terms of the FPI Regulations, the issue of Equity Shares to a single FPI or an investor group (which means the same set of ultimate beneficial owner(s) investing through multiple entities) is not permitted to

exceed 10% of our post- Issue Equity Share capital. Further, in terms of the FEMA Regulations, the total holding by each FPI shall be below 10% of the total paid-up Equity Share capital of our Company and the total holdings of all FPIs put together shall not exceed 24% of the paid-up Equity Share capital of our Company. The aggregate limit of 24% may be increased upto the sectoral cap by way of a resolution passed by our Board followed by a special resolution passed by the shareholders of our Company and subject to prior intimation to the RBI.

In case the total holding of an FPI increases beyond 10% of the total paid-up Equity Share capital of our Company, on a fully diluted basis or 10% or more of the paid-up value of any series of debentures or preference shares or share warrants issued that may be issued by our Company, the total investment made by the FPI will be re-classified as FDI subject to the conditions as specified by SEBI and the RBI in this regard and our Company and the investor will be required to comply with applicable reporting requirements.

FPIs are permitted to participate in the Issue subject to compliance with conditions and restrictions which may be specified by the Government from time to time.

Subject to compliance with all applicable Indian laws, rules, regulations, guidelines and approvals in terms of Regulation 22 of the FPI Regulations, an FPI, by virtue of their investment manager being appropriately regulated, may issue or otherwise deal in offshore derivative instruments (as defined under the FPI Regulations as any instrument, by whatever name called, which is issued overseas by a FPI against securities held by it that are listed or proposed to be listed on any recognized stock exchange in India, as its underlying) directly or indirectly, only in the event (i) such offshore derivative instruments are issued only to persons who are regulated by an appropriate regulatory authority; and (ii) such offshore derivative instruments are issued after compliance with 'know your client' norms. An FPI is also required to ensure that no further issue or transfer of any offshore derivative instrument is made by or on behalf of it to any persons that are not regulated by an appropriate foreign regulatory authority. In case of Applications made by FPIs, a verified true copy of the certificate of registration issued by the designated Depository Participant under the FPI Regulations is required to be attached along with the Application form, failing which our Company reserves the right to reject the Application without assigning any reasons thereof.

Application by SEBI registered VCFs, AIFs and FVCIs

SEBI VCF Regulations and SEBI FVCI Regulations inter alia prescribe the investment restrictions on the VCFs and FVCIs registered with SEBI. Further, SEBI AIF Regulations prescribe, among others, the investment restrictions on AIFs.

Accordingly, the holding by any individual VCF registered with SEBI in one (1) 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, in the aggregate, in certain specified instruments, which includes subscription to an initial public offering.

Category I and II AIFs cannot invest more than 25% of their corpus in one (1) investee company. A category III AIF cannot invest more than 10% of their investible funds in one (1) investee company. A venture capital fund registered as a category I AIF, as defined in 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 SEBI AIF Regulations shall continue to be regulated by SEBI VCF Regulations 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 SEBI AIF Regulations.

Further, according to SEBI ICDR Regulations, the shareholding of VCFs and category I AIFs or FVCI held in a company prior to making an initial public offering would be exempt from lock-in requirements provided that such equity shares held are locked in for a period of at least one (1) year from the date of purchase by such VCF or category I AIFs or FVCI.

All non-resident investors should note that refunds (in case of Anchor Investors), dividends and other distributions, if any, will be payable in Indian Rupees only and net of bank charges and commission.

Our Company or the LM will not be responsible for loss, if any, incurred by the Applicant on account of conversion of foreign currency. There is no reservation for Eligible NRIs, FPIs and FVCIs and all Applicants will be treated on the same basis with other categories for the purpose of allocation.

Application by provident funds/ pension funds

In case of Applications made by provident funds/pension funds, subject to applicable laws, with minimum corpus of Rs. 2,500 Lakhs, a certified copy of certificate from a chartered accountant certifying the corpus of the provident fund/ pension fund must be attached to the Application Form. Failing this, our Company reserves the right to reject their Application, without assigning any reason thereof

Application by limited liability partnerships

In case of Applications made by limited liability partnerships registered under the Limited Liability Partnership Act, 2008, a certified copy of certificate of registration issued under the Limited Liability Partnership Act, 2008, must be attached to the Application Form. Failing this, our Company reserves the right to reject their Application without assigning any reason thereof.

Application by Banking Companies

In case of Application made by banking companies registered with the RBI, certified copies of: (i) the certificate of registration issued by the RBI, and (ii) the approval of such banking company's investment committee are required to be attached to the Application Form, failing which our Company reserves the right to reject any Application by a banking company, without assigning any reason therefor.

The investment limit for banking companies in non-financial services companies as per the Banking Regulation Act, 1949, as amended (the "Banking Regulation Act"), and the Master Direction - Reserve Bank of India (Financial Services provided by Banks) Directions, 2016, is 10% of the paid-up share capital of the investee company or 10% of the banks' own paid-up share capital and reserves, whichever is less. Further, the aggregate investment by a banking company in subsidiaries and other entities engaged in financial and non-financial services company cannot exceed 20% of the bank's paid-up share capital and reserves. A banking company may hold up to 30% of the paid-up share capital of the investee company with the prior approval of the RBI provided that the investee company is engaged in non-financial activities in which banking companies are permitted to engage under the Banking Regulation Act.

Application by Insurance Companies

In case of Application made by insurance companies registered with the IRDA, a certified copy of certificate of registration issued by IRDA must be attached to the Application Form. Failing this, our Company reserves the right to reject their Application without assigning any reason thereof.

Insurance companies participating in this Issue, shall comply with all applicable regulations, guidelines and circulars issued by IRDAI from time to time including the Insurance Regulatory and Development Authority of India Investment) Regulations, 2016 ("IRDA Investment Regulations").

- i. Equity shares of a company: the lower of 10% of the investee company's outstanding equity shares (face value) or 10% of the respective fund in case of a life insurer/investment assets in case of a general insurer or a reinsurer;
- ii. 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 a reinsurer or 15% of the investment assets in all companies belonging to the group, whichever is lower; and
- iii. The industry sector in which the investee company operates: not more than 15% of the respective fund of a life insurer or general insurance or 15% of the investment assets, whichever is lower.

The maximum exposure limit, in the case of an investment in equity shares, cannot exceed the lower of an amount of 10% of the investment assets of a life insurer or general insurer and the amount calculated under points (i), (ii) or (iii) above, as the case may be.

The above limit of 10% shall stand substituted as 15% of outstanding equity shares (face value) for insurance companies with investment assets of Rs. 2,500,000 million or more and 12% of outstanding equity shares (face value) for insurers with investment assets of Rs. 500,000 million or more but less than Rs. 2,500,000 million.

Insurer companies participating in this Issue shall comply with all applicable regulations, guidelines and circulars issued by the IRDA from time to time including the Insurance Regulatory and Development Authority (Investment) Regulations, 2016 (“IRDA Investment Regulations”).

Application by SCSBs

SCSBs participating in the Issue are required to comply with the terms of SEBI circulars dated September 13, 2012 and January 2, 2013. Such SCSBs are required to ensure that for making applications on their own account using ASBA, they should have a separate account in their own name with any other SEBI registered SCSBs. Further, such account shall be used solely for the purpose of making application in public issues and clear demarcated funds should be available in such account for ASBA applications.

Application by Systemically Important Non-Banking Financial Companies

In case of Application 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 Application Form. Failing this, our Company reserves 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 regulations, guidelines and circulars issued by RBI from time to time.

Application under Power of Attorney

In case of Application made pursuant to a power of attorney or by limited companies, corporate bodies, registered societies, FIIs, FPIs, Mutual Funds, Eligible QFIs, insurance companies, insurance funds set up by the army, navy or air force of the Union of India, insurance funds set up by the Department of Posts, India or the National Investment Fund, provident funds with a minimum corpus of Rs. 2,500 Lakhs and pension funds with a minimum corpus of Rs. 2,500 Lakhs (in each case, subject to applicable law and in accordance with their respective constitutional documents), a certified copy of the power of attorney or the relevant resolution or authority, as the case may be, along with a certified copy of the memorandum of association and articles of association and/or bye laws, as applicable must be lodged along with the Application Form. Failing this, our Company reserves the right to accept or reject their Application in whole or in part, in either case, without assigning any reasons thereof. In addition to the above, certain additional documents are required to be submitted by the following entities:

- With respect to Applications by FIIs and Mutual Funds, a certified copy of their SEBI registration certificate must be lodged along with the Application Form.
- With respect to Applications 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 Application Form.
- With respect to Applications made by provident funds with a minimum corpus of Rs. 2500 Lakhs (subject to applicable law) and pension funds with a minimum corpus of Rs. 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 Application Form.
- With respect to Applications made by limited liability partnerships registered under the Limited Liability Partnership Act, 2008, a certified copy of certificate of registration issued under the Limited Liability Partnership Act, 2008, must be attached to the Application Form.

- Our Company in its absolute discretion, reserves the right to relax the above condition of simultaneous lodging of the power of attorney along with the Application form, subject to such terms and conditions that our Company and the Lead Manager may deem fit.

The Company, in its absolute discretion, reserves the right to permit the holder of the power of attorney to request the Registrar to the Issue that, for the purpose of printing particulars on the refund order and mailing of the Allotment Advice / CANs / letters notifying the unblocking of the bank accounts of ASBA applicants, the Demographic Details given on the Application Form should be used (and not those obtained from the Depository of the application). In such cases, the Registrar to the Issue shall use Demographic Details as given on the Application Form instead of those obtained from the Depositories

Application by OCBs

In accordance with RBI regulations, OCBs cannot participate in this Issue.

ISSUE PROCEDURE FOR ASBA (APPLICATION SUPPORTED BY BLOCKED ACCOUNT) APPLICANTS

In accordance with the SEBI circular no. CIR/CFD/POLICYCELL/11/2015 dated November 10, 2015 all the Applicants have to compulsorily apply through the ASBA Process. Our Company and the Lead Manager are not liable for any amendments, modifications, or changes in applicable laws or regulations, which may occur after the date of the Draft Prospectus. ASBA Applicants are advised to make their independent investigations and to ensure that the ASBA Application Form is correctly filled up, as described in this section.

Lists of banks that have been notified by SEBI to act as SCSB (Self-Certified Syndicate Banks) for the ASBA Process are provided on <http://www.sebi.gov.in>. For details on designated branches of SCSB collecting the Application Form, please refer the above-mentioned SEBI link.

ASBA Process and Electronic Registration of Application

Resident Retail Individual Investor shall submit his Application through an Application Form, either in physical or electronic mode, to the SCSB with whom the bank account of the ASBA Applicant or bank account utilized by the ASBA Applicant (“ASBA Account”) is maintained. The SCSB shall block an amount equal to the Application Amount in the bank account specified in the ASBA Application Form, physical or electronic, on the basis of an authorization to this effect given by the account holder at the time of submitting the Application.

The Application Amount shall remain blocked in the aforesaid ASBA Account until finalization of the Basis of Allotment in the Issue and consequent transfer of the Application Amount against the allocated shares to the ASBA Public Issue Account, or until withdrawal/failure of the Issue or until withdrawal/rejection of the ASBA Application, as the case may be.

The ASBA data shall thereafter be uploaded by the SCSB in the electronic IPO system of the Stock Exchange. Once the Basis of Allotment is finalized, the Registrar to the Issue shall send an appropriate request to the Controlling Branch of the SCSB for unblocking the relevant bank accounts and for transferring the amount allocable to the successful ASBA Applicants to the ASBA Public Issue Account. In case of withdrawal/failure of the Issue, the blocked amount shall be unblocked on receipt of such information from the Lead Manager.

ASBA Applicants are required to submit their Applications, either in physical or electronic mode. In case of application in physical mode, the ASBA Applicant shall submit the ASBA Application Form at the Designated Branch of the SCSB or Registered Brokers or Registered RTA's or DPs registered with SEBI. In case of application in electronic form, the ASBA Applicant shall submit the Application Form either through the internet banking facility available with the SCSB, or such other electronically enabled mechanism for applying and blocking funds in the ASBA account held with SCSB, and accordingly registering such Applications.

APPLICATION FORM SHALL BEAR THE STAMP OF THE SYNDICATE MEMBER/SCSBS/REGISTRAR AND SHARE TRANSFER AGENTS/DEPOSITORY PARTICIPANTS/STOCK BROKERS AND IF NOT, THE SAME SHALL BE REJECTED.

Who can apply?

In accordance with the SEBI circular no. CIR/CFD/POLICYCELL/11/2015 dated November 10, 2015 all the Applicants have to compulsorily apply through the ASBA Process.

Mode of Payment

Upon submission of an Application Form with the SCSB, whether in physical or electronic mode, each ASBA Applicant shall be deemed to have agreed to block the entire Application Amount and authorized the Designated Branch of the SCSB to block the Application Amount, in the bank account maintained with the SCSB.

Application Amount paid in cash, by money order or by postal order or by stock invest, or ASBA Application Form accompanied by cash, draft, money order, postal order or any mode of payment other than blocked amounts in the SCSB bank accounts, shall not be accepted.

After verifying that sufficient funds are available in the ASBA Account, the SCSB shall block an amount equivalent to the Application Amount mentioned in the ASBA Application Form till the Designated Date.

On the Designated Date, the SCSBs shall transfer the amounts allocable to the ASBA Applicants from the respective ASBA Account, in terms of the SEBI Regulations, into the ASBA Public Issue Account. The balance amount, if any against the said Application in the ASBA Accounts shall then be unblocked by the SCSBs on the basis of the instructions issued in this regard by the Registrar to the Issue.

The entire Application Amount, as per the Application Form submitted by the respective ASBA Applicants, would be required to be blocked in the respective ASBA Accounts until finalization of the Basis of Allotment in the Issue and consequent transfer of the Application Amount against allocated shares to the ASBA Public Issue Account, or until withdrawal/failure of the Issue or until rejection of the ASBA Application, as the case may be.

Unblocking of ASBA Account

On the basis of instructions from the Registrar to the Issue, the SCSBs shall transfer the requisite amount against each successful ASBA Applicant to the ASBA Public Issue Account as per section 40(3) of the Companies Act, 2013 and shall unblock excess amount, if any in the ASBA Account.

However, the Application Amount may be unblocked in the ASBA Account prior to receipt of intimation from the Registrar to the Issue by the Controlling Branch of the SCSB regarding finalization of the Basis of Allotment in the Issue, in the event of withdrawal/failure of the Issue or rejection of the ASBA Application, as the case may be.

Terms of payment

The entire Issue price of Rs. [●] per share is payable on application. In case of allotment of lesser number of Equity Shares than the number applied, the Registrar shall instruct the SCSBs to unblock the excess amount paid on Application to the Applicants. SCSBs will transfer the amount as per the instruction of the Registrar to the Public Issue Account, the balance amount after transfer will be unblocked by the SCSBs. The Applicants should note that the arrangement with Bankers to the Issue or the Registrar is not prescribed by SEBI and has been established as an arrangement between our Company, Banker to the Issue and the Registrar to the Issue to facilitate collections from the Applicants.

Payment Mechanism

The Applicants shall specify the bank account number in their Application Form and the SCSBs shall block an amount equivalent to the bid Amount (issue price) in the bank account specified in the Application Form. The SCSB shall keep the bid Amount in the relevant bank account blocked until withdrawal/ rejection of

the Application or receipt of instructions from the Registrar to unblock the bid Amount. However, Non-Retail Investors shall neither withdraw nor lower the size of their applications at any stage. In the event of withdrawal or rejection of the Application Form or for unsuccessful Application Forms, the Registrar to the Issue shall give instructions to the SCSBs to unblock the application money in the relevant bank account within one day of receipt of such instruction. The Bid Amount shall remain blocked in the ASBA Account until finalization of the Basis of Allotment in the Issue and consequent transfer of the Bid Amount to the Public Issue Account, or until withdrawal/ failure of the Issue or until rejection of the Bid by the ASBA Bidder, as the case may be.

PROCEDURE FOR UNIFIED PAYMENT INTERFACE (UPI)

In accordance to the SEBI Circular no. SEBI/HO/CFD/DIL2/CIR/P/2019/76 dated June 28, 2019, to stream line the process of public issue of Equity Shares and convertibles, Phase II shall become effective from July 01, 2019, thereafter for applications by Retail Individual Investors through intermediaries, where the existing process of investor submitting application form with any intermediaries along with bank account details and movement of such application forms from intermediaries to self-certified Syndicate Banks (SCSBs) for blocking of funds, will be discontinued. For such applications only the UPI mechanism would be permissible mode.

Who can apply through UPI Mode:

Only Retail Individual Investors are allowed to use UPI for the payment in public issues. Qualified Institutional Buyers and High-Net worth Investors shall continue to apply as per the existing process.

Process

Applications through UPI in IPOs (Public Issue) can be made only through the SCSBs/mobile applications whose name appears on the SEBI website: www.sebi.gov.in.

Blocking of Funds:

- a) Investors shall create UPI ID
- b) Investors shall submit their IPO applications through intermediaries and the investors shall enter UPI ID in the application form
- c) Thereafter, intermediary shall upload the bid details and UPI ID in the electronic bidding system of the Stock Exchange
- d) Stock Exchange shall validate the bid details on the real time basis with depository's records and shall bring the inconsistencies to the notice of intermediaries for rectification and re-submission
- e) Stock Exchange shall share the details including UPI ID with Sponsor Bank, to enable the Sponsor Bank to initiate the request for the blocking of funds
- f) Thereafter the investor shall receive notification and shall confirm the request by entering valid UPI PIN and upon such acceptance of request, funds would get blocked and intimation shall be given to the investor regarding blocking of funds

UNBLOCKING OF FUNDS:

- a) After the issue close day, the RTA on the basis of bidding and blocking received from stock exchange undertake a reconciliation and shall prepare Basis of Allotment.
- b) Upon approval of such basis, instructions would be sent to the Sponsor Bank to initiate process for credit of funds in the public issue escrow account and unblocking of excess funds
- c) Based on authorization given by the investor using UPI PIN at the time of blocking of funds, equivalent to the allotment, would be debited from investors account and excess funds, if any, would be unblocked.

Further, RIIs would continue to have an option to modify or withdraw the bid till the closure of the issue period. For each such modification of application, RIIs shall submit a revised application and shall receive a mandate request from the Sponsor Bank to be validated as per the process indicated above. Hence, applications made through UPI ID for payment the same shall be revised by using UPI ID only.

REJECTION GROUNDS UNDER UPI PAYMENT MECHANISM

An investor making application using any of channels under UPI Payments Mechanism, shall use only his/her own bank account or only his/ her own bank account linked UPI ID to make an application in public issues. Applications made using third party bank account or using third party linked bank account UPI ID are liable for rejection. Sponsor Bank shall provide the investors UPI linked bank account details to RTA for purpose of reconciliation. RTA shall undertake technical rejection of all applications to reject applications made using third party bank account.

LIST OF BANKS PROVIDING UPI FACILITY

An investor shall ensure that when applying in the IPO using UPI facility, the name of his Bank shall appear in the list of SCSBs as displayed on the SEBI website.

A list of SCSBs and mobile application which are live for applying in public issues using UPI mechanism is provided on the SEBI Website at the following path:

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

Investors whose Bank is not live on UPI as on the date of the aforesaid circular, may use the other alternate channels available to them viz. submission of application form with SCSBs or using the facility of linked online trading, demat and bank account (Channel I or II at para 5.1 SEBI circular bearing no. SEBI/HO/CFD/DIL2/CIR/P/2018/138 dated November 01, 2018).

ELECTRONIC REGISTRATION OF APPLICATIONS

1. The Designated Intermediary will register the Applications using the on-line facilities of the Stock Exchanges. There will be at least one on-line connectivity facility in each city, where a stock exchange is located in India and where Applications are being accepted. The Lead Manager, our Company and the Registrar are not responsible for any acts, mistakes or errors or omission and commissions in relation to, (i) the Applications accepted by the Designated Intermediary, (ii) the Applications uploaded by the Designated Intermediary, (iii) the Applications accepted but not uploaded by the Designated Intermediary or (iv) Applications accepted and uploaded without blocking funds.
2. The Designated Intermediary shall be responsible for any acts, mistakes or errors or omission and commissions in relation to, (i) the Applications accepted by the Designated Intermediary, (ii) the Applications uploaded by the Designated Intermediary, (iii) the Applications accepted but not uploaded by the Designated Intermediary and (iv) Applications accepted and uploaded without blocking funds. It shall be presumed that for Applications uploaded by the Designated Intermediary, the full Application Amount has been blocked.
3. In case of apparent data entry error either by the Designated Intermediary in entering the Application Form number in their respective schedules other things remaining unchanged, the Application Form may be considered as valid and such exceptions may be recorded in minutes of the meeting submitted to Stock Exchange.
4. The Designated Intermediary will undertake modification of selected fields in the Application details already uploaded within before 1.00 p.m. of the next Working Day from the Issue Closing Date.
5. The Stock Exchanges will offer an electronic facility for registering Applications for the Issue. This facility will be available with the Designated Intermediary and their authorized agents during the Issue Period. The Designated Branches or the Agents of the Designated Intermediary 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 on-line facilities on a regular basis. On the Issue Closing Date, the Designated Intermediary shall upload the Applications till such time as may be permitted by the Stock Exchanges. This information will be available with the Lead Manager on a regular basis. Applicants are cautioned that a high inflow of high volumes on the last day of the Issue Period may lead to some Applications received on the last day not being uploaded and such Applications will not be considered for allocation.

6. At the time of registering each Application submitted by an Applicant, Designated Intermediary shall enter the following details of the investor in the on-line system, as applicable:
 1. Name of the Applicant;
 2. IPO Name;
 3. Application Form number;
 4. Investor Category;
 5. PAN (of First Applicant, if more than one Applicant);
 6. DP ID of the demat account of the Applicant;
 7. Client Identification Number of the demat account of the Applicant;
 8. UPI ID (RIIs applying through UPI Mechanism)
 9. Numbers of Equity Shares Applied for;
 10. Location 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
 11. Bank account number
 12. In case of submission of the Application by an Applicant through the Electronic Mode, the Applicant shall complete the above-mentioned details and mention the bank account number, except the Electronic Application Form number which shall be system generated.
 13. The Designated intermediaries shall, at the time of receipt of application, give an acknowledgement to investor, by giving the counter foil or specifying the application number to the investor, as a proof of having accepted the application form, in physical or electronic mode, respectively. The registration of the Application by the Designated Intermediary does not guarantee that the Equity Shares shall be allocated / allotted either by our Company.
 14. Such acknowledgement will be non-negotiable and by itself will not create any obligation of any kind.
 15. In case of QIB Applicants, the Lead Manager has the right to accept the Application or reject it. However, the rejection should be made at the time of receiving the Application and only after assigning a reason for such rejection in writing. In case on Non-Institutional Applicants and Retail Individual Applicants, Applications would be rejected on the technical grounds.
 16. The permission given by the Stock Exchanges to use their network and software of the Online IPO system should not in any way be deemed or construed to mean that the compliance with various statutory and other requirements by our Company and/or the Lead Manager are cleared or approved by the Stock Exchanges; nor does it in any manner warrant, certify or endorse the correctness or completeness of any of the compliance with the statutory and other requirements nor does it take any responsibility for the financial or other soundness of our Company, our Promoter, our management or any scheme or project of our Company; nor does it in any manner warrant, certify or endorse the correctness or completeness of any of the contents of this Draft Prospectus; nor does it warrant that the Equity Shares will be listed or will continue to be listed on the Stock Exchanges.
 17. Only Applications that are uploaded on the online IPO system of the Stock Exchanges shall be

considered for allocation/Allotment. The Designated Intermediary will be given time till 1.00 p.m. on the next working day after the Issue Closing Date to verify the PAN, DP ID and Client ID uploaded in the online IPO system during the Issue Period, after which the Registrar will receive this data from the Stock Exchanges 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.

WITHDRAWAL OF APPLICATIONS

RIIs can withdraw their applications until Issue Closing Date. In case a RII wishes to withdraw the applications during the 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 or Sponsor Bank in the ASBA Account.

The Registrar to the Issue shall give instruction to the SCSB for unblocking the ASBA Account on the Designated Date. QIBs and NIIs can neither withdraw nor lower the size of their Bids at any stage.

SIGNING OF UNDERWRITING AGREEMENT

The issue is 100% Underwritten. For further details please refer to Section titled "*General Information*" on page 47 of this Draft Prospectus.

FILING OF THE OFFER DOCUMENT

For filing details, please refer Chapter titled "*General Information*" beginning on page 47 of this Draft Prospectus.

PRE-ISSUE ADVERTISEMENT

Subject to Section 30 of the Companies Act, 2013, the Company shall, after filing the Prospectus with the RoC, publish a pre-Issue advertisement, in the form prescribed by the SEBI 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 registered office of the Company is situated.

PRICE DISCOVERY AND ALLOCATION OF EQUITY SHARES

- a) The Issue is being made through the Fixed Price Process where in up to Equity Shares shall be reserved for Market Maker. Equity shares will be allocated on a proportionate basis to Retail Individual Applicants, subject to valid Application being received from Retail Individual Applicants at the Issue Price. The balance of the Net Issue will be available for allocation on proportionate basis to Non-Retail Applicants.
- b) Under- subscription if any, in any category, would be allowed to be met with spill-over from any other category or combination of categories at the discretion of our Company in consultation with the Book Running Lead Manager and the Stock Exchange.
- c) Allocation to Non-Residents, including Eligible NRIs, Eligible QFIs, FIIs and FVCIs registered with SEBI, applying on repatriation basis will be subject to applicable law, rules, regulations, guidelines and approvals.
- d) In terms of SEBI Regulations, Non-Retail Investors shall not be allowed to either withdraw or lower the size of their applications at any stage.
- e) Allotment status details shall be available on the website of the Registrar to the Issue.

ISSUANCE OF ALLOTMENT ADVICE

Upon approval of the Basis of Allotment by the Designated stock exchange, the Registrar shall upload on its website. On the basis of approved basis of allotment, the Issuer shall pass necessary corporate action to facilitate the allotment and credit of equity shares. Applicants are advised to instruct their Depository

Participants to accept the Equity Shares that may be allotted to them pursuant to the issue. Pursuant to confirmation of such corporate actions, the Registrar will dispatch Allotment Advice to the Applicants who have been allotted Equity Shares in the Issue.

1. The dispatch of allotment advice shall be deemed a valid, binding and irrevocable contract.
2. **Issuer will ensure that:** (i) the allotment of the equity shares; and (ii) initiate corporate action for credit of shares to the successful applicant's Depository Account within 4 working days of the Issue Closing date. The Issuer also ensures the credit of shares to the successful Applicants Depository Account is completed within one working Day from the date of allotment, after the funds are transferred from ASBA Public Issue Account to Public Issue account of the issuer.
3. 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 4 working days of the Issue Closing Date. The Company will intimate the details of allotment of securities to Depository immediately on allotment of securities under Section 56 of the Companies Act, 2013 or other applicable provisions, if any.

ISSUANCE OF CONFIRMATION ALLOCATION NOTE ("CAN")

- a) A physical book is prepared by the Registrar on the basis of the Application Forms received from Investors. Based on the physical book and at the discretion of the Company in consultation with the LM, selected Investors will be sent a CAN and if required, a revised CAN.
- b) In the event that the Offer Price is higher than the Investor Allocation Price: Investors will be sent a revised CAN within 1 (one) day of the Pricing Date indicating the number of Equity Shares allocated to such Investor and the pay-in date for payment of the balance amount. Investors are then required to pay any additional amounts, being the difference between the Offer Price and the 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 Investors.
- c) In the event the Offer Price is lower than the Investor Allocation Price: Investors who have been Allotted Equity Shares will directly receive Allotment Advice.

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.

GENERAL INSTRUCTIONS

Applicants are requested to note the additional instructions provided below.

Do's:

1. Check if you are eligible to apply as per the terms of the Prospectus and under applicable law, rules, regulations, guidelines and approvals;
2. Read all the instructions carefully and complete the Application Form;
3. Ensure that the details about the PAN, UPI ID (if applicable), DP ID and Client ID are correct and the Applicants depository account is active, as Allotment of the Equity Shares will be in the dematerialised form only;
4. Ensure that your Application Form, bearing the stamp of a Designated Intermediary is submitted to the Designated Intermediary at the Collection Centre within the prescribed time, except in case of electronic forms. Retail Individual Investors using UPI mechanism, may submit their ASBA forms with Designated Intermediary and ensure that it contains the stamp of such Designated Intermediary;
5. Ensure that the signature of the First Applicant in case of joint Applications, is included in the Application Forms;

6. If the first applicant is not the ASBA account holder (or the UPI- linked bank account holder as the case may be), ensure that the Application Form is signed by the ASBA account holder (or the UPI - linked bank account holder as the case may be). Ensure that you have mentioned the correct bank account number and UPI ID in the Application Form;
7. All Applicants (other than Anchor Investors and RII using UPI Mechanism) should apply through the ASBA process only. RII not using UPI mechanism, should submit their application form directly with SCSB's and not with any designated intermediary.
8. With respect to Applications by SCSBs, ensure that you have a separate account in your own name with any other SCSB having clear demarcated funds for applying under the ASBA process and that such separate account (with any other SCSB) is used as the ASBA Account with respect to your Application;
9. Ensure that you request for and receive a stamped acknowledgement of your Application;
10. Ensure that you have funds equal to the Application Amount in the ASBA Account maintained with the SCSB before submitting the ASBA Form to any of the Designated Intermediaries;
11. Instruct your respective banks to not release the funds blocked in the ASBA Account under the ASBA process. Retail Individual Investors using the UPI Mechanism, should ensure that they approve the UPI Mandate Request generated by the Sponsor Bank to authorise blocking of funds equivalent to application amount and subsequent debit of funds in case of allotment, in a timely manner
12. Submit revised Applications to the same Designated Intermediary, as applicable, through whom the original Application was placed and obtain a revised TRS;
13. Except for Applications (i) on behalf of the central or state governments and the officials appointed by the courts, who, in terms of SEBI circular dated June 30, 2008, may be exempt from specifying their PAN for transacting in the securities market and (ii) Applications by persons resident in the state of Sikkim, who, in terms of SEBI circular dated July 20, 2006, may be exempted from specifying their PAN for transacting in the securities market, all Applicants 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 Applicants 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 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;
16. Ensure that the name(s) given in the 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 application, 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;
17. Ensure that the category and sub-category under which the Application is being submitted is clearly specified in the Application Form;
18. Ensure that in case of Applications under power of attorney or by limited companies, corporate, trust etc., relevant documents are submitted;
19. If you are resident outside India, ensure that Applications by you are in compliance with applicable foreign and Indian laws;

20. Applicants should note that in case the DP ID, the Client ID, UPI ID (where applicable) and the PAN mentioned in the Application Form and entered into the online IPO system of the Stock Exchange by the relevant Designated Intermediary, match with the DP ID, Client ID (where applicable) and PAN available in the Depository database otherwise liable to be rejected; Where the 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 Application Form;
21. Ensure that the Application Forms are delivered by the Applicants within the time prescribed as per the Application Form and the Prospectus;
22. Ensure that you have correctly signed the authorization /undertaking box in the Application Form, or have otherwise provided an authorisation to the SCSB via the electronic mode, for blocking funds in the ASBA Account equivalent to the Application Amount mentioned in the Application Form at the time of submission of the Application;
23. Ensure that you have mentioned the correct ASBA Account number (for all Bidders other than Retail Individual Investors Bidding using the UPI Mechanism) in the Bid cum Application Form and such ASBA account belongs to you and no one else. Further, Retail Individual Investors using the UPI Mechanism must also mention their UPI ID and shall use only his/her own bank account which is linked to his/her UPI ID;
24. Retail Individual Investors Bidding using the UPI Mechanism shall ensure that the bank, with which they have their bank account, where the funds equivalent to the application amount are available for blocking is UPI 2.0 certified by NPCI before submitting the ASBA Form to any of the Designated Intermediaries;
25. Retail Individual Investors Bidding using the UPI Mechanism through the SCSBs and mobile applications shall ensure that the name of the bank appears in the list of SCSBs which are live on UPI, as displayed on the SEBI website. Retail Individual Investors shall ensure that the name of the app and the UPI handle which is used for making the application appears on the list displayed on the SEBI website. An application made using incorrect UPI handle or using a bank account of an SCSB or bank which is not mentioned on the SEBI website is liable to be rejected;

Don'ts:

1. Do not apply for lower than the minimum Application size;
2. Do not apply at a Price different from the Price mentioned herein or in the Application Form;
3. Do not pay the Application Amount in cash, cheque, by money order or by postal order or by stock invest or any mode other than stated herein;
4. Do not send Application / ASBA Forms by post, instead submit the same to the Designated Intermediary only;
5. Do not submit the Application Forms with the Banker(s) to the Issue (assuming that such bank is not a SCSB), our Company, the LM or the Registrar to the Issue (assuming that the Registrar to the Issue is not one of the RTAs) or any non-SCSB bank;
6. Do not apply on an Application Form that does not have the stamp of the Designated Intermediary;
7. If you are a Retail Individual Applicant, do not apply for an exceeding Rs. 200,000;
8. Do not fill up the Application Form such that the Equity Shares applied for exceeds the Issue size and/or investment limit or maximum number of 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 Prospectus;
9. Do not submit the General Index Register number instead of the PAN;

10. As an ASBA Applicant, do not submit the Application without ensuring that funds equivalent to the entire Application Amount are available to be blocked in the relevant ASBA Account and as in the case of Retail Individual Investors using the UPI Mechanism shall ensure that funds equivalent to the entire application amount are available in the UPI linked bank account where funds for making the bids are available.
11. As an ASBA Applicant, do not instruct your respective banks to release the funds blocked in the ASBA Account;
12. Do not submit incorrect details of the DP ID, Client ID and PAN or provide details for a beneficiary account which is suspended or for which details cannot be verified by the Registrar to the Issue;
13. Do not submit Applications on plain paper or on incomplete or illegible Application Forms or on Application Forms in a colour prescribed for another category of Applicant;
14. If you are a QIB, do not submit your Application after 3.00 pm on the Issue Closing Date for QIBs;
15. If you are a Non-Institutional Applicant or Retail Individual Applicant, do not submit your Application after 3.00 pm on the Issue Closing Date;
16. Do not submit an Application in case you are not eligible to acquire Equity Shares under applicable law or your relevant constitutional documents or otherwise;
17. Do not submit an Application 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 Depositories);
18. If you are a QIB or a Non-Institutional Applicant, do not withdraw your Application or lower the size of your Application (in terms of quantity of the Equity Shares or the Application Amount) at any stage;
19. Do not submit more than five (5) ASBA Forms per ASBA Account;
20. Do not submit ASBA Forms at a location other than the Specified Locations or to the brokers other than the Registered Brokers at a location other than the Broker Centres; and
21. Do not submit ASBA Forms to a Designated Intermediary at a Collection Centre unless the SCSB where the ASBA Account is maintained, as specified in the ASBA Form, has named at least one (1) branch in the relevant Collection Centre, for the Designated Intermediary to deposit ASBA Forms (a list of such branches is available on the website of SEBI at <http://www.sebi.gov.in>). The Application Form is liable to be rejected if the above instructions, as applicable, are not complied with.
22. Do not submit a Bid cum Application Form with third party UPI ID or using a third-party bank account (in case of Bids submitted by Retail Individual Investors using the UPI Mechanism)

The Application Form is liable to be rejected if the above instructions, as applicable, are not complied with.

Instructions for completing the Application Form

The Applications should be submitted on the prescribed Application Form and in BLOCK LETTERS in ENGLISH only in accordance with the instructions contained herein and in the Application Form. Applications not so made are liable to be rejected. Application forms submitted to the SCSBs should bear the stamp of respective intermediaries to whom the application form submitted. Application form submitted directly to the SCSBs should bear the stamp of the SCSBs and/or the Designated Branch. Application forms submitted by Applicants whose beneficiary account is inactive shall be rejected.

SEBI, vide Circular No. CIR/CFD/14/2012 dated October 04, 2012 has introduced an additional mechanism for investors to submit application forms in public issues using the stock broker (“broker”) network of Stock Exchanges, who may not be syndicate members in an issue with effect from January 01, 2013. The list of Broker Centre is available on the websites of Stock Exchange.

Applicant's Depository Account and Bank Details

Please note that, providing bank account details in the space provided in the Application Form is mandatory and applications that do not contain such details are liable to be rejected.

Applicants should note that on the basis of name of the Applicants, Depository Participant's name, Depository Participant Identification number and Beneficiary Account Number provided by them in the Application Form, the Registrar to the Issue will obtain from the Depository the demographic details including address, Applicant's bank account details, MICR code and occupation (hereinafter referred to as 'Demographic Details'). These Bank Account details would be used for giving refunds to the Applicants. Hence, Applicants are advised to immediately update their Bank Account details as appearing on the records of the depository participant. Please note that failure to do so could result in delays in dispatch/ credit of refunds to Applicants at the Applicants' sole risk and neither the Lead Manager nor the Registrar to the Issue or the Escrow Collection Banks or the SCSB nor the Company shall have any responsibility and undertake any liability for the same. Hence, Applicants should carefully fill in their Depository Account details in the Application Form. These Demographic Details would be used for all correspondence with the Applicants including mailing of the CANs / Allocation Advice and printing of Bank particulars on the refund orders or for refunds through electronic transfer of funds, as applicable. The Demographic Details given by Applicants in the Application Form would not be used for any other purpose by the Registrar to the Issue. By signing the Application Form, the Applicant would be deemed to have authorized the depositories to provide, upon request, to the Registrar to the Issue, the required Demographic Details as available on its records.

Payment by Stock Invest

In terms of the Reserve Bank of India Circular No. DBOD No. FSC BC 42/ 24.47.00/ 2003 04 dated November 5, 2003; the option to use the stock invest instrument in lieu of cheques or bank drafts for payment of Application money has been withdrawn. Hence, payment through stock invest would not be accepted in this Issue.

OTHER INSTRUCTIONS

JOINT APPLICATIONS IN THE CASE OF INDIVIDUALS

Applications may be made in single or joint names (not more than three). In the case of joint Applications, all payments will be made out in favour of the Applicant whose name appears first in the Application Form or Revision Form. All communications will be addressed to the First Applicant and will be dispatched to his or her address as per the Demographic Details received from the Depository.

MULTIPLE APPLICATIONS

An Applicant should submit only one Application (and not more than one). Two or more Applications will be deemed to be multiple Applications if the sole or First Applicant is one and the same. In this regard, the procedures which would be followed by the Registrar to the Issue to detect multiple applications are given below:

- i. All applications are electronically strung on first name, address (1st line) and applicant's status. Further, these applications are electronically matched for common first name and address and if matched, these are checked manually for age, signature and father/ husband 's name to determine if they are multiple applications.
- ii. Applications which do not qualify as multiple applications as per above procedure are further checked for common DP ID/ beneficiary ID. In case of applications with common DP ID/ beneficiary ID, are manually checked to eliminate possibility of data entry error to determine if they are multiple applications.

- iii. Applications which do not qualify as multiple applications as per above procedure are further checked for common PAN. All such matched applications with common PAN are manually checked to eliminate possibility of data capture error to determine if they are multiple applications.

In case of a mutual fund, a separate Application can be made in respect of each scheme of the mutual fund registered with SEBI and such Applications in respect of more than one scheme of the mutual fund will not be treated as multiple Applications provided that the Applications clearly indicate the scheme concerned for which the Application has been made. In cases where there are more than 20 valid applications having a common address, such shares will be kept in abeyance, post allotment and released on confirmation of know your client norms by the depositories. The Company reserves the right to reject, in its absolute discretion, all or any multiple Applications in any or all categories.

After submitting an ASBA Application either in physical or electronic mode, an ASBA Applicant cannot apply (either in physical or electronic mode) to either the same or another Designated Branch of the SCSB. Submission of a second Application in such manner will be deemed a multiple Application and would be rejected. More than one ASBA Applicant may apply for Equity Shares using the same ASBA Account, provided that the SCSBs will not accept a total of more than five Application Forms with respect to any single ASBA Account.

Duplicate copies of Application Forms downloaded and printed from the website of the Stock Exchange bearing the same application number shall be treated as multiple Applications and are liable to be rejected. The Company, in consultation with the Book Running Lead Manager reserves the right to reject, in its absolute discretion, all or any multiple Applications in any or all categories. In this regard, the procedure which would be followed by the Registrar to the Issue to detect multiple Applications is given below:

- All Applications will be checked for common PAN. For Applicants other than Mutual Funds and FII subaccounts, Applications bearing the same PAN will be treated as multiple Applications and will be rejected.
- For Applications from Mutual Funds and FII sub-accounts, submitted under the same PAN, as well as Applications on behalf of the Applicants for whom submission of PAN is not mandatory such as the Central or State Government, an official liquidator or receiver appointed by a court and residents of Sikkim, the Application Forms will be checked for common DP ID and Client ID.

PERMANENT ACCOUNT NUMBER (“PAN”)

Pursuant to the circular MRD/DoP/Circ 05/2007 dated April 27, 2007, SEBI has mandated Permanent Account Number (PAN) to be the sole identification number for all participants transacting in the securities market, irrespective of the amount of the transaction w.e.f. July 2, 2007. Each of the Applicants should mention his/her PAN allotted under the IT Act. Applications without the PAN will be considered incomplete and are liable to be rejected. It is to be specifically noted that Applicants should not submit the GIR number instead of the PAN, as the Application is liable to be rejected on this ground.

Our Company/ Registrar to the Issue, Lead Manager can, however, accept the Application(s) which PAN is wrongly entered into by ASBA SCSB’s in the ASBA system, without any fault on the part of Applicant.

RIGHT TO REJECT APPLICATIONS

In case of QIB Applicants, the Company in consultation with the Lead Manager may reject Applications provided that the reasons for rejecting the same shall be provided to such Applicant in writing. In case of Non-Institutional Applicants, Retail Individual Applicants who applied, the Company has a right to reject Applications based on technical grounds. It should be noted that RIIs using third party bank account for the payment in the public issue using UPI facility or using third party UPI ID linked bank account are liable to be rejected.

GROUND FOR TECHNICAL REJECTIONS

Applicants are requested to note that Application may be rejected on the following additional technical grounds.

- a. Amount paid does not tally with the amount payable for the highest value of Equity Shares applied for;
- b. 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;
- c. Application by persons not competent to contract under the Indian Contract Act, 1872 including minors, insane persons;
- d. PAN not mentioned in the Application Form;
- e. GIR number furnished instead of PAN;
- f. Applications for lower number of Equity Shares than specified for that category of investors;
- g. Applications at a price other than the Fixed Price of the Issue;
- h. Applications for number of Equity Shares which are not in multiples as stated in the chapter titled "***Issue Structure***";
- i. Category not ticked;
- j. Multiple Applications as defined in the Prospectus;
- k. In case of Application under power of attorney or by limited companies, corporate, trust etc., where relevant documents are not submitted;
- l. Applications accompanied by Stock invest/ money order/ postal order/ cash;
- m. Signature of sole Applicant is missing;
- n. Application Forms are not delivered by the Applicant within the time prescribed as per the Application Forms, Issue Opening Date advertisement and the Prospectus and as per the instructions in the Prospectus and the Application Forms;
- o. In case no corresponding record is available with the Depositories that matches three parameters namely, names of the Applicants (including the order of names of joint holders), the Depository Participant's identity (DP ID) and the beneficiary's account number;
- p. Applications for amounts greater than the maximum permissible amounts prescribed by the regulations;
- q. Applications by OCBs;
- r. Applications by US persons other than in reliance on Regulations or "qualified institutional buyers" as defined in Rule 144A under the Securities Act;
- s. Applications not duly signed;
- t. Applications by any persons outside India if not in compliance with applicable foreign and Indian laws;
- u. Applications by any person that do not comply with the securities laws of their respective jurisdictions are liable to be rejected;
- v. Applications by persons prohibited from buying, selling or dealing in the shares directly or indirectly by SEBI or any other regulatory authority;
- w. Applications by persons who are not eligible to acquire Equity Shares of the Company in terms of all applicable laws, rules, regulations, guidelines, and approvals;
- x. Applications or revisions thereof by QIB Applicants, Non-Institutional Applicants where the Application Amount is in excess of Rs. 2,00,000, received after 3.00 pm on the Issue Closing Date;
- y. Applications not containing the details of Bank Account and/or Depositories Account.

- z. Applications under the UPI Mechanism submitted by Retail Individual Investors using third party bank accounts or using a third party linked bank account UPI ID (subject to availability of information regarding third party account from Sponsor Bank);
- aa. Application submitted by Retail Individual Investors using the UPI Mechanism through an SCSB and/or using a Mobile App or UPI handle, not listed on the website of SEBI.

EQUITY SHARES IN DEMATERIALIZED FORM WITH NSDL AND CDSL

To enable all shareholders of the Company to have their shareholding in electronic form, the Company had signed the following tripartite agreements with the Depositories and the Registrar and Share Transfer Agent.

- a) a tripartite agreement dated June 09, 2022 with NSDL, our Company and Registrar to the Issue;
- b) a tripartite agreement dated August 05, 2022, 2022 with CDSL, our Company and Registrar to the Issue;
- c) The Company's shares bear an ISIN No: INE0M7001010.
- d) An applicant applying for Equity Shares in demat form must have at least one beneficiary account with the Depository Participants of either NSDL or CDSL prior to making the application.
- e) The applicant must necessarily fill in the details (including the Beneficiary Account Number and Depository Participant's Identification number) appearing in the Application Form or Revision Form.
- f) Equity Shares allotted to a successful applicant will be credited in electronic form directly to the Applicant's beneficiary account (with the Depository Participant).
- g) Names in the Application Form or Revision Form should be identical to those appearing in the account details in the Depository. In case of joint holders, the names should necessarily be in the same sequence as they appear in the account details in the Depository.
- h) If incomplete or incorrect details are given under the heading 'Applicants Depository Account Details' in the Application Form or Revision Form, it is liable to be rejected.
- i) The Applicant is responsible for the correctness of his or her demographic details given in the Application Form vis-à-vis those with their Depository Participant.
- j) It may be noted that Equity Shares in electronic form can be traded only on the stock exchanges having electronic connectivity with NSDL and CDSL. The Stock Exchange where our Equity Shares are proposed to be listed has electronic connectivity with CDSL and NSDL.
- k) The trading of the Equity Shares of our Company would be only in dematerialized form.

COMMUNICATIONS

All future communications in connection with Applications made in this Issue should be addressed to the Registrar to the Issue quoting the full name of the sole or First Applicant, Application Form number, Applicants Depository Account Details, number of Equity Shares applied for, date of Application form, name and address of the Banker to the Issue where the Application was submitted and a copy of the acknowledgement slip.

Investors can contact the Company Secretary and 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.

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| <p>TAPI FRUIT PROCESSING LIMITED Address: Office No. - 212 to 214, Sunrise Chambers, Near Ashok Colony, Mini Bazaar, Varachha Road, Surat - 395006, Gujarat, India. Tel No: 9825503717</p> | <p>BIGSHARE SERVICES PRIVATE LIMITED Address: Office No S6 - 2, 6th Floor, Pinnacle Business Park, Next to Ahura Centre, Mahakali</p> |
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| <p>Email: cs@tapifood.com Website: https://www.tapifood.com/</p> | <p>Caves Road, Andheri - (East), Mumbai - 400093. Tel No: 022 - 62638200 Email: ipo@bigshareonline.com Website: www.bigshareonline.com</p> |
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Disposal of Applications

With respect to Investors, our Company shall ensure dispatch of Allotment Advice, refund orders (except for applicants who receive refunds through electronic transfer of funds) and give benefit to the beneficiary account of Depository Participants of the Applicants and submit the documents pertaining to the Allocation to the Stock Exchange(s) on the Investor Bidding Date. In case of Applicants who receive refunds through NECS, NEFT, direct credit or RTGS, the refund instructions will be given to the clearing system within 6 Working Days from the Bid/Offer Closing Date.

IMPERSONATION

Attention of the Applicant 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:

- i. makes or abets making of an application in a fictitious name to a company for acquiring, or subscribing for, its securities; or
- ii. 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 shall be liable for action under Section 447”.

Section 447 of Companies Act, 2013 deals with ‘Fraud’ and prescribed a punishment of “imprisonment for a term which shall not be less than 6 (six) months but which may extend to 10 (ten) years and shall also be liable to fine which shall not be less than the amount involved in the fraud, but which may extend to 3 (three) times the amount involved in the fraud”.

NAMES OF ENTITIES RESPONSIBLE FOR FINALISING THE BASIS OF ALLOTMENT IN A FAIR AND PROPER MANNER

The authorised employees of the Stock Exchange, along with the Lead Manager and the Registrar, shall ensure that the Basis of Allotment is finalised in a fair and proper manner in accordance with the procedure specified in SEBI ICDR Regulations.

BASIS OF ALLOTMENT

Allotment will be made in consultation with the Stock Exchange. In the event of oversubscription, the allotment will be made on a proportionate basis in marketable lots as set forth here:

1. The total number of Shares to be allocated to each category as a whole shall be arrived at on a proportionate basis i.e., the total number of Shares applied for in that category multiplied by the inverse of the over subscription ratio (number of applicants in the category x number of Shares applied for).
2. The number of Shares to be allocated to the successful applicants will be arrived at on a proportionate basis in marketable lots (i.e., Total number of Shares applied for into the inverse of the over subscription ratio).
3. For applications where the proportionate allotment works out to less than [●] equity shares the allotment will be made as follows:
 - a. Each successful applicant shall be allotted [●] equity shares; and
 - b. The successful applicants out of the total applicants for that category shall be determined by the 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 (2) above.
4. If the proportionate allotment to an applicant works out to a number that is not a multiple of [●] equity shares, the applicant would be allotted Shares by rounding off to the lower nearest multiple of [●] equity shares subject to a minimum allotment of [●] equity shares.
 5. If the Shares allocated on a proportionate basis to any category is more than the Shares allotted to the applicants in that category, the balance available Shares for allocation shall be first adjusted against any category, where the allotted Shares are not sufficient for proportionate allotment to the successful applicants in that category, the balance Shares, if any, remaining after such adjustment will be added to the category comprising of applicants applying for the minimum number of Shares. If as a result of the process of rounding off to the lower nearest multiple of [●] equity shares, results in the actual allotment being higher than the shares offered, the final allotment may be higher at the sole discretion of the Board of Directors, up to 110% of the size of the offer specified under the Capital Structure mentioned in the Draft Prospectus.
 6. Since present issue is a fixed price issue, the allocation in the net offer to the public category in terms of Regulation 253 of the SEBI (ICDR) Regulations, 2018 shall be made as follows:
 7. A minimum of 50% of the net offer of shares to the Public shall initially be made available for allotment to retail individual investors as the case may be.
 8. The balance net offer of shares to the public shall be made available for allotment to a) individual applicants other than retails individual investors and b) other investors, including Corporate Bodies/ Institutions irrespective of number of shares applied for.
 - a. The unsubscribed portion of the net to any one of the categories specified in (a) or (b) shall/may be made available for allocation to applicants in the other category, if so required.

If the retail individual investor is entitled to more than fifty percent on proportionate basis, the retail individual investors shall be allocated that higher percentage.

Please note that the Allotment to each Retail Individual Investor shall not be less than the minimum application lot, subject to availability of Equity Shares in the Retail portion. The remaining available Equity Shares, if any in Retail portion shall be allotted on a proportionate basis to Retail individual Investor in the manner in this para titled '*Basis of Allotment*' of Draft Prospectus.

'Retail Individual Investor' means an investor who applies for shares of value of not more than Rs.2,00,000/- Investors may note that in case of over subscription allotment shall be on proportionate basis and will be finalized in consultation with the Stock Exchange.

BASIS OF ALLOTMENT IN THE EVENT OF UNDER SUBSCRIPTION

In the event of under subscription in the Issue, the obligations of the Underwriters shall get triggered in terms of the Underwriting Agreement. The Minimum subscription of 100% of the Issue size as specified shall be achieved before our company proceeds to get the basis of allotment approved by the Designated Stock Exchange.

The Executive Director/Managing Director of the Stock Exchange in addition to Lead Manager and Registrar to the Public Issue shall be responsible to ensure that the basis of allotment is finalized in a fair and proper manner in accordance with the SEBI (ICDR) Regulations, 2018.

As per the RBI regulations, OCBs are not permitted to participate in the Issue.

There is no reservation for Non-Residents, NRIs, FPIs and foreign venture capital funds and all Non-Residents, NRI, FPI and Foreign Venture Capital Funds applicants will be treated on the same basis with other categories for the purpose of allocation.

AT PAR FACILITY

Letters of Allotment or refund orders or instructions to Self-Certified Syndicate Banks in Application Supported by Blocked Amount process. The issuer shall ensure that "at par" facility is provided for encashment of refund orders for applications other than Application Supported by Blocked Amount process.

GROUNDNS FOR REFUND

Non-Receipt of Listing Permission

An Issuer makes an Application to the Stock Exchange for permission to deal in/list and for an official quotation of the Equity Shares. All the Stock Exchange from where such permission is sought are disclosed in Draft Prospectus. The designated Stock Exchange may be as disclosed in the Prospectus with which the Basis of Allotment may be finalised.

If the permission to deal in and official quotation of the Equity Shares are not granted by Stock Exchange, the Issuer may forthwith repay, without interest, all money received from the Applicants in pursuance of the Prospectus.

In the event that the listing of the Equity Shares does not occur in the manner described in this Draft Prospectus, the Lead Manager and Registrar to the Issue shall intimate Public Issue bank / Bankers to the Issue and Public Issue Bank/Bankers to the Issue shall transfer the funds from Public Issue account to Refund Account as per the written instruction from lead Manager and the Registrar for further payment to the beneficiary Applicants.

If such money is not repaid within Four days after the Issuer becomes liable to repay it, then the Issuer and every director of the Issuer who is an officer in default may, on and from such expiry of eight days, be liable to repay the money, with interest at such rate, as prescribed under Section 73 of the Companies Act, and as disclosed in the Draft Prospectus.

Minimum Subscription

This Issue is not restricted to any minimum subscription level. This Issue 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 money has to be returned within such 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 the Issuer does not receive the subscription of 100% of the Issue through this offer document including devolvement of underwriters within Sixty Days from the date of closure of the Issue, the Issuer shall Forthwith refund the entire subscription amount received. If there is a delay beyond eight days after the Issuer become liable to pay the amount, the Issuer shall pay interest prescribed under section 73 of the Companies Act, 1956 (or the Company shall follow any other substitutional or additional provisions as has been or may be notified under the Companies Act, 2013)

Minimum Number of Allottees

The Issuer may ensure that the number of Allottees to whom Equity Shares may be allotted may not be less than fifty (50), failing which the entire application monies may be refunded forthwith.

MODE OF REFUNDS

- a) **In case of ASBA Bids:** Within Four (4) Working Days of the Bid / Offer Closing Date, the Registrar to the Offer may give instructions to SCSBs for unblocking the amount in ASBA Account on unsuccessful Bid, for any excess amount blocked on Application, for any ASBA Bids withdrawn, rejected or unsuccessful or in the event of withdrawal or failure of the Offer
- b) In the case of Applicant from Eligible NRIs and FPIs, refunds, if any, may generally be payable in Indian Rupees only and net of bank charges and/ or commission. If so desired, such payments in Indian Rupees may be converted into U.S. Dollars or any other freely convertible currency as may be permitted by the RBI at the rate of exchange prevailing at the time of remittance and may be dispatched by registered post. The Company may not be responsible for loss, if any, incurred by the Bidder on account of conversion of foreign currency.

- c) **In case of Investors:** Within Four (4) Working Days of the Bid/Offer Closing Date, the Registrar to the Offer may dispatch the refund orders for all amounts payable to unsuccessful Investors. In case of Investors, the Registrar to the Offer may obtain from the depositories, the Bidders' bank account details, including the MICR code, on the basis of the DP ID, Client ID and PAN provided by the Investors in their Investor Application Forms for refunds. Accordingly, Investors are advised to immediately update their details as appearing on the records of their depositories. Failure to do so may result in delays in dispatch of refund orders or refunds through electronic transfer of funds, as applicable, and any such delay may be at the Investors' sole risk and neither the Issuer, the Registrar to the Offer, the Escrow Collection Banks, may be liable to compensate the Investors for any losses caused to them due to any such delay, or liable to pay an interest for such delay

MODE OF MAKING REFUNDS FOR APPLICANTS OTHER THAN ASBA APPLICANTS

The payment of refund, if any, may be done through various modes as mentioned below:

- (i) **NECS** - Payment of refund may be done through NECS for Applicants having an account at any of the centers specified by the RBI. This mode of payment of refunds may be subject to availability of complete bank account details including the nine-digit MICR code of the Bidder as obtained from the Depository;
- (ii) **NEFT** - Payment of refund may be undertaken through NEFT wherever the branch of the Applicants' bank is NEFT enabled and has been assigned the Indian Financial System Code ("IFSC"), which can be linked to the MICR of that particular branch. The IFSC Code may be obtained from the website of RBI as at a date prior to the date of payment of refund, duly mapped with MICR numbers.
- (iii) Wherever the Applicants have registered their nine-digit MICR number and their bank account number while opening and operating the demat account, the same may be duly mapped with the IFSC Code of that particular bank branch and the payment of refund may be made to the Applicants through this method. In the event NEFT is not operationally feasible, the payment of refunds may be made through any one of the other modes as discussed in this section;
- (iv) **Direct Credit** - Applicants having their bank account with the Refund Banker may be eligible to receive refunds, if any, through direct credit to such bank account;
- (v) **RTGS** - Applicants having a bank account at any of the centres notified by SEBI where clearing houses are managed by the RBI, may have the option to receive refunds, if any, through RTGS. The IFSC code shall be obtained from the demographic details. Investors should note that on the basis of PAN of the bidder, DP ID and beneficiary account number provided by them in the Bid cum Application Form, the Registrar to the Offer will obtain from the Depository the demographic details including address, Applicant's account details, IFSC code, MICR code and occupation (hereinafter referred to as "Demographic Details"). The bank account details for would be used giving refunds. Hence, Applicants are advised to immediately update their bank account details as appearing on the records of the Depository Participant. Please note that failure to do so could result in delays in dispatch/ credit of refunds to Applicants at their sole risk and neither the BRLM or the Registrar to the Offer or the Escrow Collection Banks nor the Company shall have any responsibility and undertake any liability for the same; and
- (vi) Please note that refunds, on account of our Company not receiving the minimum subscription of 100% of the Offer, shall be credited only to the bank account from which the Applicant Amount was remitted to the Escrow Bank.

For details of levy of charges, if any, for any of the above methods, Bank charges, if any, for cashing such cheques, pay orders or demand drafts at other centers etc. Applicants may refer to Draft Prospectus.

INTEREST IN CASE OF DELAY IN ALLOTMENT OR REFUND

The issuer shall allot securities offered to the public shall be made within the period prescribed by the Board. The issuer shall also pay interest at the rate of fifteen per cent. per annum (15% p.a.) if the allotment letters

or refund orders have not been despatched to the applicants or if, in a case where the refund or portion thereof is made in electronic manner, the refund instructions have not been given to the clearing system in the disclosed manner within eight days from the date of the closure of the issue. However, applications received after the closure of issue in fulfilment of underwriting obligations to meet the minimum subscription requirement, shall not be entitled for the said interest.

COMPLETION OF FORMALITIES FOR LISTING & COMMENCEMENT OF TRADING

The Issuer may ensure that all steps for the completion of the necessary formalities for listing and commencement of trading at all the Stock Exchange are taken within 6 Working Days of the Issue Closing Date. The Registrar to the Issue may give instruction for credit of Equity Shares to the beneficiary account with DPs, and dispatch the allotment Advise within 4 Working Days of the Issue Closing Date.

UNDERTAKING BY OUR COMPANY

Our Company undertakes the following:

1. That the complaints received in respect of this Issue shall be attended to by our Company expeditiously and satisfactorily;
2. That all steps will be taken for the completion of the necessary formalities for listing and commencement of trading at the Stock Exchange where the Equity Shares are proposed to be listed within 6 (Six) working days of closure of the Issue;
3. that funds required for making refunds / unblocking to unsuccessful applicants as per the mode(s) disclosed shall be made available to the Registrar to the Issue by us;
4. that where refunds are made through electronic transfer of funds, a suitable communication shall be sent to the applicant within the specified period of closure of the issue giving details of the bank where refunds shall be credited along with amount and expected date of electronic credit of refund;
5. that no further issue of Equity Shares shall be made till the Equity Shares offered through the Prospectus are listed or until the Application monies are refunded on account of non-listing, under subscription etc.
6. That adequate arrangements shall be made to collect all Applications Supported by Blocked Amount and to consider them similar to non-ASBA applications while finalizing the basis of Allotment; and
7. That if our Company does not proceed with the Issue after the Issue Closing Date, the reason thereof shall be given as a public notice which will be issued by our Company within two (2) days of the Issue Closing Date. The public notice shall be issued in the same newspapers where the pre-Issue advertisements were published. Stock Exchange on which the Equity Shares are proposed to be listed shall also be informed promptly;
8. That if our Company withdraws the Issue after the Issue Closing Date, our Company shall be required to file a fresh Draft Prospectus with Stock Exchange/ RoC / SEBI, in the event our Company subsequently decides to proceed with the Issue;

Utilization of Issue Proceeds

Our Board 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 shall be disclosed and continue to be disclosed till any part of the issue proceeds remains unutilized under an appropriate separate head in the Company's balance sheet 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 an appropriate head in the balance sheet indicating the form in which such unutilized monies have been invested.

RESTRICTIONS ON FOREIGN OWNERSHIP OF INDIAN SECURITIES

Foreign investment in Indian securities is regulated through the Industrial Policy, 1991 of the Government of India and FEMA. While the Industrial Policy, 1991 prescribes the limits and the conditions subject to which foreign investment can be made in different sectors of the Indian economy, FEMA regulates the precise manner in which such investment may be made. Under the Industrial Policy, unless specifically restricted, foreign investment is freely permitted in all sectors of the Indian economy up to any extent and without any prior approvals, but the foreign investor is required to follow certain prescribed procedures for making such investment. The RBI and the concerned ministries/departments are responsible for granting approval for foreign investment. The Government has from time to time made policy pronouncements on foreign direct investment (“FDI”) through press notes and press releases. The DPIIT, issued the Consolidated FDI Policy Circular of 2020 (“FDI Policy”), which, with effect from October 15, 2020, subsumes and supersedes all press notes, press releases, clarifications, circulars issued by the DPIIT, which were in force as on October 15, 2020. The FDI Policy will be valid until the DPIIT issues an updated circular.

The transfer of shares between an Indian resident and a non-resident does not require the prior approval of the RBI, provided that: (i) the activities of the investee company are under the automatic route under the foreign direct investment policy and transfer does not attract the provisions of the SEBI Takeover Regulations; (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.

On October 17, 2019, Ministry of Finance, Department of Economic Affairs, had notified the FEMA Rules, which had replaced the Foreign Exchange Management (Transfer and Issue of Security by a Person Resident Outside India) Regulations 2017. Foreign investment in this Issue shall be on the basis of the FEMA Rules. Further, in accordance with Press Note No. 3 (2020 Series), dated April 17, 2020 issued by the DPIIT and the Foreign Exchange Management (Non-debt Instruments) Amendment Rules, 2020 which came into effect from April 22, 2020, any investment, subscription, purchase or sale of equity instruments by entities of a country which shares land border with India or where the beneficial owner of an investment into India is situated in or is a citizen of any such country, will require prior approval of the Government, as prescribed in the Consolidated FDI Policy and the FEMA Rules. Further, in the event of transfer of ownership of any existing or future foreign direct investment in an entity in India, directly or indirectly, resulting in the beneficial ownership falling within the aforesaid restriction/ purview, such subsequent change in the beneficial ownership will also require approval of the Government. 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.

As per the FDI policy, FDI in companies engaged in the wholesale trading sector, which is the sector in which our Company operates, is permitted up to 100% of the paid-up share capital of such company under the automatic route.

As per the existing policy of the Government of India, OCBs cannot participate in this Issue. For further details, see “*Issue Procedure*” Each Investor 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 Investor shall intimate our Company and the Registrar in writing about such approval along with a copy thereof within the Issue/ Period.

The Equity Shares offered in the Issue have not been and will not be registered under the U.S. Securities Act or any other applicable law of the United States and, unless so registered, may not be offered or sold within the United States, except pursuant to an exemption from, or in a transaction not subject to, the registration requirements of the U.S. Securities Act and applicable state securities laws. Accordingly, the Equity Shares are only being offered and sold (i) within the United States only to persons reasonably believed to be “qualified institutional buyers” (as defined in Rule 144A under the Securities Act and referred to in this Draft Prospectus as “U.S. QIBs”) in transactions exempt

from, or not subject to, the registration requirements of the U.S. Securities Act, and (ii) outside the United States in offshore transactions in compliance with Regulation S under the U.S. Securities Act and the applicable laws of the jurisdiction where those offers and sales occur. For the avoidance of doubt, the term “U.S. QIBs” does not refer to a category of institutional investors defined under applicable Indian regulations and referred to in this Draft Prospectus as “QIBs”.

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 Issue 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 Investors. Our Company, and the LMs are not liable for any amendments or modification or changes in applicable laws or regulations, which may occur after the date of this Draft Prospectus. Investors are advised to make their independent investigations, seek independent legal advice about its ability to participate in the Issue and ensure that the number of Equity Shares Issue for do not exceed the applicable limits under laws or regulations.

SECTION IX - MAIN PROVISIONS OF THE ARTICLES OF ASSOCIATION OF OUR COMPANY

**THE COMPANIES ACT, 2013
(COMPANY LIMITED BY SHARES)**

**ARTICLES OF ASSOCIATION
OF
*TAPI FRUIT PROCESSING LIMITED**

1. Table F not to apply. The regulations contained in Table F, in the first Schedule, to the Companies Act, 2013 shall not apply to this Company, but the regulations for the management of the Company and for the observance of the members thereof and their representatives shall, subject to any exercise of the statutory powers of the Company in reference to the repeal or alternation of, or addition to, its regulations by Special Resolution, as prescribed by the said Companies Act, 2013 be such as are contained in these Articles.
2. *Interpretation: In the interpretation of these Articles, the following words and expressions shall have the following meanings assigned thereunder, unless repugnant to the subject matter or content thereof.*
 - (a) “The Act” or “the said Act”

“The Act” means the Companies Act, 2013 or any statutory modification or re-enactment thereof for the time being in force.
 - (b) “These Articles”

“These Articles” means Articles of Association for the time being of the Company or the Articles of Association as altered from time to time by special resolution.
 - (c) “Beneficial Owner”

“Beneficial Owner” shall have the meaning assigned thereto in clause(a) of sub-section (1) of Section 2 of the Depositories Act, 1996.
 - (d) “The Company” or “this Company”

“The Company” or “this Company” means *TAPI FRUIT PROCESSING LIMITED

**The word ‘Private’ is deleted consequent upon conversion vide special resolution passed at Annual General Meeting held on 04.07.2022*
 - (e) “The Directors”

“The Directors” means the Directors for the time being of the Company or as the case may be, the Directors assembled at a Board.
 - (f) “Depository”

“Depository” shall have the meaning assigned thereto by Section 2 (1)(e) of the Depositories Act, 1996.

(g) “Depositories Act 1996”

“Depositories Act 1996” includes any statutory modification or re- enactment thereof.

(h) “The Board” or the “Board of Directors”

“The Board,” or the “Board of Directors” means a meeting of the Directors duly called and constituted or as the case may be the Directors assembled at a Board, or the requisite number of Directors entitled to pass a circular resolution in accordance with the Act.

(i) “The Chairman”

“The Chairman” means the Chairman of the Board of Directors for the time being of the Company.

(j) “The Managing Director”

“The Managing Director” includes one or more persons appointed as such or any of such persons or Directors for the time being of the Company who may for the time being be the Managing Director of the Company.

(k) “The Office”

“The Office” means the Registered Office for the time being of the Company.

(l) “Capital”

“Capital” means the share capital for the time being raised or authorised to be raised, for the purpose of the Company.

(m) “The Registrar”

“The Registrar” means the Registrar of Companies of the State in which the office of the Company is for the time being situated.

(n) “Dividend”

“Dividend” includes Bonus.

(o) “Month”

“Month” means the calendar month.

(p) “Seal”

“Seal” means the Common Seal for the time being of the Company.

(q) “In Writing and Written”

“In Writing and Written” include printing, lithography and other modes of representing or reproducing words in a visible form.

(r) “Plural Number”

Words importing the singular number also include the plural number and vice versa.

(s) “Persons”

“Persons” include corporations and firms as well as individuals.

(t) “Gender”

Words importing the masculine gender also include the feminine gender.

(u) “Securities & Exchange Board of India”

“Securities & Exchange Board of India” or SEBI means the Securities & Exchange Board of India established under Section 3 of the Securities & Exchange Board of India Act, 1992.

(v) “Year and Financial Year”

“Year” means the Calendar year and “Financial Year” shall have the meaning assigned thereto by Section 2(41) of the Act.

Expression in the Act to bear same meaning
in the Articles

Save as aforesaid, any words or expressions
defined in the Act shall, except where the
subject or context forbids, bear the same
meaning in these Articles.

Marginal Notes

The marginal notes hereto shall not affect
the construction of these Articles.

COPIES OF MEMORANDUM AND ARTICLES TO BE FURNISHED BY THE COMPANY

3. Pursuant to Section 17 of the Act, Company shall, on being so required by a member, send to him within 7 (seven) days of the requirement and subject to the payment of a fee of Rs. 100/- or such other fee as may be specified in the Rules, a copy of each of the following documents, as in force for the time being:
 - (i) The Memorandum;
 - (ii) The Articles, if any;
 - (iii) Every other agreement and every resolution referred to in Section 117(1), of the Act, if and in so far as they have not been embodied in the Memorandum or Articles.

CAPITAL AND SHARES

4. The Authorized Share Capital of the Company is as per clause V of the Memorandum of Association of the Company with all rights to the company to alter the same in any way it thinks fit.
5. The Board may, from time to time, with the sanction of the Company in a general meeting, increase the share capital by such sum to be divided into shares of such amounts as the resolution shall prescribe.
6. The shares capital shall be distinguished by its appropriate number provided that nothing in this clause shall apply to the shares held with a depository.

SHARES AT THE DISPOSAL OF THE DIRECTORS

7. Subject to the provisions of Section 62 of the Act and these Articles, the shares capital of Company for the time being shall be under the control of the Directors who may issue, allot or otherwise dispose of the same or any of them to such persons, in proportion and on such terms and conditions and either

at a premium or at par or (subject to the compliance with the provision of section 53 of the Act) at a discount and at such time as they may from time to time think fit and with the sanction of the Company in the General Meeting to give to any person or persons the option or right to call for any shares either at par or premium during such time and for such consideration as the Directors think fit, and may issue and allot shares in the capital of the Company on payment in full or part of any property sold and transferred or for any services rendered to the Company in the conduct of its business and any shares which may so be allotted may be issued as fully paid up shares and if so issued, shall be deemed to be fully paid shares. Provided that option or right to call of shares shall not be given to any person or persons without the sanction of the Company in General Meeting.

FURTHER ISSUE OF SHARES

8. (1) Where at any time the company proposes to increase its subscribed capital by the issue of further shares, such shares shall be offered -
- (a) to persons who at the date of the offer are holders of equity shares of the company in proportion, as nearly as circumstances admit to the paid-up share capital on those shares by sending a letter of offer subject to the following conditions, namely:-
 - (i) the offer shall be made by notice specifying the number of shares offered and limiting a time not being less than fifteen days and not exceeding thirty days from the date of the offer within which the offer, if not accepted, shall be deemed to have been declined;
 - (ii) unless the articles of the company otherwise provide, the offer aforesaid shall be deemed to include a right exercisable by the person concerned to renounce the shares offered to him or any of them in favour of any other person; and the notice referred to in clause (i) shall contain a statement of this right;
 - (iii) after the expiry of the time specified in the notice aforesaid, or on receipt of earlier intimation from the person to whom such notice is given that he declines to accept the shares offered, the Board of Directors may dispose them of in such manner which is not disadvantageous to the shareholders and the company;
 - (b) to employees under a scheme of employees' stock option, subject to special resolution passed by company and subject to such conditions as may be determined by Central Government; or
 - (c) to any persons, if it is authorized by a special resolution, whether or not those persons include the persons referred to in clause (a) or clause (b), either for cash or for a consideration other than cash, if the price of such shares is determined by the valuation report of a registered valuer subject to such conditions as may be determined by central government.
- (2) The notice referred to in sub-clause (i) of clause (1) (a) shall be dispatched through registered post or speed post or through electronic mode to all the existing shareholders at least three days before the opening of the issue.
- (3) Nothing in this section shall apply to the increase of the subscribed capital of a company caused by the exercise of an option as a term attached to the debentures issued or loan raised by the company to convert such debentures or loans into shares in the company.

The terms of issue of such debentures or loan containing such an option have been approved before the issue of such debentures or the raising of loan by a special resolution passed by the company in general meeting.

POWER TO OFFER SHARES/OPTIONS TO ACQUIRE SHARES

9. (i) Without prejudice to the generality of the powers of the Board under any other Article of these Articles of Association, the Board or any Committee thereof duly constituted may, subject to the applicable provisions of the Act, rules notified there under and any other applicable laws, rules and regulations, at any point of time, offer existing or further Shares (consequent to increase of

share capital) of the Company, or options to acquire such Shares (consequent to increase of share capital) of the Company, or options to acquire such Shares at any point of time, whether such options are granted by way of warrants or in any other manner (subject to such consents and permissions as may be required) to its employees, including Directors (whether whole-time or not), whether at par, at discount, in case of shares issued as sweat equity shares as per section 54 of the Act or at a premium, for cash or for consideration other than cash, or any combination thereof as may be permitted by law for the time being in force.

- ii. In addition to the powers of the Board under Article 9(i), the Board may also allot the Shares referred to in Article 9(i) to any trust, whose principal objects would inter alia include further transferring such Shares to the Company's employees including by way of options, as referred to in Article 9(i) in accordance with the directions of the Board or any Committee thereof duly constituted for this purpose. The Board may make such provision of moneys for the purposes of such trust, as it deems fit.

The Board, or any Committee thereof duly authorized for this purpose, may do all such acts, deeds, things, etc. as may be necessary or expedient for the purposes of achieving the objectives set out in Articles 9(i) and (ii) above.

REDEEMABLE PREFERENCE SHARES

10. Subject to the provisions of Section 55 of the Act, the Company shall have the power to issue preference shares which are or at the option of the Company, are liable to be redeemed and the resolution authorizing such issues shall prescribe the manners, terms and conditions of redemption.

PROVISIONS APPLICABLE IN CASE OF REDEEMABLE SHARES

11. On the issue of redeemable preference shares under the provisions of Article 10 hereof, the following provisions shall take effect.
 - (a) No such shares shall be redeemed except out of the profits of the company which would otherwise be available for dividend or out of the proceeds of a fresh issue of shares made for the purposes of such redemption;
 - (b) No such shares shall be redeemed unless they are fully paid;
 - (c) where such shares are proposed to be redeemed out of the profits of the company, there shall, out of such profits, be transferred, a sum equal to the nominal amount of the shares to be redeemed, to a reserve, to be called the Capital Redemption Reserve Account and the provisions of this Act relating to reduction of share capital of a company shall apply as if the Capital Redemption Reserve Account were paid-up share capital of the company.

NEW CAPITAL SAME AS ORIGINAL CAPITAL

12. Except so far as otherwise provided by the conditions of issue or by these Articles any capital raised by the creation of new shares shall be considered part of the initial capital and shall be subject to the provisions herein contained with reference to the payment of calls and installments; transfer and transmission, forfeiture, lien, surrender, voting and otherwise.

RESTRICTIONS ON PURCHASE BY COMPANY OR GIVING OF LOANS BY IT FOR PURCHASE OF ITS SHARES

13. (1) The company shall not have power to buy its own shares unless the consequent reduction of share capital is effected in accordance with provisions of the Companies Act, 2013 or other applicable provisions (if any) of the Act as applicable at the time of application.

This Article is not to delegate any power which the Company would have if it were omitted.

- (2) The company shall not give, whether directly or indirectly and whether by means of a loan, guarantee the provision of security or otherwise, any financial assistance for the purpose of, or in connection with, a purchase or subscription made or to be made, by any person of or for any shares in the company or in its holding company.
- (3) Nothing in sub-clause (2) shall apply to –
 - (a) the company in accordance with any scheme approved by company through special resolution and in accordance with such requirements as may be determined by Central Government, for the purchase of, or subscription for, fully paid up shares in the company or its holding company, if the purchase of, or the subscription for, the shares held by trustees for the benefit of the employees or such shares held by the employee of the company;
 - (b) the giving of loans by a company to persons in the employment of the company other than its directors or key managerial personnel, for an amount not exceeding their salary or wages for a period of six months with a view to enabling them to purchase or subscribe for fully paid-up shares in the company or its holding company to be held by them by way of beneficial ownership:

Provided that disclosures in respect of voting rights not exercised directly by the employees in respect of shares to which the scheme relates shall be made in the Board's report in such manner as may be determined by Central Government.

REDUCTION OF CAPITAL

14. The Company may, subject to the provisions of the Companies Act, 2013 or other applicable provisions (if any) of the Act, as applicable at the time of application from time to time by special resolution, reduce its capital and any capital redemption reserve account or any share premium account in any manner for the time being authorized by law and in particular, capital may be paid off on the footing that it may be called up again or otherwise.

CONSOLIDATION AND DIVISION OF CAPITAL

15. The Company may in general meeting alter the conditions of its Memorandum of Association as follows:
 - (a) Consolidate and divide all or any of its share capital into shares of a larger amount than its existing shares but no consolidation and division which results in changes in the voting percentage of shareholders shall take effect unless it is approved by the Tribunal on an application made in the prescribed manner;
 - (b) Sub-divide its shares, or any of them, into shares of smaller amount than is fixed by the memorandum, so, however, that in the sub-division the proportion between the amount paid and the amount, if any, unpaid on each reduced share shall be the same as it was in the case of the share from which the reduced share is derived;
 - (c) Cancel shares which at the date of the passing of the resolution in that behalf have not been taken or agreed to be taken by any person, and diminish the amount of its share capital by the amount of the shares so cancelled. The cancellation of shares in pursuance of this sub-clause shall not be deemed to be reduction of share capital within the meaning of the Act.

SALE OF FRACTIONAL SHARES

16. If and whenever as a result of issue of new shares of any consolidation or sub-division of shares any share become held by members in fractions, the Board shall, subject to the provisions of the Act and the Articles and to the directions of the Company in General Meeting, if any, sell those shares which members hold in fractions for the best price reasonably obtainable and shall pay and distribute to and amongst the members entitled to such shares in due proportions the net proceeds of the sale thereof. For the purpose of giving effect to any such sale, the Board may authorise any person to transfer the

shares and 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 with reference to the sale.

MODIFICATION OF RIGHTS

17. Whenever the capital, by reason of the issue of Preference Shares or otherwise, is divided into classes of shares all or any of the rights and privileges attached to each class may subject to the provisions of the Companies Act, 2013 be modified, commuted, affected or abrogated, or dealt with by Agreement between the Company and any person purporting to contract on behalf of that class, provided such agreement is ratified in writing by holders of at least three-fourths in nominal value of the issued shares of the class or is confirmed by a Special Resolution passed at a separate general meeting of the holders of shares of the class

ISSUE OF FURTHER SHARES ON PARI PASSU BASIS

18. The rights conferred upon the holders of shares of any class issued with preferred or other rights, not unless otherwise expressly provided by the terms of the issue of the shares of that class, be deemed to be varied by the creation or issue of further shares ranking *pari passu* therewith.

NO ISSUE WITH DISPROPORTIONATE RIGHTS

19. The Company shall not issue any shares (not being preference shares) which carry voting right or rights in the Company as to dividend, capital or otherwise which are disproportionate to the rights attached to the holders of other shares (not being preference shares).

POWER OF COMPANY TO DEMATERIALIZE AND REMATERIALIZE

- (a) “Notwithstanding anything contained in these Articles, the Company shall be entitled to dematerialize its existing shares, debentures and other securities and rematerialize its such shares, debentures and other securities held by it with the Depository and/ or offer its fresh shares and debentures and other securities in a dematerialized form pursuant to the Depositories Act, 1996 and the Rules framed there under if any”

DEMATERIALIZATION OF SECURITIES

- (b) Either on the Company or on the investor exercising an option to hold his securities with a depository in a dematerialized form, the Company shall enter into an agreement with the depository to enable the investor to dematerialize the Securities, in which event the rights and obligations of the parties concerned shall be governed by the Depositories Act.

INTIMATION TO DEPOSITORY

- (c) “Notwithstanding anything contained in this Article, where securities are dealt with in a Depository, the Company shall intimate the details of allotment of securities to Depository immediately on allotment of such Securities”

OPTION FOR INVESTORS

- (d) “Every person subscribing to or holding securities of the Company shall have the option to receive security certificates or to hold the securities with a Depository. A beneficial owner of any security can at any time opt out of a Depository, if permitted by law, in the manner provided by the Depositories Act, 1996 and the Company shall, in the manner and within the time prescribed, issue to the beneficial owner the required certificates of securities.”

THE COMPANY TO RECOGNIZE UNDER DEPOSITORIES ACT, INTEREST IN THE SECURITIES OTHER THAN THAT OF REGISTERED HOLDER

- (e) “The Company or the investor may exercise an option to issue, deal in, hold the securities (including shares) with Depository in electronic form and the certificates in respect thereof shall be,

dematerialized in which event the rights and obligations of the parties concerned and matters connected therewith or incidental thereto shall be governed by the provisions of the Depositories Act, 1996.”

SECURITIES IN DEPOSITORIES AND BENEFICIAL OWNERS

- (f) “All Securities held by a Depository shall be dematerialized and be in fungible form. Nothing contained in Sections 89 of the Act shall apply to a Depository in respect of the securities held by it on behalf of the beneficial owners.”

RIGHTS OF DEPOSITORIES AND BENEFICIAL OWNERS

- (g) (i) Notwithstanding anything to the contrary contained in the Act or these Articles, a depository shall be deemed to be the registered owner for the purpose of effecting transfer of ownership of security on behalf of the beneficial owner.
- (ii) Save as otherwise provided in (a) above, the depository as the registered owner of the securities shall not have any voting rights or any other rights in respect of the securities held by it.
- (iii) Every person holding securities of the Company and whose name is entered as the beneficial owner in the records of the depository shall be deemed to be a member of the Company. The beneficial owner of securities shall be entitled to all the rights and benefits and be subject to all the liabilities in respect of the securities which are held by a depository.

DEPOSITORY TO FURNISH INFORMATION

- (h) Every Depository shall furnish to the Company information about the transfer of Securities in the name of the Beneficial Owner at such intervals and in such manner as may be specified by the by-laws and the Company in that behalf.

SHARES AND CERTIFICATES

REGISTER AND INDEX OF MEMBERS

20. The Company shall cause to be kept at its Registered Office or at such other place as may be decided, Register and Index of Members in accordance with Sections 88 and other applicable provisions of the Act and the Depositories Act, 1996 with details of shares held in physical and dematerialized forms in any media as may be permitted by law including in any form of electronic media.

The Register and Index of beneficial owners maintained by a Depository under Section 11 of the Depositories Act, 1996 shall also be deemed to be the Register and Index of Members for the purpose of this Act. The Company shall have the power to keep in any state or country outside India, a Register of Members for the residents in that state or country.

SHARES TO BE NUMBERED PROGRESSIVELY

21. The shares in the capital shall be numbered progressively according to their several denominations and except in the manner herein before mentioned, no share shall be sub-divided.

DIRECTORS MAY ALLOT SHARES FULLY PAID-UP

22. Subject to the provisions of the Act and of these Articles, the Board may allot and issue shares in the capital of the Company as payment or part payment for any property sold or transferred, goods or machinery supplied or for services rendered to the company either in or about the formation or promotion of the Company or the conduct of its business and any shares which may be so allotted may be issued as fully paid-up shares and if so issued shall be deemed to be fully paid up shares.

APPLICATION OF PREMIUM RECEIVED ON SHARES

23. (1) Where a company issues shares at a premium, whether for cash or otherwise, a sum equal to the aggregate amount of the premium received on those shares shall be transferred to a “securities premium account” and the provisions of this Act relating to reduction of share capital of a company

shall, except as provided in this article, apply as if the securities premium account were the paid-up share capital of the company.

- (2) Notwithstanding anything contained in clause (1), the securities premium account may be applied by the company -
- (a) towards the issue of unissued shares of the company to the members of the company as fully paid bonus shares;
 - (b) in writing off the preliminary expenses of the company;
 - (c) in writing off the expenses of, or the commission paid or discount allowed on, any issue of shares or debentures of the company;
 - (d) in providing for the premium payable on the redemption of any redeemable preference shares or of any debentures of the company; or
 - (e) for the purchase of its own shares or other securities under section 68.

ACCEPTANCE OF SHARES

24. Subject to the provisions of these Articles, any application signed by or on behalf of an applicant for shares in the Company followed by an allotment of any shares therein, shall be an acceptance of shares within the meaning of these articles and every person who thus or otherwise accept any shares and whose name is on the Register of Members shall, for the purposes of these Articles, be a member, provided that no share shall be applied for or allotted to a minor, insolvent or person of unsound mind.

LIABILITY OF MEMBERS

25. Every member or his heir, executors or administrators shall pay to the Company the proportion of the capital represented by his share or shares which may, for the time being remain unpaid thereon in such amounts, at such time or times and in such manner as the Board of Directors shall, from time to time, in accordance with the Company's regulations require or fix for the payment thereof.

LIMITATION OF TIME FOR ISSUE OF CERTIFICATE

26. The Company shall, unless the conditions of issue otherwise provide, within three months after the allotment of any of its shares or debentures and within one month after the application for the transfer of any such shares or debentures, complete and have ready for delivery the certificates of all shares and debentures allotted or transferred.

Every member shall be entitled, without payment, to one or more certificates in marketable lots, for all the shares of each class or denomination registered in his name, or if the Directors so approve (upon paying such fee as the Directors may from to time determine) to several certificates, each for one or more of such shares and the Company shall complete and have ready for delivery such certificates within three months from the date of allotment, unless the conditions of issue thereof otherwise provide, or within one month of the receipt of application of registration of transfer, transmission, sub-division, consolidation or renewal of any of its shares as the case may be. Every certificate of shares shall be under the seal of the Company and shall specify the number and distinctive numbers of shares in respect of which it is issued and amount paid up thereon and shall be in such form as the directors may prescribe or approve, provided that in respect of a 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 to all such holder.

ISSUE OF NEW CERTIFICATE IN PLACE OF DEFACED, LOST OR DESTROYED

27. If any certificate be worn out, defaced mutilated or torn or if there be no further space on the back thereof 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 lost or destroyed then upon proof thereof to the satisfaction of the Company and on execution of such indemnity as the Company deem adequate, being given, an a new certificate in lieu thereof shall be given to the party entitled to such lost or destroyed certificate. Every Certificates under the Article shall be issued without payment of fees if the Directors so decide, or on payment of such fees (not exceeding Rs.20/- for each certificate) as the Directors shall prescribe. Provided that no fees shall be charged for issue of new certificates in replacement of those which are old, defaced or worn out or where there is no further space on the back thereof for endorsement of transfer.

Provided that notwithstanding what is stated above the Directors shall comply with such Rules or Regulation or requirements of any Stock Exchange or the Rules made under the Act or the rules made under Securities Contracts (Regulation) Act, 1956 or any other Act, or rules applicable in this behalf. The provisions of this Article shall mutatis mutandis apply to debentures of the Company.

RIGHT TO OBTAIN COPIES OF AND INSPECT TRUST DEED

28. (i) A copy of any Trust Deed for securing any issue of debentures shall be forwarded to the holders of any such debentures or any member of the Company at his request and within seven days of the making thereof on payment not exceeding Rs.10/- (Rupees Ten) per page.

(ii) The Trust Deed referred to in item (i) above also be open to inspection by any member or debenture holder of the Company in the same manner, to the same extent, and on payment of these same fees, as if it were the Register of members of the Company.

JOINT ALLOTTEES OF HOLDERS

29. Any two or more joint allottees or holders of shares shall, for the purpose of Articles, be treated as a single member and the certificate for any share, which may be the subject of joint ownership, may be delivered to any one of such joint owners on behalf of all of them.

COMPANY NOT BOUND TO RECOGNISE ANY INTEREST IN SHARE OTHER THAN THAT OF REGISTERED HOLDER

30. (i) The Company shall not be bound to recognize any equitable, contingent, future or partial interest in any share or (except only as is by these presents, otherwise expressly provided) any right in respect of a share other than an absolute right there to, in accordance with these presents in the person from time to time registered as the holder thereof, but the Board shall be at liberty at its sole discretion to register any share in the joint names of two or more persons or survivors of them.

(ii) Save as herein otherwise provided, the Company shall be entitled to treat the person whose name appears on the Register of Members as the holder of any share as the absolute owner thereof and accordingly shall not (except as ordered by a court of competent jurisdiction or as by Law required) be bound to recognize any benami trust or equitable, contingent, future, partial or other claim or claims or right to or interest in such share on the part of any other person whether or not it shall have express or implied notice thereof.

WHO MAY HOLD SHARES

31. Shares may be registered in the name of an incorporated Company or other body corporate but not in the name of a minor or in the name of a person of unsound mind.
32. The Directors shall have the power to offer, issue and allot Equity Shares in or Debentures (whether fully/partly convertible or not into Equity Shares) of the Company with or without Equity Warrants to such of the Officers, Employees, Workers of the Company or of its Subsidiary and / or Associate Companies or Managing and Whole Time Directors of the Company (hereinafter in this Article

collectively referred to as “the Employees”) as may be selected by them or by the trustees of such trust as may be set up for the benefit of the Employees in accordance with the terms and conditions of the Scheme, trust plan or proposal that may be formulated, created, instituted or set up by the Board of Directors or the Committee thereof in that behalf on such terms and conditions as the Board may in its discretion deem fit.

SWEAT EQUITY

33. Subject to the provisions of the Act (including any statutory modification or re-enactment thereof, for the time being in force), shares of the Company may be issued at a discount or for consideration other than cash to Directors or employees who provide know-how to the Company or create an intellectual property right or other value addition.

DECLARATIONS IN RESPECT OF BENEFICIAL INTEREST IN ANY SHARES

34. (1) In pursuance of Section 89 of the Act, where the name of a person is entered in the register of members of a company as the holder of shares in that company but who does not hold the beneficial interest in such shares, such person shall make a declaration (within such time and in such form as may be determined by Central Govt.) to the company specifying the name and other particulars of the person who holds the beneficial interest in such shares.

(2) Every person who holds or acquires a beneficial interest in share of the company shall make a declaration to the company specifying the nature of his interest, particulars of the person in whose name the shares stand registered in the books of the company and such other particulars (as may be determined by Central Govt.)

(3) Where any change occurs in the beneficial interest in such shares, the person referred to in clause (1) and the beneficial owner specified in clause (2) shall, within a period of thirty days from the date of such change, make a declaration to the company in such form and containing such particulars (as may be determined by Central Govt.)

(4) The Company has be bound to follows the rules as may be made by the Central Government to provide for the manner of holding and disclosing beneficial interest and beneficial ownership under this section.

(5) Where any declaration under this article is made to a company, the company shall make a note of such declaration in the register concerned and shall file, within thirty days from the date of receipt of declaration by it, a return in the prescribed form with the Registrar in respect of such declaration with such fees or additional fees as may be determined by Central Government, within the time specified under section 403.

(6) No right in relation to any share in respect of which a declaration is required to be made under this article but not made by the beneficial owner, shall be enforceable by him or by any person claiming through him.

(7) Nothing in this article shall be deemed to prejudice the obligation of a company to pay dividend to its members under this Act and the said obligation shall, on such payment, stand discharged.

FUNDS OF COMPANY NOT TO BE APPLIED IN PURCHASE OF SHARES OF THE COMPANY

35. No funds of the Company shall except as provided by Section 67 of the Act, be employed in the purchase of its own shares, unless the consequent reduction of capital is effected and sanction in pursuance of provisions of the Companies Act, 2013 as may be applicable at the time of application and these Articles or in giving either directly or indirectly and whether by means of a loan, guarantee, the provision of security or otherwise, any financial assistance for the purpose of or in connection

with a purchase or subscription made or to be made by any person of or for any Share in the Company in its holding Company.

ISSUE OF SHARES WITHOUT VOTING RIGHTS

36. In the event it is permitted by law to issue shares without voting rights attached to them, the Directors may issue such share upon such terms and conditions and with such rights and privileges annexed thereto as thought fit and as may be permitted by law.

SECTION 45 OF ACT NOT TO APPLY

37. Notwithstanding anything to the contrary contained in the Articles,
(i) Section 45 of the Act shall not apply to the Shares held with a Depository;

TRUST RECOGNIZED

38. Except as ordered, by a Court of competent jurisdiction or as by law required, the Company shall not be bound to recognize, even when having notice thereof, any equitable, contingent, future or partial interest in any Share, or (except only as is by these Articles otherwise expressly provided) any right in respect of a Share other than an absolute right thereto, in accordance with these Articles, in the person from time to time registered as holder thereof but the Board shall be at liberty at their sole discretion to register any Share in the joint names of any two or more persons (but not exceeding 4 persons) or the survivor or survivors of them.

Shares may be registered in the name of an incorporated Company or other body corporate but not in the name of a minor or of a person of unsound mind (except in case where they are fully paid) or in the name of any firm or partnership.

REGISTRATION OF CHARGES

39. The provisions of the Act relating to registration of charges shall be complied with.

In case of a charge created out of India and comprising solely property situated outside India, the provisions of Section 77 of the Act shall also be complied with.

Where a charge is created in India but comprised property outside India, the instrument, creating or purporting to create the charge under Section 77 of the Act or a copy thereof verified in the prescribed manner, may be filed for registration, notwithstanding that further proceedings may be necessary to make the charge valid or effectual according to the law of the country in which the property is situated, as provided by Section 77 of the Act.

Where any charge on any property of the Company required to be registered to be registered under Section 77 of the Act has been so registered, any person acquiring such property or any part thereof or any share or interest therein shall be deemed to have notice of the charge as from the date of such registration.

Any creditors or member of the Company and any other person shall have the right to inspect copies of instruments creating charges and the Company's Register of Charges in accordance with and subject to the provisions of Section 85 of the Act.

UNDERWRITING AND BROKERAGE COMMISSION MAY BE PAID

40. The Company may, subject to the provisions of Section 40 and other applicable provisions, if any, of the Act any time pay a commission to any person in consideration of his subscribing or agreeing to subscribe (whether absolutely or conditionally) for any shares in or debentures of the Company. The commission may be satisfied by the payment of cash or the allotment of fully or partly paid shares or debentures, or partly in the one way and partly in the other subject to maximum of 5% of the share price or 2.5% in case of debenture, of the issued share or debenture price, as the case may be.

BROKERAGE MAY BE PAID

41. The Company may pay a reasonable sum for brokerage on any issue of shares and debentures.

CALLS ON SHARES

DIRECTORS MAY MAKE CALLS

42. The Board of Directors may from time to time by a resolution passed at meeting of the Board (and not by circular resolution) make such call as it may think fit upon the members in respect of all moneys unpaid on the shares held by them respectively (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 a fixed time and each member shall pay the amount of every call so made on him to the persons and at the times and place appointed by the Board of Directors. A call may be made payable by installments.

CALLS ON SHARES OF THE SAME CLASS TO BE MADE ON UNIFORM BASIS

43. Where any calls for further share capital are made on shares, such calls shall be made on a uniform basis on all shares falling under the same class. For the purpose of this Article shares of the same nominal value on which different amounts have been paid up shall not be deemed to fall under the same class.

NOTICE OF CALLS

44. One month notice at least of every call payable otherwise than on allotment shall be given by the Company specifying the time and place of payment and to whom such call shall be paid.

CALLS TO DATE FROM RESOLUTION

45. A call shall be deemed to have been made at the time when the resolution of the Board authorizing such call was passed at a meeting of the Board of Directors and may be made payable by the members on the Register of Members on a subsequent date to be fixed by the Board.

DIRECTORS MAY EXTEND TIME

46. The Board of Directors may, from time to time, at its discretion, extend the time fixed for the payment of any call and may extend such times as to all or any of the members, who from residence at a distance or other cause, the Board of Directors may deem fairly entitled to such extension save as a matter of grace and favour.

CALL TO CARRY INTEREST AFTER DUE DATE

47. If any member fails to pay a call due from him on the day appointed for payment thereof or any such extension thereof as aforesaid, he shall be liable to pay interest on the same from the day appointed for the payment thereof to the time of actual payment at such rate as shall from time to time be fixed by the Board of Directors, but nothing in this Article shall render it compulsory upon the Board of Directors to demand or recover any interest from any such member.

PROOF ON TRIAL IN SUIT FOR MONEY DUE ON SHARES

48. Subject to the provisions of the Act and these Articles, on the trial or hearing of any action or suit brought by the Company against any member or his representatives for the recovery of any debt or money claimed to be due to the Company in respect of his shares, it shall be sufficient to prove that the name of the member in respect of whose shares the money is sought to be recovered, appears, entered on the register of members as the holder at or subsequent to the date at which the money sought to be recovered is alleged to have become due, of the shares in respect of which such money is sought to be received, that the resolution making the call is duly recorded in the minutes book and that notice of such call was duly given to the member or his representatives sued in pursuance of these presents and it shall not be necessary to prove the appointment of the Directors who made such call, nor that a quorum was present at the Board at which any call was made, nor that the meeting at

which any call was made was duly convened or constituted nor any other matters whatsoever, but the proof of the matters aforesaid shall be conclusive evidence of the debt.

PAYMENT IN ANTICIPATION OF CALL MAY CARRY INTEREST

49. The Directors may, if they think fit, subject to the provisions of Section 50 of the Act, agree to and receive from any member willing to advance the same whole or any part of the moneys due upon the shares held by him beyond the sums actually called for, and upon the amount so paid or satisfied in advance, or so much thereof as from time to time exceeds the amount of the calls then made upon the shares in respect of which such advance has been made, the Company may pay interest at such rate not exceeding 12% unless the company in general meeting shall otherwise direct, as the member paying such sum in advance and the Directors agree upon provided that money paid in advance of calls shall not confer a right to participate in profits or dividend. The Directors may at any time repay the amount so advanced. The members shall not be entitled to any voting rights in respect of the moneys so paid by him until the same would but for such payment, become presently payable. The provisions of these Articles shall mutatis mutandis apply to the calls on debenture of the Company.

FORFEITURE, SURRENDER AND LIEN IF CALL OR INSTALLMENT NOT PAID, NOTICE MAY BE GIVEN

50. If any member fails to pay any call or installment of a call in respect of any shares on or before the day appointed for the payment of the same, the Board may at any time hereafter during such time as the call or installment remains unpaid, serve a notice on such member or on the person (if any) entitled to the share by transmission requiring him to pay the same together with any interest that may have accrued and all expenses that may have been incurred by the Company by reason of such non-payment.

FORM OF NOTICE

51. The notice shall name a day (not being earlier than the expiry of fourteen days from the date of service of the notice) and a place or places on and at which such money, including the call or installment and such interest and expenses as aforesaid is to be paid. The notice shall also state that in the event of non-payment on or before the time and at the place appointed, the shares in respect of which the calls was made or installment was payable, will be liable to be forfeited.

IN DEFAULT TO PAYMENT SHARES TO BE FORFEITED

52. 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 all the calls or installments and interest and expenses due in respect thereof are paid, be forfeited by a resolution of the Board to that effect. Such forfeiture shall include all dividends and bonus declared in respect of the forfeited shares and not actually paid before forfeiture but provided that there shall be no forfeiture of unclaimed dividends before the claim becomes barred by law.

NOTICE OF FORFEITURE

53. When any share shall have been so forfeited, notice of the resolution shall be given to the member in whose name it stood immediately prior to the forfeiture and an entry of the forfeiture, with the date thereof, shall forthwith be made in the Register of Members provided however that the failure to give the notice of the shares having been forfeited will not in any way invalidate the forfeiture.

FORFEITED SHARES TO BECOME PROPERTY OF THE COMPANY

54. Any shares so forfeited shall be deemed to be the property of the Company and the Board may sell, re-allot otherwise dispose of the same in such manner as it thinks fit.

POWER TO ANNUL FORFEITURE

55. The Board may, at any time before any share so forfeited shall have been sold, re-allotted or otherwise disposed off annul the forfeiture thereof as a matter of grace and favour but not as of right upon such terms and conditions as it may think fit.

ARREARS TO BE PAID NOTWITHSTANDING FORFEITURE

56. Any member whose shares have been forfeited shall notwithstanding the forfeiture, be liable to pay and shall forthwith pay to the Company all calls, installments, interest and expenses owing upon or in respect of such shares at the time of the forfeiture together with interest thereon from the time of forfeiture until payment at such rate not exceeding fifteen per cent per annum as the Board may determine and the Board may enforce the payment of such moneys or any part thereof if it thinks fit, but shall not be under any obligation so to do.

EFFECT OF FORFEITURE

57. The forfeiture of a share shall involve the extinction of all interest in and also of all claims and demands against the Company, in respect of the share and all other rights, incidental to the share except only such of those rights as are by these Articles expressly saved.

PROCEEDS HOW TO BE APPLIED

58. The net proceeds of any such sale shall be applied in or towards satisfaction of the said debts, liabilities or engagements and the residue (if any) paid to such member, his heirs, executors, administrators or assigns.

DECLARATION OF FORFEITURE

59. (a) A duly verified declaration in writing that the declarant is a Director, the Managing Director or the Manager or the Secretary of the Company, and that share in the Company has been duly forfeited in accordance with these Articles, 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.
- (b) The Company may receive the consideration, if any, given for the Share on any sale, re-allotment or other disposal thereof any may execute a transfer of the Share in favour of the person to whom the Share is sold or disposed off.
- (c) The person to whom such Share is sold, re-allotted or disposed of shall thereupon be registered as the holder of the Share.
- (d) Any such purchaser or allottee shall not (unless by express agreement) be liable to pay calls, amounts, installments, interests and expenses owing to the Company prior to such purchase or allotment nor shall be entitled (unless by express agreement) to any of the dividends, interests or bonuses accrued or which might have accrued upon the Share before the time of completing such purchase or before such allotment.
- (e) Such purchaser or allottee shall not be bound to see to the application of the purchase money, if any, nor shall his title to the Share be effected by the irregularity or invalidity in the proceedings in reference to the forfeiture, sale, re-allotment or other disposal of the Shares.
60. The declaration as mentioned in Article 59 (a) of these Articles shall be conclusive evidence of the facts therein stated as against all persons claiming to be entitled to the Share.

TITLE OF PURCHASER AND ALLOTTEE OF FORFEITED SHARES

61. The Company may receive the consideration, if any, given for the share on any sale, re-allotment or other disposal thereof and may execute a transfer of the share in favour of the person to whom the share is sold or disposed of and the person to whom such share is sold, re-allotted or disposed off may be registered as the holder of the share. Any such purchaser or allottee shall not (unless by

express agreement to the contrary) be liable to pay any calls, amounts, installments, interest and expenses owing to the Company prior to such purchase or allotment, nor shall he be entitled (unless by express agreement to contrary) to any of the dividends, interest or bonuses accrued or which might have accrued upon the share before the time of completing such purchase or before such allotment. Such purchaser or allottee 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 with reference to the forfeiture, sale, re-allotment or disposal of the share.

PARTIAL PAYMENT NOT TO PRECLUDE FORFEITURE

62. Neither a judgment nor a decree in favour of the Company for calls or other moneys due in respect of any shares nor any part payment or satisfaction thereof nor the receipt by the Company of a portion of any money which shall from time to time be due from any member in respect of any shares either by way of principal or interest nor any indulgence granted by the Company in respect of payment of any such money shall preclude the Company from thereafter proceeding to enforce a forfeiture of such shares as herein provided.

THE PROVISIONS OF THESE ARTICLES AS TO FORFEITURE TO APPLY IN CASE OF NON-PAYMENT OF ANY SUM

63. The provisions of these Articles as to forfeiture shall apply to 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 Shares or by way of premium, as if the same had been payable by virtue of a call duly made and notified.

BOARD MAY ACCEPT SURRENDER OF SHARES

64. The Board may at any time, subject to the provisions of the Act, accept the surrender of any share from or by any member desirous of surrendering the same on such terms as the Board may think fit.

COMPANY'S LIEN ON SHARE/DEBENTURES

65. The Company shall have a first and paramount lien upon all the shares/debentures (other than fully paid-up shares/debentures) registered in the name of each member (whether solely or jointly with others) and upon the proceeds of sale thereof for all moneys (whether presently payable or not) called or payable at a fixed time in respect of such shares/debentures and no equitable interest in any share shall be created except upon the footing and condition that this Article will have full effect and such lien shall extend to all dividends and bonuses from time to time declared in respect of such shares/debentures. The registration of a transfer of shares/debentures shall not operate as a waiver of the Company's lien if any, on such shares/debentures unless otherwise agreed by the Board. The Directors may at any time declare any shares/debentures wholly or in part to be exempt from the provisions of this Article.

ENFORCING LIEN BY SALE

66. For the purpose of enforcing such lien, the Board may sell the shares subject thereto in such manner as it thinks fit but no sale shall be made until such time fixed as aforesaid shall have arrived and until notice in writing of the intention to sell, shall have been served on such member, his heirs, executors, administrators or other legal representatives as the case may be and default shall have been made by him or them in payment, fulfillment or discharged of such debts, liabilities or engagements for fourteen days after the date of such notice.

APPLICATION OF PROCEEDS OF SALE

67. The net proceeds of any such sale shall be received by the Company and applied in or towards satisfaction of the said debts, liabilities or engagements and the residue, if any, shall be paid to such member, his heirs, executors, administrators or other legal representatives, as the case may be.

VALIDITY OF SALE IN EXERCISE OF LIEN AND AFTER FORFEITURE

68. Upon any sale after forfeiture or for enforcing a lien in purported exercise of the powers herein before given, the Board of Directors may appoint some person to execute an instrument of transfer of the shares sold and cause the purchaser's name to be entered in the register in respect of the shares sold and the purchaser shall not be bound to see to the regularity of the proceedings, nor to the application of the purchase money and after his name has been entered in the Register of members in respect of such shares, the validity of the sale shall not be impeached by any person and the remedy of any person aggrieved by the sale shall be in damages only and against the Company exclusively.

BOARD OF DIRECTORS MAY ISSUE NEW CERTIFICATES

69. Where any shares under the powers in that behalf herein contained are sold by the Board of Directors after forfeiture or for enforcing a lien, the certificate or certificates originally issued in respect of the relative shares shall (unless the same shall voluntarily or on demand by the Company, have been previously surrendered to the Company by the defaulting member) stand cancelled and become null and void and of no effect and the Board of Directors may issue a new certificate or certificates for such shares distinguishing it or them in such manner as it may think fit from the certificate or certificates previously issued in respect of the said shares.

SUM PAYABLE ON ALLOTMENT TO BE DEEMED A CALL

70. For the purpose of the provisions of these Articles relating to forfeiture of Shares, the sum payable upon allotment in respect of a share shall be deemed to be a call payable upon such Share on the day of allotment.

TRANSFER AND TRANSMISSION OF SHARES

REGISTER OF TRANSFER

71. The Company shall keep a book to be called the Register of Transfer and therein shall be fairly and distinctly entered the particulars of every transfer or transmission of any share.

EXECUTION OF TRANSFER

72. Subject to the Provisions of the Act and these Articles, the transfer of shares in or debentures of the Company shall be registered unless a proper instrument of transfer duly stamped and executed by or on behalf of the transferor or on behalf of the transferee and specifying the name, address and occupation, if any, of the transferee has been delivered to the Company along with the certificate if in existence or along with the letter of allotment of the shares or debentures. The transferor shall be deemed to remain the holder of such shares until the name of the transferee is entered in the register in respect thereof. Shares of different classes shall not be included in the same instrument of transfer.

INSTRUMENT OF TRANSFER

73. Every such instrument of transfer shall be signed both by the Transferor and transferee and the transferor shall be deemed to remain the holder of such share until the name of the transferee is entered in the Register of members in respect thereof.

FORM OF TRANSFER

74. The instrument of transfer shall be in writing and all the provisions of Section 56 of the Act and of any statutory modification thereof for the time being shall be duly complied with in respect of all transfers of shares and registration thereof. The Company shall use a common form for transfer.

NO TRANSFER TO A PERSON OF UNSOUND MIND, ETC

75. No transfer shall be made to a minor or a person of unsound mind.

TRANSFER OF SHARES

76. (i) An application for the registration of a transfer of shares may be made either by the transferor or by the transferee.
- (ii) Where the application is made by the transferor and relates to partly paid shares, the transfer shall not be registered unless the Company gives notice of the application to the transferee and the transferee makes no objection to the transfer within two weeks from the receipt of the notice.
- (iii) For the purpose of clause (2) hereof notice to the transferee shall be deemed to have been duly given if it is dispatched by prepaid registered post to the transferee at the address given in the instruments of transfer and shall be deemed to have been duly delivered at the time at which it would have been delivered in the ordinary course of post.

DIRECTORS MAY REFUSE TO REGISTER TRANSFER

77. Subject to the Provisions of Section 58 and 59, these Articles and other applicable provisions of the Act or any other law for the time being in force, the Board may refuse whether in pursuance of any power of the company under these Articles or otherwise to register the transfer of, or the transmission by operation of law of the right to, any Shares or interest of a Member in or Debentures of the Company. The Company shall within one month from the date on which the instrument of transfer, or the intimation of such transmission, as the case may be, was delivered to Company, send notice of the refusal to the transferee and the transferor or to the person giving intimation of such transmission, as the case may be giving reasons for such refusal. Provided that the registration of a transfer shall not be refused person or persons indebted to the Company on any account whatsoever except where the Company has a lien on Shares. If the Company refuses to register the transfer of any share or transmission of right therein, the Company shall within one month from the date on which instrument of transfer or the intimation of transmission, as the case may be, was delivered to the Company, sends notice of the refusal to the transferee and the transferor or to the person giving intimation of such transmission as the case may be. Nothing in these Articles shall prejudice any power of the Company to register as shareholder any person to whom the right to any shares of the Company has been transmitted by operation of law.

NO FEE ON TRANSFER OR TRANSMISSION

78. No fee shall be charged for registration of transfer, transmission, Probate, Succession, Certificate and Letters of administration, Certificate of Death or Marriage, Power of Attorney or similar other document.

TRANSFER TO BE LEFT AT OFFICE AS EVIDENCE OF TITLE GIVEN

79. Every instruments of transfer duly executed and stamped shall be left at the office for registration accompanied by the certificate of the shares to be transferred and such other evidence as the Company may require to prove the title of the transferor or his right to transfer the shares.

WHEN TRANSFER TO BE RETAINED

80. All instruments of transfer which are registered shall be retained by the Company but any instrument of transfer which the Board declines to register shall, on demand, be returned to the person depositing the same. The Board may cause to be destroyed all transfer deeds lying with the Company after such period not being less than eight years as it may determine.

DEATH OF ONE OR MORE JOINT HOLDERS OF SHARES

81. In the case of death of any one or more of the persons named in Register of Members as joint shareholders of any share, the survivors shall be the only persons recognized by the Company as having any title to or interest in such shares, but nothing herein contained shall be taken to release the estate of a joint shareholder from any liability to the Company on shares held by him jointly with any other person.

TITLE TO SHARES OF DECEASED HOLDER

82. Subject to Article 81, the heir, executor or administrator of a deceased shareholder shall be the only person recognized by the Company as having any title to his shares and the Company shall not be bound to recognize such heir, executor or administrator unless such heir, executor or administrator shall have first obtained probate, letters of administration or succession certificate.

REGISTRATION OF PERSONS ENTITLED TO SHARE OTHERWISE THAN BY TRANSFER

83. Subject to the provisions of the Articles, any person becoming entitled to any share in consequence of the death, lunacy, bankruptcy or insolvency of any member or by any lawful means other than by a transfer in accordance with these present, may with the consent of the Directors (which they shall not be under any obligation to give) upon producing such evidence that sustains the character in respect of which he proposes to act under this Article or of such titles as the Directors shall think sufficient, either be registered himself as a member in respect of such shares or elect to have some person nominated by him and approved by the Directors registered as a member in respect of such shares. Provided nevertheless that if such person shall elect to have his nominee registered he shall testify his election by executing in favor of his nominee on instrument of transfer in accordance with the provisions herein contained and until he does so, he shall not be free from any liability in respect of such shares.

A transfer of the share or other interest in the Company of a deceased member thereof made by his legal representative shall although the legal representative is not himself a member, be as valid as if he had been a member at the time of the execution of the instrument of transfer

CLAIMANT TO BE ENTITLED TO SAME ADVANTAGE

84. The person entitled to a share by reason of the death lunacy, bankruptcy or insolvency of the holder shall be entitled to the same dividends and other advantages to which he would be entitled as if he were registered holder of the shares 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 the meeting of the Company provided that the Board may at any time give notice requiring any such persons to elect either to be registered himself or to transfer shares and if the notice is not complied within sixty days, the Board shall thereafter withhold payment of all dividends, interests, bonuses or other moneys payable in respect of the share until the requirements of the notice have been compelled with.

TRANSMISSION OF SHARE

85. Subject to the provisions of the Act and these Articles, any person becoming entitled to a share in consequence of the death, bankruptcy or insolvency of any member or by any lawful means other than by a transfer in accordance with these presents, may with the consent of the Board (which it shall not be under any obligation to give) upon producing such evidence as the Board think sufficient, either be registered himself as the holder of the share or elect to have some person nominated by him and approved by the Board registered as such holder, provided nevertheless that if such person shall elect to have his nominee registered, he shall testify the election by executing to his nominee an instrument of transfer of the share in accordance with the provisions herein contained and until he does so he shall not be freed from any liability in respect of the share.

BOARD MAY REFUSE TO TRANSMIT

86. The Board shall have the same right to refuse on legal grounds to register a person entitled by transmission to any share or his nominee, as if he were the transferee named in any ordinary transfer presented for registration.

BOARD MAY REQUIRE EVIDENCE OF TRANSMISSION

87. Every transmission of share shall be verified in such manner as the Board may require and if the Board so desires, be accompanied by such evidence as may be thought necessary and the Company

may refuse to register any such transmission until the same be verified on requisite evidence produced or until or unless an indemnity be given to the Company with regard to such registration which the Board at its absolute discretion shall consider sufficient, provided nevertheless, that there shall not be any obligation on the Company or the Board to accept any indemnity.

TRANSFER BY LEGAL REPRESENTATION

88. A transfer of a share in the Company of a deceased member thereof made by his legal representative shall, although the legal representative is not himself a member be as valid as if he had been a member at the time of the execution of instrument of transfer.

CERTIFICATE OF TRANSFER

89. The Certification by the Company of any instrument of transfer of shares in or debentures of the Company, shall be taken as a representation by the Company to any person acting on the faith of the certification that there have been produced to the Company such documents as on the face of them show a prime facie title to the shares or debentures in the transferor named in the instrument of transfer, but not as a representation that the transferor has any title to the shares or debentures

THE COMPANY NOT LIABLE FOR DISREGARD OF A NOTICE PROHIBITING REGISTRATION OF TRANSFER

90. The Company shall incur no liability or responsibility whatsoever in consequence of its registering or giving effect to any transfer or transmission of shares made or purporting to be made by any apparent legal owner thereof as shown or appearing in the Register of Members to the prejudice of persons having or claiming any equitable right, title or interest to or in the said shares, notwithstanding that the Company may have had notice of such equitable right, title or interest or notice prohibiting registration of such transfer any may have entered such notice or referred thereto in any book of the Company and the Company shall not be bound or required to regard or attend or give effect to any notice which may be given to it of any equitable right, title or interest or be under any liability whatsoever for refusing or neglecting so to do, though it may have been entered or referred to in some books of the Company but the Company shall nevertheless be at liberty to regard and attend to any such notice and give effect thereto if the Board shall so think fit.

NOMINATION

91. (i) Every shareholder or debenture holder of the Company, may at any time, nominate a person to whom his shares or debentures shall vest in the event of his death in such manner as may be determined by Central Government under the Act.
- (ii) Where the shares or debentures of the Company are held by more than one person jointly, joint holders may together nominate a person to whom all the rights in the shares or debentures, as the case may be shall vest in the event of death of all the joint holders in such manner as may be determined by Central Government under the act.
- (iii) Notwithstanding anything contained in any other law for the time being in force or in any disposition, whether testamentary or otherwise, where a nomination made in the manner aforesaid purports to confer on any person the right to vest the shares of debentures, the nominee shall, on the death of the shareholders or debenture holder or, as the case may be on the death of the joint holders become entitled to all the rights in such shares or debentures or, as the case may be , all the joint holders, in relation to such shares or debentures, to the exclusion of all other persons, unless the nomination is varied or cancelled in the manner as may be determined by Central Government under the Act.
- (iv) Where the nominee is a minor, it shall be lawful for the holder of the shares or debentures, to make the nomination to appoint any person to become entitled to shares in, or debentures of, the Company in the manner prescribed under the Act, in the event of his death, during the minority.

92. “Option of Nominee”

- (i) A nominee upon production of such evidence as may be required by the Board and subject as hereinafter provided, elect, either-(a) to register himself as holder of the share or debenture, as the case may be; (b) or to make such transfer of the shares and/or debentures, as the deceased shareholder or debenture holder, as the case may be, could have made.

If the nominee elects to be registered as holder of the shares or debentures, himself, as the case may be, he shall deliver or send to the Company, notice in writing signed by him stating that he so elects and such notice shall be accompanied with death certificate of the deceased shareholder or debenture holder, as the case may be.

- (ii) A nominee shall be entitled to the share dividend/interest and other advantages to which he would be entitled if he were the registered holder of the shares or debentures, provided that he shall not, before being registered as a member, be entitled to exercise any right conferred by membership in relation to the meeting of the Company.

Provided further that the Board may, at any time, give notice requiring any such person to elect either to be registered himself or to transfer the shares or debentures, and if the notice is not complied within ninety days, the Board may thereafter withhold payment of all dividends, bonuses or other monies payable in respect of the shares or debentures, until the requirements of the notice have been complied with.

TRUST NOT RECOGNISED

93. Save as herein otherwise provided, the Company shall be entitled to treat the person whose names appears on the Register of Members/Debentures as the holder of any Shares/Debentures in the records of the Company and/or in the records of the Depository as the absolute owner thereof and accordingly shall not (except as may be ordered by a Court of competent jurisdiction or as may be required by law) be bound to recognize any benami trust or equitable, contingent, future or other claim or interest or partial interest in any such shares/debentures on the part of any other person or (except only as is by these Articles otherwise expressly provided) any right in respect of a share other than an absolute right thereto on the part of any other person whether or not it shall have express or implied notice thereof, but the Board shall be at liberty and at its sole discretion decided to register any share/debenture in the joint names of any two or more persons or the survivor or survivors of them.

TRANSFER OF SECURITIES

94. Nothing contained in Section 56(1) of the Act or these Articles shall apply to a transfer of securities affected by a transferor and transferee both of whom are entered as beneficial owners in the records of depository.

NOTICE OF APPLICATION WHEN TO BE GIVEN

95. Where, in case of partly paid Shares, an application for registration is made by the transferor, the Company shall give notice of the application to the transferee in accordance with the provisions of Section 56 of the Act.

REFUSAL TO REGISTER NOMINEE

96. Subject to the provisions of the Act and these Articles, the Directors shall have the same right to refuse to register a person entitled by transmission to any Share of his nominee as if he were the transferee named in an ordinary transfer presented for registration.

PERSON ENTITLED MAY RECEIVE DIVIDEND WITHOUT BEING REGISTERED AS A MEMBER

97. A person entitled to a Share by transmission shall subject to the right of the Directors to retain dividends or money as is herein provided, be entitled to receive and may give a discharge for any dividends or other moneys payable in respect of the Share.

BOARD MAY REFUSE TRANSFER TO MORE THAN THREE PERSONS

98. **Subject** to the provisions of the Act, the Board may refuse to transfer a share or shares in the joint names of more than three persons.

JOINT HOLDERS

99. If any share stands in the name of two or more persons, the person first named in the Register of Members shall, as regards receipt of dividends or bonus or service of notice and/or any other matter connected with the Company, except voting at meeting and the transfer of the share, be deemed the sole holder thereof, but the joint holders of a share be severally as well as jointly, liable for the payment of all installments and calls due in respect of such share and for all incidents thereof subject to the following and other provisions contained in these articles;

JOINT AND SEVERAL LIABILITIES FOR ALL PAYMENTS IN RESPECT OF SHARES

- (a) The joint holders of any share shall be liable severally as well as jointly for and in respect of all calls and other payments which ought to be made in respect of such share.

TITLE OF SURVIVORS

- (b) On the death of any such joint holder, the survivor or survivors shall be the only person or persons recognized by the Company as having any title to the share but the Board may require such evidence of death as it may deem fit and nothing herein contained shall be taken to release the estate of a deceased joint holder from any liability on shares held by him jointly with any other person.

EFFECTUAL RECEIPTS

- (c) Any one of several persons who is registered as joint holder of any share may give effectual receipts for all dividends and payments on account of dividends in respect of such share.

DELIVERY OF CERTIFICATE AND GIVING OF NOTICE TO FIRST NAMED HOLDER

- (d) Only the person whose name stands first in the Register of Members as one of the joint holders of any share shall be entitled to delivery of the certificates relating to such share or to receive documents (which expression shall be deemed to include all documents referred to in the Articles and documents served on or sent to such person shall be deemed service on all the joint holders).

VOTES OF JOINT HOLDERS

- (e) Any one or two or more joint holders may vote at any meeting either personally or by attorney or by proxy in respect of such shares as if he were solely entitled thereto and if more than one of such joint holders be present at any meeting personally or by proxy or by attorney than that one or such persons so present whose name stands first or higher (as the case may be) on the Register of Members in respect of such shares shall alone be entitled to vote in respect thereof but the others of the joint holders shall be entitled to be present at the meeting; provided always that a joint holder present at any meeting personally shall be entitled to vote in preference to a joint holder present by attorney or by proxy although the name of such joint holder present by an attorney or by proxy although the name of such joint holder present by an attorney or proxy stands first or higher (as the case may be) in the register in respect of such shares. Several executors or administrators of a deceased members in whose (deceased member's) sole name any shares stand shall for the purpose of this Article, be deemed joint holders.

CONVERSION OF SHARES INTO STOCK SHARES MAY BE CONVERTED INTO STOCK

100. The Board may, pursuant to Section 61 with the sanction of a General Meeting, convert any paid up share into stock and when any shares shall have been converted into stock, the several holders of such stock may henceforth, transfer their respective interests therein or any part of such interest in the same manner as and subject to the same regulations, under which fully paid up share in the capital of the Company may be transferred or as near thereto as circumstances will admit, but the Board may, from time to time if it thinks fit, fix the minimum amount of stock transferable and direct that fractions of a rupee shall not be dealt with, power nevertheless at their discretion to waive such rules in any particular case.

RIGHTS OF STOCK-HOLDERS

101. The stock shall confer on the holders thereof respectively the same rights, privileges and advantages as regards participation in the profits and voting at meetings of the Company and for other purposes as would have been conferred by shares of equal amount in the capital of the Company of the same class as the shares from which such stock was converted, but so that none of such privileges or advantages except participation in the profits of the Company or in the assets of the Company on a winding up, shall be conferred by any such equivalent part of consolidated stock as would not, if existing in shares have conferred such privileges or advantages. No such conversion shall effect or prejudice any preference or other special privileges attached to the shares so converted. Save as aforesaid, all the provisions herein contained shall, so far as circumstances will admit, apply to stock as well as to shares. The Company may at any time reconvert any such stock into fully paid up shares of any denomination.

MEETING OF MEMBERS

102. (a) Subject to Section 96 of the Act, the Company shall in each year hold, in addition to any other meetings, a General Meeting as its Annual General Meeting and shall specify the meeting as such in the notices calling it and not more than fifteen months shall elapse between the date of the Annual General Meeting of the Company and that of the next, provided also that the Register may, for any special reason, extend the time within which any annual general meeting shall be held by a period not exceeding three months.
- (b) Every Annual General Meeting shall be called for at a time during business hours that is between 9 a.m. and 6 p.m. on any day that is not a national holiday and shall be held either at the Registered Office of the Company or at some other place within the city or town or village in which the Registered Office of the Company is situated.
103. The Company shall in accordance with Section 92 of the Act, within 60 days from the day on which the Annual General Meeting is held, prepare and file with the Registrar an annual return together with the copy of the financial statements, including consolidated financial statement, if any, along with all the documents which are required to be or attached to such financial statements under this act, duly adopted at the Annual General Meeting of the company. A copy of the financial statements adopted at the Annual General Meeting shall be filed within 30 days of the annual general meeting in accordance with Section 137 of the Act.

DISTINCTION BETWEEN ANNUAL GENERAL MEETING AND EXTRA-ORDINARY GENERAL MEETING

104. The General Meeting referred to in Article 102 shall be called and styled as an Annual General Meeting and all meetings other than the Annual General Meeting shall be called Extra-ordinary General Meetings.

CALLING OF EXTRA-ORDINARY GENERAL MEETING

105. (1) The Board may, whenever it deems fit, call an extraordinary general meeting of the company.

(2) The Board shall, at the requisition made by such number of members who hold, on the date of the receipt of the requisition, not less than one-tenth of such of the paid-up share capital of the company as on that date carries the right of voting power of all the members having on the said date a right to vote, call an extraordinary general meeting of the company within the period specified in clause (4).

(3) The requisition made under clause (2) shall set out the matters for the consideration of which the meeting is to be called and shall be signed by the requisitionists and sent to the registered office of the company.

(4) If the Board does not, within twenty-one days from the date of receipt of a valid requisition in regard to any matter, proceed to call a meeting for the consideration of that matter on a day not later than forty-five days from the date of receipt of such requisition, the meeting may be called and held by the requisitionists themselves within a period of three months from the date of the requisition.

(5) A meeting under clause (4) by the requisitionists shall be called and held in the same manner in which the meeting is called and held by the Board.

(6) Any reasonable expenses incurred by the requisitionists in calling a meeting under clause (4) shall be reimbursed to the requisitionists by the company and the sums so paid shall be deducted from any fee or other remuneration under section 197 payable to such of the directors who were in default in calling the meeting.

LENGTH OF NOTICE FOR CALLING MEETING

106. (1) A general meeting of a company may be called by giving not less than clear twenty-one days' notice either in writing or through electronic mode in such manner as may be determined by Central Government:

Provided that a general meeting may be called after giving a shorter notice if consent is given in writing or by electronic mode by not less than ninety-five per cent of the members entitled to vote at such meeting.

(2) Every notice of a meeting shall specify the place, date, day and the hour of the meeting and shall contain a statement of the business to be transacted at such meeting.

(3) The notice of every meeting of the company shall be given to –

(a) every member of the company, legal representative of any deceased member or the assignee of an insolvent member;

(b) the auditor or auditors of the company; and

(c) every director of the company.

(4) Any accidental omission to give notice to, or the non-receipt of such notice by, any member or other person who is entitled to such notice for any meeting shall not invalidate the proceedings of the meeting.

EXPLANATORY STATEMENT TO BE ANNEXED TO NOTICE / SPECIAL BUSINESS

107. (1) Pursuant to section 102 a statement setting out the following material facts concerning each item of special business to be transacted at a general meeting, shall be annexed to the notice calling such meeting, namely: -

(a) the nature of concern or interest, financial or otherwise, if any, in respect of each items of:

(i) every director and the manager, if any;

(ii) every other key managerial personnel; and

(iii) relatives of the persons mentioned in sub-clauses (i) and (ii);

(b) any other information and facts that may enable members to understand the meaning, scope and implications of the items of business and to take decision thereon.

(2) For the purposes of clause (1),

(a) in the case of an annual general meeting, all business to be transacted thereat shall be deemed special, other than—

(i) the consideration of financial statements and the reports of the Board of Directors and auditors;

(ii) the declaration of any dividend;

(iii) the appointment of directors in place of those retiring;

(iv) the appointment of, and the fixing of the remuneration of, the auditors; And

(b) in the case of any other meeting, all business shall be deemed to be special:

Provided that where any item of special business to be transacted at a meeting of the company relates to or affects any other company, the extent of shareholding interest in that other company of every promoter, director, manager, if any, and of every other key managerial personnel of the first mentioned company shall, if the extent of such shareholding is not less than two per cent of the paid-up share capital of that company, also be set out in the statement.

(3) Where any item of business refers to any document, which is to be considered at the meeting, the time and place where such document can be inspected shall be specified in the statement under sub-clause (1).

108. No General Meeting, Annual or Extra-ordinary, shall be competent to enter upon, discuss or transact any business which has not been specifically mentioned in the notice or notices upon which it is convened.

QUORUM

109. (1) The quorum for a General Meeting of the Company shall be as under:

(i) five members personally present if the number of members as on the date of meeting is not more than one thousand; or

(ii) fifteen members personally present if the number of members as on the date of meeting is more than one thousand but up to five thousand; or

(iii) thirty members personally present if the number of members as on the date of the meeting exceeds five thousand; shall be the quorum for a meeting of the company.

(2) If the quorum is not present within half-an-hour from the time appointed for holding a meeting of the company –

(a) the meeting shall stand adjourned to the same day in the next week at the same time and place, or to such other date and such other time and place as the Board may determine; or

(b) the meeting, if called by requisitionists under section 100, shall stand cancelled:

Provided that in case of an adjourned meeting or of a change of day, time or place of meeting under clause (a), the company shall give not less than three days notice to the members either individually or by publishing an advertisement in the newspapers (one in English and one in vernacular language) which is in circulation at the place where the registered office of the company is situated.

(3) If at the adjourned meeting also, a quorum is not present within half-an-hour from the time appointed for holding meeting, the members present shall be the quorum.

RESOLUTION PASSED AT ADJOURNED MEETING

110. Where a resolution is passed at an adjourned meeting of –

(a) a company; or

(b) the holders of any class of shares in a company; or

(c) the Board of Directors of a company, the resolution shall, for all purposes, be treated as having been passed on the date on which it was in fact passed, and shall not be deemed to have been passed on any earlier date.

REGISTRATION OF RESOLUTIONS AND AGREEMENTS

111. The Company shall comply with the provisions of Section 117 of the Act relating to registration of certain resolutions and agreements.

POWER OF ADJOURN GENERAL MEETING

112. (1) The Chairman of the General Meeting at which a quorum is present, and shall if so directed by the meeting, may adjourn the same from time to time and from place to place, but no business shall be transacted at any adjourned meeting other than the business left unfinished at the meeting from which the adjournment took place.

(2) 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.

(3) Save as aforesaid, it shall not be necessary to give any notice of an adjournment of or of the business to be transacted at any adjourned meeting.

CHAIRMAN OF GENERAL MEETING

113. The Chairman of the Board shall, if willing, preside as Chairman at every General Meeting, Annual or Extra-ordinary, if there be no such Chairman or if at any meeting he shall not be present within fifteen minutes after the time appointed for holding such meeting or being present declined to take the Chair, the Directors present may choose one of their members to be Chairman and in default of their doing so, the members present shall choose one of the Directors to be Chairman and if no Director present be willing to take the Chair, members shall, on a show of hands elect one of their numbers to be Chairman, of the meeting, if a poll is demanded on the election of the Chairman, it shall be taken forthwith in accordance with the provisions of the Act and these Articles and the Chairman elected on a show of hands shall exercise all the powers of the Chairman under the said provisions. If some other person is elected chairman as a result of the poll, he shall be the Chairman for the rest of the meeting.

BUSINESS CONFINED TO ELECTION OF CHAIRMAN WHILE CHAIR VACANT

114. No business shall be discussed at any General Meeting except the election of a Chairman while the chair is vacant.

RESOLUTION MUST BE PROPOSED AND SECONDED

115. No resolution submitted to a meeting, unless proposed by the Chairman of the meeting shall be discussed nor put to vote until the same has been proposed by a member present and entitled to vote at such meeting and seconded by another member present and entitled to vote at such meeting.

POSTAL BALLOT

116. (1) Notwithstanding anything contained in this Act, the company –

(a) shall, in respect of such items of business as the Central Government may, by notification, declare to be transacted only by means of postal ballot; and

- (b) may, in respect of any item of business, other than ordinary business and any business in respect of which directors or auditors have a right to be heard at any meeting, transact by means of postal ballot, in such manner as may be determined by Central Government, instead of transacting such business at a general meeting.
- (2) If a resolution is assented to by the requisite majority of the shareholders by means of postal ballot, it shall be deemed to have been duly passed at a general meeting convened in that behalf.

DECLARATION OF CHAIRMAN TO BE CONCLUSIVE

117. A declaration by the Chairman that a resolution has or has not been carried either unanimously or by a particular majority and an entry to that effect in the books containing the minutes of the proceedings of the Company shall be conclusive evidence of the fact, without proof of the number or proportion of the votes cast in favour of or against such resolution.

CIRCULATION OF MEMBERS' RESOLUTION

118. (1) A company shall, on requisition in writing of such number of members, as required in section 100,—

- (a) give notice to members of any resolution which may properly be moved and is intended to be moved at a meeting; and
- (b) circulate to members any statement with respect to the matters referred to in proposed resolution or business to be dealt with at that meeting.
- (2) A company shall not be bound under this section to give notice of any resolution or to circulate any statement unless —
 - (a) a copy of the requisition signed by the requisitionists (or two or more copies which, between them, contain the signatures of all the requisitionists) is deposited at the registered office of the company,
 - (i) in the case of a requisition requiring notice of a resolution, not less than six weeks before the meeting;
 - (ii) in the case of any other requisition, not less than two weeks before the meeting; and
 - (b) there is deposited or tendered with the requisition, a sum reasonably sufficient to meet the company's expenses in giving effect thereto:

Provided that if, after a copy of a requisition requiring notice of a resolution has been deposited at the registered office of the company, an annual general meeting is called on a date within six weeks after the copy has been deposited, the copy, although not deposited within the time required by this sub-section, shall be deemed to have been properly deposited for the purposes thereof.

- (3) The company shall not be bound to circulate any statement as required by clause (b) of sub-section (1), if on the application either of the company or of any other person who claims to be aggrieved, the Central Government, by order, declares that the rights conferred by this section are being abused to secure needless publicity for defamatory matter.
- (4) An order made under sub-section (3) may also direct that the cost incurred by the company by virtue of this section shall be paid to the company by the requisitionists, notwithstanding that they are not parties to the application.

VOTES OF MEMBERS

VOTES MAY BE GIVEN BY PROXY OR ATTORNEY

119. Subject to the provisions of the Act and these Articles, votes may be given either personally or by an attorney or by proxy or in the case of a body corporate, also by a representative duly authorised under section 113 of the Act.

A person can act as a proxy on behalf of members not exceeding fifty and holding in the aggregate not more than ten percent of the total share capital of the Company carrying voting rights

Provided that a member holding more than ten percent of the total share capital of the Company carrying voting rights may appoint a single person as proxy and such person shall not act as proxy for any other person or shareholder.

VOTES OF MEMBERS

120. (1) Subject to the provisions of section 43 and sub-section (2) of section 50, every member of a company limited by shares and holding equity share capital therein, shall have a right to vote on every resolution placed before the company; and

(b) his voting right on a poll shall be in proportion to his share in the paid-up equity share capital of the company.

(2) Every member of a company limited by shares and holding any preference share capital therein shall, in respect of such capital, have a right to vote only on resolutions placed before the company which directly affect the rights attached to his preference shares and, any resolution for the winding up of the company or for there payment or reduction of its equity or preference share capital and his voting right on a poll shall be in proportion to his share in the paid-up preference share capital of the company:

Provided that the proportion of the voting rights of equity shareholders to the voting rights of the preference shareholders shall be in the same proportion as the paid-up capital in respect of the equity shares bears to the paid-up capital in respect of the preference shares:

Provided further that where the dividend in respect of a class of preference shares has not been paid for a period of two years or more, such class of preference shareholders shall have a right to vote on all the resolutions placed before the company.

RIGHT OF MEMBER TO USE HIS VOTES DIFFERENTLY

121. On a poll being taken at meeting of the Company, a member entitled to more than one vote or his proxy or other person entitled to vote for him as the case may be need not, if he votes, use all his votes or cast in the same way all the votes he uses.

REPRESENTATION OF BODY CORPORATE

122. Pursuant to section 113, a body corporate whether a Company within meaning of the Act or not may, if it is a member or creditor of the Company including being a holder of debentures, may authorize such person by a resolution of its Board of Directors, as it thinks fit, to act as its representative at any meeting of members and creditors of the Company.

REPRESENTATION OF THE PRESIDENT OF INDIA OR GOVERNORS

123. The President of India or the Governor of State if he is a member of the Company may appoint such person as he thinks fit to act, as his representative at any meeting of the Company or at any meeting of any class of members of the Company in accordance with provisions of Section 112 of the Act or any other statutory provision governing the same.

A person appointed to act as aforesaid shall for the purposes of the Act be deemed to be a member of such a Company and shall be entitled to exercise the same rights and powers (including the right to vote by proxy) as the Governor could exercise, as member of the Company.

RESTRICTION ON EXERCISE OF VOTING RIGHT BY MEMBERS WHO HAVE NOT PAID CALLS

124. No member shall exercise any voting right in respect of any shares registered in his name on which any calls or other sums presently payable by him have not been paid or in regard to which the Company has and/or has exercised its right of lien.

RESTRICTION ON EXERCISE OF VOTING RIGHT IN OTHER CASES TO BE VOID

125. A member is not prohibited from exercising his voting right on the ground that he has not held his share or other interest in the Company for any specified period preceding the date on which the vote is taken, or on any other ground not being a ground set out in Article 124.

HOW MEMBER NON-COMPOS MENTIS MAY VOTE

126. If any member be a lunatic or non-compos mentis, the vote in respect of his share or shares shall be his committee or other legal guardian provided that such evidence of the authority of the person claimed to vote as shall be acceptable by the Board shall have been deposited at the office of the Company not less than forty eight hours before the time of holding a meeting.

INSTRUMENT OF PROXY

The instrument appointing a proxy shall be in writing and signed by the appointer or his attorney duly authorized in writing or if the appointer is a body corporate be under its seal or be signed by an office or attorney duly authorized by it.

INSTRUMENT OF PROXY TO BE DEPOSITED AT OFFICE

127. The instrument appointing a proxy and the power of attorney or other authority (if any) under which it is signed or a notarially certified copy of that power of attorney or authority shall be deposited at the registered office of the Company not less than forty eight hours before the time for holding the meeting or adjourned meeting at which the person named in the instrument proposes to vote and in default, the instrument of proxy shall not be treated as valid. No instrument of proxy shall be valid after the expiration of twelve months from the date of its execution.

WHEN VOTE BY PROXY VALID THOUGH AUTHORITY REVOKED

128. 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 share in respect of which the vote 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 adjournment meeting at which the proxy is used.

FORM OF PROXY

129. Every instrument of proxy, whether for specified meeting or otherwise shall, as nearly as circumstances will admit, be in the form Pursuant to Section 105(6) of the Companies Act, 2013 and Rule 19(3) of the Companies (Management and Administration) Rules, 2014.

TIME FOR OBJECTION TO VOTE

130. No objection shall be made to the validity of any vote except at the meeting or poll at which such vote shall be so tendered and every vote whether given personally or by proxy and not disallowed at such meeting or poll shall be deemed valid for all purposes of such meeting or poll whatsoever.

CHAIRMAN OF ANY MEETING TO BE THE JUDGE OF VALIDITY OF ANYVOTE

131. The Chairman of any meeting shall be sole judge of the validity of every vote tendered at such meeting. The Chairman present at the time of taking of a poll shall be the sole judge of the validity of every vote tendered at such poll.

MEMBER PAYING MONEY IN ADVANCE NOT BE ENTITLED TO VOTE IN RESPECT THEREOF

132. A Member paying the whole or a part of the amount remaining unpaid on any Share held by him although no part of that amount has been called up, shall not be entitled to any voting rights or participate in dividend or profits in respect of moneys so paid by him until the same would but for such payment become presently payable

DIRECTORS

133. 1) Until otherwise determined by a General Meeting of the Company and subject to the provisions of Section 149 of the Act, the number of Directors shall not be less than three nor more than fifteen.

- 2) The names of the first directors are:

Ashokkumar Laljibhai Lukhi

Ghanshyambhai Laljibhai Lukhi

The Persons Named Hereinafter Are The Directors Of The Company At The Time Of Adoption Of New Set Of Articles:-

Ashokkumar Laljibhai Lukhi

Ghanshyambhai Laljibhai Lukhi

Yash Ghanshyambhai Lukhi

INCREASE IN NUMBER OF DIRECTORS TO REQUIRE GOVERNMENT SANCTION

134. The appointment of the Directors exceeding 15 (fifteen) will be subject to the provisions of Section 149 of the Act.

POWER OF DIRECTORS TO APPOINT ADDITIONAL DIRECTORS

135. The Board of Directors shall have the power to appoint any person, other than a person who fails to get appointed as a director in a general meeting, as an additional director at any time who shall hold office up to the date of the next annual general meeting or the last date on which the annual general meeting should have been held, whichever is earlier.

ALTERNATE DIRECTORS

136. The Board of Directors shall have the power to appoint a person, not being a person holding any alternate directorship for any other director in the company, to act as an alternate director for a director during his absence for a period of not less than three months from India:

Provided that no person shall be appointed as an alternate director for an independent director unless he is qualified to be appointed as an independent director under the provisions of this Act:

Provided further that an alternate director shall not hold office for a period longer than that permissible to the director in whose place he has been appointed and shall vacate the office if and when the director in whose place he has been appointed returns to India:

Provided also that if the term of office of the original director is determined before he so returns to India, any provision for the automatic re-appointment of retiring directors in default of another appointment shall apply to the original, and not to the alternate director.

NOMINEE DIRECTORS

137. The Board shall have the power to appoint any person as a director nominated by any institution in pursuance of the provisions of any law for the time being in force or of any agreement or by the

Central Government or the State Government by virtue of its shareholding in a Government company.

If the office of any director appointed by the company in general meeting is vacated before his term of office expires in the normal course, the resulting casual vacancy may, in default of and subject to any regulations in the articles of the company, be filled by the Board of Directors at a meeting of the Board:

Provided that any person so appointed shall hold office only up to the date up to which the director in whose place he is appointed would have held office if it had not been vacated.

138. A Director need not hold any qualification shares.

REMUNERATION OF DIRECTORS

139. (1) Subject to the provisions of the Act, a Managing Director or any other Director, who is in the Whole - Time employment of the Company may be paid remuneration either by way of a monthly payment or at a specified percentage of the net profits of the Company or partly by one way and partly by the other.
- (2) Subject to the provisions of the Act, a Director who is neither in the Whole-time employment not a Managing Director may be paid remuneration.
- (i) by way of monthly, quarterly or annual payment with the approval of the Central Government:
or
- (ii) by way of commission if the Company by a special resolution authorises such payments.
- (3) The fees payable to Director (including a Managing or whole-time Director, if any) for attending a meeting of the Board or Committee shall be decided by the Board of Directors from time to time, however the amount thereof shall not exceed limit provided in the Companies Act, 2013 and rules, if any, framed there under.
- (4) if any Director be called upon to perform extra services or special exertion or efforts (which expression shall include work done by a Director as member of any committee formed by the Directors), the Board may arrange with such Directors for such special remuneration for such extra services or special exertions or either by a fixed sum or otherwise as may be determined by the Board and such remuneration may be either in addition to or in substitution for his remuneration above provided subject to the provision of Section 197(4) of the Act.

INCREASE IN REMUNERATION OF DIRECTORS TO REQUIRE GOVERNMENT SANCTION

140. Any provision relating to the remuneration of any Director including the Managing Director or Joint Managing Director or whole time Director or executive Director whether contained in his original appointment or which purports to increase or has the effect of increasing whether directly or indirectly the amount of such remuneration and whether that provisions are contained in the articles or in any agreement entered into by the Board of Directors shall be subject to the provisions of Section 196, 197 and 203 of the Act and in accordance with the conditions specified in Schedule V and to the extent to which such appointment or any provisions for remuneration thereof is not in accordance with the Schedule V, the same shall not have any effect unless approved by the Central Government and shall be effective for such period and be subject to such conditions as may be stipulated by the Central Government and to the extent to which the same is not approved by the Central Government, the same shall become void and not enforceable against the Company.

TRAVELLING EXPENSES INCURRED BY A DIRECTOR NOT A BONAFIDE RESIDENT OR BY DIRECTOR GOING OUT ON COMPANY'S BUSINESS

141. The Board may allow and pay to any Director who is not a bonafide resident of the place where the meetings of the Board or committee thereof are ordinarily held and who shall come to a such place for the purpose of attending any meeting, such sum as the Board may consider fair compensation or for traveling, boarding, lodging and other expenses, in addition to his fee for attending such meeting as above specified and if any Director be called upon to go or reside out of the ordinary place of his residence on the Company's business, he shall be entitled to be repaid and reimbursed any travelling or other expenses, incurred in connection with business of the Company.

DIRECTORS MAY ACT NOTWITHSTANDING ANY VACANCY

142. The continuing Directors may act notwithstanding any vacancy in the Board, but if and so long as the number is reduced below the quorum fixed by the Act or by these Articles 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 for summoning a General Meeting of the Company but for no other purpose.

DISCLOSURE OF INTEREST OF DIRECTORS

143. (1) Every director shall at the first meeting of the Board in which he participates as a director and thereafter at the first meeting of the Board in every financial year or whenever there is any change in the disclosures already made, then at the first Board meeting held after such change, disclose his concern or interest in any company or companies or bodies corporate, firms, or other association of individuals which shall include the shareholding, in such manner as may be determined by central government.

(2) Every director of a company who is in any way, whether directly or indirectly, concerned or interested in a contract or arrangement or proposed contract or arrangement entered into or to be entered into:

(a) with a body corporate in which such director or such director in association with any other director, holds more than two per cent. shareholding of that body corporate, or is a promoter, manager, Chief Executive Officer of that body corporate; or

(b) with a firm or other entity in which, such director is a partner, owner or member, as the case may be, shall disclose the nature of his concern or interest at the meeting of the Board in which the contract or arrangement is discussed and shall not participate in such meeting:

Provided that where any director who is not so concerned or interested at the time of entering into such contract or arrangement, he shall, if he becomes concerned or interested after the contract or arrangement is entered into, disclose his concern or interest forthwith when he becomes concerned or interested or at the first meeting of the Board held after he becomes so concerned or interested.

(3) A contract or arrangement entered into by the company without disclosure under subsection (2) or with participation by a director who is concerned or interested in any way, directly or indirectly, in the contract or arrangement, shall be voidable at the option of the company.

(4) Nothing in this Article-

(a) shall be taken to prejudice the operation of any rule of law restricting a director of a company from having any concern or interest in any contract or arrangement with the company;

(b) shall apply to any contract or arrangement entered into or to be entered into between two companies where any of the directors of the one company or two or more of them together holds or hold not more than two per cent. of the paid-up share capital in the other company.

INTERESTED DIRECTOR NOT TO PARTICIPATE OR VOTE ON BOARD'S PROCEEDINGS

144. No Director of the Company shall, as Director, take any part in the discussion of or vote on any contract or arrangement entered into or to be entered into by or on behalf of the Company if he is in any way whether directly or indirectly, concerned or interested in the contract or arrangement, nor

shall his presence count for the purpose of forming a quorum at the time of any such discussion or vote and if he does vote his vote shall be void, provided however that Directors may vote on any contract of indemnity against any loss which the Directors or any one or more of them may suffer by reason of becoming or being sureties or surety for the Company.

BOARD'S SANCTION TO BE REQUIRED FOR CERTAIN CONTRACTS IN WHICH PARTICULAR DIRECTOR IS INTERESTED

145. (1) Except with the consent of the Board of Directors of the Company and of the Shareholders where applicable, the Company, shall not enter into any contract with a Related Party in contravention of Section 188 of the Act and the Rules made there under:

- (i) for the sale, purchase or supply of any goods, materials or services; or
- (ii) selling or otherwise disposing of, or buying, property of any kind;
- (iii) leasing of property of any kind;
- (iv) availing or rendering of any services;
- (v) appointment of any agent for purchase or sale of goods, materials, services or property;
- (vi) such Related Party's appointment to any office or place of profit in the Company, its subsidiary company or associate company;
- (vii) underwriting the subscription of any securities or derivatives thereof, of the Company;

(2) Nothing contained in clause (1) shall affect any transactions entered into by the Company in its ordinary course of business other than transactions which are not on an arm's length basis.

(3) Notwithstanding anything contained in clauses (1) and (2) a Related Party may, in circumstances of urgent necessity enter, without obtaining the consent of the Board, into any contract with the Company; but in such a case the consent of the Board shall be obtained at a meeting within three months of the date of which the contract was entered into or such other period as may be prescribed under the Act. (S.188 (3))

(4) Every consent of the Board required under this Article shall be accorded by a resolution of the Board and the consent required under Clause (1) shall not be deemed to have been given within the meaning of that clause unless the consent is accorded before the contract is entered into or within three months of the date on which it was entered into or such other period as may be prescribed under the Act.

(5) If the consent is not accorded to any contract under this Article anything done in pursuance of the contract will be voidable at the option of the Board.

SPECIAL DIRECTOR

146. In connection with any collaboration arrangement with any company or corporation or any firm or person for supply of technical know-how and/or machinery or technical advice the directors may authorize such company, corporation, firm or person herein-after in this clause referred to as "collaborator" to appoint from time to time any person as director of the company (hereinafter referred to as "special director") and may agree that such special director shall not be liable to retire by rotation and need not possess any qualification shares to qualify him for office of such director, so however that such special director shall hold office so long as such collaboration arrangement remains in force unless otherwise agreed upon between the Company and such collaborator under the collaboration arrangements or at any time thereafter.

The collaborators may at any time and from time to time remove any such special director appointed by it and may at the time of such removal and also in the case of death or resignation of the person

so appointed, at any time appoint any other person as special director in his place and such appointment or removal shall be made in writing signed by such company or corporation or any partner or such person and shall be delivered to the Company at its registered office.

It is clarified that every collaborator entitled to appoint a director under this article may appoint one such person as a director and so that if more than one collaborator is so entitled there may be at any time as many special directors as the collaborators eligible to make the appointment.

DIRECTORS' SITTING FEES

147. The fees payable to a Director for attending each Board meeting shall be such Sum as may be fixed by the Board of Directors not exceeding such as may be determined by the Central Government for each of the meetings of the Board or a committee thereof and adjournments thereto attended by him. The directors, Subject to the sanction of the Central Government (if any required) may be paid such higher fees as the Company in General Meeting shall from time to time determine.

DIRECTORS AND MANAGING DIRECTOR MAY CONTRACT WITH COMPANY

148. Subject to the provisions of the Act the Directors (including a Managing Director And whole time Director) shall not be disqualified by reason of his or their office as such from holding office under the Company or from contracting with the Company either as vendor, purchaser, lender, agent, broker, lessor or lessee or Otherwise, nor shall any such contract or any contracts or arrangement entered into by or on behalf of the Company with any Director or with any company or Partnership of or in which any Director shall be a member or otherwise interested be avoided nor shall any Director so contracting be liable to account to the Company for any profit realized by such contract or arrangement by reason only of such director holding that office or of the fiduciary relation thereby established, but it is declared that the nature of his interest shall be disclosed as Provided by Section 188 of the Act and in this respect all the provisions of Section 179, 180, 184, 185, 186, 188, 189 and 196 of the Act shall be duly observed and complied with.

DISQUALIFICATION OF THE DIRECTOR

149. (1) A person shall not be eligible for appointment as a director of a company, if -

- (a) he is of unsound mind and stands so declared by a competent court;
- (b) he is an undischarged insolvent;
- (c) he has applied to be adjudicated as an insolvent and his application is pending;

(d) he has been convicted by a court of any offence, whether involving moral turpitude or otherwise,

and sentenced in respect thereof to imprisonment for not less than six months and a period of five years has not elapsed from the date of expiry of the sentence:

Provided that if a person has been convicted of any offence and sentenced in respect thereof to imprisonment for a period of seven years or more, he shall not be eligible to be appointed as a director in any company;

(e) an order disqualifying him for appointment as a director has been passed by a Court or Tribunal and the order is in force;

(f) he has not paid any calls in respect of any shares of the company held by him, whether alone or jointly with others, and six months have elapsed from the last day fixed for the payment of the call;

(g) he has been convicted of the offence dealing with related party transactions under section 188 at any time during the last preceding five years; or

(h) he has not complied with sub-section (3) of section 152.

- (2) No person who is or has been a director of a company which -
- (a) has not filed financial statements or annual returns for any continuous period of three financial years; or
 - (b) has failed to repay the deposits accepted by it or pay interest thereon or to redeem any debentures on the due date or pay interest due thereon or pay any dividend declared and such failure to pay or redeem continues for one year or more, shall be eligible to be re-appointed as a director of that company or appointed in other company for a period of five years from the date on which the said company fails to do so.

DIRECTORS VACATING OFFICE

150. The office of a Director shall be vacated if:

- (i) he is found to be of unsound mind by a Court of competent jurisdiction;
- (ii) he applied to be adjudicated an insolvent;
- (iii) he is adjudicated an insolvent;
- (iv) he is convicted by a Court, of any offence involving moral turpitude or otherwise and sentenced in respect thereof to imprisonment for not less than six months and a period of five years has not elapsed from the expiry of the sentence; Provided that if a person has been convicted of any offence and sentenced in respect thereof to imprisonment for a period of seven years or more, he shall not be eligible to be appointed as a director in any company;
- (v) he fails to pay any call in respect of shares of the Company held by him, whether alone or jointly with others, within six months from the last date fixed for the payment of the call unless the Central Government by Notification in the Official Gazette removes the disqualification incurred by such failure;
- (vi) he absents himself from all the meetings of the Board of Directors held during a period of twelve months with or without seeking leave of absence of the Board;
- (vii) he is removed in pursuance of Section 169 of Act;
- (viii) having been appointed a Director by virtue of his holding any office or other employment in the Company, he ceases to hold such office or other employment in the Company;
- (ix) he acts in contravention of the provisions of Section 184 of the Act relating to entering into contracts or arrangements in which he is directly or indirectly interested;
- (x) he fails to disclose his interest in any contract or arrangement in which he is directly or indirectly interested, in contravention of the provisions of section 184.

DIRECTOR MAY BE DIRECTOR OF COMPANIES PROMOTED BY THE COMPANY

151. Subject to provisions of Section 203 of the Act, a Director may be or become a director of any company promoted by the Company, or in which it may be interested as a vendor, shareholder, or otherwise and no such Director shall be accountable for any benefit received as director or Shareholder of such company except in so far Section 197 or Section 188 of the Act may be applicable.

RETIREMENT AND ROTATION OF DIRECTORS

RETIREMENT OF DIRECTORS BY ROTATION

152. (1) (a) At every Annual General Meeting, not less than two-thirds of the total number of directors of a company shall -

(i) be persons whose period of office is liable to determination by retirement of directors by rotation; and

(ii) save as otherwise expressly provided in this Act, be appointed by the company in general meeting.

(b) The remaining directors in the case of any such company shall, in default of, and subject to any regulations in the articles of the company, also be appointed by the company in general meeting.

(c) At the first annual general meeting of a public company held next after the date of the general meeting at which the first directors are appointed in accordance with clauses (a) and (b) and at every subsequent annual general meeting, one-third of such of the directors for the time being as are liable to retire by rotation, or if their number is neither three nor a multiple of three, then, the number nearest to one-third, shall retire from office.

(d) The directors to retire by rotation at every annual general meeting shall be those who have been longest in office since their last appointment, but as between persons who became directors on the same day, those who are to retire shall, in default of and subject to any agreement among themselves, be determined by lot.

(e) At the annual general meeting at which a director retires as aforesaid, the company may fill up the vacancy by appointing the retiring director or some other person thereto (2)(a) If the vacancy of the retiring director is not so filled-up and the meeting has not expressly resolved not to fill the vacancy, the meeting shall stand adjourned till the same day in the next week, at the same time and place, or if that day is a national holiday, till the next succeeding day which is not a holiday, at the same time and place.

(b) If at the adjourned meeting also, the vacancy of the retiring director is not filled up and that meeting also has not expressly resolved not to fill the vacancy, the retiring director shall be deemed to have been re-appointed at the adjourned meeting, unless: at that meeting or at the previous meeting a resolution for the re-appointment of such director has been put to the meeting and lost;

the retiring director has, by a notice in writing addressed to the company or its Board of directors, expressed his unwillingness to be so re-appointed; he is not qualified or is disqualified for appointment; a resolution, whether special or ordinary, is required for his appointment or re-appointment by virtue of any provisions of this Act; or section 162 is applicable to the case.

APPOINTMENT OF DIRECTOR TO BE VOTE INDIVIDUALLY

153. (1) At a general meeting of a company, a motion for the appointment of two or more persons as directors of the company by a single resolution shall not be moved unless a proposal to move such a motion has first been agreed to at the meeting without any vote being cast against it.

(2) A resolution moved in contravention of sub-section (1) shall be void, whether or not any objection was taken when it was moved.

(3) A motion for approving a person for appointment, or for nominating a person for appointment as a director, shall be treated as a motion for his appointment.

154. (1) A person who is not a retiring director in terms of section 152 shall, subject to the provisions of this Act, be eligible for appointment to the office of a director at any general meeting, if he, or some member intending to propose him as a director, has, not less than fourteen days before the meeting, left at the registered office of the company, a notice in writing under his hand signifying his candidature as a director or, as the case may be, the intention of such member to propose him as a candidate for that office, along with the deposit of one lakh rupees or such higher amount as may be determined by central government which shall be refunded to such person or, as the case may be, to the member, if the person proposed get selected as a director or gets more than twenty-five per cent. of total valid votes cast either on show of hands or on poll on such resolution.

- (2) The company shall inform its members of the candidature of a person for the office of director under sub-section (1) in such manner as may be determined by central government.

RESIGNATION OF DIRECTOR

155. (1) A director may resign from his office by giving a notice in writing to the company and the Board shall on receipt of such notice take note of the same and the company shall intimate the Registrar in such manner, within such time and in such form as may be determined by central government and shall also place the fact of such resignation in the report of directors laid in the immediately following general meeting by the company:

Provided that a director shall also forward a copy of his resignation along with detailed reasons for the resignation to the Registrar within thirty days of resignation in such manner as may be determined by Central Government.

- (2) The resignation of a director shall take effect from the date on which the notice is received by the company or the date, if any, specified by the director in the notice, whichever is later:

Provided that the director who has resigned shall be liable even after his resignation for the offences which occurred during his tenure.

- (3) Where all the directors of a company resign from their offices, or vacate their offices under Section 167 of the Act, the promoter or, in his absence, the Central Government shall appoint the required number of directors who shall hold office till the directors are appointed by the company in general meeting.

REGISTER OF DIRECTORS AND KEY MANAGERIAL PERSONNEL AND NOTIFICATION OF CHANGES TO REGISTRAR

156. The Company shall keep at its registered office, a Register of Director, Managing Director, Manager and Secretary and key managerial personnel of the Company containing the particulars as required by Section 170 of the Act and shall send to the Registrar a return in the prescribed form containing the particulars specified in the said register and shall notify to the Registrar any change among its Directors, Managing Directors, Manager, Secretary and key managerial personnel or any of the particulars contained in the register as required by Section 170 of the Act.

APPOINTMENT OF TECHNICAL OR EXECUTIVE DIRECTORS

157. a) The Board of Directors shall have the right from time to time to appoint any person or persons as Technical Director or Executive Director/s and remove any such persons from time to time without assigning any reason whatsoever. A Technical Director or Executive Director shall not be required to hold any qualification shares and shall not be entitled to vote at any meeting of the Board of Directors.

b) Subject to the provisions of Section 161 of the Act, if the office of any Director appointed by the Company in General Meeting vacated before his term of office will expire in the normal course, the resulting casual vacancy may in default of and subject to any regulation in the Articles of the Company be filled by the Board of Directors at the meeting of the Board and the Director so appointed shall hold office only up to the date up to which the Director in whose place he is appointed would have held office if had not been vacated as aforesaid.

REMOVAL OF DIRECTORS

158. (1) A company may, by ordinary resolution, remove a director, not being a director appointed by the Tribunal under section 242, before the expiry of the period of his office after giving him a reasonable opportunity of being heard:

Provided that nothing contained in this sub-section shall apply where the company has availed itself of the option given to it under section 163 to appoint not less than two thirds of the total number of directors according to the principle of proportional representation.

(2) A special notice shall be required of any resolution, to remove a director under this section, or to appoint somebody in place of a director so removed, at the meeting at which he is removed.

(3) On receipt of notice of a resolution to remove a director under this section, the company shall forthwith send a copy thereof to the director concerned, and the director, whether or not he is a member of the company, shall be entitled to be heard on the resolution at the meeting.

(4) Where notice has been given of a resolution to remove a director under this section and the director concerned makes with respect thereto representation in writing to the company and requests its notification to members of the company, the company shall, if the time permits it to do so:

(a) in any notice of the resolution given to members of the company, state the fact of the representation having been made; and

(b) send a copy of the representation to every member of the company to whom notice of the meeting is sent (whether before or after receipt of the representation by the company), and if a copy of the representation is not sent as aforesaid due to insufficient time or for the company's default, the director may without prejudice to his right to be heard orally require that the representation shall be read out at the meeting:

Provided that copy of the representation need not be sent out and the representation need not be read out at the meeting if, on the application either of the company or of any other person who claims to be aggrieved, the Tribunal is satisfied that the rights conferred by this sub-section are being abused to secure needless publicity for defamatory matter; and the Tribunal may order the company's costs on the application to be paid in whole or in part by the director notwithstanding that he is not a party to it.

(5) A vacancy created by the removal of a director under this section may, if he had been appointed by the company in general meeting or by the Board, be filled by the appointment of another director in his place at the meeting at which he is removed, provided special notice of the intended appointment has been given under sub-section (2).

(6) A director so appointed shall hold office till the date up to which his predecessor would have held office if he had not been removed.

(7) If the vacancy is not filled under sub-section (5), it may be filled as a casual vacancy in accordance with the provisions of this Act:

Provided that the director who was removed from office shall not be re-appointed as a director by the Board of Directors.

(8) Nothing in this section shall be taken -

(a) as depriving a person removed under this section of any compensation or damages

payable to him in respect of the termination of his appointment as director as per the terms of contract or terms of his appointment as director, or of any other appointment terminating with that as director; or as derogating from any power to remove a director under other provisions of this Act.

ELIGIBILITY FOR RE-ELECTION

159. A retiring Director shall be eligible for re-election.

PROCEEDINGS OF DIRECTORS

MEETINGS OF BOARD

160. (1) A minimum number of four meetings of its Board of Directors every year in such a manner that not more than one hundred and twenty days shall intervene between two consecutive meetings of the Board:

Provided that the Central Government may, by notification, direct that the provisions of this sub-section shall not apply in relation to any class or description of companies or shall apply subject to such exceptions, modifications or conditions as may be specified in the notification.

- (2) The participation of directors in a meeting of the Board may be either in person or through video conferencing or other audio visual means, as may be determined by central government, which are capable of recording and recognising the participation of the directors and of recording and storing the proceedings of such meetings along with date and time:

Provided that the Central Government may, by notification, specify such matters which shall not be dealt with in a meeting through video conferencing or other audio visual means.

- (3) A meeting of the Board shall be called by giving not less than seven days' notice in writing to every director at his address registered with the company and such notice shall be sent by hand delivery or by post or by electronic means:

Provided that a meeting of the Board may be called at shorter notice to transact urgent business subject to the condition that at least one independent director, if any, shall be present at the meeting:

Provided further that in case of absence of independent directors from such a meeting of the Board, decisions taken at such a meeting shall be circulated to all the directors and shall be final only on ratification thereof by at least one independent director, if any.

QUORUM

161. (1) The quorum for a meeting of the Board of Directors of a company shall be one third of its total strength or two directors, whichever is higher, and the participation of the directors by video conferencing or by other audio visual means shall also be counted for the purposes of quorum under this sub-section.

- (2) 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 and for no other purpose.

- (3) Where at any time the number of interested directors exceeds or is equal to two thirds of the total strength of the Board of Directors, the number of directors who are not interested directors and present at the meeting, being not less than two, shall be the quorum during such time.

- (4) Where a meeting of the Board could not be held for want of quorum, then, unless the articles of the company otherwise provide, the meeting shall automatically stand adjourned to the same day at the same time and place in the next week or if that day is a national holiday, till the next succeeding day, which is not a national holiday, at the same time and place.

DECISION OF QUESTIONS

162. Subject to the provisions of the Act, question arising at any meeting of the Board shall be decided by a majority of votes and in case of an equality of votes, the Chairman shall have a second or casting vote.

BOARD MAY APPOINT CHAIRMAN, CO-CHAIRMAN AND VICE CHAIRMAN

163. The Board may elect a Chairman, a Co-Chairman and a Vice Chairman of their Meetings and of the Company and determine the period for which he is to hold office. The Chairman or in his absence the Co-Chairman or the Vice Chairman shall be entitled to take the Chair at every General

Meeting, whether Annual or Extraordinary, or if there be no such Chairman or Co-Chairman or Vice Chairman of the Board of Directors, or if at any Meeting neither of these shall be present within fifteen minutes of the time appointed for holding such Meeting, the Directors present may choose one of their members to be the Chairman of the Meeting of their meetings and determine the period for which he is to hold office, but if no such Chairman is elected or if at any meeting the Chairman is not present within ten minutes after the time appointed for holding the meeting, the Directors present may choose one of their members to be the Chairman of the Meeting.

POWER OF BOARD MEETING

164. A meeting of the Board at which a quorum is present shall be competent to exercise all or any of the authorities, powers and discretions which by or under the Act or the Articles are for the time being vested in or exercisable by the Board generally.
165. Subject to the restrictions contained in Section 179 of the Act, the Board may delegate any of its power to a Committee of the Board consisting of such member or members of its body or any other person as it thinks fit and it may from time to time revoke and discharge any such committee of the Board so formed, shall in the exercise of the power so delegated confirm to any regulations that may from time to time be imposed on it by the Board. All acts done by such Committee of the Board in conformity with such regulations and in fulfillment of the purposes of their appointment but not otherwise, shall have the like force and effect as if done by the Board.

MEETING OF THE COMMITTEE HOW TO BE GOVERNED

166. The meeting and proceedings of any such Committee of the Board consisting of two or more persons shall be governed by the provisions herein contained for regulating the meetings and proceedings of the Board, so far as the same are applicable thereto and are not superseded by any regulations made by the Board under the last preceding Article.

DEFECTS IN APPOINTMENT OF DIRECTORS NOT TO INVALIDATE ACTIONS TAKEN

167. No act done by a person as a director shall be deemed to be invalid, notwithstanding that it was subsequently noticed that his appointment was invalid by reason of any defect or disqualification or had terminated by virtue of any provision contained in this Act or in the articles of the company:
- Provided that nothing in this section shall be deemed to give validity to any act done by the director after his appointment has been noticed by the company to be invalid or to have terminated.

PASSING OF RESOLUTION BY CIRCULATION

168. (1) No resolution shall be deemed to have been duly passed by the Board or by a committee thereof by circulation, unless the resolution has been circulated in draft, together with the necessary papers, if any, to all the directors, or members of the committee, as the case may be, at their addresses registered with the company in India by hand delivery or by post or by courier, or through such electronic means as may be determined by Central Government and has been approved by a majority of the directors or members, who are entitled to vote on the resolution:
- Provided that, where not less than one-third of the total number of directors of the company for the time being require that any resolution under circulation must be decided at a meeting, the Chairperson shall put the resolution to be decided at a meeting of the Board.
- (2) A resolution under sub-section (1) above shall be noted at a subsequent meeting of the Board or the committee thereof, as the case may be, and made part of the minutes of such meeting.

SPECIAL NOTICE

169. Where by any provision contained in the Act or in these Articles special notice is required for any resolution, notice of the intention to move the resolution shall be given to the Company by such number of members holding not less than one per cent of total voting power or holding shares on which such aggregate sum not exceeding five lakh rupees, as may be prescribed, has been paid-

up, not less than fourteen days before the meeting at which it is to be moved exclusive of the day on which the notice is served or deemed to be served and the day of the meeting. The Company shall immediately after the notice of the intention to move any such resolution has been received by it, give its members notice of the resolution in the same manner as it gives notice of the meeting, or if that is not practicable, shall give them notice thereof either by advertisement in a newspaper having an appropriate circulation or in any other mode allowed by these presents not less than seven days before the meeting.

GENERAL POWERS OF THE BOARD

170. (1) The Board of Directors of a company shall be entitled to exercise all such powers, and to do all such acts and things, as the company is authorized to exercise and do:

Provided that in exercising such power or doing such act or thing, the Board shall be subject to the provisions contained in that behalf in this Act, or in the memorandum or articles, or in any regulations not inconsistent therewith and duly made thereunder, including regulations made by the company in general meeting:

Provided further that the Board shall not exercise any power or do any act or thing which is directed or required, whether under this Act or by the memorandum or articles of the company or otherwise, to be exercised or done by the company in general meeting.

- (2) No regulation made by the company in general meeting shall invalidate any prior act of the Board which would have been valid if that regulation had not been made.

CERTAIN POWERS TO BE EXERCISED BY THE BOARD ONLY AT MEETINGS

171. The Board of Directors of a company shall exercise the following powers on behalf of the company by means of resolutions passed at meetings of the Board, namely: -

- (a) to make calls on shareholders in respect of money unpaid on their shares;
- (b) to authorize buy-back of securities under section 68;
- (c) to issue securities, including debentures, whether in or outside India;
- (d) to borrow monies;
- (e) to invest the funds of the company;
- (f) to grant loans or give guarantee or provide security in respect of loans;
- (g) to approve financial statement and the Board's report;
- (h) to diversify the business of the company;
- (i) to approve amalgamation, merger or reconstruction;
- (j) to take over a company or acquire a controlling or substantial stake in another company;
- (k) to make political contributions;
- (l) to appoint or remove key managerial personnel (KMP);
- (m) to take note of appointment(s) or removal(s) of one level below the Key Managerial Personnel;
- (n) to appoint internal auditors and secretarial auditor;
- (o) to take note of disclosure of director's interest and shareholding;
- (p) to buy, sell investments held by the company (other than trade investments) constituting five percent or more of the paid up share capital and free reserve of the investee company;
- (q) to invite and accept or renew public deposits and related matters;

(r) to review or change the terms and conditions of public deposit;

(s) to approve quarterly, half yearly and annual financial statements or financial results as the case may be.

Provided that the Board may, by a resolution passed at a meeting, delegate to any committee of directors, the managing director, the manager or any other principal officer of the company or in the case of a branch office of the company, the principal officer of the branch office, the powers specified in clauses (d) to (f) on such conditions as it may specify:

Nothing in this section shall be deemed to affect the right of the company in general meeting to impose restrictions and conditions on the exercise by the Board of any of the powers specified in this section.

RESTRICTIONS ON POWERS OF BOARD

172. (1) The Board of Directors of a company shall exercise the following powers only with the consent of the company by a special resolution, namely: -to sell, lease or otherwise dispose of the whole or substantially the whole of the undertaking of the company or where the company owns more than one undertaking, of the whole or substantially the whole of any of such undertakings.

(b) to invest otherwise in trust securities the amount of compensation received by it as a result of any merger or amalgamation;

(c) to borrow money, where the money to be borrowed, together with the money already borrowed by the company will exceed aggregate of its paid-up share capital and free reserves, apart from temporary loans obtained from the company's bankers in the ordinary course of business:

Provided that the acceptance by a banking company, in the ordinary course of its business, of deposits of money from the public, repayable on demand or otherwise, and withdrawable by cheque, draft, order or otherwise, shall not be deemed to be a borrowing of monies by the banking company within the meaning of this clause.

(d) to remit, or give time for the repayment of, any debt due from a director.

(2) Every special resolution passed by the company in general meeting in relation to the exercise of the powers referred to in clause (c) of sub-section (1) shall specify the total amount up to which monies may be borrowed by the Board of Directors.

(3) Nothing contained in clause (a) of sub-section (1) shall affect -

(a) the title of a buyer or other person who buys or takes on lease any property, investment or undertaking as is referred to in that clause, in good faith; or

(b) the sale or lease of any property of the company where the ordinary business of the company consists of, or comprises, such selling or leasing.

(4) Any special resolution passed by the company consenting to the transaction as is referred to in clause (a) of sub-section (1) may stipulate such conditions as may be specified in such resolution, including conditions regarding the use, disposal or investment of the sale proceeds which may result from the transactions:

Provided that this sub-section shall not be deemed to authorise the company to effect any reduction in its capital except in accordance with the provisions contained in this Act.

(5) No debt incurred by the company in excess of the limit imposed by clause (c) of sub-section (1) shall be valid or effectual, unless the lender proves that he advanced the loan in good faith and without knowledge that the limit imposed by that clause had been exceeded.

POWER TO BORROW

173. Subject to the provisions of Sections 73 and 180 of the Act, the Board may, from time to time at its discretion and by means of resolutions passed at its meeting accept deposits from members either in advance of calls or otherwise and generally, raise or borrow or secure the payment or any sum or sums of money for the purposes of the Company.
174. All the provisions applicable to nomination facility available to shareholder(s) and debenture holder(s) enumerated in these Articles shall equally apply to deposit holder(s) and the provisions of Section 72 of the Act shall also apply.

THE PAYMENT OR REPAYMENT OF MONEYS BORROWED

175. The payment or repayment of moneys borrowed as aforesaid may be secured in such manner and upon such terms and conditions in all respects as the Board of Directors may think fit, and in particular in pursuance of a resolution passed at a meeting of the Board (and not by circular resolution) by the issue of bonds, debentures or debentures stock of the Company, charged upon all or any part of the property of the Company, (both present and future), including its un-called capital for the time being and the debentures and the debenture stock and other securities may be made assignable free from any equities between the Company and the person to whom the same may be issued.

BONDS, DEBENTURES, ETC. TO BE SUBJECT TO CONTROL OF DIRECTORS

176. Any bonds, debentures, debenture-stock or other securities issued or to be issued by the Company shall be under the control of the Directors who may issue them upon such terms and conditions and in such manner and for such consideration as they shall consider to be for the benefit of the Company.

Provided that bonds, debentures, debenture-stock or other securities so issued or to be issued by the Company with the right to allotment of or conversion into shares shall not be issued except with the sanction of the Company in general meeting.

CONDITION ON WHICH MONEY MAY BE BORROWED

177. The Board may raise or secure the payment of such sum or sums in such manner and upon such terms and conditions in all respects as it thinks fit and in particular by the issue of bonds, perpetual or redeemable debenture-stock or any mortgage, charge or other security on the undertaking of the whole or any part of the Company (both present and future) including its uncalled capital for the time being. The Board shall exercise such power only by means of resolutions passed at its meetings and not by circular resolutions.

TERMS OF ISSUE OF DEBENTURES

178. Any debentures, debenture-stock or other securities may be issued at a discount, premium or otherwise and may be issued on condition that they shall be convertible into shares of any denomination and with any privileges and conditions as to redemption, surrender, drawing, allotment of shares, attending (but not voting) at the General Meeting, appointment of Directors and otherwise Debentures with the right to conversion into or allotment of shares shall be issued only with the consent of the Company in the General Meeting by a Special Resolution.

DEBENTURES WITH VOTING RIGHTS NOT BE ISSUED

179. (1) A company may issue debentures with an option to convert such debentures into shares, either wholly or partly at the time of redemption:

Provided that the issue of debentures with an option to convert such debentures into shares, wholly or partly, shall be approved by a special resolution passed at a general meeting.

- (2) No company shall issue any debentures carrying any voting rights.

(3) Secured debentures may be issued by a company subject to such terms and conditions as may be determined by central government.

(4) Where debentures are issued by a company under this section, the company shall create a debenture redemption reserve account out of the profits of the company available for payment of dividend and the amount credited to such account shall not be utilized by the company except for the redemption of debentures.

(5) No company shall issue a prospectus or make an offer or invitation to the public or to its members exceeding five hundred for the subscription of its debentures, unless the company has, before such issue or offer, appointed one or more debenture trustees and the conditions governing the appointment of such trustees shall be such as may be determined by Central Government.

(6) A debenture trustee shall take steps to protect the interests of the debenture holders and redress their grievances in accordance with such rules as may be determined by Central Government.

(7) Any provision contained in a trust deed for securing the issue of debentures, or in any contract with the debenture-holders secured by a trust deed, shall be void in so far as it would have the effect of exempting a trustee thereof from, or indemnifying him against, any liability for breach of trust, where he fails to show the degree of care and due diligence required of him as a trustee, having regard to the provisions of the trust deed conferring on him any power, authority or discretion:

Provided that the liability of the debenture trustee shall be subject to such exemptions as may be agreed upon by a majority of debenture-holders holding not less than three fourths in value of the total debentures at a meeting held for the purpose.

(8) A company shall pay interest and redeem the debentures in accordance with the terms and conditions of their issue.

(9) Where at any time the debenture trustee comes to a conclusion that the assets of the company are insufficient or are likely to become insufficient to discharge the principal amount as and when it becomes due, the debenture trustee may file a petition before the Tribunal and the Tribunal may, after hearing the company and any other person interested in the matter, by order, impose such restrictions on the incurring of any further liabilities by the company as the Tribunal may consider necessary in the interests of the debenture-holders.

(10) Where a company fails to redeem the debentures on the date of their maturity or fails to pay interest on the debentures when it is due, the Tribunal may, on the application of any or all of the debenture-holders, or debenture trustee and, after hearing the parties concerned, direct, by order, the company to redeem the debentures forthwith on payment of principal and interest due thereon.

(11) If any default is made in complying with the order of the Tribunal under this section, every officer of the company who is in default shall be punishable with imprisonment for a term which may extend to three years or with fine which shall not be less than two lakh rupees but which may extend to five lakh rupees, or with both.

(12) A contract with the company to take up and pay for any debentures of the company may be enforced by a decree for specific performance.

(13) The Central Government may prescribe the procedure, for securing the issue of debentures, the form of debenture trust deed, the procedure for the debenture-holders to inspect the trust deed and to obtain copies thereof, quantum of debenture redemption reserve required to be created and such other matters.

EXECUTION OF INDEMNITY

180. If the Directors or any of them or any other persons shall become personally liable for the payment of any sum primarily due from the Company, the Board may execute or cause to be executed any mortgage, charge or security over or affecting the whole or any part of the assets of the Company by way of indemnity against any loss which the Directors or any one or more of them may suffer by reason of becoming or being sureties or surety for the company.

CERTAIN POWERS OF THE BOARD

181. Without prejudice to the general powers conferred by these Articles and so as not in any way to limit or restrict those powers, but subject however to the provisions of the Act, it is hereby expressly declared that the Board shall have the following powers:

1) To pay the costs, charges and expenses preliminary and incidental to the promotion, formation, establishment, and registration of the Company.

2) Subject to Sections 179 and 188 and other applicable provisions of the Act, to purchase or otherwise acquire for the Company any property, movable or immovable, rights or privileges which the Company is authorized to acquire at or for such price or consideration and generally on such terms and conditions as they may think fit and in any such purchase or other acquisition to accept such title as the Board may believe or may be advised to be reasonably satisfactory.

3) At its discretion and subject to the provisions of the Act, to pay for any property, rights, privileges acquired by or services rendered to the Company, either wholly or partially in cash or in shares, bonds, debentures, mortgages or other securities of the Company and any such shares may be issued either as fully paid up or with such amount credited as fully paid up thereon as may be agreed upon and any such bonds, debentures, mortgages or other securities may be either specifically charges upon all or any part of the property of the Company including its uncalled capital or not so charges.

4) To secure the fulfillment of any contracts, agreements or engagements entered into by the Company by mortgage or charge of all or any of the property of the Company and its uncalled capital for the time being or in such manner as they may think fit.

5) To appoint and at its discretion, remove or suspend, such managers, secretaries, officers, clerks, agents and employees for permanent, temporary or special services as it may from time to time think fit and to determine their power and duties and fix their salaries, emoluments remuneration and to require security in such instances and of such amounts as it may think fit.

6) To accept from any member subject to the provisions of the Act, a surrender of his share or any part thereof on such terms and condition as shall be agreed.

7) To appoint any person or persons (whether incorporated or not) to accept and hold in trust for the Company any property belonging to the Company or in which it is interested or for any other purpose and to execute and do all such deeds and things as may be required in relation to any such trust and to provide for the remuneration of such trustee or trustees.

8) To institute, conduct, defend, compound or abandon any legal proceedings by or against the Company or its officers or otherwise concerning the affairs of the Company and also to compound and allow time for payment or satisfaction of any debts due or any claims or demands by or against the Company and to refer any difference to arbitration and observe and perform the terms of any awards made therein either according to Indian Law or according to Foreign Law and either in India or abroad and observe and perform or challenge any award made therein.

9) To refer any claims or demands by or against the Company or any difference to arbitration and observe and perform the awards.

10) To act on behalf of the Company in all matters relating to bankruptcy and insolvency.

- 11) To make and give receipts, releases and other discharges for money payable to the Company and for the claims and demands of the Company.
- 12) To open and operate Bank Accounts, to determine from time to time who shall be entitled to sign, on the Company's behalf, bills, notes, receipts, acceptances, endorsements, cheques, dividend warrants, releases, contracts and documents and to give the necessary authority for such purposes.
- 13) Subject to the provisions of the Act and these Articles from time to time to provide for the management of the affairs of the Company in or outside India in such manner as it may think fit and in particular to appoint any person to be the attorneys or agents of the Company with such person (including the power to sub-delegate) and upon such terms as may be thought fit.
- 14) Subject to the provisions of Sections 179, 180, 185 of Act and other applicable provisions of the Act and these Articles, to invest and deal with the moneys of the Company not immediately required for the purpose thereof in or upon such security (not being shares in this Company) or without security and in such manner as it may think fit and from time to time to vary or realize such investments save as provided in Section 187 of the Act, all investments shall be made and held in the Company's own name.
- 15) To execute in the name and on behalf of the Company in favour of any Director or other person who may incur or be about to incur, any personal liability for the benefit of the Company, such mortgages of the Company's property (present and future) as it thinks fit and any such mortgage may contain a power of sale and such other powers, covenants and provisions as shall be agreed upon.
- 16) To distribute by way of bonus amongst the staff of the Company a share or shares in the profits of the Company and to give to any Director, officer or other person employed by the Company a commission on the profits of any particular business or transaction and to charge such bonus or commission as a part of working expenses of the Company.
- 17) To provide for the welfare of employees or ex-employees of the Company and the wives and families or the dependents or connections of such persons by building or contributing to the building of houses, dwellings or chawls or by grants of money, pension, gratuity, annuities, allowances, bonuses or other payments or by creating and from time to time subscribing or contributing to, provident fund and other associations institutions, funds or trusts and by providing or subscribing or contributing towards places of instruction or recreations, hospitals and dispensaries, medical and other attendance and other assistance as the Board shall think fit.
- 18) To subscribe, incur expenditure or otherwise to assist or to guarantee money to charitable, benevolent, religious, scientific, national or any other institutions or objects which shall have any moral or other claim to support or aid by the Company either by reason of locality of operation or of public and general utility or otherwise.
- 19) Before recommending any dividend, to set aside, out of the profits of the Company, such sums as it may think proper for depreciation or to a depreciation fund or to an insurance fund or as a reserve fund or sinking fund or any special fund to meet contingencies to repay debentures or for debenture-stock or for special dividends or for equalizing dividends or for repairing, improving, extending and maintaining any of the property of the Company and for such other purposes (including the purposes referred to in the last two preceding clauses) as the Board of Directors, may in its absolute discretion think conducive to the interest of the Company and subject to the provisions of the Act to invest the several sums so set aside or so much thereof as is required to be invested, upon such investments (other than shares of this Company) as it may think fit and from time to time deal with and vary such investments and dispose off and apply and expend all or any part thereof for the benefit of the Company, in such manner & for such purposes as the Board of Directors in its absolute discretion think conducive to the interest of the Company notwithstanding that the matters to which the Board of Directors applies or upon which it expends the same or any

part thereof may be matters to or upon which the capital moneys of the Company might rightly be applied or expended and to divide the general reserve fund into such special funds as the Board of Directors may think fit with full power to transfer the whole or any portion of a reserve fund or division of reserve fund to another reserve fund and with full power to employ the asset constituting all or any of the above funds including the depreciation fund in the business of the Company or in the purchase or repayment of debentures or debenture-stock and that without being bound to keep the same separate from the other assets and without being bound to pay interest on the same with power however to the Board of Directors at its discretion to pay or allow to the credit of such funds, interest at such rate as the Board of Directors may think proper.

20) To pay and charge to the capital account of the Company any commission or interest lawfully payable under the provisions of the Act and of the provision contained in these presents.

21) From time to time make, vary and repeal by-laws for regulation of the business of the Company, its officers and servants.

22) To redeem redeemable preference shares.

23) Subject to provisions of the Act, for or in relation to any of the matters aforesaid or otherwise for the purpose of the Company to enter in to all such negotiations and contracts and rescind and vary all such contracts and execute and do all such acts, deeds and things in the name and on behalf of the Company as they may consider expedient.

24) To undertake any branch or kind of business which the company is expressly or by implication authorized to undertake at such time or times as it shall think fit and to keep in abeyance any such branch or kind of business even though it may have been actually commenced or not, so long as the Board may deem it expedient not to commence or proceed with such branch or kind of business.

APPOINTMENT OF INDEPENDENT DIRECTOR

182. Pursuant to Section 149 and rules as may be applicable and subject to the provisions of Schedule IV the company shall appoint such number of independent directors from time to time as may be determined by the Central Government.

Every independent director shall at the first meeting of the Board in which he participates as a director and thereafter at the first meeting of the Board in every financial year or whenever there is any change in the circumstances which may affect his status as an independent director, give a declaration that he meets the criteria of independence.

Notwithstanding anything contained in any other provision of this Act, but subject to the provisions of sections 197 and 198, an independent director shall not be entitled to any stock option and may receive remuneration by way of fee provided under sub-section (5) of Section 197, reimbursement of expenses for participation in the Board and other meetings and profit related commission as may be approved by the members.

Subject to the provisions of section 152, an independent director shall hold office for a term up to five consecutive years on the Board of a company, but shall be eligible for reappointment on passing of a special resolution by the company and disclosure of such appointment in the Board's report.

No independent director shall hold office for more than two consecutive terms, but such independent director shall be eligible for appointment after the expiration of three years of ceasing to become an independent director:

Provided that an independent director shall not, during the said period of three years, be appointed in or be associated with the company in any other capacity, either directly or indirectly.

Notwithstanding anything contained in this Act -

(i) an independent director;

(ii) a non-executive director not being promoter or key managerial personnel, shall be held liable, only in respect of such acts of omission or commission by a company which had occurred with his knowledge, attributable through Board processes, and with his consent or connivance or where he had not acted diligently.

The provisions of sub-sections (6) and (7) of section 152 in respect of retirement of directors by rotation shall not be applicable to appointment of independent directors.

KEY MANAGERIAL PERSONNEL

APPOINTMENT OF KEY MANAGERIAL PERSONNEL

183. (1) Subject to the provisions of Sections 203 and other applicable provisions, if any of the Act, Company shall appoint whole-time key managerial personnel by means of a resolution of the Board containing the terms and conditions of the appointment including the remuneration.

(2) A whole-time key managerial personnel shall not hold office in more than one company except in its subsidiary company at the same time:

Provided that nothing contained in this sub-clause shall disentitle a key managerial personnel from being a director of any company with the permission of the Board.

Provided further that whole-time key managerial personnel holding office in more than one company at the same time on the date of commencement of this Act, shall, within a period of six months from such commencement, choose one company, in which he wishes to continue to hold the office of key managerial personnel.

Provided also that a company may appoint or employ a person as its managing director, if he is the managing director or manager of one, and of not more than one, other company and such appointment or employment is made or approved by a resolution passed at a meeting of the Board with the consent of all the directors present at the meeting and of which meeting, and of the resolution to be moved thereat, specific notice has been given to all the directors then in India.

(3) If the office of any whole-time key managerial personnel is vacated, the resulting vacancy shall be filled-up by the Board at a meeting of the Board within a period of six months from the date of such vacancy.

REMUNERATION OF KEY MANAGERIAL PERSONNEL

184. The remuneration of Key Managerial Personnel shall from time to time, be fixed by the Board and may be by way of salary or commission or participation in profits or by any or all of these modes or in any other form and shall be subject to the limitations prescribed in Schedule V along with Sections 196 and 197 of the Act.

DIRECTORS MAY CONFER POWER ON MANAGING DIRECTOR

185. Subject to the provisions of the Act and to the restrictions contained in these Articles, Board may from time to time entrust to and confer upon a Managing Director for the time being such of the powers exercisable by the Board under these Articles as it may think fit and may confer such powers for such time and to be exercised for such objects and purposes and upon such terms and conditions and with such restrictions as it thinks expedient.

CERTAIN PERSONS NOT TO BE APPOINTED AS MANAGING DIRECTORS

186. No company shall appoint or continue the employment of any person as Managing Director, Whole-time Director or Manager who -

(a) is below the age of twenty-one years or has attained the age of seventy years:

Provided that appointment of a person who has attained the age of seventy years may be made by passing a special resolution in which case the explanatory statement annexed to the notice for such motion shall indicate the justification for appointing such person;

- (b) is an undischarged insolvent or has at any time been adjudged as an insolvent;
- (c) has at any time suspended payment to his creditors or makes, or has at anytime made, a composition with them; or
- (d) has at any time been convicted by a court of an offence and sentenced for a period of more than six months.

A person shall not be eligible for appointment as a director of a company if such person suffers any of the disqualifications provided under Section 164 of the Act.

- 187. Special to any contract between him and the Company, a Managing or Whole time Director shall not, while he continues to hold that office, be subject to retirement by rotation and he shall not be reckoned as a Director for the purpose of determining the rotation of retirement of Directors or in fixing the number of Directors to retire but (subject to the provision of any contract between him and the Company), he shall be subject to the same provisions as to resignation and removal as the Directors of the Company and shall, ipso facto and immediately, cease to be a Managing Director if he ceases to hold the office of Director from any cause.
- 188. The Company shall not appoint or employ at the same time more than one of the following categories of managerial personnel namely:-
 - a) Managing Director and
 - b) Manager and shall duly observe the provisions of Section 196 of the Act regarding prohibition of simultaneous appointment of different categories of managerial personnel therein referred to.

THE SECRETARY

- 189. The Board may, from time to time, appoint and at its discretion, remove any individual (hereinafter called the Secretary) to perform any function which by the Act are to be performed by the Secretary and to execute any other ministerial or administrative duties which may from time to time be assigned to the Secretary by the Board. The Board may also at any time appoint some persons (who need not be the Secretary) to keep the registers required to be kept by the Company. The appointment of Secretary shall conform to the provisions of Section 203 of the Act.

THE SEAL, ITS CUSTODY AND USE

- 190. The Board of Directors shall provide a Common Seal for the purpose of the Company and shall have power from time to time to destroy the same and substitute a new Seal in lieu thereof and shall provide for the safe custody of the Seal for time being and the Seal of the Company shall not be affixed to any instrument except by the authority of a resolution of the Board of Directors and except in the presence of at least two Director or such other person as the Directors may appoint for the purpose and the Directors or other persons aforesaid shall sign every instrument to which the Seal of the Company is so affixed in their presence.

MINUTES

- 191. (1) The Company shall cause minutes of all proceedings of every General Meeting and all proceedings of every meeting of its Board of /directors or of every Committee of the Board to be kept by making within thirty days of the conclusion of every such meeting concerned, entries thereof in books kept for that, their pages consecutively numbered.
- (2) Each page of every such book shall be initialed or signed and the last Page of the record of proceedings of each meeting in such books shall be dated and signed.

(a) in the case of minutes of proceedings of a meeting of the Board or of a committee thereof, by the Chairman of the next succeeding meeting.

In the case of minutes of proceedings of a General Meeting, by the Chairman of the same meeting within the aforesaid period of thirty days or in the event of the death or inability of that Chairman within that period, by a Director duly authorized by the Board for the purpose.

192. Minutes of proceedings of every General Meeting and of the proceedings of every meeting of the Board kept in accordance with the provisions of Article 191 above, shall be evidence of the proceedings recorded therein.

193. Where minutes of the proceedings of every General Meeting of the Company or of any meeting of the Board or of a Committee of the Board have been kept in accordance with the provisions of Article 192 above then, until the contrary is proved the meeting shall be deemed to have been duly called and held and all proceedings thereat to have duly taken place and in particular all appointments of Directors or liquidators made at the meeting shall be deemed to be valid.

194. (1) The books containing the minutes of the proceedings of any General Meeting of the Company shall be kept at the registered office of the Company and shall be open for inspection of members without charge between the hours 2 p.m. and 5 p.m. during business hours on each working day except Saturday

(2) Any member of the Company shall be entitled to be furnished, within seven days after he has made a request in writing in that behalf to the Company, with a copy of any minutes referred above on payment of such sum not exceeding Ten Rupees for every page thereof required to be copied.

(3) In no case the minutes of proceedings of a meeting shall be attached to any such book as aforesaid by pasting or otherwise.

(4) The minutes of different meetings shall contain a fair and correct summary of proceedings thereat.

(5) All appointments of officers made at any of the meetings aforesaid shall be included in the minutes of the meeting.

(6) In the case of a meeting of the Board of Directors or of a committee of the Board, the minutes shall also contain -

(a) the names of the directors present at the meeting; and

(b) in the case of each resolution passed at the meeting, the names of the directors, if any, dissenting from, or not concurring with the resolution.

(7) Nothing contained in clauses (1) to (6) there shall not be included in the minutes, any matter which, in the opinion of the Chairman of the meeting -

(a) is or could reasonably be regarded as defamatory of any person; or

(b) is irrelevant or immaterial to the proceedings; or

(c) is detrimental to the interests of the company.

The Chairman shall exercise an absolute discretion in regard to the inclusion or non-inclusion of any matters in the minutes on the grounds specified in this clause.

PRESUMPTIONS TO BE DRAWN WHERE MINUTES DULY DRAWN AND SIGNED

195. Where minutes of the proceedings of any general meeting of the Company or of any meeting of its Board of Directors or a Committee of the Board have been kept in accordance with the provisions of Section 118 of the act then, until the contrary is proved, the meeting shall be deemed to have been duly called and held, and all proceedings thereat to have duly taken place and in particular all

appointments of directors of Liquidators made at the meeting shall be deemed to be valid and the minutes shall be evidence of the proceedings recorded therein.

DIVIDENDS

196. (1) No dividend shall be declared or paid by a company for any financial year except -

(a) out of the profits of the company for that year arrived at after providing for depreciation or out of the profits of the company for any previous financial year or years arrived at after providing for depreciation in accordance with the provisions of that sub-section and remaining undistributed, or out of both; or

(b) out of money provided by the Central Government or a State Government for the payment of dividend by the company in pursuance of a guarantee given by that Government:

Provided that a company may, before the declaration of any dividend in any financial year, transfer such percentage of its profits for that financial year as it may consider appropriate to the reserves of the company:

Provided further that where, owing to inadequacy or absence of profits in any financial year, any company proposes to declare dividend out of the accumulated profits earned by it in previous years and transferred by the company to the reserves, such declaration of dividend shall not be made except in accordance with such rules as may be determined by Central Government in this behalf:

Provided also that no dividend shall be declared or paid by a company from its reserves other than free reserves.

(2) The depreciation shall be provided in accordance with the provisions of Schedule II of the Act.

(3) The Board of Directors of a company may declare interim dividend during any financial year out of the surplus in the profit and loss account and out of profits of the financial year in which such interim dividend is sought to be declared:

Provided that in case the company has incurred loss during the current financial year up to the end of the quarter immediately preceding the date of declaration of interim dividend, such interim dividend shall not be declared at a rate higher than the average dividends declared by the company during the immediately preceding three financial years.

(4) The amount of the dividend, including interim dividend, shall be deposited in a scheduled bank in a separate account within five days from the date of declaration of such dividend.

(5) No dividend shall be paid by a company in respect of any share therein except to the registered shareholder of such share or to his order or to his banker and shall not be payable except in cash:

Provided that nothing in this sub-section shall be deemed to prohibit the capitalization of profits or reserves of a company for the purpose of issuing fully paid-up bonus shares or paying up any amount for the time being unpaid on any shares held by the members of the company:

Provided further that any dividend payable in cash may be paid by cheque or warrant or in any electronic mode to the shareholder entitled to the payment of the dividend.

(6) A company which fails to comply with the provisions of sections 73 and 74 shall not, so long as such failure continues, declare any dividend on its equity shares.

DIVIDEND TO JOINT HOLDERS

197. Any one of several persons who are registered as joint holders of any Shares may give effectual receipts for all dividends or bonus and payments on account of dividends in respect of such Shares.

198. 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 as paid up on the share.

APPORTIONMENT OF DIVIDENDS

199. All dividends shall be apportioned and paid proportionate 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.

DECLARATION OF DIVIDENDS

200. The Company in General Meeting may, subject to the provisions of Section 123 of the Act, declare a dividend to be paid to the members according to their right and interests in the profits and may fix the time for payment.

RESTRICTION ON AMOUNT OF DIVIDEND

201. No larger dividend shall be declared than is recommended by the Board, but the Company in General Meeting may declare a smaller dividend.

DIVIDEND OUT OF PROFITS ONLY AND NOT TO CARRY INTEREST

202. (1) No dividend shall be payable except out of the profits of the Company arrived at as stated in Section 123 of the Act.

(2) The declaration of the Board as to the amount of the net profits of the Company shall be conclusive.

INTERIM DIVIDENDS

203. The Board of Directors may from time to time pay the members such interim dividends as appears to it to be justified by the profits of the Company in accordance with Section 123 of the Act.

DEBTS MAY BE DEDUCTED

204. The Board may retain any dividends payable on shares on which the Company has a lien and may apply the same in or towards the satisfaction of the debts, liabilities or engagements in respect of which lien exists.

DIVIDEND AND CALL TOGETHER

205. Any General Meeting declaring a dividend may make a call on the members of such amount as the meeting fixes but so that the call on each members shall not exceed the dividend payable on him and so that the call may be made payable at the same time as the dividend and dividend may; if so arranged between the Company and the member, be set off against the call.

EFFECT OF TRANSFER

206. Right to dividend, right shares and bonus shares shall be held in abeyance pending registration of transfer of shares in conformity with the provision of Section 126 of the Act.

RETENTION IN CERTAIN CASES

207. The Board may retain the dividends payable upon shares in respect of which any person is, under Articles entitled to become a Member, which any person under that Article is entitled to transfer, until such person shall become a member in respect of such shares or shall duly transfer the same.

NO MEMBER TO RECEIVE INTEREST OR DIVIDEND WHILST INDEBTED TO THE COMPANY AND COMPANY'S RIGHT TO REIMBURSEMENT THERE OUT

208. No member shall be entitled to receive payment of an interest or dividend in respect of his own share or shares whilst any money may be due or owing from him to the Company in respect of such share or shares otherwise howsoever either alone or jointly with any other person or persons and the Board may deduct from the interest or dividend payable to any shareholder all sums or money so due from him to the Company.

PAYMENT BY POST

209. Any dividend payable in cash may be paid by cheque or warrant sent through the post directly to the registered address of the shareholder entitled to the payment of the dividend or in the case of joint shareholders to the registered address of that one whose name stands first on the Register of Members in respect of the joint shareholding or to such persons and to such address as the shareholders of the joint shareholders may in writing direct and every cheque or warrant so sent shall be made payable to the order of the person to whom it is sent and the Company shall not be responsible or liable for any cheque or warrant lost in transit or for any dividend lost to the member or person entitled thereto by the forged endorsement of any cheque or warrant or the fraudulent recovery thereof by any other means. The Company may, if it thinks fit, call upon the shareholders when applying for dividends or bonus to produce their share certificates at the registered office or other place where the payment of dividend is to be made.

DIVIDEND TO BE PAID WITHIN THIRTY DAYS

210. The Company shall pay dividend or send the warrant in respect thereof to the shareholder entitled to the payment of the dividend within Thirty days from the date of the declaration of the dividend unless:
- (a) the dividend could not be paid by reason of the operation of any law or
 - (b) a shareholder has given directions to the Company regarding the payment of dividend and these directions cannot be complied with or
 - (c) there is dispute, regarding the right to receive the dividend or
 - (d) the dividend has been lawfully adjusted by the Company against any sum due to it from the shareholder or
 - (e) for any other reason, the failure to pay the dividend or to post the warrant within the period aforesaid was not due to any default on the part of the Company.

UNPAID OR UNCLAIMED DIVIDEND

211. (1) Where a dividend has been declared by a company but has not been paid or claimed within thirty days from the date of the declaration to any shareholder entitled to the payment of the dividend, the company shall, within seven days from the date of expiry of the said period of thirty days, transfer the total amount of dividend which remains unpaid or unclaimed to a special account to be opened by the company in that behalf in any scheduled bank to be called the Unpaid Dividend Account.
- (2) The company shall, within a period of ninety days of making any transfer of an amount under sub-section (1) to the Unpaid Dividend Account, prepare a statement containing the names, their last known addresses and the unpaid dividend to be paid to each person and place

it on the website of the company, if any, and also on any other website approved by the Central Government for this purpose, in such form, manner and other particulars as may be determined by central government.

(3) If any default is made in transferring the total amount referred to in sub-section (1) or any part thereof to the Unpaid Dividend Account of the company, it shall pay, from the date of such default, interest on so much of the amount as has not been transferred to the said account, at the rate of twelve per cent per annum and the interest accruing on such amount shall endure to the benefit of the members of the company in proportion to the amount remaining unpaid to them.

(4) Any person claiming to be entitled to any money transferred under sub-section (1) to the Unpaid Dividend Account of the company may apply to the company for payment of the money claimed.

(5) Any money transferred to the Unpaid Dividend Account of a company in pursuance of this section which remains unpaid or unclaimed for a period of seven years from the date of such transfer shall be transferred by the company along with interest accrued, if any, thereon to the Fund established under sub-section (1) of section 125 and the company shall send a statement in the prescribed form of the details of such transfer to the authority which administers the said Fund and that authority shall issue a receipt to the company as evidence of such transfer.

(6) All shares in respect of which unpaid or unclaimed dividend has been transferred under sub-section (5) shall also be transferred by the company in the name of Investor Education and Protection Fund along with a statement containing such details as may be determined by central government and that there shall be no forfeiture of unclaimed dividends before the claim becomes barred by law:

Provided that any claimant of shares transferred above shall be entitled to claim the transfer of shares from Investor Education and Protection Fund in accordance with such procedure and on submission of such documents as may be determined by Central Government.

CAPITALIZATION OF RESERVES

212. (a) Any General Meeting may, upon the recommendation of the Board resolve that any moneys, investments or other assets forming part of the undistributed profits of the Company standing to the credit of any of the profit and loss account or any capital redemption reserve fund or in hands of the Company and available for dividend or representing premium received on the issue of shares and standing to the credit of the share premium account be capitalized and distributed amongst such of the shareholders as would be entitled to receive the same if distributed by way of dividend and in the same proportions on the footing that they become entitled thereto as capital and that all or any part of such capitalized fund shall not be paid in cash but shall be applied subject to the provisions contained in clause (b) hereof on behalf of such shareholders in full or towards:

Paying either at par or at such premium as the resolution may provide any unissued shares or debentures or debenture-stock of the Company which shall be allotted, distributed and credited as fully paid up to and amongst such members in the proportions aforesaid; or

(2) Paying up any amounts for the time being remaining unpaid on any shares or debentures or debenture-stock held by such members respectively; or

(3) Paying up partly in the way specified in sub-clause (1) and partly in that specified in sub-clause (2) and that such distribution or payment shall be accepted by such shareholders in full satisfaction of their interest in the said capitalized sum.

(b) (1) Any moneys, investments or other assets representing premium received on the issue of shares and standing to the credit of share premium account; and

(2) If the Company shall have redeemed any redeemable preference shares, all or any part of any capital redemption fund arising from the redemption of such shares may, by resolution of the Company be applied only in paying up unissued shares of the Company to be issued to members of the Company as fully paid bonus shares to be issued to such members of the Company as the General Meeting may resolve upto an amount equal to the nominal amount of the shares so issued.

(c) Any General Meeting may resolve that any surplus moneys arising from the realization of any capital assets of the Company or any investments representing the same or any other undistributed profits of the Company not subject to charge for income-tax be distributed amongst the members on the footing that they receive the same as capital.

(d) For the purpose of giving effect to any such resolution, the Board may settle any difficulty which may arise in regard to the distribution of payment as aforesaid as it thinks expedient and in particular it may issue fractional certificates and may fix the value for distribution of any specific assets and may determine that cash payments be made to any members on the footing of the value so fixed and may vest any such cash, share, debentures, debenture-stock, bonds or other obligation in trustees upon such trust for the persons entitled thereto as may seem expedient to the Board and generally may make such arrangement for acceptance, allotment and sale of such shares, debentures, debenture-stock, bonds or other obligations and fractional certificates or otherwise as it may think fit.

(e) If and whenever any share becomes held by any member in fraction, the Board may subject to the provisions of the Act and these Articles and to the directions of the Company in General Meeting, if any, sell the shares which members hold in fractions for the best price reasonably obtainable and shall pay and distribute to and amongst the members entitled to such shares in due proportion the net proceeds of the sale thereof, for the purpose of giving effect to any such sale, the Board may authorize any person to transfer the shares sold to the purchaser thereof, comprised in any such transfer and he 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 of invalidity in the proceedings with reference to the sale.

(f) Where required; a proper contract shall be delivered to the Registrar for registration in accordance with Section 39 of the Companies Act 2013 and the Board may appoint any person to sign such contract on behalf of the persons entitled to the dividend or capitalized fund and such appointment shall be effective.

FRACTIONAL CERTIFICATES

213. (1) Whenever such a resolution as aforesaid shall have been passed, the Board shall;
- (a) make all appropriations and applications of the undivided profits resolved to be capitalized thereby and all allotments and issues of fully paid Shares and
 - (b) Generally do all acts and things required to give effect thereto.
- (2) The Board shall have full power:
- (a) to make such provision by the issue of fractional cash certificate or by payment in cash or otherwise as it thinks fit, in the case of Shares becoming distributable in fractions, also
 - (b) to authorize 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 capitalization or (as the case may require) for the payment by the Company on their behalf by the application thereof of the respective proportions of the profits resolved to be capitalised of the amounts remaining unpaid on their existing Shares.

(3) Any agreement made under such authority shall be effective and binding on all such Members.

(4) that for the purpose of giving effect to any resolution, under the preceding paragraph of this Article, the Directors may give such directions as may be necessary and settle any question or difficulties that may arise in regard to any issue including distribution of new Shares and fractional certificates as they think fit.

DIVIDEND IN CASH

214. No dividends shall be payable except in cash, provided that nothing in this Article shall be deemed to prohibit the capitalization of the profits or reserves of the Company for the purpose of issuing fully paid up bonus Shares or paying up any amount for the time being unpaid on any Shares held by Members of the Company.

215. The Board shall give effect to the resolution passed by the Company in pursuance of all the above Articles.

BOOKS OF ACCOUNTS

BOOKS OF ACCOUNTS TO BE KEPT

216. The Company shall cause to be kept proper books of account with respect to:

- (i) all sums of money received and expended by a company and matters in
- (ii) relation to which the receipts and expenditure take place;
- (iii) all sales and purchases of goods and services by the company;
- (iv) the assets and liabilities of the company; and
- (v) the items of cost as may be determined by Central Government under section 148 in the case of a company which belongs to any class of companies specified under that section;

BOOKS WHERE TO BE KEPT AND INSPECTION

217. (1) Every company shall prepare and keep at its registered office books of account and other relevant books and papers and financial statement for every financial year which give a true and fair view of the state of the affairs of the company, including that of its branch office or offices, if any, and explain the transactions effected both at the registered office and its branches and such books shall be kept on accrual basis and according to the double entry system of accounting.

All or any of the books of account aforesaid and other relevant papers may be kept at such other place in India as the Board of Directors may decide and where such a decision is taken, the company shall, within seven days thereof, file with the Registrar a notice in writing giving the full address of that other place. The company may keep such books of account or other relevant papers in electronic mode in such manner as may be determined by Central Government.

(2) Where a company has a branch office in India or outside India, it shall be deemed to have complied with the provisions of sub-clause (1), if proper books of account relating to the transactions effected at the branch office are kept at that office and proper summarized returns periodically are sent by the branch office to the company at its registered office or the other place referred to in sub-clause (1).

(3) The books of account of every company relating to a period of not less than eight financial years immediately preceding a financial year, or where the company had been in existence for a period less than eight years, in respect of all the preceding years together with the vouchers relevant to any entry in such books of account shall be kept in good order.

- (4) The Company may keep such books of accounts or other relevant papers in electronic mode in such manner as may be prescribed.

INSPECTION BY MEMBERS

218. The Board of Directors shall, from time to time, determine whether and to what extent and at what times and places and under what conditions or regulations accounts the and books and the documents of the Company or any of them shall be open to the inspection of the members and no member (not being a Director) shall have any right of inspecting any account or book or document of the Company except as conferred statute or authorised by the Board of Directors or by a resolution of the Company in General Meeting.

TRANSFER BOOKS AND REGISTER OF MEMBERS WHEN CLOSED

219. The Board shall have power on giving not less than seven days' previous notice by advertisement in some newspaper circulating in the district in which the office of the Company is situated, to close the Transfer books, the Register of members or Register of debenture holders at such time or times and for such period or periods, not exceeding thirty days at a time and not exceeding in the aggregate forty-five days in each year.

If the transfer books have not been closed at any time during a year, the Company shall at least once a year, close the books at the time of its Annual General Meeting. The minimum time gap between the two book closures and/or record dates would be at least 30 (thirty) days.

STATEMENT OF ACCOUNTS TO BE LAID IN GENERAL MEETING

220. The Board of Directors shall from time to time, in accordance with Sections 129 and 134 of the Act, cause to be prepared and to be laid before the Company in General Meeting, such Balance Sheets, Profits & Loss Accounts and reports as are required by these Sections.

FINANCIAL STATEMENT

221. Subject to the provisions of Section 129 of the Act, every Financial Statement of the Company shall be in the forms set out in Schedule II of the Act, or as near there to as circumstances admit. So long as the Company is a holding Company having a subsidiary the Company shall conform to Section 129 and other applicable provisions of the Act.

If in the opinion of the Board, any of the current assets of the Company have not a value on realization in the ordinary course of business at least equal to the amount at which they are stated, the fact that the Board is of that opinion shall be stated.

AUTHENTICATION OF FINANCIAL STATEMENT

222. The Financial Statements shall be signed in accordance with the provisions of Section 134 of the said Act. The Financial Statement, shall be approved by the Board of Directors before they are submitted to the auditors for report thereon. Profit and Loss Accounts to be Annexed and Auditors' Report to be attached to the Balance Sheet. The Profit and Loss Account shall be annexed to the Balance and the Auditors' Report including the Auditor's separate, special or supplementary report, if any, shall be attached thereon.

BOARD'S REPORT TO BE ATTACHED TO FINANCIAL STATEMENT

223. Every Financial Statement laid before the Company in General Meeting shall have attached to it a Report by the Board of Directors with respect to the State of the Company's affairs and such other matters as prescribed under Section 134 of the Act and the Rules made thereunder. The Report shall so far as it is material for the appreciation of the state of the Company's affairs by its members and will not in the Board's opinion be harmful to the business of the Company or

of any of its subsidiaries deal with any changes which have occurred during the financial year in the nature of the Company or Company's business, or of the Company's subsidiaries or in the nature of the business in which the Company has an interest. The board shall also give the fullest information and explanation in its Report or in cases falling under the proviso to Section 129 of the Act in an addendum to that Report, on every reservation, qualification or adverse remark contained in the Auditor's Report. The Board's Report and addendum (if any) thereto shall be signed by its Chairman if he is authorized in that behalf by the Board; and where he is not so authorized shall be signed by such number of Directors as are required to sign the Financial Statements of the Company by virtue of Article 229. Every Financial Statement of the Company when audited and approved and adopted by the members in the annual general meeting shall be conclusive except as regards in matters in respect of which modifications are made thereto as may from time to time be considered necessary by the Board of Directors and or considered proper by reason of any provisions of relevant applicable statutes and approved by the shareholders at a subsequent general meeting.

RIGHT OF MEMBERS TO COPIES OF FINANCIAL STATEMENT AND AUDITOR'S REPORT

224. A copy of every Financial Statement and the auditor's report and every other document required by law to be annexed or attached, as the case may be; to the balance sheet which is to be laid before the Company in General Meeting, shall be made available for inspection at the Registered Office of the Company during the working hours for a period of 21 days before the date of the meeting. A statement containing the salient features of such documents in the prescribed form or copies of the documents aforesaid as may be permitted by Section 136 of the Act and as the Company may deem fit, will be sent to every member of the Company and to every Trustees for the holders of any debentures issued by the Company, not less than 21 days before the meeting as laid down in Section 136 of the Act. Provided that it shall not be necessary to send copies of the documents aforesaid to:

- (a) to a member or holder of the debenture of the Company who is not entitled to have the notice of general meeting of the Company sent to him and whose address the Company is unaware;
- (b) to more than one of the joint holder of any shares or debentures some of whom are and some of whom are not entitled to have such notice sent to them, by those who are not so entitled.

A COPY OF THE FINANCIAL STATEMENT ETC. TO BE FILED WITH REGISTRAR

225. After the Financial Statements have been laid before the Company at the annual general Meeting, a copy of the Financial Statement duly signed as provided under Section 137 of the Act together with a copy of all documents which are required to be annexed there shall be filed with the Registrar so far as the same be applicable to the Company.

RIGHT OF MEMBER TO COPIES OF AUDITED FINANCIAL STATEMENT

226. (1) Without prejudice to the provisions of Section 101, a copy of the financial statements, including consolidated financial statements, if any, auditor's report and every other document required by law to be annexed or attached to the financial statements, which are to be laid before a company in its general meeting, shall be sent to every member of the company, to every trustee for the debenture-holder of any debentures issued by the company, and to all persons other than such member or trustee, being the person so entitled, not less than twenty-one days before the date of the meeting.

The provisions of this clause shall be deemed to be complied with, if the copies of the documents are made available for inspection at its registered office during working hours for a period of twenty-one days before the date of the meeting and a statement containing the salient features of such documents in the prescribed form or copies of the documents, as the company may deem fit, is sent to every member of the company and to every trustee for the holders of any debentures

issued by the company not less than twenty-one days before the date of the meeting unless the shareholders ask for full financial statements.

The Central Government may prescribe the manner of circulation of financial statements of companies having such net worth and turnover as may be determined by Central Government and company shall also place its financial statements including consolidated financial statements, if any, and all other documents required to be attached thereto, on its website, which is maintained by or on behalf of the company.

Provided also that every subsidiary or subsidiaries shall -

- (a) place separate audited accounts in respect of each of its subsidiary on its website, if any;
 - (b) provide a copy of separate audited financial statements in respect of each of its subsidiary, to any shareholder of the company who asks for it.
- (2) A company shall allow every member or trustee of the holder of any debentures issued by the company to inspect the documents stated under sub-clause (1) at its registered office during business hours.

ACCOUNTS TO BE AUDITED

227. (1) Once at least in every year the accounts of the Company shall be examined by one or more Auditors who shall report to the shareholders as to whether the Balance Sheet reflects a true and fair view of the state of affairs of the Company as at that date and the Profit and Loss Account discloses a true and fair view of the profit and loss incurred by the Company during the year under review.
- (2) The appointment, remuneration, rights, powers & duties of the Company's Auditor shall be regulated in accordance with the provision of the Act.

APPOINTMENT OF AUDITORS

228. (1) Auditors shall be appointed and their qualifications, rights and duties regulated in accordance with Section 139 to 143, 145 and 146 of the Act and rules made thereunder.
- (2) The Company shall, at the first annual general meeting, appoint an individual or a firm as an auditor who shall hold office from the conclusion of that meeting till the conclusion of its sixth annual general meeting and thereafter till the conclusion of every sixth meeting and the manner and procedure of selection of auditors by the members of the company at such meeting shall be according to the provisions of the Act.

Provided that the company shall place the matter relating to such appointment for ratification by members at every annual general meeting.

Provided further that before such appointment is made, the written consent of the auditor to such appointment, and a certificate from him or it that the appointment, if made, shall be in accordance with the conditions as may be determined by central government, shall be obtained from the auditor:

Provided also that the certificate shall also indicate whether the auditor satisfies the criteria provided in Section 141:

Provided also that the company shall inform the auditor concerned of his or its appointment, and also file a notice of such appointment with the Registrar within fifteen days of the meeting in which the auditor is appointed.

- (3) At any Annual General Meeting a retiring Auditor by whatsoever authority appointed shall be reappointed unless:
- (a) he is not disqualified for re-appointment;

(b) he has not given the company a notice in writing of his unwillingness to be re-appointed; and

(c) a special resolution has not been passed at that meeting appointing some other auditor or providing expressly that he shall not be re-appointed.

(4) The company shall not appoint or reappoint -

(a) an individual as auditor for more than one term of five consecutive years; and

(b) an audit firm as auditor for more than two terms of five consecutive years:

Provided that—

(i) an individual auditor who has completed his term under clause (a) shall not be eligible for re-appointment as auditor in the same company for five years from the completion of his term.

(ii) an audit firm which has completed its term under clause (b), shall not be eligible for re-appointment as auditor in the same company for five years from the completion of such term.

(5) Where at any annual general meeting, no auditor is appointed or re-appointed, the existing auditor shall continue to be the auditor of the company.

POWER OF BOARD TO MODIFY FINAL ACCOUNTS

229. Every Balance Sheet and Profit and Loss Account of the Company when audited and adopted by the Company in General Meeting shall be conclusive.

DOCUMENTS AND NOTICE

SERVICES OF DOCUMENTS ON MEMBER BY COMPANY

230. Save as provided in this Act or the rules made thereunder for filing of documents with the Registrar in electronic mode, a document may be served on Registrar or any member by sending it to him by post or by registered post or by speed post or by courier or by delivering at his office or address, or by such electronic or other mode as may be determined by Central Government:

Provided that a member may request for delivery of any document through a particular mode, for which he shall pay such fees as may be determined by the company in its annual general meeting.

SERVICE OF DOCUMENTS ON COMPANY

231. A document may be served on a company or an officer thereof by sending it to the company or the officer at the registered office of the company by registered post or by speed post or by courier service or by leaving it at its registered office or by means of such electronic or other mode as may be determined by central government:

Provided that where securities are held with a depository, the records of the beneficial ownership may be served by such depository on the company by means of electronic or other mode.

232. “Service of documents on the Company”

Where securities are held in a Depository, the records of the beneficial ownership may be served by such Depository on the Company by means of electronic mode or other mode in accordance with the Act and rules made thereunder.

AUTHENTICATION OF DOCUMENTS AND PROCEEDINGS

233. Save as otherwise expressly provided in the Act, the rules made thereunder and these Articles, a document or proceeding requiring authentication by a company; or contracts made by or on behalf of a company, may be signed by any key managerial personnel or an officer of the company duly authorized by the Board in this behalf.

REGISTERS AND DOCUMENTS

REGISTERS AND DOCUMENTS TO BE MAINTAINED BY THE COMPANY

234. The Company shall keep and maintain registers, books and documents required by the Act or these Articles, including the following:
- (a) Register of investments made by the Company but not held in its own name, as required by Section 187(3) of the Act.
 - (b) Register of mortgages and charges as required by Section 85 of the Act.
 - (c) Register and index of Member and debenture holders as required by Section 88 of the Act.
 - (d) Register of contracts, with companies and firms in which Directors are interested as required by Section 189 of the Act.
 - (e) Register of Directors and key managerial personnel and their shareholding under Section 170 of the Act.
 - (f) Register of loans, guarantee, security and acquisition made by the company under Section 186 (9) of the Act.
 - (g) Copies of annual returns prepared under Section 92 of the Act together with the copies of certificates and documents required to be annexed thereto.

MAINTENANCE AND INSPECTION OF DOCUMENTS IN ELECTRONIC FORM

235. Without prejudice to any other provisions of this Act, any document, record, register, minutes, etc.,—
- (a) required to be kept by a company; or
 - (b) allowed to be inspected or copies to be given to any person by a company under this Act, may be kept or inspected or copies given, as the case may be, in electronic form in such form and manner as may be determined by the Central Government.

INDEMNITY

236. 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.

WINDING UP

DISTRIBUTION OF ASSETS

237. (a) If the Company shall be wound up, whether voluntarily or otherwise, the Liquidator may, with the sanction of a Special Resolution, divide amongst the contributories in specie or kind, any part of the assets of the Company and may, with the like sanction, vest any part of the assets of the Company in trustees upon such trusts for the benefit of the contributories or any of them, as the liquidator, with the like sanction, shall think fit.
- (b) If thought expedient any such division may subject to the provisions of the Act be otherwise than in accordance with the legal rights of the contributions (except where unalterably fixed by the Memorandum of Association and in particular any class may be given preferential or special rights or may be excluded altogether or in part but in case any division otherwise than in accordance with the legal rights of the contributories, shall be determined on any contributory who would be prejudicial thereby shall have a right to dissent and ancillary rights as if such determination were a Special Resolution passed pursuant to Section 319 of the Act.
- (c) In case any Shares to be divided as aforesaid involve a liability to calls or otherwise any person entitled under such division to any of the said Shares may within ten days after the passing of

the Special Resolution by notice in writing direct the Liquidator to sell his proportion and pay him the net proceeds and the Liquidator shall, if practicable act accordingly.

RIGHT OF SHAREHOLDERS IN CASE OF SALE

238. A Special Resolution sanctioning a sale to any other Company duly passed pursuant to provisions of the Companies Act, 2013 may subject to the provisions of the Act in like manner as aforesaid determine that any Shares or other consideration receivable by the liquidator be distributed against the Members otherwise than in accordance with their existing rights and any such determination shall be binding upon all the Members subject to the rights of dissent and consequential rights conferred by the said sanction

SECURITY CLAUSE

239. No member or other person (not being a Director) shall be entitled to visit or inspect any property or premises or works of the Company without the permission of the Board or to require discovery of or any information respecting any detail of the Company's trading or any matter which is or may be in the nature of a trade secret, mystery of trade, secret process or any other matter which may relate to the conduct of the business of the Company and which in the opinion of the Board, it would be inexpedient in the interest of the Company to disclose Secrecy undertaking.
240. Every Director, Manager, Auditor, Treasurer, Trustee, Member of a Committee agents, officer, servant, accountant or other person employed in the business of the Company shall, when required, sign a declaration pledging himself to observe strict secrecy respecting all transactions of the Company with the customers and the state of accounts with individual and in matters relating thereto and shall by such declaration pledge himself not to reveal any of the matters which may come to his knowledge in the discharge of his duties, except when required so to do by the Board or by any meeting of the shareholders, if any or by a Court of Law the person to whom matters relate and except so far as may be necessary in order to comply with any of the provision in these present contained.

KNOWLEDGE IMPLIED

241. Each member of the Company, present and future, is to be deemed to join the Company with full knowledge of all the contents of these presents.

SECTION X - OTHER INFORMATION

MATERIAL CONTRACTS AND DOCUMENTS FOR INSPECTION

The copies of the following documents and contracts which have been entered into or are to be entered into by our Company (not being contracts entered into in the ordinary course of business carried on by our Company or contracts entered into more than two years before the date of this Draft Prospectus) which are or may be deemed material will be attached to the copy of the Draft Prospectus which will be filed with the RoC for registration. Copies of the contracts and also the documents for inspection referred to hereunder, may be inspected at the Registered Office of our Company located at Office No. - 212 to 214 Sunrise Chambers, Near Ashok Colony, Mini Bazaar, Varachha Road, Surat - 395006, Gujarat, India, between 10.00 a.m. and 5.00 p.m. (IST) on all Working Days from the date of this Draft Prospectus until the Issue Closing Date.

Any of the contracts or documents mentioned in this Draft Prospectus may be amended or modified at any time if so, required in the interest of our Company or if required by the other parties, without reference to the shareholders, subject to compliance of the provisions contained in the Companies Act and other applicable law.

A) Material contracts for the Issue

1. Issue Agreement dated July 26, 2022 between our Company and the Lead Manager.
2. Registrar Agreement dated July 26, 2022 between our Company and Registrar to the Issue.
3. Underwriting Agreement dated [●], 2022 amongst our Company, the Underwriter and the Lead Manager.
4. Market Making Agreement dated [●], 2022 amongst our Company, Market Maker and the Lead Manager.
5. Bankers to the Issue Agreement dated July 26, 2022 amongst our Company, the Lead Manager, Banker(s) to the Issue and the Registrar to the Issue.
6. Tripartite agreement dated August 05, 2022, amongst our Company, Central Depository Services (India) Limited and Registrar to the Issue
7. Tripartite agreement dated June 09, 2022 amongst our Company, National Securities Depository Limited and Registrar to the Issue.

B) Material documents for the Issue

1. Certified true copy of Certificate of Incorporation, the Memorandum of Association and Articles of Association of our Company, as amended.
2. Resolutions of the Board of Directors dated July 12, 2022 in relation to the Issue and other related matters.
3. Shareholders' resolution dated July 16, 2022 in relation to the Issue and other related matters.
4. Consents of our Promoter, Directors, our Company Secretary and Compliance Officer, our Chief Financial Officer, Statutory and Peer Reviewed Auditor, Lead Manager, Legal Advisor to the Issue, the Registrar to the Issue, Underwriter to the Issue, Bankers to our Company, Market Maker and Banker to the Issue to include their names in this Draft Prospectus and to act in their respective capacities.
5. Peer Review Auditors Report dated July 23, 2022 on Restated Financial Statements of our Company for the Financial years ended March 31, 2022, 2021, 2020.
6. The Report dated July 23, 2022 from the Peer Reviewed Auditors of our Company, confirming the Statement of Possible Tax Benefits available to our Company and its Shareholders as disclosed in this Draft Prospectus.

7. Copy of approval from NSE Limited vide letter dated [●] to use the name of NSE Limited in this offer document for listing of Equity Shares on EMERGE Platform of NSE Limited.
8. Due diligence certificate shall be submitted to SEBI by Lead Manager to the Issue.

Any of the contracts or documents mentioned in this Draft Prospectus may be amended or modified at any time, if so required, in the interest of our Company or if required by the other parties, without reference to the Equity Shareholders, subject to compliance with applicable law.

DECLARATION

We hereby certify and declare that all relevant provisions of the Companies Act, 2013 and the guidelines/regulations issued by the Government of India or the guidelines/regulations issued by the Securities and Exchange Board of India, established under section 3 of the Securities and Exchange Board of India Act, 1992, as the case may be, have been complied with and no statement made in this Draft Prospectus is contrary to the provisions of the Companies Act, 2013, the Securities and Exchange Board of India Act, 1992 or the rules made or guidelines or regulations issued there under, as the case may be. We further certify that all statements in this Draft Prospectus are true and correct.

SIGNED BY ALL THE DIRECTORS OF OUR COMPANY

| NAME OF DIRECTOR AND DIN | DESIGNATION | SIGNATURE |
|---|--------------------------------------|-----------|
| Ghanshyambhai Laljibhai Lukhi DIN: 06704416 | Managing Director | SD/- |
| Ashokkumar Laljibhai Lukhi DIN: 06704408 | Whole-Time Director | SD/- |
| Yash Ghanshyambhai Lukhi DIN: 09476684 | Whole-Time Director | SD/- |
| Naveen Anand DIN: 08416606 | Non - Executive Director | SD/- |
| Kamleshkumar Narmdashankar Pandya DIN: 09655572 | Independent Non - Executive Director | SD/- |
| Rekha Hasmukh Shah DIN: 09657830 | Independent Non - Executive Director | SD/- |

SIGNED BY THE CHIEF FINANCIAL OFFICER OF OUR COMPANY

| | |
|--|------|
| Chetankumar Bhailal Gajera PAN: ALVPG2599L | SD/- |
|--|------|

Date: August 08, 2022

Place: Surat