



DRAFT RED HERRING PROSPECTUS

Dated August 14, 2023

Please read Section 26 and 32 of the

Companies Act, 2013

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

100% Book Built Issue

(Please scan this QR Code to view the Draft Red Herring Prospectus)



Khanna Feed Limited
CIN: U15331PB2006PLC029858

REGISTERED OFFICE	CORPORATE OFFICE	CONTACT PERSON	EMAIL AND TELEPHONE	WEBSITE
Village Ikolaha, Tehsil Khanna Ludhiana Punjab, 141401 India	NA	Mohd. Parvez, Chief Financial Officer	E-mail: info@khannafeedltd.in ; Tel No: +91-8068213210	www.khannafeedltd.in

PROMOTERS OF THE COMPANY	Paramvir Singh Mander
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DETAILS OF THE ISSUE				
TYPE	FRESH ISSUE SIZE (IN ₹ LAKHS)	OFS SIZE (BY NO. OF SHARES OR BY AMOUNT IN ₹)	TOTAL ISSUE SIZE (IN ₹ LAKHS)	ELIGIBILITY
Fresh Issue	₹[•]	Nil	₹[•]	THIS ISSUE IS BEING MADE IN TERMS OF REGULATION 229 AND 253(1) OF CHAPTER IX OF THE SEBI (ICDR) REGULATIONS, 2018 AS AMENDED.

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

RISK IN RELATION TO THE FIRST ISSUE

The face value of the Equity Shares is ₹ 10 each. The Floor Price, Cap Price and Issue Price determined by our Company, in consultation with the Book Running Lead Manager, on the basis of the assessment of market demand for the Equity Shares by way of the Book Building Process, as stated under “Basis for Issue Price” on page 70 should not be considered to be indicative of the market price of the Equity Shares after the Equity Shares are listed. No assurance can be given regarding an active or sustained trading in the Equity Shares nor regarding the price at which the Equity Shares will be traded after listing.

GENERAL RISKS

Investments in Equity and Equity-related securities involve a degree of risk and investors should not invest any funds in this Issue unless they can afford to take the risk of losing their entire investment. Investors are advised to read the risk factors carefully before taking an investment decision in the Issue. For taking an investment decision, investors must rely on their own examination of our Company and the Issue including the risks involved. The Equity Shares issued in the Issue have not been recommended or approved by the Securities and Exchange Board of India (“SEBI”), nor does SEBI guarantee the accuracy or adequacy of the Draft Red Herring Prospectus. Specific attention of the investors is invited to the section “Risk Factors” beginning on page 24 of this Draft Red Herring Prospectus.


ISSUER’S ABSOLUTE RESPONSIBILITY

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


LISTING

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

LEAD MANAGER TO THE ISSUE

NAME AND LOGO	CONTACT PERSON	EMAIL & TELEPHONE NO.
 HEM SECURITIES LIMITED	Mr. Sourabh Garg	Email: ib@hemsecurities.com Tel. No.: +91- 022- 49060000

REGISTRAR TO THE ISSUE

NAME	CONTACT PERSON	EMAIL & TELEPHONE
 SKYLINE FINANCIAL SERVICES PRIVATE LIMITED	Mr. Anuj Rana	Email: ipo@skylinerta.com Tel No.: + 011-40450193-197

ISSUE PROGRAMME

ANCHOR INVESTOR BID/ISSUE PERIOD*: [•]	ISSUE OPENS ON: [•]	ISSUE CLOSSES ON: [•]
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**The Company may, in consultation with the Book Running Lead Manager, consider participation by Anchor Investors in accordance with the SEBI ICDR Regulations. The Anchor Investor Bid/Issue Period shall be one Working Day prior to the Bid/Issue Opening Date.*

Our Company was originally incorporated as “Shubham Infrastructure Developers Private Limited” on March 08, 2006 vide Registration Certificate No. 029858 under the provisions of the Companies Act, 1956 with the Registrar of Companies, Punjab, H.P. and Chandigarh (RoC). Further, pursuant to shareholder’s resolution passed at the Extra Ordinary General Meeting held on October 28, 2015, the name of our company was changed from “Shubham Infrastructure Developers Private Limited” to “Tara Feed Private Limited” vide a fresh certificate of incorporation dated November 06, 2015 issued by the Registrar of Companies, Chandigarh. Further, pursuant to Special Resolution passed by the Shareholders at the Extra Ordinary General Meeting, held on October 28, 2015 our Company was converted into a Public Limited Company and the name of our Company was changed from “Tara Feed Private Limited” to “Tara Feed Limited” vide a fresh certificate of incorporation dated December 01, 2015 issued by the Registrar of Companies, Chandigarh. Subsequently, pursuant to shareholder’s resolution passed at the Extra Ordinary General Meeting held on August 09, 2016, the name of our company was changed from “Tara Feed Limited” to “Khanna Feed Limited” vide a fresh certificate of incorporation dated August 24, 2016 issued by the Registrar of Companies, Chandigarh bearing CIN U15331PB2006PLC029858. For further details please refer to chapter titled “History and Corporate Structure” beginning on page 106 of this Draft Red Herring Prospectus.

Registered Office: Village Ikolaha, Tehsil Khanna Ludhiana Punjab,141401 India
Contact Person: Mohd Parvez, Chief Financial Officer
Tel No: 01628-212493; **E-mail:** info@khannafeedltd.in; **Website:** www.khannafeedltd.in
Promoter of our Company: Paramvir Singh Mander

DETAILS OF THE ISSUE	
INITIAL PUBLIC OFFER OF UPTO 27,48,000 EQUITY SHARES OF FACE VALUE OF ₹ 10/- EACH (THE “EQUITY SHARES”) OF KHANNA FEED LIMITED (“OUR COMPANY” OR “THE ISSUER”) AT AN ISSUE PRICE OF ₹ [●] PER EQUITY SHARE FOR CASH, AGGREGATING UP TO ₹ [●] LAKHS (“PUBLIC ISSUE”) OUT OF WHICH [●] EQUITY SHARES OF FACE VALUE OF ₹ 10 EACH, AT AN ISSUE PRICE OF ₹ [●] PER EQUITY SHARE FOR CASH, AGGREGATING ₹ [●] LAKHS WILL BE RESERVED FOR SUBSCRIPTION BY THE MARKET MAKER TO THE ISSUE (THE “MARKET MAKER RESERVATION PORTION”). THE PUBLIC ISSUE LESS MARKET MAKER RESERVATION PORTION I.E. ISSUE OF [●] EQUITY SHARES OF FACE VALUE OF ₹ 10 EACH, AT AN ISSUE PRICE OF ₹ [●] PER EQUITY SHARE FOR CASH, AGGREGATING UPTO ₹ [●] LAKHS IS HERE IN AFTER REFERRED TO AS THE “NET ISSUE”. THE PUBLIC ISSUE AND NET ISSUE WILL CONSTITUTE 26.61% AND [●] % RESPECTIVELY OF THE POST- ISSUE PAID-UP EQUITY SHARE CAPITAL OF OUR COMPANY. THE PRICE BAND AND THE MINIMUM BID LOT WILL BE DECIDED BY OUR COMPANY IN CONSULTATION WITH THE BRLM AND WILL BE ADVERTISED IN [●] EDITION OF [●] (A WIDELY CIRCULATED HINDI NATIONAL DAILY NEWSPAPER, AND PUNJABI EDITION OF [●], A LUDHIANA REGIONAL NEWSPAPER (PUNJABI BEING THE REGIONAL LANGUAGE OF LUDHIANA WHERE OUR REGISTERED OFFICE IS LOCATED), AT LEAST TWO WORKING DAYS PRIOR TO THE BID/ISSUE OPENING DATE AND SHALL BE MADE AVAILABLE TO THE NSE (“NSE EMERGE”) FOR THE PURPOSES OF UPLOADING ON THEIR WEBSITE.	
In case of any revision in the Price Band, the Bid/Issue Period shall be extended for at least three additional Working Days after such revision of the Price Band, subject to the total Bid/Issue Period not exceeding 10 Working Days. In cases of force majeure, banking strike or similar circumstances, our Company, for reasons to be recorded in writing extend the Bid/Issue Period for a minimum of three Working Days, subject to the Bid/Issue Period not exceeding 10 Working Days. Any revision in the Price Band, and the revised Bid/Issue Period, if applicable, shall be widely disseminated by notification to the Stock Exchanges by issuing a press release and also by indicating the change on the website of the BRLM and at the terminals of the Members of the Syndicate and by intimation to Designated Intermediaries and Sponsor Bank.	
The Issue is being made through the Book Building Process, in terms of Rule 19(2)(b)(i) of the Securities Contracts (Regulation) Rules, 1957, as amended (“SCRR”) read with Regulation 253 of the SEBI ICDR Regulations, as amended, wherein not more than 50 % of the Net Issue shall be allocated on a proportionate basis to Qualified Institutional Buyers (“QIBs”, the “QIB Portion”), provided that our Company may, in consultation with the Book Running Lead Managers, allocate up to 60% of the QIB Portion to Anchor Investors on a discretionary basis in accordance with the SEBI ICDR Regulations (“Anchor Investor Portion”), of which one-third shall be reserved for domestic Mutual Funds, subject to valid Bids being received from domestic Mutual Funds at or above the Anchor Investor Allocation Price. In the event of under-subscription, or non-allocation in the Anchor Investor Portion, the balance Equity Shares shall be added to the Net QIB Portion. Further, 5% of the Net QIB Portion shall be available for allocation on a proportionate basis only to Mutual Funds, and the remainder of the Net QIB Portion shall be available for allocation on a proportionate basis to all QIBs, including Mutual Funds, subject to valid Bids being received at or above the Issue Price. However, if the aggregate demand from Mutual Funds is less than 5% of the Net QIB Portion, the balance Equity Shares available for allocation in the Mutual Fund Portion will be added to the remaining Net QIB Portion for proportionate allocation to QIBs. Further, not less than 15% of the Net Issue shall be available for allocation on a proportionate basis to Non-Institutional Bidders and not less than 35% of the Net Issue shall be available for allocation to Retail Individual Bidders in accordance with the SEBI ICDR Regulations, subject to valid Bids being received at or above the Issue Price. All potential Bidders (except Anchor Investors) are required to mandatorily utilise the Application Supported by Blocked Amount (“ASBA”) process providing details of their respective ASBA accounts, and UPI ID in case of RIBs using the UPI Mechanism, if applicable, in which the corresponding Bid Amounts will be blocked by the SCSBs or by the Sponsor Bank under the UPI Mechanism, as the case may be, to the extent of respective Bid Amounts. Anchor Investors are not permitted to participate in the Issue through the ASBA process. For details, see “Issue Procedure” beginning on page 200 of this Draft Red Herring Prospectus.	
RISK IN RELATION TO THE FIRST ISSUE	
The face value of the Equity Shares is ₹ 10 each. The Floor Price, Cap Price and Issue Price determined by our Company, in consultation with the Book Running Lead Manager, on the basis of the assessment of market demand for the Equity Shares by way of the Book Building Process, as stated under “Basis for Issue Price” on page 70 should not be considered to be indicative of the market price of the Equity Shares after the Equity Shares are listed. No assurance can be given regarding an active or sustained trading in the Equity Shares nor regarding the price at which the Equity Shares will be traded after listing.	
GENERAL RISKS	
Investments in Equity and Equity-related securities involve a degree of risk and investors should not invest any funds in this Issue unless they can afford to take the risk of losing their entire investment. Investors are advised to read the risk factors carefully before taking an investment decision in the Issue. For taking an investment decision, investors must rely on their own examination of our Company and the Issue including the risks involved. The Equity Shares issued in the Issue have not been recommended or approved by the Securities and Exchange Board of India (“SEBI”), nor does SEBI guarantee the accuracy or adequacy of the Draft Red Herring Prospectus. Specific attention of the investors is invited to the section “Risk Factors” beginning on page 24 of this Draft Red Herring Prospectus.	
ISSUER’S ABSOLUTE RESPONSIBILITY	
Our Company, having made all reasonable inquiries, accepts responsibility for and confirms that this Draft Red Herring Prospectus contains all information with regard to our Company and the Issue, which is material in the context of the Issue, that the information contained in this Draft Red Herring Prospectus is true and correct in all material aspects and is not misleading in any material respect, that the opinions and intentions expressed herein are honestly held and that there are no other facts, the omission of which makes this Draft Red Herring Prospectus as a whole or any of such information or the expression of any such opinions or intentions, misleading in any material respect.	
LISTING	
The Equity Shares Issued through this Draft Red Herring Prospectus are proposed to be listed on the SME Platform of NSE (“NSE Emerge”). In terms of the Chapter IX of the SEBI (ICDR) Regulations, 2018 as amended from time to time. Our Company has received “in principle” approval letter dated [●] from NSE for using its name in the Offer Document for listing of our shares on the NSE Emerge Platform. For the purpose of this Issue, the Designated Stock Exchange will be the National Stock Exchange of India Limited (“NSE”).	
LEAD MANAGER TO THE ISSUE	REGISTRAR TO THE ISSUE



			
HEM SECURITIES LIMITED Address: 904,A Wing, Naman Midtown, Senapati Bapat Marg, Elphinstone Road, Lower Parel, Mumbai-400013, India; Tel. No.: +91- 022- 49060000; Email: ib@hemsecurities.com Investor Grievance Email: redressal@hemsecurities.com Website: www.hemsecurities.com Contact Person: Mr. Sourabh Garg SEBI Registration No.: INM000010981		SKYLINE FINANCIAL SERVICES PRIVATE LIMITED D-153 A, 1st Floor, Okhla Industrial Area, Phase - I, New Delhi-110020 Tel No.: 011-40450193-197; Fax No.: +91-11-26812683 E-mail: ipo@skylinerta.com Investor Grievances Email id- grievances@skylinerta.com Website: http://www.skylinerta.com/ SEBI Registration No.: INR000003241 Contact Person: Mr. Anuj Rana	
ISSUE PROGRAMME			
ANCHOR INVESTOR BID/ISSUE PERIOD*: [●]		ISSUE OPENS ON: [●]	ISSUE CLOSES ON: [●]
<i>*The Company may, in consultation with the Book Running Lead Manager, consider participation by Anchor Investors in accordance with the SEBI ICDR Regulations. The Anchor Investor Bid/Issue Period shall be one Working Day prior to the Bid/Issue Opening Date.</i>			

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SECTION I: GENERAL**DEFINITIONS AND ABBREVIATIONS**

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

The words and expressions used in this Draft Red herring Prospectus but not defined herein, shall have, to the extent applicable, the meaning ascribed to such terms under the Companies Act, 2013, the SEBI (ICDR) Regulations, 2018, the Securities Contracts Regulation Act, 1992 ("SCRA"), the Depositories Act or the rules and regulations made there under.

*Notwithstanding the foregoing, terms used in of the sections "**Statement of Special Tax Benefits**", "**Financial Information of the Company**" and "**Main Provisions of the Articles of Association**" on page 76, 124 and 228 respectively, shall have the meaning ascribed to such terms in such sections.*

General Terms

Term	Description
"KFL", "Khanna Feed Limited", "our Company" "the Company", "the Issuer"	Khanna Feed Limited, a company incorporated under the Companies Act, 1956 and having its Registered Office at Village Ikolaha, Tehsil Khanna, Khanna Ludhiana Punjab 141401, India
"we", "our" or "us"	Unless the context otherwise indicates or implies, refers to our Company
"you", "your" or "yours"	Prospective investors in this Issue

Company Related Terms

Term	Description
Articles or Articles of Association or AOA	The Articles of Association of our Company, as amended from time to time.
Audit Committee	The Audit Committee of our Board constituted in accordance with Section 177 of the Companies Act and as described in the chapter titled " Our Management " beginning on page 110 of this Draft Red herring Prospectus.
Auditor/ Statutory Auditors	The Statutory Auditor of our Company, being M/s. Raj Kumar Jindal & Co., Chartered Accountants as mentioned in the chapter titled " General Information " beginning on page 44 of this Draft Red Herring Prospectus.
Banker to our Company	[●]
Board or Board of Directors or our Board	The Board of Directors of our Company, as constituted from time to time. For further details of our Directors, please refer to section titled " Our Management " beginning on page 110 of this Draft Red Herring Prospectus.
Chief Financial Officer/ CFO	The Chief Financial Officer of our Company being Mohd. Parvez
Company Secretary & Compliance Officer	The Company Secretary and Compliance Officer of our Company being Simranjit Kaur
Depositories	National Securities Depository Limited (NSDL) and Central Depository Services (India) Limited (CDSL).
Depositories Act	The Depositories Act, 1996, as amended from time to time.
Designated Stock Exchange / Stock Exchange	Unless the context requires otherwise, refers to, National Stock Exchange of India Limited (NSE) Emerge i.e. SME Platform of NSE)
Director(s) / our Director(s)	Director(s) on the Board of our Company, as appointed from time to time.
DIN	Directors Identification Number.
Equity Shareholders	Persons/ Entities holding Equity Shares of our Company.
Equity Shares	Equity Shares of our Company of face value of Rs. 10/- each fully paid- up.
Executive Director	An Executive Director of our Company, as appointed from time to time
Fugitive economic offender	Shall mean an individual who is declared a fugitive economic offender under section 12 of the Fugitive Economic Offenders Act, 2018 (17 of 2018)

Term	Description
Independent Director	An Independent Director as defined under Section 2(47) of the Companies Act, 2013 and as defined under the Listing Regulations.
ISIN	International Securities Identification Number. In this case being INE07AJ01015
JV/ Joint Venture	A commercial enterprise undertaken jointly by two or more parties which otherwise retain their distinct identities.
Key Managerial Personnel /KMPs	Key Managerial 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 as disclosed in the chapter titled “ <i>Our Management</i> ” beginning on page 110 of this Draft Red Herring Prospectus.
MD or Managing Director	The Managing Director of our Company is Paramvir Singh Mander.
Materiality Policy	The policy adopted by our Board for identification of Group Companies, outstanding material litigation and outstanding dues to creditors in respect of our Company, pursuant to the disclosure requirements under the SEBI (ICDR) Regulations.
Non-Executive Director	A Director not being an Executive Director.
Memorandum of Association or Memorandum or MOA	The Memorandum of Association of our Company, as amended from time to time.
NRI/ Non-Resident Indians	A person resident outside India, as defined under Foreign Exchange Management Act , 1999 and who is a citizen of India or a Person of Indian Origin under Foreign Exchange Management (Transfer or Issue of Security by a Person Resident Outside India) Regulations, 2000.
Nomination and Remuneration Committee	The Nomination and Remuneration Committee of our Board constituted under Section 178 of the Companies Act and as described in the chapter titled “ <i>Our Management</i> ” beginning on page 110 of this Draft Red Herring Prospectus.
Peer Review Auditor	Independent Auditor having a valid Peer Review certificate in our case being M/s Jasminder Singh & Associates.
Promoter, Promoters or our Promoters	Promoter of our Company being Paramvir Singh Mander, for further details, please refer to the chapter titled “ <i>Our Promoters and Promoter Group</i> ” beginning on page 120 of this Draft Red Herring Prospectus.
Promoter Group	Includes such Persons and companies constituting our promoter group covered under Regulation 2(1) (pp) of the SEBI (ICDR) Regulations, 2018 as enlisted in the section “ <i>Our Promoters and Promoter Group</i> ” beginning on page 120 of this Draft Red Herring Prospectus.
RBI Act	The Reserve Bank of India Act, 1934 as amended from time to time.
Registered Office	The Registered office of our Company situated at Village Ikolaha, Tehsil Khanna, Khanna Ludhiana Punjab 141401, India
Reserve Bank of India / RBI	Reserve Bank of India constituted under the RBI Act.
Restated Financial Information/ Restated Financial Statement	The Restated Financial Statement of our Company which comprises of the restated balance sheet, the restated profit and loss and the restated cash flow information for the financial years ended March 31, 2023, March 31, 2022 & March 31, 2021, together with the annexures and the notes thereto, which have been prepared in accordance with the Companies Act, the applicable Accounting Standards and restated in accordance with the SEBI (ICDR) Regulations.
RoC or Registrar of Companies	Unless the context requires otherwise, refers to Registrar of Companies situated at 1st Floor, Corporate Bhawan, Plot No.4-B, Sector 27-B, Pincode-160019, Chandigarh.
Shareholder(s)	Equity shareholders of our Company, from time to time
Sub- Account	Sub- accounts registered with SEBI under the Securities and Exchange Board of India (Foreign Institutional Investor) Regulations, 1995, other than sub-accounts which are foreign corporate or foreign individuals.
Subscribers to MOA	Initial Subscribers to MOA & AOA being Satish Kumar Jindal, Jagat Bhushan Johar, Daljit Singh.
Stakeholders Relationship Committee	The Stakeholders’ Relationship Committee of our Board constituted under Section 178 of the Companies Act and as described under the chapter titled “ <i>Our Management</i> ” beginning on page 110.

Issue Related Terms

Terms	Description
Abridged Prospectus	Abridged prospectus means a memorandum containing such salient features of a prospectus as may be specified by SEBI in this behalf.
Acknowledgement Slip	The slip or document issued by the Designated Intermediary to a bidders as proof of registration of the Application.
Allotment/ Allot/ Allotted	Unless the context otherwise requires, means the allotment of Equity Shares, pursuant to the Issue to the successful bidders.
Allotment Advice	A note or advice or intimation of Allotment sent to the successful Bidders who have been or are to be Allotted the Equity Shares after the Basis of Allotment has been approved by the Designated Stock Exchange.
Allottee (s)	A successful bidders to whom the Equity Shares are allotted.
Anchor Investor(s)	A Qualified Institutional Buyer, applying under the Anchor Investor Portion in accordance with the requirements specified in the SEBI ICDR Regulations and the Red Herring Prospectus and who has Bid for an amount of at least ₹ 200 lakhs.
Anchor Investor Allocation Price	The price at which Equity Shares will be allocated to the Anchor Investors in terms of the Red Herring Prospectus and the Prospectus, which will be decided by our Company in consultation with the Book Running Lead Managers during the Anchor Investor Bid/ Issue Period.
Anchor Investor Application Form	The application form used by an Anchor Investor to make a Bid in the Anchor Investor Portion and which will be considered as an application for Allotment in terms of the Red Herring Prospectus and Prospectus
Anchor Investor Bid/ Issue Period	One Working Day prior to the Bid/ Issue Opening Date, on which Bids by Anchor Investors shall be submitted and allocation to the Anchor Investors shall be completed.
Anchor Investor Issue Price	The final price at which the Equity Shares will be Allotted to the Anchor Investors in terms of the Red Herring Prospectus and the Prospectus, which price will be equal to or higher than the Issue Price but not higher than the Cap Price. The Anchor Investor Issue Price will be decided by our Company, in consultation with the Book Running Lead Managers
Anchor Investor Portion	Up to 60% of the QIB Portion which may be allocated by our Company, in consultation with the Book Running Lead Managers, to the Anchor Investors on a discretionary basis in accordance with the SEBI ICDR Regulations. One-third of the Anchor Investor Portion shall be reserved for domestic Mutual Funds, subject to valid Bids being received from domestic Mutual Funds at or above the Anchor Investor Allocation Price, in accordance with the SEBI ICDR Regulations.
Application Supported by Block Amount (ASBA)	An application, whether physical or electronic, used by ASBA Bidders, to make a Bid and authorising an SCSB to block the Bid Amount in the ASBA Account and will include amounts blocked by the SCSB upon acceptance of UPI Mandate Request by the UPI Bidders using the UPI Mechanism.
ASBA Account	A bank account maintained by ASBA Bidders with an SCSB and specified in the ASBA Form submitted by such ASBA Bidder in which funds will be blocked by such SCSB to the extent of the specified in the ASBA Form submitted by such ASBA Bidder and includes a bank account maintained by a Retail Individual Investor linked to a UPI ID, which will be blocked in relation to a Bid by a Retail Individual Investor Bidding through the UPI Mechanism.
ASBA Application Location(s)/ Specified Cities	Locations at which ASBA Applications can be uploaded by the SCSBs, namely Mumbai, New Delhi, Chennai, Kolkata and Ahmedabad.
ASBA Bidder	Any prospective investor(s) / Bidder (s) in this Issue who apply(ies) through the ASBA process except Anchor Investor.
ASBA Form/ Bid cum Application	An Application form (with or without UPI ID, as applicable), whether physical or electronic, used by Bidders which will be considered as the application for Allotment in terms of the Red Herring Prospectus or the Prospectus.
Banker to the Issue Agreement	Agreement dated [●] entered into amongst the Company, Book Running Lead Manager, the Registrar, Sponsor Bank and the Banker to the Issue.
Bankers to the Issue/ Public Issue Bank/ Sponsor Bank	Banks which are clearing members and registered with SEBI as Bankers to an Issue and with whom the Public Issue Account will be opened, in this case being [●]

Terms	Description
Basis of Allotment	The basis on which the Equity Shares will be Allotted to successful bidders under the issue and which is described in the chapter titled “ Issue Procedure ” beginning on page 200 of this Draft Red Herring Prospectus.
Bid	An indication to make an offer during the Bid/ Issue Period by a Bidder (other than an Anchor Investor) pursuant to submission of the ASBA Form, or during the Anchor Investor Bid/ Issue Period by an Anchor Investor, pursuant to submission of the Anchor Investor Application Form, to subscribe to or purchase the Equity Shares at a price within the Price Band, including all revisions and modifications thereto as permitted under the SEBI ICDR Regulations and in terms of the Red Herring Prospectus and the Bid cum Application Form. The term “Bidding” shall be construed accordingly.
Bid Amount	The highest value of optional Bids indicated in the Bid cum Application Form and in the case of Retail Individual Bidders Bidding at Cut Off Price, the Cap Price multiplied by the number of Equity Shares Bid for by such Retail Individual Bidder and mentioned in the Bid cum Application Form and payable by the Retail Individual Bidder or blocked in the ASBA Account upon submission of the Bid in the Issue.
Bid Lot	[●] equity shares and in multiples of [●] equity shares thereafter.
Bid/ Issue Closing Date	Except in relation to any Bids received from the Anchor Investors, the date after which the Syndicate, the Designated Branches and the Registered Brokers shall not accept the Bids, which shall be notified in in all editions of the English national newspaper [●], all editions of Hindi national newspaper [●] and Ludhiana Edition of Regional newspaper [●] where the registered office of the company is situated, each with wide circulation, and in case of any revision, the extended Bid/ Issue closing Date also to be notified on the website and terminals of the Syndicate, SCSB’s and Sponsor Bank, as required under the SEBI ICDR Regulations.
Bid/ Issue Opening Date	Except in relation to any Bids received from the Anchor Investors, the date on which the Syndicate, the Designated Branches and the Registered Brokers shall start accepting Bids, which shall be notified in in all editions of the English national newspaper [●], all editions of Hindi national newspaper [●] and Ludhiana Edition of Regional newspaper [●] where the registered office of the company is situated, each with wide circulation, and in case of any revision, the extended Bid/ Issue Opening Date also to be notified on the website and terminals of the Syndicate and SCSBs, as required under the SEBI ICDR Regulations.
Bid/ Issue Period	Except in relation to any Bids received from the Anchor Investors, the period between the Bid/ Issue Opening Date and the Bid/ Issue Closing Date or the QIB Bid/ Issue Closing Date, as the case may be, inclusive of both days, during which Bidders can submit their Bids, including any revisions thereof. Provided however that the Bidding/ Issue Period shall be kept open for a minimum of three Working Days for all categories of Bidders.
Bidder/ Applicant	Any prospective investor who makes a bid pursuant to the terms of the Draft Red Herring Prospectus and the Bid-Cum-Application Form and unless otherwise stated or implied, which includes an ASBA Bidder and an Anchor Investor
Bidding	The process of making a Bid.
Bidding/ Collection Centers	Centers at which the Designated intermediaries shall accept the ASBA Forms, i.e. Designated SCSB Branches for SCSBs, specified locations for syndicates, broker centers for registered brokers, designated RTA Locations for RTAs and designated CDP locations for CDPs.
Book Building Process/ Book Building Method	Book building process, as provided in Part A of Schedule XIII of the SEBI ICDR Regulations, in terms of which the Issue is being made
BRLM / Book Running Lead Manager	Book Running Lead Manager to the Issue in this case being Hem Securities Limited, SEBI Registered Category I Merchant Banker.
Broker Centres	Broker Centres notified by the Stock Exchanges, where the investors can submit the Bid-cum Application Forms to a Registered Broker. The details of such Broker Centers, along with the names and contact details of the Registered Brokers are available on the websites of the Stock Exchange.
Business Day	Monday to Friday (except public holidays).
CAN or Confirmation of Allocation Note	The Note or advice or intimation sent to each successful Applicant indicating the Equity which will be allotted, after approval of Basis of Allotment by the designated Stock Exchange.
Cap Price	The higher end of the price band above which the Issue Price will not be finalized and above which no Bids (or a revision thereof) will be accepted.

Terms	Description
Client Id	Client Identification Number maintained with one of the Depositories in relation to Demat account
Collecting Depository Participants or CDPs	A depository participant as defined under the Depositories Act, 1996, registered with SEBI and who is eligible to procure Applications at the Designated CDP Locations in terms of circular no. CIR/CFD/POLICYCELL/11/2015 dated November 10, 2015 issued by SEBI
Collecting Registrar and Share Transfer Agent	Registrar to an Issue and share transfer agents registered with SEBI and eligible to procure Bids at the Designated RTA Locations in terms of circular no. CIR/CFD/POLICYCELL/11/2015 dated November 10, 2015 issued by SEBI.
Controlling Branches of the SCSBs	Such branches of the SCSBs which coordinate with the BRLM, the Registrar to the Issue and the Stock Exchange.
Cut Off Price	The Issue Price, which shall be any price within the Price band as finalized by our Company in consultation with the BRLM. Only Retail Individual Investors are entitled to Bid at the Cut-off Price. QIBs (including Anchor Investor) and Non-Institutional Investors are not entitled to Bid at the Cut-off Price.
Demographic Details	The demographic details of the applicants such as their Address, PAN, name of the applicants father/husband, investor status, Occupation and Bank Account details.
Depositor/ Depositories	A depository registered with SEBI under the Securities and Exchange Board of India (Depositories and Participants) Regulations, 1996 as amended from time to time i.e. National Securities Depository Limited (NSDL) and Central Depository Services (India) Limited (CDSL).
Depositories Act	The Depositories Act, 1996, as amended from time to time.
Designated CDP Locations	Such locations of the CDPs where Applicant can submit the Bid-cum-Application Forms to Collecting Depository Participants. The details of such Designated CDP Locations, along with names and contact details of the Collecting Depository Participants eligible to accept Bid-Cum-Application Forms are available on the website of the Stock Exchange i.e. www.nseindia.com
Designated Date	The date on which funds are transferred from the Escrow Account(s) and the amounts blocked are transferred from the ASBA Accounts, as the case may be, to the Public Offer Account(s) or the Refund Account(s), as applicable, in terms of the Red Herring Prospectus and the Prospectus, after the finalisation of the Basis of Allotment in consultation with the Designated Stock Exchange, following which Equity Shares may be Allotted to successful Bidders in the Offer.
Designated Intermediaries/ Collecting Agent	An SCSB's with whom the bank account to be blocked, is maintained, a syndicate member (or sub-syndicate member), a Stock Broker registered with recognized Stock Exchange, a Depository Participant, a registrar to an issue and share transfer agent (RTA) (whose names is mentioned on website of the stock exchange as eligible for this activity).
Designated Market Maker	[●]
Designated RTA Locations	Such locations of the RTAs where Bidder can submit the Bid-Cum-Application Forms to RTAs. The details of such Designated RTA Locations, along with names and contact details of the RTAs eligible to accept Bid-Cum-Application Forms are available on the websites of the Stock Exchange i.e. www.nseindia.com .
Designated SCSB Branches	Such branches of the SCSBs which shall collect the ASBA Application Form from the Applicant and a list of which is available on the website of SEBI at https://www.sebi.gov.in/sebiweb/other/OtherAction.do?doRecognised=yes . Recognized-Intermediaries or at such other website as may be prescribed by SEBI from time to time.
Designated Stock Exchange	National Stock Exchange of India Limited. ("SME Exchange") ("NSE EMERGE")
DP ID	Depository's Participant's Identity Number
DP/ Depository Participant	A depository participant as defined under the Depositories Act, 1996
Draft Red Herring Prospectus	Draft Red Herring Prospectus dated August 14, 2023 as being filed with NSE Emerge
Electronic Transfer of Funds	Refunds through NACH, NEFT, Direct Credit or RTGS as applicable.
Eligible NRI	A Non Resident Indian in a jurisdiction outside India where it is not unlawful to make an offer or invitation under the Issue and in relation to whom this Draft Red Herring Prospectus will constitute an invitation to subscribe for the Equity Shares.

Terms	Description
Eligible QFIs	QFIs from such jurisdictions outside India where it is not unlawful to make an issue or invitation under the Issue and in relation to whom the Prospectus constitutes an invitation to purchase the Equity shares issued thereby and who have opened Demat accounts with SEBI registered qualified depository participants.
Escrow Account(s)	The account(s) to be opened with the Escrow Collection Bank and in whose favour the Anchor Investors will transfer money through NACH/direct credit/ NEFT/ RTGS in respect of the Bid Amount when submitting a Bid.
FII/ Foreign Institutional Investors	Foreign Institutional Investor as defined under SEBI (Foreign Institutional Investors) Regulations, 1995, as amended) registered with SEBI under applicable laws in India.
First Bidder/ Applicant/ Bidders	Bidder(s) whose name shall be mentioned in the Bid cum Application Form or the Revision Form and in case of joint bids, whose name shall also appear as the first holder of the beneficiary account held in joint names.
Floor Price	The lower end of the Price Band, subject to any revision(s) thereto, at or above which the Issue Price and the Anchor Investor Issue Price will be finalised and below which no Bids will be accepted
Foreign Venture Capital Investors	Foreign Venture Capital Investors registered with SEBI under the SEBI (Foreign Venture Capital Investor) Regulations, 2000.
FPI/ Foreign Portfolio Investor	A Foreign Portfolio Investor who has been registered pursuant to the of Securities and Exchange Board of India (Foreign Portfolio Investors) Regulations, 2014, provided that any FII or QFI who holds a valid certificate of registration shall be deemed to be a foreign portfolio investor till the expiry of the block of three years for which fees have been paid as per the SEBI (Foreign Institutional Investors) Regulations, 1995, as amended
Fugitive Economic Offender	An individual who is declared a fugitive economic offender under Section 12 of the Fugitive Economic Offenders Act, 2018.
General Corporate Purposes	Include such identified purposes for which no specific amount is allocated or any amount so specified towards general corporate purpose or any such purpose by whatever name called, in the offer document. Provided that any issue related expenses shall not be considered as a part of general corporate purpose merely because no specific amount has been allocated for such expenses in the offer document.
General Information Document (GID)	The General Information Document for investing in public issues, prepared and issued in accordance with the SEBI circular (SEBI/HO/CFD/DIL1/CIR/P/2020/37) dated March 17, 2020 and the UPI Circulars. The General Information Document shall be available on the websites of the Stock Exchanges, and the Book Running Lead Managers.
Issue Agreement	The Issue Agreement dated June 13, 2023 between our Company and Book Running Lead Manager, Hem Securities Limited.
Issue Price	The Price at which the Equity Shares are being issued by our Company under this Draft Red Herring Prospectus being ₹ [●] per Equity share.
Issue Proceeds	Proceeds to be raised by our Company through this Issue, for further details please refer chapter titled “ <i>Objects of the Issue</i> ” beginning on page 65 of this Draft Red Herring Prospectus
Issue/ Public Issue/ Issue size/ Initial Public Issue/ Initial Public Offering/ IPO	The Initial Public Issue of upto 27,48,000 Equity shares of ₹ 10/- each at issue price of ₹ [●]/- per Equity share, including a premium of ₹ [●]/- per equity share aggregating to ₹ [●] lakhs
Listing Agreement	The Equity Listing Agreement to be signed between our Company and the Stock Exchange.
Lot Size	[●]
Mandate Request	Mandate Request means a request initiated on the RII by sponsor bank to authorize blocking of funds equivalent to the application amount and subsequent debit to funds in case of allotment.
Market Maker Reservation Portion	The reserved portion of [●] Equity Shares of ₹10 each at an Issue price of ₹ [●] each is aggregating to ₹ [●] Lakhs to be subscribed by Market Maker in this issue.
Market Making Agreement	The Market Making Agreement dated [●] between our Company, Book Running Lead Manager and Market Maker, [●].

Terms	Description
Mutual Fund Portion	5% of the Net QIB Portion, or [●] Equity Shares, which shall be available for allocation to Mutual Funds only on a proportionate basis, subject to valid Bids being received at or above the Issue Price.
Mutual Funds	A mutual fund registered with SEBI under the SEBI (Mutual Funds) Regulations, 1996, as amended from time to time.
Net Issue	The Issue (excluding the Market Maker Reservation Portion) of [●] equity Shares of ₹10/- each at a price of ₹ [●] per Equity Share (the “Issue Price”), including a share premium of ₹ [●] per equity share aggregating to ₹ [●] Lakhs.
Net Proceeds	The Issue Proceeds received from the fresh Issue excluding Issue related expenses. For further information on the use of Issue Proceeds and Issue expenses, please refer to the section titled “ Objects of the Issue ” beginning on page 65 of this Draft Red Herring Prospectus.
Net QIB Portion	The portion of the QIB Portion less the number of Equity Shares Allocated to the Anchor Investors
Non- Resident	A person resident outside India, as defined under FEMA and includes NRIs, FPIs and FVCIs
Non-Institutional Bidders	All Bidders that are not QIBs, RIBs or Eligible Employees Bidding in the Employee Reservation Portion and who have Bid for Equity Shares, for an amount of more than ₹ 200,000 (but not including NRIs other than Eligible NRIs)
Non-Institutional Portion	The portion of the Issue being not less than 15% of the Issue, consisting of [●] Equity Shares, which shall be available for allocation on a proportionate basis to Non Institutional Investors, subject to valid Bids being received at or above the Issue Price.
Other Investor	Investors other than Retail Individual Investors. These include individual applicants other than retail individual investors and other investors including corporate bodies or institutions irrespective of the number of specified securities applied for.
Overseas Corporate Body/ OCB	Overseas Corporate Body means and includes an entity defined in clause (xi) of Regulation 2 of the Foreign Exchange Management (Withdrawal of General Permission to Overseas Corporate Bodies (OCB's) Regulations 2003 and which was in existence on the date of the commencement of these Regulations and immediately prior to such commencement was eligible to undertake transactions pursuant to the general permission granted under the Regulations. OCBs are not allowed to invest in this Issue.
Pay-in-Period	The period commencing on the Bid/Issue Opening date and extended till the closure of the Anchor Investor Pay-in-Date.
Payment through electronic transfer of funds	Payment through NECS, NEFT or Direct Credit, as applicable.
Person/ Persons	Any individual, sole proprietorship, unincorporated association, unincorporated organization, body corporate, corporation, company, partnership, limited liability company, joint venture, or trust or any other entity or organization validly constituted and/ or incorporated in the jurisdiction in which it exists and operates, as the context requires.
Price Band	Price Band of a minimum price (Floor Price) of ₹ [●] and the maximum price (Cap Price) of ₹ [●] and includes revisions thereof. The Price Band will be decided by our Company in consultation with the BRLM and advertised in two national daily newspapers (one each in English and in Hindi) with wide circulation and one daily regional newspaper with wide circulation at least two working days prior to the Bid/ Issue Opening Date.
Pricing Date	The date on which our Company in consultation with the BRLM, will finalize the Issue Price.
Prospectus	The Prospectus, to be filed with the Registrar of Companies in accordance with the provisions of Section 26 & 32 of the Companies Act, 2013, containing, inter alia, the Issue Price, size of the Issue and certain other information.
Public Issue Account	Account to be opened with the Bankers to the Issue to receive monies from the SCSBs from the bank account of the Applicant, on the Designated Date.
QIB Category/ QIB Portion	The portion of the Net Issue (including the Anchor Investor Portion) being not more than 50% of the Net Issue, consisting of [●] Equity Shares aggregating to ₹[●] lakhs which shall be Allotted to QIBs (including Anchor Investors) on a proportionate basis, including the Anchor Investor Portion (in which allocation shall be on a discretionary basis, as determined by our Company in consultation with the BRLMs), subject to valid Bids being received at or above the Issue Price or Anchor Investor Offer Price (for Anchor Investors).

Terms	Description
Qualified Institutional Buyers/ QIBs/ QIB Bidders	Qualified institutional buyers as defined under Regulation 2(1)(ss) of the SEBI ICDR Regulations.
Red Herring Prospectus / RHP	The red herring prospectus to be issued in accordance with Section 32 of the Companies Act, 2013 and the provisions of the SEBI ICDR Regulations, which will not have complete particulars of the price at which the Equity Shares will be offered and the size of the Issue including any addenda or corrigenda thereto. The Red Herring Prospectus will be filed with the RoC at least three Working Days before the Bid/Issue Opening Date and will become the Prospectus upon filing with the RoC after the Pricing Date
Refund Account	The 'no-lien' and 'non-interest bearing' account opened with the Refund Bank, from which refunds, if any, of the whole or part, of the Bid Amount to the Anchor Investors shall be made.
Refund Bank/ Refund Banker	Bank which is / are clearing member(s) and registered with the SEBI as Bankers to the Issue at which the Refund Account will be opened, in this case being [●].
Refund through electronic transfer of funds	Refunds through NECS, direct credit, RTGS or NEFT, as applicable.
Registered Broker	The stockbrokers registered with the stock exchanges having nationwide terminals, other than the members of the Syndicate and eligible to procure Bids
Registrar Agreement	The agreement dated June 13, 2023 entered into between our Company and the Registrar to the Issue in relation to the responsibilities and obligations of the Registrar to the Issue pertaining to the Issue.
Registrar and Share Transfer Agents or RTAs	Registrar and share transfer agents registered with SEBI and eligible to procure Applications at the Designated RTA Locations in terms of circular no. CIR/CFD/POLICYCELL/11/2015 dated November 10, 2015 issued by SEBI.
Registrar/ Registrar to the Issue/ RTA/ RTI	Registrar to the Issue, in this case being Skyline Financial Services Private Limited.
Regulation S	Regulation S under the U.S. Securities Act of 1933, as amended from time to time.
Reservation Portion	The portion of the Issue reserved for category of eligible Applicants as provided under the SEBI (ICDR) Regulations, 2018.
Reserved Category/ Categories	Categories of persons eligible for making application under reservation portion.
Retail Individual Bidders/ RIBs/ Retail Individual Investors/ RIIs	Individual Bidders, submitting Bids, who have Bid for Equity Shares for an amount not more than ₹ 2,00,000/- in any of the bidding options in the Net Issue (including HUFs applying through their Karta and Eligible NRIs and does not include NRIs other than Eligible NRIs).
Retail Portion	The portion of the Issue being not less than 35% of the Net Issue, consisting of [●] Equity Shares, available for allocation to Retail Individual Bidders.
Revision Form	The form used by the Bidders to modify the quantity of Equity Shares or the Bid Amount in any of their Bid-cum-Application Forms or any previous Revision Form(s), as applicable. QIBs and Non-Institutional Investors are not allowed to withdraw or lower their Bids (in terms of quantity of Equity Shares or the Bid Amount) at any stage.
Securities laws	Means the Act, the Securities Contracts (Regulation) Act, 1956, the Depositories Act, 1996 and the rules and regulations made thereunder and the general or special orders, guidelines or circulars made or issued by the Board thereunder and the provisions of the Companies Act, 2013 or any previous company law and any subordinate legislation framed thereunder, which are administered by the Board.
SEBI (ICDR) Regulations/ ICDR Regulation/ Regulation	SEBI (Issue of Capital and Disclosure Requirements) Regulations, 2018 issued by SEBI on September 11, 2018, as amended, including instructions and clarifications issued by SEBI from time to time.
SEBI (Venture Capital) Regulations	Securities Exchange Board of India (Venture Capital) Regulations, 1996 as amended from time to time.
SEBI Act/ SEBI	Securities and Exchange Board of India Act, 1992, as amended from time to time.
SEBI Insider Trading Regulations	The Securities and Exchange Board of India (Prohibition of Insider Trading) Regulations, 2015 as amended, including instructions and clarifications issued by SEBI from time to time.
SEBI Listing Regulations, 2015/ SEBI Listing Regulations/ Listing Regulations/ SEBI (LODR)	The Securities and Exchange Board of India (Listing Obligation and Disclosure Requirements) Regulations, 2015 as amended, including instructions and clarifications issued by SEBI from time to time.

Terms	Description
SEBI Takeover Regulations or SEBI (SAST) Regulations	Securities and Exchange Board of India (Substantial Acquisition of Shares and Takeover) Regulations, 2011, as amended from time to time.
Self-Certified Syndicate Bank(s) / SCSB(s)	Shall mean a Banker to an Issue registered under Securities and Exchange Board of India (Bankers to an Issue) Regulations, 1994, as amended from time to time, and which offer the service of making Application/s Supported by Blocked Amount including blocking of bank account and a list of which is available on https://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.
SME Exchange	SME Platform of the NSE i.e. NSE EMERGE.
Specified Locations	Collection centers where the SCSBs shall accept application form, a list of which is available on the website of SEBI (https://www.sebi.gov.in/) and updated from time to time.
Specified Securities	Equity shares offered through this Draft Red Herring Prospectus.
Sponsor Bank	Sponsor Bank means a Banker to the Issue registered with SEBI, which is appointed by the Issuer to act as a conduit between the Stock Exchanges and NPCI (National Payments Corporation of India) in order to push the mandate, collect requests and / or payment instructions of the Retail Investors into the UPI.
Sub Syndicate Member	A SEBI Registered member of NSE appointed by the BRLM and/ or syndicate member to act as a Sub Syndicate Member in the Issue.
Syndicate	Includes the BRLM, Syndicate Members and Sub Syndicate Members.
Syndicate Agreement	The agreement dated [●] entered into amongst our Company, the BRLM and the Syndicate Members, in relation to the collection of Bids in this Issue.
Syndicate ASBA Bidding Locations	Bidding Centers where an ASBA Bidder can submit their Bid in terms of SEBI Circular no. CIR/CFD/DIL/1/2011 dated April 29, 2011, namely Mumbai, Chennai, Kolkata, Delhi
Syndicate Members/ Members of the Syndicate	Intermediaries registered with SEBI eligible to act as a syndicate member and who is permitted to carry on the activity as an underwriter, in this case being [●].
Systemically Important Non-Banking Financial Company	Systemically important non-banking financial company as defined under Regulation 2(1)(iii) of the SEBI ICDR Regulations.
Transaction Registration Slip/ TRS	The slip or document issued by the member of the Syndicate or SCSB (only on demand) as the case may be, to the Applicant as proof of registration of the Application.
U.S. Securities Act	U.S. Securities Act of 1933, as amended
Underwriter	The BRLM who has underwritten this Issue pursuant to the provisions of the SEBI (ICDR) Regulations, 2018 and the Securities and Exchange Board of India (Underwriters) Regulations, 1993, as amended from time to time.
Underwriting Agreement	The Agreement [●] entered between the Underwriter, BRLM and our Company.
UPI	UPI is an instant payment system developed by the NCPI, it enables merging several banking features, seamless fund routing & merchant payment into one hood. UPI allow instant transfer of money between any two bank accounts using a payment address which uniquely identifies a person's bank account
UPI Circulars	SEBI circular no. CFD/DIL2/CIR/P/2018/22 dated February 15, 2018, 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/M dated March 16, 2021, SEBI circular no. SEBI/HO/CFD/DIL1/CIR/P/2021/47 dated March 31, 2021, SEBI circular no. SEBI/HO/CFD/DIL2/P/CIR/2021/570 dated June 2, 2021, SEBI circular no. SEBI/HO/CFD/DIL2/CIR/P/2022/45 dated April 5, 2022, SEBI circular no. SEBI/HO/CFD/DIL2/CIR/P/2022/51 dated April 20, 2022 SEBI Circular No: SEBI/HO/MIRSD/MIRSD_RTAMB/P/CIR/2022/76 dated May 30, 2022 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 the NPCI

Terms	Description
UPI Mandate Request/ Mandate Request	A request (intimating the RII by way of notification on the UPI application and by way of a SMS directing the RII to such UPI application) to the RII by sponsor bank to authorize blocking of funds equivalent to the application amount and subsequent debit to funds in case of allotment.
UPI Mechanism	The mechanism that was used by an RIB to make a Bid in the Offer in accordance with the UPI Circulars on Streamlining of Public Issues
UPI PIN	Password to authenticate UPI transaction
Venture Capital Fund/ VCF	Foreign Venture Capital Funds (as defined under the Securities and Exchange Board of India (Venture Capital Funds) Regulations, 1996) registered with SEBI under applicable laws in India.
Wilful Defaulter(s)	Wilful defaulter as defined under Regulation 2(1)(III) of the SEBI (ICDR) Regulations, 2018.
Working Day	In accordance with Regulation 2(1) (mmm) of SEBI (ICDR) Regulations, 2018, working days means, all days on which commercial banks in Mumbai are open for business. However, in respect of– (a) announcement of Price Band; and (b) Issue period, working days shall mean all days, excluding Saturdays, Sundays and public holidays, on which commercial banks in Mumbai are open for business; (c) the time period between the Bid/ Issue Closing Date and the listing of the Equity Shares on the Stock Exchange, working day shall mean all trading days of the Stock Exchange, excluding Sundays and bank holidays, as per circulars issued by SEBI.

Technical and Industry Related Terms

Term	Description
B2B	Business to Business
BIS	Bureau of Indian Standards
CAS	Conformity Assessment Scheme
CFP	Cattle Feeds Plants
FAO	Food and Agriculture Organization
GVA	Gross Value added
IFIF	International Feed Industry Federation
ISO	International Organization for Standardization
JICA	Japan International Cooperation Agency
LLPD	lakh litres per day
MT	Metric tons
NDDDB	National Dairy Development Board
NLM	National Livestock Mission
NPDD	National Programme for Dairy Development
p.m.	Per month
PSPCL	Punjab State Power Corporation Limited
QA	Quality Assurance
R&D	Research & development
Teh.	Tehsil
UN	United Nation Organization (UNO)
US	United States

Conventional and General Terms / Abbreviations

Term	Description
A/C	Account
AGM	Annual General Meeting
AIF	Alternative Investments Fund as defined in and registered with SEBI under the Securities and Exchange Board of India (Alternative Investments Funds) Regulations, 2012, as amended
Amt / AMT	Amount

Term	Description
AS/ Accounting Standard	Accounting Standards as issued by the Institute of Chartered Accountants of India.
A. Y.	Assessment Year
AOA	Articles of Association
Approx	Approximately
ASBA	Application Supported by Blocked Amount
BG / LC	Bank Guarantee / Letter of Credit
BIFR	Board for Industrial and Financial Reconstruction
BRLM	Book Running Lead Manager
Bn	Billion
CAGR	Compounded Annual Growth Rate
CAN	Confirmation of Allocation Note
CC	Cash Credit
CDSL	Central Depository Services (India) Limited
CENVAT	Central Value Added Tax
CFO	Chief Financial Officer
CIN	Corporate Identification Number
CIS	Commonwealth of Independent States
CMD	Chairman and Managing Director
Companies Act, 1956	Companies Act, 1956 (without reference to the provisions thereof that have ceased to have effect upon notification of the Notified Sections).
Companies Act	The Companies Act, 2013, to the extent in force pursuant to the notification of the notified sections
Competition Act	The Competition Act, 2002
Consolidated FDI Policy	Consolidated FDI Policy with effect from August 28, 2017 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.
CS	Company Secretary
CSR	Corporate Social Responsibility
CST	Central Sales Tax
Depositories	NSDL (National Securities Depository Limited) and CDSL (Central Depository Services Limited); Depositories registered with the SEBI under the Securities and Exchange Board of India (Depositories and Participants) Regulations, 1996, as amended from time to time
Depositories Act	The Depositories Act, 1996, as amended from time to time.
DGFT	Directorate General of Foreign Trade
DIN	Director Identification Number
DPIIT	Department for Promotion of Industry and Internal Trade, Ministry of Commerce and Industry, Government of India (<i>earlier known as the Department of Industrial Policy and Promotion</i>)
DP	Depository Participant
DP ID	Depository Participant 's Identity
EBIDTA	Earnings before interest, depreciation, tax, amortization and extraordinary items
ECS	Electronic Clearing Services
EGM/EOGM	Extra-Ordinary General Meeting
EPS	Earnings Per Share
ESIC	Employee State Insurance Corporation
ESOP	Employee Stock Option Plan
EXIM/EXIM Policy	Export-Import Policy
FCNR Account	Foreign Currency Non-Resident Account
FDI	Foreign Direct Investment
FEMA	Foreign Exchange Management Act 1999, as amended from time to time and the regulations framed there under
FII(s)	Foreign Institutional Investors, as defined under the FII Regulations and
FII Regulations	Securities and Exchange Board of India (Foreign Institutional Investors) Regulations, 1995, as amended from time to time.
FIs	Financial Institutions

Term	Description
FPI(s)	Foreign Portfolio Investor means a person who satisfies the eligibility criteria prescribed under regulation 4 and has been registered under Chapter II of Securities and Exchange Board of India (Foreign Portfolio Investors) Regulations, 2014, which shall be deemed to be an intermediary in terms of the provisions of the SEBI Act,1992
FTA	Foreign Trade Agreement.
FVCI	Foreign Venture Capital Investor registered under the Securities and Exchange Board of India (Foreign Venture Capital Investor) Regulations, 2000
FV	Face Value
F.Y./FY/Fiscal	Financial Year
GAAP	Generally Accepted Accounting Principles
GDP	Gross Domestic Product
GoI/ Government	Government of India
GST	Goods and Services Tax
HNI	High Net Worth Individual
HUF	Hindu Undivided Family
ICAI	Institute of Chartered Accountants of India
ICMAI	The Institute of Cost Accountants of India
ICSI	Institute of Company Secretaries of India
IFRS	International Financial Reporting Standards
IIP	Index of Industrial Production
IMF	International Monetary Fund
Indian GAAP	Generally Accepted Accounting Principles in India
INR/Rs. /Rupees/₹	Indian National Rupee
Income Tax Act or the I.T. Act	The Income Tax Act, 1961
IPO	Initial Public Offering
Ind AS	New Indian Accounting Standards notified by Ministry of Corporate Affairs on February 16, 2015, applicable from Financial Year commencing April 1, 2016.
ISIN	International Securities Identification Number
IST	Indian Standard Time
IT Authorities	Income Tax Authorities
Key Managerial Personnel/KMP	Key Managerial Personnel
Ltd.	Limited
MAPIN	Market Participants and Investors Database
MICR	Magnetic Ink Character Recognition
Mn	Million
MoA	Memorandum of Association
MoU	Memorandum of Understanding
Mtr	Meter
N.A.	Not Applicable
NACH	National Automatic Clearing House
NAV	Net Asset Value
NBFC	Non-Banking Finance Company
NECS	National Electronic Clearing Services
NEFT	National Electronic Fund Transfer
Net Worth	The aggregate of the paid-up share capital, share premium account, and reserves and surplus (excluding revaluation reserve) as reduced by the aggregate of miscellaneous expenditure (to the extent not adjusted or written off) and the debit balance of the profit and loss account
NOC	No Objection Certificate
NPV	Net Present Value
NR	Non-Resident
NRE Account	Non-Resident External Account
NRI	Non-Resident Indian, is a person resident outside India, who is a citizen of India or a person of Indian origin and shall have the same meaning as ascribed to such term in the Foreign Exchange Management (Deposit) Regulations, 2000, as amended from time to time

Term	Description
NRO Account	Non-Resident Ordinary Account
NSDL	National Securities Depository Limited
NSE	National Stock Exchange of India Limited
NTA	Net Tangible Assets
p.a.	per annum
PAC	Persons Acting in Concert
PAN	Permanent Account Number
PAT	Profit After Tax
PBT	Profit Before Tax
P/E Ratio	Price Earnings Ratio
POA	Power of Attorney
Pvt.	Private
RBI	Reserve Bank of India
RBI Act	The Reserve Bank of India Act, 1934, as amended
ROE	Return on Equity
R&D	Research & Development
RoNW	Return on Net Worth
RTGS	Real Time Gross Settlement
SCRA	Securities Contracts (Regulation) Act, 1956 as amended.
SCRR	Securities Contracts (Regulation) Rules, 1957 as amended.
SCSB	Self-Certified Syndicate Bank
SEBI	Securities and Exchange Board of India
SEBI Act	Securities and Exchange Board of India Act, 2015, as amended.
SEBI AIF Regulations	Securities and Exchange Board of India (Alternate Investments Funds) Regulations, 2012, as amended.
SEBI FII Regulations	Securities and Exchange Board of India (Foreign Institutional Investors) Regulations, 1995, as amended from time to time.
SEBI FPI Regulations	Securities and Exchange Board of India (Foreign Portfolio Investors) Regulations, 2014, as amended from time to time.
SEBI FVCI Regulations	Securities and Exchange Board of India (Foreign Venture Capital Investor) Regulations, 2000, as amended from time to time.
SEBI Insider Trading Regulations	Securities and Exchange Board of India (Prohibition of Insider Trading) Regulations, 2015, as amended.
SEBI (PFUTP) Regulations / PFUTP Regulations	Securities and Exchange Board of India (Prohibition of Fraudulent and Unfair Trade Practices relating to Securities Markets) Regulations, 2003
SEBI Regulations/ SEBI ICDR Regulations	Securities and Exchange Board of India (Issue of Capital and Disclosure Requirements) Regulations, 2018, as amended.
SEBI SBEB Regulations	Securities and Exchange Board of India (Share Based Employee Benefits) Regulations, 2014.
SEBI Takeover Regulations / Takeover Regulations / Takeover Code	Securities and Exchange Board of India (Substantial Acquisition of Shares and Takeovers) Regulations, 2011, as amended.
SEBI VCF Regulations	Securities and Exchange Board of India (Venture Capital Funds) Regulations, 1996 as amended from time to time.
SME	Small Medium Enterprise
SSI Undertaking	Small Scale Industrial Undertaking
STT	Securities Transaction Tax
Sub-Account	Sub-accounts registered with SEBI under the SEBI (Foreign Institutional Investor) Regulations, 1995, other than sub-accounts which are foreign corporate or foreign individuals.
Sq. mtr	Square Meter
TAN	Tax Deduction Account Number
TRS	Transaction Registration Slip
TIN	Taxpayers Identification Number
u/s	Under Section

Term	Description
UIN	Unique Identification Number
US/ States U.S./ USA/ United States	United States of America
USD/ US\$/ \$	United States Dollar, the official currency of the Unites States of America
U.S. GAAP	Generally accepted accounting principles in the United States of America
U.S. Securities Act, 1933	U.S. Securities Act of 1933, as amended
UOI	Union of India
VAT	Value Added Tax
VCF / Venture Capital Fund	Foreign Venture Capital Funds (as defined under the Securities and Exchange Board of India (Venture Capital Funds) Regulations, 1996) registered with SEBI under applicable laws in India.
WDV	Written Down Value
w.e.f.	With effect from
WHO	World Health Organization
Willful Defaulter	Willful Defaulter as defined under Regulation 2(1) (III) of the SEBI (ICDR) Regulations.
WTD	Whole-Time Director
YoY	Year over year

CERTAIN CONVENTIONS, USE OF FINANCIAL INFORMATION & MARKET DATA & CURRENCY OF FINANCIAL PRESENTATION

Certain Conventions

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

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

Use of Financial Data

Unless stated otherwise, throughout this Draft Red Herring Prospectus, all figures have been expressed in Rupees and Lakh. Unless stated otherwise, the financial data in the Draft Red Herring Prospectus is derived from our restated financial statements prepared for the financial year ended March 31, 2023, 2022 and 2021 in accordance with Indian GAAP, the Companies Act and SEBI (ICDR) Regulations, 2018 included under Section titled “*Financial Information of the Company*” beginning on page 124 of this Draft Red Herring Prospectus.

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

Our Company does not have any Associate or Subsidiary Company as on date of this Draft Red Herring Prospectus. Our fiscal year commences on April 1 of every year and ends on March 31st of every next year.

Any percentage amounts, as set forth in “Risk Factors”, “Our Business”, “Management’s Discussion and Analysis of Financial Condition and Results of Operations” and elsewhere in the Draft Red Herring Prospectus unless otherwise indicated, have been calculated on the basis of the Company’s restated financial statements prepared in accordance with the applicable provisions of the Companies Act, Indian GAAP and restated in accordance with SEBI (ICDR) Regulations, 2018, as stated in the report of our Statutory Auditor, set out in section titled “*Financial Information of the Company*” beginning on page 124 of this Draft Red Herring Prospectus.

For additional definitions used in this Draft Red Herring Prospectus, see the section “*Definitions and Abbreviations*” on page 1 of this Draft Red Herring Prospectus. In the section titled “*Main Provisions of the Articles of Association*”, on page 228 of the Draft Red Herring Prospectus defined terms have the meaning given to such terms in the Articles of Association of our Company.

Use of Industry & Market Data

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

Although, we believe industry and market data used in the Draft Red Herring Prospectus is reliable, it has not been independently verified by us or the BRLM or any of their affiliates or advisors. Similarly, internal Company reports and data, while believed by us to

be reliable, have not been verified by any independent source. There are no standard data gathering methodologies in the industry in which we conduct our business and methodologies and assumptions may vary widely among different market and industry sources.

In accordance with the SEBI (ICDR) Regulations, 2018 the section titled “***Basis for Issue Price***” on page 70 of the Draft Red Herring Prospectus includes information relating to our peer group companies. Such information has been derived from publicly available sources, and neither we, nor the BRLM, have independently verified such information.

Currency of Financial Presentation

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

Any percentage amounts, as set forth in “***Risk Factors***”, “***Our Business***”, “***Management's Discussion and Analysis of Financial Conditions and Results of Operation***” on page 24, 87 and 158 of this Draft Red Herring Prospectus, unless otherwise indicated, have been calculated based on our restated respectively financial statement prepared in accordance with Indian GAAP.

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

FORWARD LOOKING STATEMENTS

This Draft Red Herring Prospectus includes certain “forward-looking statements”. We have included statements in the Draft Red Herring Prospectus which contain words or phrases such as “will”, “aim”, “is likely to result”, “believe”, “expect”, “will continue”, “anticipate”, “estimate”, “intend”, “plan”, “contemplate”, “seek to”, “future”, “objective”, “goal”, “project”, “should”, “will pursue” and similar expressions or variations of such expressions, that are “forward-looking statements”. Also, statements which describe our strategies, objectives, plans or goals are also forward-looking statements. All statements regarding our expected financial conditions, results of operations, business plans and prospects are forward-looking statements. These forward-looking statements include statements as to our business strategy, plans, revenue and profitability (including, without limitation, any financial or operating projections or forecasts) and other matters discussed in this Draft Red Herring Prospectus that are not historical facts. However, these are not the exclusive means of identifying forward-looking statements.

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

1. General economic and business conditions in the markets in which we operate and in the local, regional, national and international economies;
2. Changes in consumer demand;
3. Fluctuations in operating costs;
4. Any change in government policies resulting in increases in taxes payable by us
5. Any change in agriculture Industry;
6. Our ability to retain our key managements persons and other employees;
7. Changes in laws and regulations that apply to the industries in which we operate.
8. Our failure to keep pace with rapid changes in technology;
9. Our ability to grow our business;
10. Our ability to make interest and principal payments on our existing debt obligations and satisfy the other covenants contained in our existing debt agreements;
11. general economic, political and other risks that are out of our control;
12. Inflation, deflation, unanticipated turbulence in interest rates, equity prices or other rates or prices;
13. Company’s ability to successfully implement its growth strategy and expansion plans ;
14. failure to comply with regulations prescribed by authorities of the jurisdictions in which we operate;
15. inability to successfully obtain registrations in a timely manner or at all;
16. occurrence of Environmental Problems & Uninsured Losses;
17. conflicts of interest with affiliated companies, the promoter group and other related parties;
18. any adverse outcome in the legal proceedings in which we are involved;
19. Concentration of ownership among our Promoter;
20. The performance of the financial markets in India and globally;
21. Impact of covid-19 on our business and operations; and
22. Global distress due to pandemic, war or by any other reason.

For a further discussion of factors that could cause our actual results to differ, refer to section titled “**Risk Factors**” and chapter titled “**Management’s Discussion and Analysis of Financial Condition and Results of Operations**” beginning on pages 24 and 158 respectively. By their nature, certain market risk disclosures are only estimates’ and could be materially different from what actually occurs in the future. As a result, actual future gains or losses could materially differ from those that have been estimated.

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

Neither our Company or our Directors or our Officers or Book Running Lead Manager or Underwriter nor any of their respective affiliates have any obligation to update or otherwise revise any statements reflecting circumstances arising after the date hereof or to reflect the occurrence of underlying events, even if the underlying assumptions do not come to fruition. In accordance with SEBI

requirements, our Company and the BRLM will ensure that investors in India are informed of material developments until such time as the grant of listing and trading permission by the Stock Exchange for the Equity Shares allotted pursuant to this Issue.

SUMMARY OF OFFER DOCUMENT

PRIMARY BUSINESS OF THE COMPANY

Our Company is an ISO 9001:2015 & ISO 22000:2018 certified company, engaged in manufacturing & processing of cattle feed mineral mixture in pellet and mash form. The products manufactured by us are used for feeding of cattle which provides the animals with the requisite nutrients. Our company operates from its manufacturing facility located at village Ikolaha, tehsil Khanna, Ludhiana - 141401, Punjab, India and another manufacturing facility located at Begusarai, Bihar for manufacturing of cattle feeds.

SUMMARY OF INDUSTRY IN WHICH THE COMPANY IS OPERATING

World compound feed production has reached over 1 billion tonnes annually. Global commercial feed manufacturing generates an estimated annual turnover of over US \$400 billion. Commercial production or sale of manufactured feed products takes place in more than 130 countries and directly employs more than a quarter of a million skilled workers, technicians, managers and professionals. The UN Food and Agricultural Organization (FAO) estimates that the world will have to produce ca. 60% more food by 2050 and we believe that animal protein production will grow even more – meats (poultry/swine/beef) will double, as well as dairy, and fish production will almost triple by 2050.

NAME OF PROMOTER

The promoter of our company – Paramvir Singh Mander.

SIZE OF THE ISSUE

Initial public offer consisting of up to 27,48,000 Equity shares of face value of ₹10.00 each (“equity shares”) of Khanna Feed Limited (the “Company” or the “Issuer”) for cash at a price of ₹ [●] per equity share including a share premium of ₹ [●] per equity share (the “Issue Price”) aggregating to ₹ [●] Lakh (“The Issue”), of which [●] equity shares of face value of ₹ 10.00 each for cash at a price of ₹ [●] per equity share including a share premium of ₹ [●] per equity share aggregating to ₹ [●] Lakh will be reserved for subscription by market maker to the Issue (the “Market Maker Reservation Portion”). The Issue less the Market Maker Reservation Portion i.e., Net issue of [●] equity shares of face value of ₹ 10.00 each at a price of ₹ [●] per equity share aggregating to ₹ [●] Lakh are herein after referred to as the “Net Issue”. The Issue and the Net Issue will constitute 26.61% and [●] respectively of the post offer paid up equity share capital of the company.

OBJECTS OF THE ISSUE

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

S. No	Particulars	Amt (₹ in Lakh)
1.	Funding working capital requirements	[●]
2.	General Corporate Purpose	[●]
	Total	[●]

PRE-ISSUE SHAREHOLDING OF PROMOTER & PROMOTER GROUP

The aggregate pre-issue shareholding of the promoter and promoter group as a percentage of the paid-up capital of the issuer is as below-

Sr. No	Names	Pre IPO		Post IPO	
		Shares Held	% Shares Held	Shares Held	% Shares Held
A	Promoters				
1.	Paramvir Singh Mander	69,10,344	91.18	69,10,344	[●]
	Total (A)	69,10,344	91.18	69,10,344	[●]
B	Promoter Group	Nil	Nil	Nil	Nil
	Total (A+B)	69,10,344	91.18	69,10,344	[●]

SUMMARY OF FINANCIAL INFORMATION

Following are details as per the restated financial statements for Fiscal period March 2023, March 2022 and March 2021:

				Amt (₹ in Lakh)
Sr. No.	Particulars	March 31, 2023	March 31, 2022	March 31, 2021
1.	Paid up Share Capital #	757.91	36.09	36.09
2.	Net worth	992.79	637.40	506.88
3.	Total Net Revenue (Operations)	15,536.46	11,883.13	8,619.21
4.	Profit After Tax	355.38	130.52	41.71
5.	Earnings Per Share – Basic	4.69	1.72	0.55
6.	Earnings Per Share – Diluted	4.69	1.72	0.55
7.	NAV per Equity Shares	13.10	176.61	140.45
8.	NAV per Equity Shares (Post Bonus)	13.10	8.41	6.69
9.	Total Borrowings (As per Restated Balance Sheet)	2,229.83	995.80	991.99

Further, the Company has issued 72,18,180 equity share by way of bonus issue in the ratio of 20:1 on March 25, 2023.

AUDITORS QUALIFICATIONS WHICH HAVE NOT BEEN GIVEN EFFECT TO IN THE RESTATED FINANCIAL STATEMENTS

There are no such Auditor's Qualifications in the Financial Statements of the Company which requires any effect to be given in the restated financial statement.

OUTSTANDING LITIGATIONS

Litigations/Matters involving our Company: -

Nature of Cases	No. of Outstanding Cases	Amount Involved (in ₹ Lacs)*
Criminal case filed by the Company	14	29.50
Other pending litigation	2	4.23
Tax Matters	2	0.58

Amount mentioned to the extent quantifiable. The amount may be subject to additional interest/other charges being levied by the concerned authorities which are unascertainable as on date of this Draft Red Herring Prospectus.

Litigations/Matters involving our Directors:

Name of Director	Nature of Cases	No. of Outstanding Cases	Amount Involved (in ₹ Lacs)*
Vinayak Kedia	Civil Matter	1	Not ascertainable
	Tax Matter	2	Not ascertainable

Amount mentioned to the extent quantifiable. The amount may be subject to additional interest/other charges being levied by the concerned authorities which are unascertainable as on date of this Draft Red Herring Prospectus.

Litigations/Matters involving our Group Company which may have a material impact on our Company:

Nature of Cases	No. of Outstanding Cases	Amount Involved (in ₹ Lacs)*
Other pending Litigation	8	15450.00

Amount mentioned to the extent quantifiable. The amount may be subject to additional interest/other charges being levied by the concerned authorities which are unascertainable as on date of this Draft Red Herring Prospectus.

For further details of the outstanding litigation proceedings, see "Outstanding Litigation and Material Developments" beginning on page 169 of this Draft Red Herring Prospectus.

RISK FACTORS

Please see "Risk Factors" beginning on page 24 of this Draft Red Herring Prospectus.

SUMMARY OF CONTINGENT LIABILITIES OF THE COMPANY

Following is the summary of the Contingent Liabilities of the Company for the period March 31, 2023, March 31, 2022 and March 31, 2021-

(in Rs Lacs)

Particulars	As at		
	31/03/2023	31/03/2022	31/03/2021
Contingent liabilities in respect of:			
In respect of TDS & Income Tax matters	0.58	-	-
Other moneys for which the company is contingently liable	-	-	-
Other commitments	-	-	-
Total	0.58	-	-

For detailed information on the Contingent Liabilities on our Company, please refer "Note - X" appearing on page 153 of this Draft Red Herring Prospectus under Chapter titled "Restated Financial Information" beginning on page no 124 of this Draft Red Herring Prospectus.

SUMMARY OF RELATED PARTY TRANSACTIONS

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.

List of Related Parties and Nature of Relationship

AA	RELATED PARTY DISCLOSURE	
(a)	List of Related parties	
	Names of the related parties with whom transactions were carried out during the years and description of relationship:	
Sr. No.	Name of the Person / Entity	
1	Tara Health Foods Limited	Related Enterprise
2	Ragani Textiles Pvt Ltd	Related Enterprise
3	Tara Exports Limited	Related Enterprise
4	Madhur Textiles	Related Enterprise
5	Vinayak Kedia & Sons HUF	Related Enterprise
6	Crown Steel	Related Enterprise
7	A.V. Residency Pvt Ltd	Related Enterprise
8	G.R. residency Pvt Ltd	Related Enterprise
9	NVM Realtor (P) Ltd	Related Enterprise
10	Paramvir Singh Mander	Director
11	Jatinder Paul Sehgal	Director
12	Vinayak Kedia	Director
13	Mohd. Pervaz	CFO
14	Simranjeet Kaur	Company Secretary

(b) Transaction with related Parties :-

SI No.	Particulars	For the financial year		
		2022-23	2021-22	2020-21
1.	Remuneration Paid to Directors			
	Vinayak Kedia	12.00	12.00	12.00
	Paramvir Singh Mander	19.00	24.00	12.00
	Mohd. Pervaz	1.71	-	-
	Simranjeet Kaur	0.75	-	-
2.	Sales			
	Tara Health Foods Limited	58.46	322.04	442.29
3.	Purchase			

	Tara Health Foods Limited	1,396.21	1017.70	1430.1
4.	Purchase of Machinery			
	Tara Health Foods Limited	-	41.63	-
5.	Loans Received			
	Madhur Textiles	855.00	950.00	975.00
	Tara Exports Limited	-	17.00	-
6.	Loans Repaid/ Given			
	Madhur Textiles	855.00	1107.48	1082.30
	Tara Exports Limited	10.00	18.00	20.00
7.	Interest Paid/Other charges			
	Madhur Textiles	33.26	19.80	19.24
	Vinayak Kedia & Sons HUF (Rent)	0.60	-	-
8.	Balances at the end of year			
	Payables/ (Receivables)			
	Madhur Textiles	-	-	137.68
	Tara Exports Limited	(11.00)	(1.00)	-
	Tara Health Foods Limited	(198.79)	(15.32)	(566.58)

For detailed information on the related party transactions executed by our Company, please refer “Note - Y” appearing on page no 153 of this Draft Red Herring Prospectus under Chapter titled “Restated Financial Information” beginning on page no 124 of this Draft Red Herring Prospectus.

FINANCING ARRANGEMENTS

The promoters, members of the promoter group, the directors of the company which is a promoter of the issuer, the Directors of the issuer and their relatives have not financed the purchase by any other person of securities of the Company other than in the normal course of the business of the financing entity during the period of six months immediately preceding the date of this Draft Red Herring Prospectus.

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

Weighted average price at which the Equity Shares were acquired by our Promoters in Last one year:

Sr. No.	Name of the Promoter	No. of Shares acquired	Average cost of Acquisition (in ₹)
1	Paramvir Singh Mander	66,79,834	2.76

**The Weighted Average Price for Equity Shares acquired during last one year has been calculated by taking into account the amount paid by the Promoters to acquire, by way of fresh issuance or transfer, the Equity Shares and the net cost of acquisition has been divided by total number of shares acquired during last one year.*

The Company has issued 72,18,180 equity share by way of bonus issue in the ratio of 20:1 on March 25, 2023.

AVERAGE COST OF ACQUISITION OF SHARES FOR PROMOTERS

Sr. No.	Name of the Promoter	No. of Shares acquired	Average cost of Acquisition (in ₹)
1	Paramvir Singh Mander	69,10,344	5.19

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

The Company has issued 72,18,180 equity share by way of bonus issue in the ratio of 20:1 on March 25, 2023.

DETAILS OF PRE-ISSUE PLACEMENT

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

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

Except for the details mentioned below, we have not issued Equity Shares for consideration other than cash in the preceding one year.

Date of Allotment of Equity Shares	No. of Equity Shares allotted	Face Value (₹)	Issue Price (including Premium if applicable (₹))	Nature of Allotment
March 25, 2023	72,18,180	10	-	Bonus Issue of Shares in ratio of 20:1

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

Our Company has not taken any exemption from complying with any provisions of the Securities Law from SEBI as on the date of this Draft Red Herring Prospectus.

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 Red Herring Prospectus.

SECTION III: RISK FACTORS

An investment in Equity Shares involves a high degree of risk. prospective investors should carefully consider all the information in this Draft Red Herring Prospectus, particularly the “Financial Information of the Company” and the related notes, “Our Business” and “Management’s Discussion and Analysis of Financial Condition and Results of Operations” beginning on pages 124, 87 & 158 respectively and the risks and uncertainties described below, before making a decision to invest in our Equity Shares.

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

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

Materiality

The Risk factors have been determined on the basis of their materiality. The following factors have been considered for determining the materiality.

- 1. Some events may not be material individually but may be found material collectively.*
- 2. Some events may have material impact qualitatively instead of quantitatively.*
- 3. Some events may not be material at present but may be having material impact in future.*

Note:

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

In this Draft Red Herring Prospectus, any discrepancies in any table between total and the sums of the amount listed are due to rounding off. Any percentage amounts, as set forth in “Risk Factors” beginning on page 24 and “Management Discussion and Analysis of Financial Condition and Results of Operations” beginning on page 158 unless otherwise indicated, has been calculated on the basis of the amount disclosed in the “Audited Financial Statements, as restated” prepared in accordance with the Generally Accepted Accounting Principles in India (Indian GAAP).

1. Unfavorable local and global weather patterns may have an adverse effect on our business, results of operations and financial condition.

We are an Agri-based company, our businesses is dependent on weather conditions, including extreme conditions such as drought and natural disasters. Further, there is growing concern that carbon dioxide and other greenhouse gases in the atmosphere may have an adverse impact on global temperatures, weather patterns and the frequency and severity of extreme weather and natural disasters. The availability of raw materials that we require for our operations and the demand for our products may be adversely affected by longer than usual periods of heavy rainfall in certain regions or a drought in India caused by weather patterns. Further, adverse weather conditions may also cause volatility in the prices of commodities, which may affect our cost of production.

Also, due to increasing concerns over climate change there may be enhanced regional and global legal and regulatory requirements. In the event that such regulations are enacted or current regulations are amended, we may experience disruption in our operations or a significant increases in our costs of productions. Consequently, the occurrence of any such unfavorable weather patterns or any legal or

regulatory change may adversely affect our business, results of operations and financial condition.

2. *One of our group company have been categorized as willful defaulter by the Reserve Bank of India. Although the said company has applied for one time settlement for the same which is pending with the Bank for approval.*

One of our Group Company, i.e. Tara Health Foods Limited has been categorized as willful defaulter by the Reserve Bank of India. Although the said company has applied for one time settlement with the bank, which was accepted by the banks towards payment of Rs. 154.50 crores towards settlement of the dues with Banks. Post approval of the settlement scheme, the company applied for the extension of time period for payment of balance compromise settlement amount which was further approved by the Banks vide a letter dated 17.01.2022. Later, on 05.05.2023, the abovementioned company has made a further request to the lending banks to further grant an extension in the payment of the balance one-time settlement amount towards the lending banks which is pending for approval. Further, some of our other group company and promoter group members are guarantor to the abovementioned loan. In case no further extension is granted to the abovementioned company, actions may be initiated against the said company. Although, none of our promoter or directors are the promoters or hold any directorship in the abovementioned company but, in case of any actual or alleged non-compliance with regulatory requirements, our Group Company or members of the Promoter group could be subject to investigations and administrative or judicial proceedings that may result in recovery proceedings being initiated against these companies which may lead to diversion of management's attention, which could negatively affect our reputation and may have a material adverse effect on our business operations.

Also, the manufacturing facility located at Begusarai, Bihar which has been taken on rent by our Company belongs to the abovementioned company and the same is also mortgaged with the banks towards the financial facilities taken by that company. In case, the abovementioned company fails to honor the terms of the settlement the bank may initiate action against the said company, which may involve selling, auctioning or taking possession of the said premises. In case any such action is taken by the banks against the said company we may be required to vacate the said premises located at Bihar which could have an adverse effect on our business operations and financial conditions.

3. *We do not have long-term agreements with suppliers for our raw materials and an increase in the cost of, or a shortfall in the availability of such raw materials could have an adverse effect on our business and results of operations.*

Our businesses depend on the availability of reasonably priced, high quality raw materials such as De-oiled Rice Bran cake, De-oiled Sarson Oil Cake, Maize, Sarson Khal, Rice Bran, Rice Nakku, Molasses, Mineral Mixtures etc. most of which are purchased from the open market in the quantities required by us. For the financial year 2023, 2022 and 2021, our cost of materials consumed was Rs. 11848.97 Lakhs, Rs. 9378.54 Lakhs, Rs. 7123.90 lakhs, or approximately 76%, 78% and 82%, of our total revenue, respectively. The price and availability of such raw materials depend on several factors, which may be beyond our control, including overall economic conditions, production levels of our vendors, market demand and competition for such materials, production and transportation cost, duties and taxes and trade restrictions. We usually do not enter into long-term supply contracts with any of our raw material suppliers and typically source raw materials from our regular third-party suppliers or the open market. The absence of long-term contracts at fixed prices exposes us to risk related to volatility in the prices of raw materials, Further, in case of any increase in the prices of raw material, we may be unable to pass these costs onto our customers, which may reduce our profit margins. We also face the risk that some of our existing suppliers may discontinue their supplies to us, and any inability on our part to procure raw materials from alternate suppliers in a timely manner, or on commercially acceptable terms, the occurrence of any such unfavorable event may adversely affect our business, results of operations and financial conditions.

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

The products that we manufacture or process are subject to risks such as contamination, adulteration and product tampering during their manufacture, transport or storage. We face inherent business risks of exposure to product liability or recall claims in the event that our products fail to meet the required quality standards or are alleged to result in harm to customers. Further, our raw materials and our finished products are required to be stored, handled and transported under certain food safety conditions. Further, our products may be subject to contamination by disease producing organisms or pathogens, as a result of improper handling at the processing, storing or transportation. Such risks may be controlled, but not eliminated, by adherence to good practices. We face the risk of legal proceedings and product liability claims being brought by various entities, including consumers, distributors and government agencies for various reasons including for defective or contaminated products sold or services rendered. Also, if we experience a product recall or are a party to a product liability case, we may incur considerable expense in litigation. We cannot assure you that we will not experience product recalls or product liability losses in the future. Any product recall, product liability claim or adverse regulatory action may adversely

affect our reputation and brand image, as well as entail significant costs, which could adversely affect our reputation, business, results of operations and financial condition

5. Our Company and our Directors are involved in certain legal proceedings. Any adverse decision in such proceedings may render us/them liable to liabilities/penalties and may adversely affect our business and results of operations.

Our Company and our Directors are currently involved in certain legal proceedings. These legal proceedings are pending at different levels of adjudication before various courts and tribunals. The summary of outstanding litigation in relation to criminal matters, direct tax matters, indirect tax matters, actions by regulatory/ statutory authorities and matters above the materiality threshold against our Company and Directors have been set out below.

Litigations/Matters involving our Company: -

Nature of Cases	No. of Outstanding Cases	Amount Involved (in ₹ Lacs)*
Criminal case filed by the Company	14	29.50
Other pending litigation	2	4.23
Tax Matters	2	0.58

Amount mentioned to the extent quantifiable. The amount may be subject to additional interest/other charges being levied by the concerned authorities which are unascertainable as on date of this Draft Red Herring Prospectus.

Litigations/Matters involving our Directors:

Name of Director	Nature of Cases	No. of Outstanding Cases	Amount Involved (in ₹ Lacs)*
Vinayak Kedia	Civil Matter	1	Not ascertainable
	Tax Matter	2	Not ascertainable

Amount mentioned to the extent quantifiable. The amount may be subject to additional interest/other charges being levied by the concerned authorities which are unascertainable as on date of this Draft Red Herring Prospectus.

Litigations/Matters involving our Group Company which may have a material impact on our Company:

Nature of Cases	No. of Outstanding Cases	Amount Involved (in ₹ Lacs)*
Other pending Litigation	8	15450.00

Amount mentioned to the extent quantifiable. The amount may be subject to additional interest/other charges being levied by the concerned authorities which are unascertainable as on date of this Draft Red Herring Prospectus.

For further details, see “Outstanding Litigation and Material Developments” on page 169. Decisions in any of the aforesaid proceedings adverse to our interests may have a material adverse effect on our business, results of operations, financial condition and prospects. If the courts or tribunals rule against us or our Company, our Directors and Promoter, we may face monetary and/or reputational losses and may have to make provisions in our financial statements, which could increase our expenses and our liabilities.

6. Our business is subject to seasonal variations that could result in fluctuations in our results of operations.

Our businesses are subject to seasonal variations. For example, the demand for the cattle feed is lower during the monsoons due to the availability of green fodder. Further, the raw material we use for production are Agri-products and derived from agricultural produces. The Agri-products availability is to a large extent depends on the season, as different crops have different sowing and harvesting season. Though, we maintain sufficient quantity of raw material for efficient running of our machinery. However, in case we are not able to properly estimate demand and there is a shortage of raw material due to seasonal availability or prices are higher due to availability of lesser than required quantities may have an adverse effect on our production cycle and sales. As a result of such seasonal fluctuations, our sales and results of operations may also vary by fiscal quarter, and the sales and results of operations of any given fiscal quarter may not be relied upon as indicators of the sales or results of operations of other fiscal quarters or of our future performance.

7. Outbreaks of any livestock diseases in particular, can significantly restrict our ability to conduct our operations.

We take all reasonable precautions to ensure that our plants and facilities operate in a hygienic and environmentally sound manner. However, events beyond our control, such as the outbreak of disease, could significantly restrict our ability to conduct our operations. Further, the outbreaks of any disease or epidemic affecting the health of cattle in India like lumpy skin disease may result in a decrease

in the sale of our cattle feed products. Similarly, the outbreak of any such diseases in the future may adversely affect our business, results of operations and financial condition.

8. *Our inability to expand or effectively manage our distribution network may have an adverse effect on our business, results of operations and financial condition.*

We have over the years set up a dealers network for our sales and distribution activities. Our ability to expand and grow our product reach significantly depends on the reach and effective management of our dealership network. We continuously seek to increase the penetration of our products by appointing new dealers targeted at different customer groups and geographies. We cannot assure you that we will be able to successfully identify or appoint new dealers or effectively manage our existing network. If the terms offered to such dealers by our competitors are more favorable than those offered by us, our dealers may decline to distribute our products and terminate selling of our products. We may be unable to appoint replacement in a timely manner, or at all, which may reduce our sales volumes and adversely affect our business, results of operations and financial condition. We typically do not have any exclusive or formal agreements with our dealers and while we offer them certain incentive schemes to distribute our products, we may not be able to effectively implement them across our distribution network.

Also, our competitors may adopt innovative distribution models, which could be more effective than the distribution models adopted by us resulting in a reduction in the sales of our products. We may also face disruptions in the delivery of our products for various reasons beyond our control, including poor handling by distributors of our products, transportation bottlenecks, natural disasters and labour issues, which could lead to delayed or lost deliveries. In addition, failure to provide distributors with sufficient inventories of our products may result in a reduction in the sales of our products. If our distributors fail to distribute our products in a timely manner, or loss of any of our dealers may adversely affect our business and results of operations.

9. *Most of our operations are concentrated in the state of north India, and any adverse developments affecting these regions could have an adverse effect on our business, results of operations, financial condition and cash flows.*

Most of our operations are concentrated in the states of Northern part of the country. We procure majority of our raw material from nearby sources. During the fiscal 2023, the revenue generated from the states of Punjab, Uttar Pradesh and Bihar account for over 80% of our revenue from operation. Consequently, any significant social, political or economic disruption, or natural calamities or civil disruptions in these states, or any changes in the policies of the state or local governments of these state or the Government of India, could require us to incur significant capital expenditure and change our business strategy. The occurrence of, or our inability to effectively respond to any such event, could have an adverse effect on our business, results of operations, financial condition and cash flows.

10. *The restated financial statements have been provided by peer reviewed chartered accountants who is not statutory auditor of our Company.*

The restated financial statements of our Company for the financial year ended March 31 2023, 2022 and 2021 has been provided by a peer reviewed chartered accountants who is not statutory auditor of our Company. Further, our statutory auditor does not hold a peer reviewed certificate due to this the restated financial statements has been provided by the said peer review chartered accountant. Also, incase our statutory auditor does not receive the peer review certificate well in time, we may be required to change the statutory auditor of our Company, which may distract the attention of the management & may have an adverse effect on our operations.

11. *A slowdown or shutdown in our manufacturing operations or under-utilization of our manufacturing facilities could have an adverse effect on our business, results of operations and financial condition.*

As of the date of this Draft Red Herring Prospectus, we conducted our operations from our two manufacturing facilities for our animal feed business located at Khanna, Punjab and Begusarai, Bihar. The manufacturing facility located at Khanna, Punjab is owned by the Company and the premises located at Begusarai, Bihar have been taken on rent by the Company. Our business is dependent upon our ability to manage our manufacturing facilities, which are subject to various operating risks, including those which are 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 malfunctioning machinery in a timely manner or at all, our operations may need to be suspended until we procure machinery to replace the same. In addition, we may be required to carry out planned shutdowns of our facilities for maintenance, statutory inspections and testing, or may shut down these facilities for capacity expansion and equipment upgrades. We may also face protests from local citizens at our existing facilities, which may delay or halt our operations. Further, several of the raw materials have a definite shelf life and perishable products and consequently any malfunction or break-down of our machinery or

equipment resulting in the slowdown or stoppage of our operations may adversely affect the quality of such raw materials. However, we cannot assure you that there will not be any 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. Our inability to accurately forecast demand or price for our products and manage our inventory may have an adverse effect on our business, results of operations and financial condition.

Our businesses depend on our estimate of the demand for our products from customers. If we underestimate demand or have inadequate capacity due to which we are unable to meet the demand for our products, we may manufacture fewer quantities of products than required, which could result in the loss of business. While we forecast the demand and price for our products and accordingly plan our production volumes, any error in our forecast could result in a reduction in our profit margins and surplus stock, which may result in additional storage cost and such surplus stock may not be sold in a timely manner, or at all. If we overestimated demand, we may incur costs to build capacity or purchased more raw materials and manufactured more products than required. For the financial years 2023, 2022 and 2021, our inventory levels were ₹ 1506.94 lakhs, ₹ 589.80 lakhs and ₹ 148.54 lakhs, respectively, which constituted 9.70%, 4.96% and 1.72% of our total revenues for the same periods. In addition, certain of our products have a shelf life of a specified period and if not sold prior to expiry, may lead to losses or if consumed after expiry, may lead to health hazards for the animals. Our inability to accurately forecast demand for our products and manage our inventory may have an adverse effect on our business, results of operations and financial condition.

13. Competition in the industries in which we operate could result in a reduction in our market share or require us to incur substantial expenditures on marketing, which could adversely affect our business, results of operations and financial conditions.

The industry in which we operate are intensely competitive. We compete with several regional and local companies, as well as large multi-national companies that are larger and have substantially greater resources than we have, including the ability to spend more on advertising and marketing. We also face competition from new entrants who may have more flexibility in responding to changing business and economic conditions. We expect competition to continue to be intense as our existing competitors expand their operations and introduce new products. Our failure to compete effectively, including any delay in responding to changes in the industry and market, together with increased spending on marketing, may affect the competitiveness of our products, which may result in a decline in our revenues and profitability.

14. We have not received NOC from one of our lender for undertaking the initial public offer of equity shares.

As on the date of this Draft Red Herring Prospectus, we have not received the consent and NOC for the proposed issue from our lender, namely Axis Bank Limited. However, our Company intends to obtain the necessary consent and NOC in relation to the proposed issue from such lender prior to the filing of the Red Herring Prospectus with the RoC, undertaking the proposed issue without obtaining such lender NOC may constitute a default under such loan agreement entered with the abovementioned bank, which could impact our loan facilities and may have an effect on our financial condition and results of operations.

15. We require certain approvals or licenses in the ordinary course of business and the failure to renew, obtain or retain them in a timely manner, or at all, may adversely affect our operations.

We are governed by various laws and regulations for our business and operations. We are required, and will continue to be required, to obtain and hold relevant licenses, approvals and permits for doing our business. The approvals, licenses, registrations and permits obtained by us may contain conditions, some of which could be onerous. Additionally, we will need to apply for renewal of certain approvals, licenses, registrations and permits, which expire or seek fresh approvals, from time to time, as and when required in the ordinary course of our business. An inability to obtain or maintain approvals or licenses required for our operations may adversely affect our operations.

Further, we are yet to apply for the registration under the Shops & Establishments Act for our Delhi Office and Professional Tax registration. Further, we have taken the Bihar plant on rent and lease basis, most of the approvals like Factories License, Pollution control, or any other approvals required to operate the abovementioned plant are in the name of the lessor and in case we are required to get any of the said approvals in our name it may affect our operations. In case the licenses are not renewed in timely manner, it may affect our production and operations may be adversely affected. For Further details, please see the chapter entitled “Government and other Approvals” on page 174 of this Draft Red Herring Prospectus.

16. Some of our business operations are being conducted on leased premises. Our inability to seek renewal or extension of such leases may materially affect our business operations.

Some of our business operations are being conducted on premises leased from various third parties. We may also enter into such transactions with third parties in the future. For instance, the manufacturing facility located at Begusarai, Bihar have been taken on rent from Tara Health Foods Limited along with plant and machinery which has a manufacturing capacity of 250MT per day (on triple shift basis). Any adverse impact on the title, ownership rights, development rights of the owners from whose premises we operate, breach of the contractual terms of any lease, leave and license agreements, or any inability to renew such agreements on acceptable terms may materially affect our business operations. For further details, see “Our Business – Property” on page 87. Similarly, we have taken plant and machinery on lease basis, if we are not able to renew our lease or continue on these plant and machinery due to non-renewal of licenses or any other reason, our manufacturing, operations and financial condition may be materially affected.

17. Any inability on our part to collect amounts owed to us could result in the reduction of our profits.

Our operations involve extending credit for extended periods of time to our dealers and customers and consequently, we face the risk of the uncertainty regarding the receipt of these outstanding amounts. As a result of the industry conditions, we have and may continue to have high levels of outstanding receivables. For the financial years 2023, 2022 and 2021, our trade receivables were ₹ 1680.82 lakhs, ₹ 1457.88 lakhs and ₹ 1322.28 lakhs, respectively, which constituted 10.8%, 12.2% and 15.3% of our total revenues for the same periods. If our dealers and customers delay or default in making these payments, our profits could be adversely affected.

Further, we have also provided certain loans and advances to other parties and provided advances to our suppliers to the extent of Rs. 481.71 lakhs & Rs. 53 lakhs during the Fiscal 2023. In case there is a default in the repayment of the amount which we have provided to these parties may have an require additional working capital to fund our business operations. If we are not able to secure such additional funds, this may have an adverse effect on our business operations and financial conditions.

18. Some of our Group Company have incurred losses in the last preceding financial year, based on the last audited financial statements available.

Some of our group companies have incurred losses in the preceding financial year, based on the respective Group Companies’ last available audited financial statements. For further details, see “Our Group Companies” beginning on page 177. We cannot assure you that our Group Companies will not incur losses or have negative net worth in the future.

(Amt. in Rs. Lacs)

Particular	March 31, 2022	March 31, 2021	March 31, 2020
Amtek Dealer Pvt Ltd	(5.45)	(0.05)	(3.51)
Tara Health Foods Limited	(106.41)	(258.13)	(59.27)
Tara Export Limited	(79.31)	(19.49)	(520.12)

Further, our group companies namely Tara Health Foods Limited and Tara Export Limited have negative networkorth as per the audited financial statement for Fiscal year 2022.

19. We have had certain inaccuracy in relation to regulatory filings to be made with the RoC and our company has made non-compliances of certain provision under applicable law.

Our company inadvertently did not comply with certain statutory provisions in the past including but not limited to the details as mentioned herein. There are few incongruities noticed in some of our corporate records relating to e-forms filed with the Registrar of Companies, which includes non-filing of Form MGT – 14 for approval of Board Report and Financial Statement for the FY 2017 to FY 2020. Further, the Company has taken loan in excess of its paid up share capital and free reserve in the past for which the Company has failed to file necessary forms with the Registrar of Companies. However, now the company has undertaken the requisite approvals and completed the filing with Registrar of Companies. Our company has, in the past, taken loans from relative of our directors which is a non-compliance under the Companies Act, 2013, however all such loan has been repaid as on date of this Draft Red Herring Prospectus. Also, our Company had granted loans and advances to its Directors and also to relative of directors in past which in noncompliance of section 185 Companies Act, 2013. However as on date of this Draft Red Herring Prospectus our company has complied with the provisions of sec 185 of Companies Act, 2013 by passing the necessary resolution and undertaking requisite filings with the Registrar of Companies.

Further, our Company has not filed e-form CHG-1 for creation of charge on certain vehicle loans, which is a non-compliance of Section 77 of the Companies Act, 2013, however some of the loans have been repaid as on date of this Draft Red Herring Prospectus.

The share transfer deed in respect to transfer of shares of our Company during 2015-2018 are not traceable. In the absence of share transfer deed it would be difficult for us to withstand any legal action being initiated against us. Though, no legal proceedings or regulatory action has been initiated against us in relation to the unavailable filings and statutory lapses as of the date of this Draft Red Herring Prospectus, we cannot assure you that such proceedings or regulatory actions will not be initiated against us in the future in relation to the missing filings and corporate records. Further our Company may have not complied with some Accounting Standard for instance, Accounting Standards 15 and 18. However, now the Company has made necessary provision and has made necessary compliance in accordance with the Accounting Standards in the re-stated financial statements of the Company.

Although no show cause notice have been issued against our Company till date in respect of above, in the event of any cognizance being taken by the concerned authorities in respect of above, actions may be taken against our Company and its directors, in such an event the financials of our Company and our directors may be affected. Also, with the expansion of our operations there can be no assurance that deficiencies in our internal controls and compliances will not arise, or that we will be able to implement, and continue to maintain, adequate measures to rectify or mitigate any such deficiencies in our internal controls, in a timely manner or at all.

20. We have had negative net cash flows in the past and may continue to have negative cash flows in the future.

The following table sets forth our cash flow for the periods indicated:

(Amt. in Rs. Lakhs)

Particular	March 31, 2023	March 31, 2022	March 31, 2021
Net cash flow from operating activities	(74.54)	(21.69)	(46.56)
Net cash flow from investing activities	(479.21)	(417.69)	(51.68)
Net cash flow from financing activities	569.94	346.10	232.62

For further details, see “Financial Statements” and “Management’s Discussion and Analysis of Financial Condition and Results of Operations” on pages 124 and 158, respectively. We cannot assure you that our net cash flows will be positive in the future.

21. We have certain contingent liabilities that have not been provided for in our financial statements, which, if they materialize, may adversely affect our financial condition.

Details of our contingent liabilities that have not been provided for are as set out in the table below:

(Amt. in Rs. Lakhs)

Particulars	As at		
	31.03.2023	31.03.2022	31.03.2021
Contingent liabilities in respect of:			
In respect of TDS & Income Tax matters	0.58	-	-
Other commitments	-	-	-
Total	0.58	-	-

If a significant portion of these liabilities materialize, it could have an adverse effect on our business, financial condition and results of operations. For details, see “Financial Statements – Contingent Liabilities” on pages 153.

22. Conflicts of interest may arise out of common business objects between our Company and Group Entity.

Conflicts may arise in the ordinary course of decision-making by the Promoter or Board of Directors. Our Promoter group have interests in other entity such as Tara Exports Limited and Tara Health foods Limited that undertake the same business as our Company. Our Group entity are authorized to carry out, or engage in business similar to that of our Company and may in future initiate its activities. Conflicts of interests may arise in the Promoter allocating or addressing business opportunities and strategies among our Company, entity in circumstances where our respective interests diverge. In cases of conflict, there can be no assurance that our Promoter will not favour their own interests over those of our Company. Our Promoter have not signed any non-compete agreement with our Company as of date. Any such present and future conflicts could have an effect on our business, reputation, financial condition and results of operations. For further details, please refer section titled “Our Promoter and Promoter Group” beginning on page 120 of this Draft Red Herring Prospectus.

23. *Certain of our agreements may be inadequately stamped or may not have been registered as a result of which our operations may be adversely affected.*

Few of our agreements may not be stamped adequately or registered. For instance, the guest house situated at Chandigarh have been allotted to the company in the name of its promoter Paramvir Singh Mander, which is yet to be registered in the name of the company. Our company has upto March 31, 2023, make a payment of Rs. 239.63 Lakhs towards the said guest house. In case we are not able to register the same in our name or if there is any delay in the said registration due to any reason beyond our control, may make the available documents inadmissible in any legal proceeding or if there is any challenge for clear title of the property. Further, the effect of inadequate stamping is that the document is not admissible as evidence in legal proceedings and parties to that agreement may not be able to legally enforce the same, except after paying a penalty for inadequate stamping. The effect of non-registration, in certain cases, is to make the document inadmissible in legal proceedings. Any potential dispute due to non-compliance of local laws relating to stamp duty and registration may adversely impact the operations of our Company.

24. *We have in the past entered into related party transactions and may continue to do so in the future, which may potentially involve conflicts of interest with the equity shareholders.*

We have entered into various transactions with related parties. We cannot assure you that we could not have achieved more favorable terms. It is likely that we may enter into related party transactions in the future. Such related party transactions may potentially involve conflicts of interest. For details on our related party transactions, see "Related Party Transactions" on page 153. For details on the interest of our Promoter, Directors and key management personnel of our Company, see "Our Management" on page 110. We cannot assure you that such transactions, individually or in the aggregate, will always be in the best interests of our shareholders and will not have an adverse effect on our business, results of operations, cash flows and financial condition.

25. *Our capacity expansion plans relating to our manufacturing facility are subject to the risk of unanticipated delays in implementation and cost overruns.*

Our expansion plans remain subject to the potential problems and uncertainties including cost overruns or delays. Problems that could adversely affect our expansion plans include labour shortages, increased costs of equipment or manpower, inadequate performance of the equipment and machinery installed in our manufacturing facility, delays in completion, defects in design or construction, the possibility of unanticipated future regulatory restrictions, delays in receiving governmental, statutory and other regulatory approvals, incremental pre- operating expenses, taxes and duties, interest and finance charges, working capital margin and other external factors which may not be within the control of our management. Our company has incurred Rs. 458.86 Lakhs upto March 31, 2023, for expanding the existing capacity of the company. There can be no assurance that the capacity additions and expansions will be completed as planned or on schedule, and if they are not completed in a timely manner, or at all, our budgeted costs may be insufficient to meet our capital expenditure. If our actual capital expenditures significantly exceed our budgets, or even if our budgets were insufficient to cover these projects, we may not be able to achieve the intended economic benefits of these projects, which in turn may materially and adversely affect our financial condition, results of operations, cash flows, and prospects. There can be no assurance that we will be able to complete the aforementioned expansion and additions in accordance with the proposed schedule of implementation and any delay could have an adverse impact on our growth, prospects, cash flows and financial condition.

26. *Our insurance coverage may not be sufficient or may not adequately protect us against all material hazards, which may adversely affect our business, results of operations and financial condition.*

Our Company has covered itself against certain risks. In case of any casualty, that occur at our manufacturing facilities or otherwise arising out of our operations or in the event of personal injuries, fires or other accidents suffered by our employees or other people, we could face claims alleging that we were negligent, provided inadequate supervision or be otherwise liable for the injuries. There can be no assurance that any claim under the insurance policies obtained by our Company will be honoured fully/ in part on time. Our principal types of coverage include insurance for finished stock, building, furniture, plant and machinery maintained at factory and vehicle insurance policy. However, we do not maintain any insurance policies to cover the risk of workman compensation, burglary, machine breakdown policy etc. While we believe that the insurance coverage which we maintain would be reasonably adequate to cover the normal risks associated with the operation of our business, we cannot assure you that any claim under the insurance policies maintained by us will be honored fully, in part or on time, or that we have taken out sufficient insurance to cover all our losses. In addition, our insurance coverage expires from time to time. We apply for the renewal of our insurance coverage in the normal course of our business, but we cannot assure you that such renewals will be granted in a timely manner, at acceptable cost or at all. To the extent that we suffer loss or damage for which we did not obtain or maintain insurance, and which is not covered by insurance, exceeds our insurance coverage or where our insurance claims are rejected, the loss would have to be borne by us and our results of operations, cash flows and financial performance could be adversely affected.

27. Information relating to the historical capacity of our production facilities included in this Draft Red Herring Prospectus is based on various assumptions and estimates and future production and capacity may vary.

Information relating to the historical capacity of our production facilities included in this Draft Red Herring Prospectus is based on various assumptions including those relating to availability of raw materials and operational efficiencies. Actual production levels and rates may differ significantly from the production capacities. Further, there is no assurance that we will be able to utilize the additional (unutilized) capacity of our plant. In case of any such scenario, undue reliance should therefore not be placed on our historical capacity information for our existing facilities included in this Draft Red Herring Prospectus.

28. Our top 5 customers contribute majority of our revenues from operations. Any loss of business from one or more of them may adversely affect our revenues and profitability.

Our top 5 customers contributed approximately 20% to 25% of our revenues for the fiscal year 2023 & 2022. Such concentration of our business on few clients may have an adverse effect on our results of operations and result in a significant reduction in the revenue from operations which could also adversely effect on our business if we do not achieve our expected revenues from such clients. We cannot assure that we shall generate the same quantum of business, or any business at all, and the loss of business from one or more of them may adversely affect our revenues and results of operations. However, the composition and revenue generated from these customers might change as we continue to add new customers in the normal course of business. While we believe that we shall not face challenges in finding new customers in the ordinary course of business, our results of operations and financial condition may be adversely affected if we remain dependent on few customers.

29. Our Company is in use of trademark in the normal course of its business operations. The use of trademark to represent our products may subject us to alleging breach of third-party intellectual property rights.

Our business depends on confidence and trust on the brand and the product delivered under our brand name. In addition, one of our key strategies is to increase brand awareness and loyalty towards the brand. However, our efforts to protect this intellectual property and other proprietary information may prove to be inadequate and, as a result, the value of the brand could be harmed. There may be circumstances in which we may not be able to detected the unauthorized use of the Trademark by any party. If any of these occur it may affect our brand image as a result, our competitive position in the industry and our ability to grow our business could be negatively impacted, which would adversely affect our business, results of operations and financial condition.

The trademark which we are using was previously owned by Tara Health Foods Limited, which has been assigned/transferred to our company. Also, we have applied for the transfer/assignment of the same in the records of the Trade Marks Registry and the same has been updated in our name. But, in case the said trademark is used by any other person including Tara Health Foods Limited, from whom we have taken the trademark, we may not be in a position to detect any unauthorized use of the trademark. In such a case, we may not be able to stop such unauthorized use or may not be able to enjoy the statutory protections accorded to a registered trademark.



Further, the trademark which our Company is using in its regular business operations, is not registered in the name of the company. In the event if any injunctive or other adverse order is issued against us in respect of the said trademark, we may not be able to avail the legal protection and may be subject to claims alleging breach of third-party intellectual property rights, which may adversely affect our goodwill, business and results of operations. For further details on the trademarks, please refer to Chapter titled “**Government and Other Approvals**” beginning on page 174 of this Draft Red Herring Prospectus.

30. Our inability to effectively manage our growth could have an adverse effect on our business, results of operations and financial condition.

We have experienced considerable growth over the past three years and we have significantly expanded our operations and product portfolio. Our total revenues grew from ₹ 8619.21 lakhs for the financial year 2021 to ₹ 15536.46 lakhs for the financial year 2023, while our profit for the period grew from ₹ 41.71 lakhs for the financial year 2021 to ₹ 355.38 lakhs for the financial year 2023. We cannot assure you that our growth strategy will continue to be successful or that we will be able to continue to grow further, or at the same rate. Our inability to manage our business plans effectively and execute our growth strategy in a timely manner, or within budget estimates or our inability to meet the expectations of our customers and other stakeholders could have an adverse effect on our business, results of operations and financial condition. Further, our future prospects will depend on our ability to grow our business and operations, which could be affected by many factors, including our ability to maintain the quality of our products, general political and economic

conditions in India, government policies or strategies in respect of specific industries, prevailing interest rates, price of equipment and raw materials, energy supply and currency exchange rates. In order to manage our growth effectively, we must implement, upgrade and improve our operational systems, procedures and internal controls on a timely basis. If we fail to implement these systems, procedures and controls on a timely basis, or if there are weaknesses in our internal controls that would result in inconsistent internal standard operating procedures, we may not be able to meet our customers' needs or operate our business effectively.

Moreover, our ability to sustain our rate of growth depends significantly upon our ability to select and retain key managerial personnel. We cannot assure you that our existing or future management, operational and financial systems, procedures and controls will be adequate to support future operations, or establish or develop business relationships beneficial to future operations. Failure to manage growth effectively could have an adverse effect on our business and results of operations.

31. Our Company has issued Equity Shares in the last 12 months at a price which may be lower than the Issue Price.

Our Company has issued Equity Shares in the last 12 months, which may be at a price lower than the Issue Price. Below are the details of the shares issued at a price which may be lower than the issue price –

Date of Allotment of Equity Shares	No. of Equity Shares allotted	Face Value (₹)	Nature of Allotment
March 25, 2023	72,18,180	10	Bonus Issue of Shares in ratio of 20:1

For further details, see “Capital Structure – Notes to the Capital Structure” on page 54.

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

As of March 31, 2023, we had a total outstanding indebtedness of ₹ 2229.83 lakhs. Our ability to meet our debt service obligations and repay our outstanding borrowings will depend primarily on the cash generated by our business. Our financing agreements contain certain restrictive covenants that limit our ability to undertake certain types of transactions, including any change in line of business or change in ownership, which could adversely affect our business and financial condition.

In addition, our borrowings require us to maintain certain financial ratios and certain other informative covenants, which are tested at times on a quarterly or annual basis. In the event we breach any financial or other covenants contained in any of our financing arrangements or in the event we had breached any terms in the past which is noticed in the future, we may be required to immediately repay our borrowings either in whole or in part, together with any related costs. We may also be forced to sell some or all of our assets if we do not have sufficient cash or credit facilities to make repayments. Further, our financing arrangements are due for renewal from time to time and we cannot guarantee that the facilities availed under such arrangements will be renewed on the previously agreed terms and conditions, or conditions which are not more onerous on us. Our failure to meet our obligations under the debt financing agreements could have an adverse effect on our business, results of operations and financial condition.

33. A shortage or non-availability of electricity, transportation services or power 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 power and any shortage or non-availability may adversely affect our operations. We currently source our power requirements from state electricity boards for majority of our energy requirements. We require uninterrupted power supply for running the plant and machinery, but we cannot assure you that we will be able to make any alternate arrangement during power failures. Also, we require uninterrupted transportation services for movement of raw material and finished goods to and from the plants. In case of any disruption in the transportation services our operations may be adversely affected. Any failure on our part to obtain alternate sources of electricity, fuel or power, in a timely fashion, and at an acceptable cost, may have an adverse effect on our business, results of operations and financial condition.

34. Non-compliance with and changes in, safety, health and environmental laws and other applicable regulations, may adversely affect our business, results of operations and financial condition.

We are subject to a broad range of safety, health, environmental, labour, workplace and related laws and regulations in the jurisdictions in which we operate, which impose controls on the disposal and storage of raw materials, air and water discharges and other aspects of our operations. Further, any accidents at our facilities may result in personal injury or loss of life of our employees or other people, substantial damage to or destruction of property and equipment resulting in the suspension of operations. Any of the foregoing could

subject us to litigation, which may increase our expenses in the event we are found liable, and could adversely affect our reputation. Additionally, adoption of stricter health and safety laws and regulations, stricter interpretations of existing laws, increased governmental enforcement of laws or other developments in the future may require that we make additional capital expenditures, incur additional expenses or take other actions in order to remain compliant and maintain our current operations. Complying with, and changes in, these laws and regulations or terms of approval may increase our compliance costs and adversely affect our business, prospects, results of operations and financial condition.

35. *Our company has taken certain unsecured loans which can be recalled by the lenders at any time.*

As of March 31, 2023, we had a total unsecured loans were amounting to ₹ 568.75 lakhs. These unsecured loans may be recalled by the lenders at any time. In the event that any lender seeks a repayment of any such loan, such company would need to find alternative sources of financing, which may not be available on commercially reasonable terms, or at all. Further, our company may not have adequate working capital for repayment or arrange for new alternatives. As a result, any such demand may affect our business, cash flows, financial condition and results of operations.

36. *Our ability to pay dividends in the future will depend on our earnings, financial condition, working capital requirements, capital expenditures and restrictive covenants of our financing arrangements.*

Our ability to pay dividends in the future will depend on our earnings, financial condition, cash flow, working capital requirements, capital expenditure and restrictive covenants of our financing arrangements. Any future determination as to the declaration and payment of dividends will be at the discretion of our Board and will depend on factors that our Board deems relevant, including among others, our future earnings, financial condition, cash requirements, business prospects and any other financing arrangements. We cannot assure you that we will be able to pay dividends in the future. For details of dividend paid by our Company in the past, see “Dividend Policy” on page 123.

37. *We will continue to be controlled by our Promoters after the completion of the Issue.*

After the completion of the Issue, our Promoters will hold majority of our outstanding Equity Shares. As a result, our Promoters will continue to exercise significant control over us, including being able to control the composition of our Board and determine matters requiring shareholder approval or approval of our Board. Our Promoters may take or block actions with respect to our business, which may conflict with our interests or the interests of our minority shareholders. By exercising their control, our Promoters could delay, defer or cause a change of our control or a change in our capital structure, delay, defer or cause a merger, consolidation, takeover or other business combination involving us, discourage or encourage a potential acquirer from making a tender offer or otherwise attempting to obtain control of us. We cannot guarantee that our Promoters and Promoter Group will act in our interest while exercising their rights

38. *Our Promoter has provided personal guarantees and mortgage personal property for loans availed by our Company. Our business, financial condition, results of operations, cash flows and prospects may be adversely affected by the invocation of all or any personal guarantees provided by our Promoter and Promoter Group members.*

Our Promoter has provided personal guarantees and mortgage personal property to secure a significant portion of our existing borrowings, and may continue to provide such guarantees and other security post listing. In case of a default under our loan agreements, any of the personal guarantees and personal property provided by our Promoter may be invoked, which could negatively impact the reputation of our Company. Also, we may face certain impediments in taking decisions in relation to our Company, which in turn would result in a material adverse effect on our financial condition, business, results of operations and prospects and would negatively impact our reputation. In addition, our Promoter and Promoter Group Members may be required to liquidate his shareholding in our Company to settle the claims of the lenders, thereby diluting their shareholding in our Company. We may also not be successful in procuring alternate guarantees satisfactory to the lenders, as a result may need to repay outstanding amounts under such facilities or seek additional sources of capital, which could affect our financial condition and cash flows. For further details regarding loans availed by our Company, please refer “Statement of Financial Indebtedness” on page no. 166 of this Draft Red Herring Prospectus.

39. *Relevant copies of educational qualification our director is not traceable.*

We are unable to trace the educational qualification certificate of our Directors, namely, Vinayak Kedia & Man Singh Tandon. In accordance with the disclosure requirements in respect of brief biographies of the Directors, we have relied on affidavits provided by such Directors for the purpose of disclosure in the section entitles “Our Management” on page 110 of this Draft Red Herring Prospectus.

40. *Changes in technology may render our current technologies obsolete or require us to make substantial capital investments.*

Modernization and technology up gradation is essential to reduce costs and increase the efficiency. Our technology may become obsolete or may not be upgraded timely, hampering our operations and financial conditions and we may lose our competitive edge. Although we believe that we are utilizing latest technology by using latest machineries and equipment, we shall continue to strive to keep our technology updated. In case of a new found technology in the cattle feed and allied sector, we may be required to implement new technology employed by us. Further, the cost in upgrading our technology is significant which could substantially affect our finances and operations.

41. *Any Penalty or demand raise by statutory authorities in future will affect our financial position of the Company.*

Our Company is mainly engaged in business of manufacturing of cattle feeds, which attracts tax liability such as Goods & Service Tax, Income Tax, Employees Provident Fund Act, ESI Act and other applicable provision of the Acts, our company have been filing the requisite returns and tax payments required under the abovementioned law however, there is no assurance that such delay may not happen in future. Further, the Company has filed certain returns with delayed fees under above applicable acts but any demand or penalty raise by concerned authority in future for any previous year and current year for such non-compliance or delay will affect the financial position of the Company.

For detail, Please refer “Outstanding Litigation and Material Development” beginning on page 169 of Draft Red Herring Prospectus. Any such penalty arising in future may lead to financial loss to our Company.

42. *We are dependent on a number of key personnel, including our senior management, and the loss of, or our inability to attract or retain such persons could adversely affect our business, results of operations and financial condition.*

Our performance depends largely on the efforts and abilities of our senior management and other key personnel. We believe that the inputs and experience of our senior management and key managerial personnel are valuable for the development of business and operations and the strategic directions taken by our Company. We cannot assure you that we will be able to retain these employees or find adequate replacements in a timely manner, or at all. We may require a long period of time to hire and train replacement personnel when qualified personnel terminate their employment with our Company. Competition for qualified personnel with relevant industry expertise in India is intense and the loss of the services of our key personnel may adversely affect our business, results of operations and financial condition.

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

As of March 31, 2023, we have employed 224 personnel across our operations. Although we have not experienced any material labour unrest, we cannot assure you that we will not experience disruptions in work due to disputes or other problems with our work force, which may adversely affect our ability to continue our business operations. Any labour unrest directed against us, could directly or indirectly prevent or hinder our normal operating activities, and, if not resolved in a timely manner, could lead to disruptions in our operations. These actions are impossible for us to predict or control and any such event could adversely affect our business, results of operations and financial condition.

44. *We have not identified any alternate source of funding and hence any failure or delay on our part to mobilize the required resources or any shortfall in the Issue proceeds may delay the implementation schedule.*

The proposed fund requirement for our working capital requirement, as detailed in the section titled "Objects of the Issue" is to be funded from the proceeds of this IPO. We have not identified any alternate source of funding and hence any failure or delay on our part to mobilize the required resources or any shortfall in the Issue proceeds may delay the implementation schedule. We therefore, cannot assure that we would be able to execute our future plans/strategy within the given timeframe. For details, please refer to the Chapter titled “Objects of the Issue” beginning on page 65 of this Draft Red Herring Prospectus.

45. *Our operations are subject to high working capital requirements. Our inability to maintain an optimal level of working capital required for our business may impact our operations adversely.*

Our business requires significant amount of working capital and major portion of our working capital is utilized towards operating expenses, inventories and cash and cash equivalents. As on the date of this Draft Red Herring Prospectus, our working capital facility stood at Rs. 1700 lakhs from Axis Bank Limited. Our growing scale and expansion, if any, may result in increase in the quantum of

current assets. Our inability to maintain sufficient cash flow, credit facility and other sources of funding, in a timely manner, or at all, to meet the requirement of working capital or pay out debts, could adversely affect our financial condition and result of our operations. Further, we have high outstanding amount due from our debtors which may result in a high risk in case of non-payment by these debtors. In case of any such defaults from our debtors, may affect our business operations and financials. For further details regarding working capital requirement, please refer to the section ***“Objects of the Issue”*** on page 65 of this Draft Red Herring Prospectus.

46. The Objects of the Issue for which funds are being raised have not been appraised by any bank or financial institution. Any variation between the estimation and actual expenditure as estimated by the management could result in execution delays or influence our profitability adversely.

The deployment of funds as stated in the “Objects of the Issue” beginning on page 65 of the Draft Red Herring Prospectus is entirely at the discretion of our management and has not been appraised by any independent agency. Further, the purposes for which the Net Proceeds are to be utilized have not been appraised by an independent entity and are based on our estimates. In the event, for whatsoever reason, we are unable to execute our plans, we could have a significant amount of unallocated net proceeds.

In such a situation, we would have broad discretion in allocating these net proceeds from the Issue without any action or approval of our shareholders. In case the assumptions on which these estimates have been made are not correct or they become un-realistic then there will be a variation in the estimates and the actual expenditure incurred which could result in execution delays and have an adverse effect on our operations and profitability. The cost estimated by our management are based on their experience. However, we may have to reconsider our estimates or business plans due to changes in underlying factors, some of which are beyond our control, such as interest rate fluctuations, changes in input cost and other financial and operational factors. Accordingly, prospective investors in the issue will need to rely upon our management’s judgment with respect to the use of proceeds. If we are unable to deploy the proceeds of the issue in a timely or an efficient manner, it may affect our business and results of operations

47. There is no monitoring agency appointed by Our Company to monitor the utilization of the Issue proceeds.

As per SEBI (ICDR) Regulations, 2018, as amended, appointment of monitoring agency is required only for Issue size above Rs.10,000.00 Lacs. 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 stock exchange and shall also simultaneously make the material deviations / adverse comments of the audit committee public.

48. Any future issuance of Equity Shares, or convertible securities or other equity linked securities by us and any sale of Equity Shares by our significant shareholders may dilute your shareholding and adversely affect the trading price of the Equity Shares.

Any future issuance of the Equity Shares, convertible securities or securities linked to the Equity Shares by us may dilute your shareholding in the Company, adversely affect the trading price of the Equity Shares and our ability to raise capital through an issue of our securities. In addition, any perception by investors that such issuances or sales might occur could also affect the trading price of the Equity Shares. No assurance may be given that we will not issue additional Equity Shares. The disposal of Equity Shares by any of our significant shareholders, or the perception that such sales may occur may significantly affect the trading price of the Equity Shares. We cannot assure you that we will not issue Equity Shares or that such shareholders will not dispose of, pledge or encumber their Equity Shares in the future.

49. 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 the equity shares has been based on many factors 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 70 of the Draft Red Herring 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.

50. We have not independently verified certain data in this Draft Red Herring Prospectus.

We have not independently verified data from the Industry and related data contained in this Draft Red Herring Prospectus and although we believe the sources mentioned in the report to be reliable, we cannot assure you that they are complete or reliable. Such data may also be produced on a different basis from comparable information compiled with regards to other countries. Therefore, discussions of

matters relating to India, its economy or the industries in which we operate that is included herein are subject to the caveat that the statistical and other data upon which such discussions are based have not been verified by us and may be incomplete, inaccurate or unreliable. Due to incorrect or ineffective data collection methods or discrepancies between published information and market practice and other problems, the statistics herein may be inaccurate or may not be comparable to statistics produced elsewhere and should not be unduly relied upon. Further, we cannot assure you that they are stated or compiled on the same basis or with the same degree of accuracy, as the case may be, elsewhere.

EXTERNAL RISK FACTORS

51. Our operating results could be adversely affected by weakening of economic conditions due to previous lock-down in all parts of India & other situation due to pandemic covid-19.

Our overall performance depends in part on the economic conditions of India. Certain economies have experienced periods of downturn due to the present situation prevailing in India and outside India due to pandemic disease of Covid-19 which impact financial markets, concerns regarding the stability and viability of major financial institutions, declines in gross domestic product, and increases in unemployment and volatility in commodity prices and worldwide stock markets, and excessive government debt. The pandemic disease has adversely affected the business. Moreover, the instability in the global economy affects countries in different ways, at different times and with varying severity, which makes the impact to our business unforeseeable and indeterminate. Any of these events, as well as a general weakening of, or declining corporate confidence in the global economy, or a curtailment in government or customer spending could delay or decrease our revenues and therefore have a material adverse effect on our business, operating results and financial condition.

52. If there is any change in tax laws or regulations, or their interpretation, such changes may significantly affect our financial statements for the current and future years, which may have a material adverse effect on our financial position, business and results of operations

The Government of India may implement new laws or other regulations that could affect the industry, which could lead to new compliance requirements. New compliance requirements could increase our costs or otherwise adversely affect our business, financial condition and results of operations. Further, the manner in which new requirements will be enforced or interpreted can lead to uncertainty in our operations and could adversely affect our operations. To the extent that we are entitled to certain tax benefits in India which are available for a limited period of time, our profitability will be affected if such benefits will no longer be available, or are reduced or withdrawn prematurely or if we are subject to any dispute with the tax authorities in relation to these benefits or in the event we are unable to comply with the conditions required to be complied with in order to avail ourselves of each of these benefits. Please see "Statement of Tax Benefits" on page no. 76 of this Draft Red Herring Prospectus. In the event that any adverse development in the law or the manner of its implementation affects our ability to benefit from these tax incentives, our business, results of operations, financial condition and prospects may be adversely affected.

53. A decline in economic growth or political instability nationally or internationally or changes in the Government in India could adversely affect our business.

Our performance and the growth of our business are necessarily dependent on the health and performance of the overall Indian economy. In the recent past, Indian economy has been affected by global economic uncertainties and liquidity crisis, domestic policy and political environment, volatility in interest rates, currency exchange rates, commodity and electricity prices, rising inflation rates and various other factors. Risk management initiatives by banks and lenders in such circumstances could affect the availability of funds in the future or the withdrawal of our existing credit facilities. The Indian economy is undergoing many changes and it is difficult to predict the impact of certain fundamental economic changes on our business. Conditions outside India, such as a slowdown or recession in the economic growth of other major countries, especially the United States, have an impact on the growth of the Indian economy. Additionally, an increase in trade deficit, a downgrading in India's sovereign debt rating or a decline in India's foreign exchange reserves could negatively affect interest rates and liquidity, which could adversely affect the Indian economy and our business. Any downturn in the macroeconomic environment in India could adversely affect our business, financial condition, results of operation and the trading price of our Equity Shares. Changing demand patterns from economic volatility and uncertainty could have a significant negative impact on our results of operations. Further, our performance and the market price and liquidity of the Equity Shares may be affected by changes in exchange rates and controls, interest rates, government policies, taxation, social and ethnic instability and other political and economic developments affecting India.

54. Terrorist attacks, civil unrest and other acts of violence or war involving India and other countries could adversely affect the financial markets and our business.

Terrorist attacks and other acts of violence or war may negatively affect the Indian markets on which our Equity Shares will trade and also adversely affect the worldwide financial markets. These acts may also result in a loss of business confidence, impede travel and other services and ultimately adversely affect our business. In addition, any deterioration in relations between India and any other country might result in investor concern about stability in the region, which could adversely affect the price of our Equity Shares. India has also witnessed civil disturbances in recent years and it is possible that future civil unrest as well as other adverse social, economic and political events in India could have a negative impact on the value of share prices generally as well as the price of our Equity Shares. Such incidents could also create a greater perception that investment in Indian companies involves a higher degree of risk and could have an adverse impact on our business and the price of our Equity Shares.

55. Instability in financial markets could materially and adversely affect our results of operations and financial condition.

The Indian economy and financial markets are significantly influenced by worldwide economic, financial and market conditions. Any financial turmoil, especially in the United States of America or Europe, may have a negative impact on the Indian economy. Although economic conditions differ in each country, investors' reactions to any significant developments in one country can have adverse effects on the financial and market conditions in other countries. A loss in investor confidence in the financial systems, particularly in other emerging markets, may cause increased volatility in Indian financial markets. Indian financial markets have also in the past experienced the contagion effect of the global financial turmoil, evident from the sharp decline in benchmark index. Any prolonged financial crisis may have an adverse impact on the Indian economy and us, thereby resulting in a material and adverse effect on our business, operations, financial condition, profitability and price of our Equity Shares.

56. Any downgrading of India's debt rating by a domestic or international rating agency could adversely affect our Company's business.

Any adverse revisions to India's credit ratings for domestic and international debt by domestic or international rating agencies may adversely affect our Company's ability to raise additional financing, and the interest rates and other commercial terms at which such additional financing is available. This could harm our Company's business and financial performance and ability to obtain financing for capital expenditures.

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

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

SECTION IV – INTRODUCTION**THE ISSUE**

PRESENT ISSUE IN TERMS OF THIS DRAFT RED HERRING PROSPECTUS	
Equity Shares Offered through Public Issue^{(1) (2)}	Issue of upto 27,48,000 Equity Shares of face value of ₹ 10 each fully paid-up of our Company for cash at a price of ₹ [●] per Equity Share aggregating to ₹ [●] Lakhs.
Out of which:	
Issue Reserved for the Market Makers	[●] Equity Shares of face value of ₹ 10 each fully paid-up of our Company for cash at a price of ₹ [●] per Equity Share aggregating to ₹ [●] Lakhs.
Net Issue to the Public	[●] Equity Shares of face value of ₹ 10 each fully paid-up of our Company for cash at a price of ₹ [●] per Equity Share aggregating to ₹ [●] Lakhs.
Out of which	
A. QIB Portion ⁽³⁾⁽⁴⁾	Not more than [●] Equity Shares aggregating up to ₹ [●] lakhs.
Out of which	
i) Anchor Investor Portion	Upto [●] Equity Shares aggregating up to ₹ [●] lakhs.
ii) Net QIB Portion (assuming Anchor Investor Portion is fully subscribed)	Upto [●] Equity Shares aggregating up to ₹ [●] lakhs.
Out of which	
a) Available for allocation to Mutual Funds only (5% of the Net QIB Portion)	Upto [●] Equity Shares aggregating up to ₹ [●] lakhs
b) Balance of QIB Portion for all QIBs including Mutual Funds	Upto [●] Equity Shares aggregating up to ₹ [●] lakhs
B. Non-Institutional Portion	Not less than [●] Equity Shares aggregating up to ₹ [●] lakhs
C. Retail Portion	Not less than [●] Equity Shares aggregating up to ₹ [●] lakhs
Pre and Post – Issue Equity Shares	
Equity Shares outstanding prior to the Issue	75,79,089 Equity Shares of face value of ₹ 10 each
Equity Shares outstanding after the Issue	Upto 1,03,27,089 Equity Shares of face value ₹ 10 each
Use of Net Proceeds by our Company	Please see the chapter titled “ <i>Objects of the Issue</i> ” on page 65 of this Draft Red Herring Prospectus.

⁽¹⁾ Public issue of 27,48,000 Equity Shares face value of Rs.10.00 each for cash at a price of Rs. [●] per Equity Share of our Company aggregating to Rs. [●] Lakhs. This issue is being made in terms of Chapter IX of the SEBI (ICDR) Regulations, 2018, as amended from time to time. For further details please refer to section “Terms of the Issue” beginning on page 190 of this Draft Red Herring Prospectus.

The present Issue has been authorized by our Board pursuant to a resolution passed at its meeting held on February 23, 2023 and by our Equity Shareholders pursuant to a special resolution passed pursuant to Section 62(1)(c) of the Companies Act, 2013 at the Extraordinary general meeting held on March 23, 2023.

Notes:

- 1) The Issue is being made in terms of Chapter IX of the SEBI (ICDR) Regulations, 2018, as amended from time to time. This Issue is being made by our company in terms of Regulation of 229 (2) of SEBI ICDR Regulations read with Rule 19(2)(b)(i) of SCRR wherein not less than 25% of the post – issue paid up equity share capital of our company are being offered to the public for subscription.
- 2) The SEBI ICDR Regulations permit the issue of securities to the public through the Book Building Process, which states that, not less than 15% of the Net Issue shall be available for allocation on a proportionate basis to Non-Institutional Bidders and not less than 35% of the Net Issue shall be available for allocation on a proportionate basis to Retail Individual Bidders and not more than 50% of the Net Issue shall be allotted on a proportionate basis to QIBs, subject to valid Bids being received at or above the Issue Price. Accordingly, we have allocated the Net Issue i.e. not more than 50% of the Net Issue to QIB and not less than 35% of the Net Issue shall be available for allocation to Retail Individual Investors and not less than 15% of the Net Issue shall be available for allocation to Non-institutional bidders.

- 3) Subject to valid Bids being received at or above the Issue Price, under-subscription, if any, in any category, except in the QIB Portion, would be allowed to be met with spill-over from any other category or combination of categories of Bidders at the discretion of our Company in consultation with the Book Running Lead Managers and the Designated Stock Exchange, subject to applicable laws.

Our Company may, in consultation with the Book Running Lead Manager, allocate up to 60% of the QIB Portion to Anchor Investors on a discretionary basis in accordance with the SEBI ICDR Regulations. One-third of the Anchor Investor Portion shall be reserved for domestic Mutual Funds, subject to valid Bids being received from domestic Mutual Funds at or above the Anchor Investor Allocation Price. In the event of under-subscription in the Anchor Investor Portion, the remaining Equity Shares shall be added to the QIB Portion. Further, 5% of the Net QIB Portion shall be available for allocation on a proportionate basis to Mutual Funds only, and the remainder of the QIB Portion shall be available for allocation on a proportionate basis to all QIB Bidders (other than Anchor Investors), including Mutual Funds, subject to valid Bids being received at or above the Issue Price. However, if the aggregate demand from Mutual Funds is less than 5% of the Net QIB Portion, the balance Equity Shares available for allotment in the Mutual Fund Portion will be added to the Net QIB Portion and allocated proportionately to the QIB Bidders (other than Anchor Investors) in proportion to their Bids. For further details, please refer section titled “***Issue Procedure***” beginning on page 200 of this Draft Red Herring Prospectus.

SUMMARY OF OUR FINANCIALS**RESTATED STATEMENT OF ASSETS AND LIABILITIES**

(Rs. in Lakhs)

	Particular	31.03.2023	31.03.2022	31.03.2021
A)	EQUITY AND LIABILITIES			
1.	Shareholders' Funds			
(a)	Share Capital	757.91	36.09	36.09
(b)	Reserves & Surplus	234.88	601.31	470.79
(c)	Share Application Money	-	-	-
		992.79	637.40	506.88
2.	Non-Current Liabilities			
(a)	Long Term Borrowings	1,063.35	447.16	702.07
(b)	Deferred Tax Liabilities (Net)	39.81	46.28	36.85
(c)	Long Term Provisions	38.16	23.45	13.67
(c)	Other Non-Current Liabilities	70.00	581.99	154.14
		1,211.32	1,098.88	906.73
3.	Current Liabilities			
(a)	Short Term Borrowings	1,166.48	548.64	289.92
(b)	Trade Payables			
	(A) outstanding dues of micro enterprises and small enterprises; and	-	-	-
	(B) total outstanding dues of creditors other than micro enterprises and small enterprises.	1,886.63	1,488.24	1,095.23
(c)	Other Current Liabilities	105.60	91.47	71.24
(d)	Short Term Provisions	152.15	48.54	16.02
		3,310.86	2,176.89	1,472.41
	Total	5,514.96	3,913.18	2,886.02
B)	ASSETS			
1.	Non-Current Assets			
	I) Property, Plant and Equipment			
	(i) Gross Block	1,237.38	1,230.76	986.00
	(ii) Depreciation	281.15	233.88	164.56
	(iii) Net Block	956.23	996.88	821.44
	II) Intangible Assets	-	-	-
	III) Capital Work-in-Progress	698.49	287.81	114.84
	IV) Intangible assets under development	-	-	-
		1,654.72	1,284.69	936.28
(b)	Non-Current Investment	-	-	-
(c)	Deferred Tax Assets (Net)	-	-	-
(d)	Long Term Loans and Advances	14.30	11.41	11.41
(e)	Other Non-Current Assets	-	-	-
		14.30	11.41	11.41
2.	Current Assets			
(a)	Trade Receivables	1,680.82	1,457.88	1,322.28
(b)	Cash and Cash equivalents	107.75	91.56	184.84
(c)	Inventories	1,506.94	589.80	148.54
(d)	Short-Term Loans and Advances	550.33	477.82	282.65
(e)	Other Current Assets	0.10	0.02	0.02
		3845.94	2617.08	1938.33
	Total	5,514.96	3,913.18	2,886.02

RESTATED STATEMENT OF PROFIT AND LOSS

(Rs. in Lakhs)

PARTICULARS		31.03.2023	31.03.2022	31.03.2021
1	Revenue From Operation	15,536.46	11,883.13	8,619.21
2	Other Income	-	5.69	0.70
	Total Income (1+2)	15,536.45	11,888.81	8,619.91
3	Expenditure			
(a)	Raw Material Consumption	11,848.97	9,378.54	7,123.90
(b)	Manufacturing Expenses	348.80	225.77	162.88
(c)	Change in inventories of finished goods, work in progress and stock in trade	(0.44)	6.69	47.90
(d)	Employee Benefit Expenses	714.04	566.83	332.18
(e)	Finance Cost	149.21	85.56	67.95
(f)	Depreciation and Amortization Expenses	100.55	69.32	60.54
(g)	Other Expenses	1886.31	1369.66	762.10
4	Total Expenditure 3(a) to 3(f)	15,047.44	11,702.37	8,557.45
5	Profit/(Loss) Before Exceptional & extraordinary items & Tax (2-4)	489.02	186.45	62.46
6	Exceptional and Extra-ordinary items	-	-	-
7	Profit/(Loss) Before Tax	489.02	186.45	62.46
8	Tax Expense:			
(a)	Tax Expense for Current Year	140.11	46.50	15.48
(b)	MAT Credit entitlement	-	-	-
(c)	Deferred Tax	(6.48)	9.43	5.27
	Net Current Tax Expenses	133.64	55.93	20.75
7	Profit/(Loss) for the Year (5-6)	355.38	130.52	41.71

RESTATED CASH FLOW STATEMENT

(Rs. in Lakhs)

PARTICULAR	FOR THE YEAR ENDED		
	31.03.2023	31.03.2022	31.03.2021
A) Cash Flow From Operating Activities :			
Net Profit before tax	489.02	186.45	62.46
Adjustment for :			
Depreciation and amortization	100.55	69.32	60.54
Interest Paid	149.21	85.56	67.95
Interest Income	-	(0.04)	(0.46)
Short/ Excess provision Written off	15.31	10.07	13.44
Deferred Tax Liabilities (Net)			
Loss/Profit on sale of vehicles	8.63		
Income Tax Provision	-	-	-
Operating profit before working capital changes	762.72	351.36	203.93
Changes in Working Capital			
(Increase)/Decrease in Trade Receivables	(222.94)	(135.60)	(671.91)
(Increase)/Decrease in Inventory	(917.14)	(441.26)	309.58
(Increase)/Decrease in Short Term Loans & Advances	(72.51)	(195.17)	(25.22)
(Increase)/Decrease in Other Current Assets	(2.97)	-	-
Increase/(Decrease) in Trade Payables	398.39	393.01	158.65
Increase/(Decrease) in Other Current Liabilities	14.13	20.23	(12.67)
Increase/(Decrease) in Short Term Provisions, etc.	0.24	0.05	0.25
Increase/(Decrease) in Short Term Borrowings			-
Cash generated from operations	(37.19)	(7.38)	(37.39)
Tax Paid	37.35	14.31	9.17
Net cash flow from operating activities	(74.54)	(21.69)	(46.56)
Purchase of Fixed Assets including of CWIP	(573.41)	(417.73)	(52.14)
Sale of Fixed Assets	94.20	-	-
Investment made/Sold during the year	-	-	-
Dividend Income	-	-	-
Interest Income	-	0.04	0.46
Net cash flow from investing activities	(479.21)	(417.69)	(51.68)
C) Cash Flow From Financing Activities :			
Proceeds from Issue of Share Capital		-	
Increase/(Decrease) in Short Term Borrowings	617.84	258.72	289.92
Increase/(Decrease) in Long Term Borrowings	616.19	(254.91)	(51.15)
Interest Paid	(149.21)	(85.56)	(67.95)
Share Money Pending Allotment		-	-
Increase/(Decrease) in Long Term Loans and Advances	(514.88)	427.85	61.80
Net cash flow from financing activities	569.94	346.10	232.62
Net Increase/(Decrease) In Cash & Cash Equivalents	16.19	(93.28)	134.38
Cash equivalents at the beginning of the year	91.56	184.84	50.46
Cash equivalents at the end of the year	107.75	91.56	184.84

PARTICULARS	31/03/2023	31/03/2022	31/03/2021
Component of Cash and Cash equivalents			
Cash on hand	27.98	6.05	1.18
Balance With banks	79.77	79.01	181.64
Other Bank Balance	-	6.50	2.02
Total	107.75	91.56	184.84

GENERAL INFORMATION

Our Company was originally incorporated as “Shubham Infrastructure Developers Private Limited” on March 08, 2006 vide Registration Certificate No. 029858 under the provisions of the Companies Act, 1956 with the Registrar of Companies, Punjab, H.P. and Chandigarh (RoC). Further, pursuant to shareholder’s resolution passed at the Extra Ordinary General Meeting held on October 28, 2015, the name of our company was changed from “Shubham Infrastructure Developers Private Limited” to “Tara Feed Private Limited” vide a fresh certificate of incorporation dated November 06, 2015 issued by the Registrar of Companies, Chandigarh. Further, pursuant to Special Resolution passed by the Shareholders at the Extra Ordinary General Meeting, held on October 28, 2015 our Company was converted into a Public Limited Company and the name of our Company was changed from “Tara Feed Private Limited” to “Tara Feed Limited” vide a fresh certificate of incorporation dated December 01, 2015 issued by the Registrar of Companies, Chandigarh. Subsequently, pursuant to shareholder’s resolution passed at the Extra Ordinary General Meeting held on August 09, 2016, the name of our company was changed from “Tara Feed Limited” to “Khanna Feed Limited” vide a fresh certificate of incorporation dated August 24, 2016 issued by the Registrar of Companies, Chandigarh bearing CIN U15331PB2006PLC029858.

For further details please refer to chapter titled “*History and Corporate Structure*” beginning on page 106 of this Draft Red Herring Prospectus.

Address of the Registered Office	Address of the RoC
Khanna Feed Limited Village Ikolaha, Tehsil Khanna, Khanna Ludhiana Punjab 141401, India Tel. No.: 01628-212493 Email: info@khannafeedltd.in Website: www.khannafeedltd.in CIN: U15331PB2006PLC029858 Registration Number: 029858	Registrar of Companies, Chandigarh 1st Floor, Corporate Bhawan, Plot No.4-B, Sector 27-B, Pincode-160019, Chandigarh. Phone: 0172-639415 Email: roc.chandigarh@mca.gov.in Website: www.mca.gov.in

Board of Directors:

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

Name of Directors	Designation	Address	DIN
Paramvir Singh Mander	Managing Director	House No-3, Gajjan Majra, Sangrur, Punjab 148023	07447147
Vinayak Kedia	Non-Executive Director	10950-51, Doriwalan, Manakpura, Karol Bagh, New Delhi, Central Delhi, 110005	00775106
Jatinder Paul Sehgal	Non-Executive Director	House No C-43, NDRI Campus, Karnal Rural Part 1, Karnal , Haryana 132001	07298205
Rupinder Kaur Pandher	Independent Director	Kuhli Kalan, Payal, Ludhiana, Punjab, 141119	10049252
Man Singh Tondon	Independent Director	House No 232, Guru Nanak Nagar, Bhamian Road, Focal Point, Ludhiana, Punjab-141010	10049263

For further details in relation to our Directors, please refer to chapter titled “*Our Management*” on page 110 of this Draft Red Herring Prospectus.

Chief Financial Officer	Company Secretary & Compliance Officer
Mohd. Parvej Khanna Feed Limited Village Ikolaha, Tehsil Khanna, Khanna Ludhiana Punjab 141401, India Tel. No.: 01628-212493 Email: info@khannafeedltd.in Website: www.khannafeedltd.in	Simranjit Kaur Khanna Feed Limited Village Ikolaha, Tehsil Khanna, Khanna Ludhiana Punjab 141401, India Tel. No.: 01628-212493 Email: info@khannafeedltd.in Website: www.khannafeedltd.in

Investor Grievances:

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

All grievances relating to the ASBA process 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, PAN, date of the ASBA Form, details of UPI IDs (if applicable), 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.

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

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

Book Running Lead Manager of the Issue	Legal Advisor to the Issue
Hem Securities Limited Address: 904, A Wing, Naman Midtown, Senapati Bapat Marg, Elphinstone Road, Lower Parel, Mumbai-400013, Maharashtra, India Tel No.: +91-22-4906 0000 Email: ib@hemsecurities.com Investor Grievance Email: redressal@hemsecurities.com Website: www.hemsecurities.com Contact Person: Mr. Sourabh Garg SEBI Reg. No.: INM000010981	MINDSPRIGHT LEGAL Address: 712-714, C-Wing, Trade World, Kamla City, Senapati Bapat Marg, Lower Parel (West), Mumbai - 400013, Maharashtra, India. Tel No.: +91-22-42197000 Email: legal@mindspright.co.in Contact Person: Ms. Richa Bhansali Website: www.mindspright.co.in
Registrar to the Issue	Statutory Auditor
Skyline Financial Services Private Limited Address: D-153A, 1st Floor, Okhla Industrial Area Phase-I, New Delhi – 110020, India Tel No.: 011-40450193-197 Fax No: 011-26812683 Email: ipo@skylinerta.com; Investor Grievance Email: grievances@skylinerta.com Contact Person: Ms. Rati Gupta Website: www.skylinerta.com SEBI Registration Number: INR000003241 CIN: U74899DL1995PTC071324	M/s. Raj Kumar Jindal & Co. Chartered Accountants, Address: Pandher Colony, Opp. Civil Courts, Thandi Sarak, Malerkotla, 148023, Punjab Tel No.: 94170-22340 Email: rkjindal2005@yahoo.com Firm Registration No.: 009596N Membership No: 0088062 Contact Person: CA Raj Kumar Jindal
Bankers to the Company*	Banker to the Issue/ Refund Banker/Sponsor Bank* *
[•]	[•]
Peer Review Auditor	Syndicate Member*
M/s Jasminder Singh & Associates Chartered Accountants, Address: 3-D, Surya Kiran Complex, 92, The Mall, Ludhiana Tel No.: 098141-60550 Firm Registration Number: 016192N E-mail: jasingh123@yahoo.co.in Peer Review Certificate Number: 013663	[•]

**We are yet to received NOC & Lender's Consent from Bankers to the Company and will update in the prospectus to be filed with the ROC*

*** The Banker to the Issue (Sponsor Bank) and Syndicate Member shall be appointed prior to filing of the Prospectus with the RoC.*

Designated Intermediaries:

Self-Certified Syndicate Banks (SCSB's)

The list of SCSBs, as updated till date, is available on website of Securities and Exchange Board of India at below link. <https://www.sebi.gov.in/sebiweb/other/OtherAction.do?doRecognisedFpi=yes&intmId=34;> and <https://www.sebi.gov.in/sebiweb/other/OtherAction.do?doRecognisedFpi=yes&intmId=35>

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

Further, as notified by SEBI vide its circular no. SEBI/HO/CFD/DIL2/CIR/P/2019/85 dated July 26, 2019; the applications through UPI in IPOs can be made only through the SCSBs/ mobile applications whose name appears on the SEBI website www.sebi.gov.in at the following path: Home >> Intermediaries/Market Infrastructure Institutions >> Recognized intermediaries >> Self Certified Syndicate Banks eligible as Issuer Banks for UPI.

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

Syndicate SCSB Branches

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

Self-Certified Syndicate Banks eligible as Sponsor Banks for UPI

The list of Self Certified Syndicate Banks that have been notified by SEBI to act as Investors Bank or Issuer Bank for UPI mechanism are provide on the website of SEBI on <https://www.sebi.gov.in/sebiweb/other/OtherAction.do?doRecognisedFpi=yes&intmId=41>

Registered Brokers

The list of the Registered Brokers eligible to accept ASBA forms, including details such as postal address, telephone number and e-mail address, is provided on the website of the SEBI at (<https://www.sebi.gov.in/sebiweb/other/OtherAction.do?doRecognisedFpi=yes&intmId=30>) respectively, as updated from time to time.

Registrar and Share Transfer Agents

The list of the RTAs eligible to accept ASBA Forms at the Designated RTA Locations, including details such as address, telephone number and e-mail address, is provided on the websites of SEBI i.e. (<https://www.sebi.gov.in/sebiweb/other/OtherAction.do?doRecognised=yes>), respectively, as updated from time to time

Collecting Depository Participants

The list of the CDPs eligible to accept ASBA Forms at the Designated CDP Locations, including details such as name and contact details, is provided on the websites of SEBI at (<https://www.sebi.gov.in/sebiweb/other/OtherAction.do?doRecognised=yes>), as updated from time to time.

Brokers to the Issue

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

Expert Opinion

Except the report of the Auditor on statement of special tax benefits and report on restated financial statements prepared for the financial year ended March 31, 2023, 2022 & 2021 as included in this Draft Red Herring Prospectus, our Company has not obtained any expert opinion.

Inter-se Allocation of Responsibilities

Since, Hem Securities Limited is the sole Book Running Lead Manager to this Issue, a statement of inter se allocation of responsibilities among Book Running Lead Manager is not required.

Monitoring Agency

Since the proceeds from the Fresh Issue do not exceed Rs. 1000 million, in terms of Regulation 262(1) of the SEBI (ICDR) Regulations, our Company is not required to appoint a monitoring agency for the purposes of this Issue.

Appraising Entity

None of the objects for which the Net Proceeds are proposed to be utilized have been financially appraised by any banks or financial institution.

Credit Rating

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

IPO Grading

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

Debenture Trustees

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

Filing of Draft Red Herring Prospectus

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

The Draft Red Herring Prospectus will not be filed with SEBI, nor will SEBI issue any observation on the Offer Document in terms of Regulation 246(2) of SEBI (ICDR) Regulations, 2018. However, pursuant to Regulation 246 (5) of the SEBI (ICDR) Regulations, 2018, a soft copy of Prospectus shall be furnished to SEBI.

Pursuant to SEBI Circular Number SEBI/HO/CFD/DIL1/CIR/P/2018/011 dated January 19, 2018, a copy of Red Herring Prospectus/Prospectus will be filed online through SEBI Intermediary Portal at <https://siportal.sebi.gov.in>.

A copy of the Red Herring Prospectus/Prospectus, along with the documents required to be filed under Section 26 of the Companies Act, 2013 will be filed to the RoC Office situated at **Registrar of Companies, Chandigarh**, 1st Floor, Corporate Bhawan, Plot No.4-B, Sector 27-B, 160019, Chandigarh.

Book Building Process

Book Building, with reference to the Issue, refers to the process of collection of Bids on the basis of the Red Herring Prospectus within the Price Band. The Price Band shall be determined by our Company in consultation with the Book Running Lead Manager in accordance with the Book Building Process, and advertised in all editions of the English national newspaper [●], all editions of Hindi national newspaper [●] and Ludhiana Edition of Regional newspaper [●] where our registered office is situated at least two working days prior to the Bid/ Issue Opening date. The Issue Price shall be determined by our Company, in consultation with the Book Running Lead Manager in accordance with the Book Building Process after the Bid/ Issue Closing Date. Principal parties involved in the Book Building Process are:-

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

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

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

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

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

In terms of SEBI Circular No. CIR/CFD/POLICYCELL/11/2015 dated November 10, 2015 and the SEBI (Issue of Capital and Disclosure Requirements) Regulations, 2018, all the investors (except Anchor Investors) applying in a public issue shall use only Application Supported by Blocked Amount (ASBA) process for application providing details of the bank account which will be blocked by the Self Certified Syndicate Banks (SCSBs) for the same. Further, pursuant to SEBI Circular No. SEBI/HO/CFD/DIL2/CIR/P/2018/138 dated November 01, 2018, Retail Individual Investors applying in public issue may use either Application Supported by Blocked Amount (ASBA) facility for making application or also can use UPI as a payment mechanism with Application Supported by Blocked Amount for making application. For details in this regards, specific attention are invited to the chapter titled “Issue Procedure” beginning on page 200 of the Draft Red Herring Prospectus.

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

For further details on the method and procedure for Bidding, please see section entitled “Issue Procedure” on page 200 of this Draft Red Herring Prospectus.

Illustration of the Book Building and Price Discovery Process: Bidders should note that this example is solely for illustrative purposes and is not specific to the Issue; it also excludes Bidding by Anchor Investors. Bidders can bid at any price within the Price Band. For

instance, assume a Price Band of ₹20 to ₹ 24 per share, Issue size of 3,000 Equity Shares and receipt of five Bids from Bidders, details of which are shown in the table below. The illustrative book given below shows the demand for the Equity Shares of the Issuer at various prices and is collated from Bids received from various investors.

Bid Quantity	Bid Amount (₹)	Cumulative Quantity	Subscription
500	24	500	16.67%
1,000	23	1,500	50.00%
1,500	22	3,000	100.00%
2,000	21	5,000	166.67%
2,500	20	7,500	250.00%

The price discovery is a function of demand at various prices. The highest price at which the Issuer is able to Issue the desired number of Equity Shares is the price at which the book cuts off, i.e., ₹ 22.00 in the above example. The Issuer, in consultation with the BRLM, may finalise the Issue Price at or below such Cut-Off Price, i.e., at or below ₹ 22.00. All Bids at or above this Issue Price and cut-off Bids are valid Bids and are considered for allocation in the respective categories.

Steps to be taken by the Bidders for Bidding:

- Check eligibility for making a Bid (see section titled “Issue Procedure” on page 200 of this Draft Red Herring Prospectus;
- Ensure that you have a demat account and the demat account details are correctly mentioned in the Bid cum Application Form;
- Ensure correctness of your PAN, DP ID and Client ID mentioned in the Bid cum Application Form. Based on these parameters, the Registrar to the Issue will obtain the Demographic Details of the Bidders from the Depositories.
- Except for Bids on behalf of the Central or State Government officials, residents of Sikkim and the officials appointed by the courts, who may be exempt from specifying their PAN for transacting in the securities market, for Bids of all values ensure that you have mentioned your PAN allotted under the Income Tax Act in the Bid cum Application Form. The exemption for Central or State Governments and officials appointed by the courts and for investors residing in Sikkim is subject to the Depository Participant’s verification of the veracity of such claims of the investors by collecting sufficient documentary evidence in support of their claims.
- Ensure that the Bid cum Application Form is duly completed as per instructions given in this Draft Red Herring Prospectus and in the Bid cum Application Form;

Bid/ Issue Program:

Event	Indicative Dates
Bid/ Issue Opening Date	[●] ¹
Bid/ Issue Closing Date	[●] ²
Finalization of Basis of Allotment with the Designated Stock Exchange	[●]
Initiation of Allotment / Refunds / Unblocking of Funds from ASBA Account or UPI ID linked bank account	[●]
Credit of Equity Shares to Demat accounts of Allottees	[●]
Commencement of trading of the Equity Shares on the Stock Exchange	[●]

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

²Our Company in consultation with the BRLM, consider closing the Bid/Issue Period for QIBs one Working Day prior to the Bid/Issue Closing Date in accordance with the SEBI ICDR Regulations.

The above timetable is indicative and does not constitute any obligation on our Company or the Book Running Lead Manager. Whilst our Company shall ensure that all steps for the completion of the necessary formalities for the listing and the commencement of trading of the Equity Shares on the Stock Exchange are taken within 6 Working Days of the Bid/ Issue Closing Date, the timetable may change due to various factors, such as extension of the Bid/Issue Period by our Company, revision of the Price Band or any delays in receiving the final listing and trading approval from the Stock Exchange. The Commencement of trading of the Equity Shares will be entirely at the discretion of the Stock Exchange and in accordance with the applicable laws.

Bid Cum Application Forms and any revisions to the same will be accepted only between 10.00 A.M. to 5.00 P.M. (IST) during the Issue Period (except for the Bid/ Issue Closing Date). On the Bid/ Issue Closing Date, the Bid Cum Application Forms will be accepted only

between 10.00 A.M. to 3.00 P.M. (IST) for retail and non-retail Bidders. The time for applying for Retail Individual Applicant on Bid/Issue Closing Date maybe extended in consultation with the BRLM, RTA and Nse Emerge taking into account the total number of applications received up to the closure of timings.

Due to the limitation of time available for uploading the Bid Cum Application Forms on the Bid/Issue Closing Date, Bidders are advised to submit their applications one (1) day prior to the Bid/ Issue Closing Date and, in any case, not later than 3.00 P.M. (IST) on the Bid/ Issue Closing Date. Any time mentioned in this Draft Red Herring Prospectus is IST. Bidders are cautioned that, in the event a large number of Bid Cum Application Forms are received on the Bid/Issue Closing Date, as is typically experienced in public Issue, some Bid Cum Application Forms may not get uploaded due to the lack of sufficient time. Such Bid Cum Application Forms that cannot be uploaded will not be considered for allocation under this Issue. Applications will be accepted only on Working Days, i.e., Monday to Friday (excluding any public holidays). Neither our Company nor the BRLM is liable for any failure in uploading the Bid Cum Application Forms due to faults in any software/hardware system or otherwise.

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

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

Withdrawal of the Issue

Our Company in consultation with the BRLM, reserve the right to 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 within 2 (two) working days of the Issue Closing Date, providing reasons for not proceeding with the Issue shall be issued by our Company. The notice of withdrawal will be issued in the same newspapers where the pre- Issue advertisements have appeared and the Stock Exchange will also be informed promptly. The BRLM, through the Registrar to the Issue, will instruct the SCSBs to unblock the ASBA Accounts within 1 (one) working Day from the day of receipt of such instruction.

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

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

Underwriting

The Company and the Book Running Lead Manager to the Issue hereby confirm that the Issue will be 100% Underwritten by the Underwriter [•].

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

Details of the Underwriter	No. of shares underwritten	Amount Underwritten (₹ in Lakhs)	% of Total Issue Size Underwritten
----------------------------	----------------------------	-------------------------------------	---------------------------------------

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

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

Change in Auditors during the last three (3) years

Except as stated below, there have been no changes in our Company's auditors in the last three (3) years.

Details of the Auditor	Date of Change	Reason
RAJ KUMAR JINDAL & CO Chartered Accountants, Address: Pandher Colony, Thandi Sarak, Malerkotla, 148023, Punjab Email: rkjindal2005@yahoo.com Firm Registration No.: 009596N Membership No: 0088062	Re-appointment as Statutory Auditors w.e.f. November 30, 2021 for a period of 5 Years	Re-appointment

Details of the Market Making arrangement for this Issue

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

Name	[•]
Correspondence Address:	
Tel No.:	
E-mail:	
Website:	
Contact Person:	
SEBI Registration No.:	
Market Maker Registration No.	

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

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

- The Market Maker(s) (individually or jointly) shall be required to provide a 2-way quote for 75% of the time in a day. The same shall be monitored by the stock exchange. Further, the Market Maker(s) shall inform the exchange in advance for each and every black out period when the quotes are not being offered by the Market Maker(s).
- The prices quoted by Market Maker shall be in compliance with the Market Maker Spread Requirements and other particulars as specified or as per the requirements of the SME platform of NSE and SEBI from time to time.
- The minimum depth of the quote shall be Rs.1,00,000/-. However, the investors with holdings of value less than Rs. 1,00,000/- shall be allowed to offer their holding to the Market Maker(s) (individually or jointly) in that scrip provided that he sells his entire holding in that scrip in one lot along with a declaration to the effect to the selling broker.

- D. The Market Maker shall not sell in lots less than the minimum contract size allowed for trading on the SME platform of NSE (NSE Emerge) (in this case currently the minimum trading lot size is [•] equity shares; however, the same may be changed by the NSE Emerge from time to time).
- E. After a period of three (3) months from the market making period, the Market Maker would be exempted to provide quote if the Shares of Market Maker in our company reaches to 25% of Issue Size. Any Equity Shares allotted to Market Maker under this Offer over and above 25% of Offer Size would not be taken in to consideration of computing the threshold of 25% of Offer Size. As soon as the Shares of Market Maker in our Company reduces to 24% of Offer Size, the Market Maker will resume providing 2-way quotes.
- F. There shall be no exemption/threshold on downside. However, in the event the Market Maker exhausts his inventory through market making process, NSE may intimate the same to SEBI after due verification.
- G. Execution of the order at the quoted price and quantity must be guaranteed by the Market Maker(s), for the quotes given by him.
- H. There would not be more than five Market Makers for a script at any point of time and the Market Makers may compete with other Market Makers for better quotes to the investors.
- I. 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.
- J. The Market maker may also be present in the opening call auction, but there is no obligation on him to do so.
- K. 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
- L. The Market Maker(s) shall have the right to terminate said arrangement by giving a six months' notice or on mutually acceptable terms to the Merchant Banker, who shall then be responsible to appoint a replacement Market Maker(s) and execute a fresh arrangement. In case of termination of the above mentioned Market Making agreement prior to the completion of the compulsory Market Making period, it shall be the responsibility of the BRLM to arrange for another Market Maker in replacement during the term of the notice period being served by the Market Maker but prior to the date of releasing the existing Market Maker from its duties in order to ensure compliance with the requirements of regulation 261 of the SEBI (ICDR) Regulations, 2018, as amended. Further our Company and the BRLM reserve the right to appoint other Market Makers either as a replacement of the current Market Maker or as an additional Market Maker subject to the total number of Designated Market Makers does not exceed five or as specified by the relevant laws and regulations applicable at that particulars point of time. The Market Making Agreement is available for inspection at our office from 10.00 a.m. to 5.00 p.m. on working days.
- M. **Risk containment measures and monitoring for Market Makers:** Stock Exchange will have all margins, which are applicable on NSE main board viz., Mark-to-Market, Value-At-Risk (VAR) Margin, Extreme Loss Margin, Special Margins and Base Minimum Capital etc. NSE can impose any other margins as deemed necessary from time-to-time.
- N. **Punitive Action in case of default by Market Makers:** SME platform of NSE will monitor the obligations on a real time basis and punitive action will be initiated for any exceptions and/or non-compliances. Penalties / fines may be imposed by the Exchange on the Market Maker, in case he is not able to provide the desired liquidity in a particular security as per the specified guidelines. These penalties / fines will be set by the Exchange from time to time. The Exchange will impose a penalty on the Market Maker in case he is not present in the market (offering two-way quotes) for at least 75% of the time. The nature of the penalty will be monetary as well as suspension in market making activities / trading membership. The Department of Surveillance and Supervision of the Exchange would decide and publish the penalties / fines / suspension for any type of misconduct/ manipulation/ other irregularities by the Market Maker from time to time.
- O. **Price Band and Spreads:** The price band shall be 20% and the market maker spread (difference between the sell and the buy quote) shall be within 10% or as intimated by Exchange from time to time.
- P. Pursuant to SEBI Circular number CIR/MRD/DSA/31/2012 dated November 27, 2012, limits on the upper side for market makers during market making process has been made applicable, based on the Offer size and as follows:

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

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

- i. 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.
- ii. In case equilibrium price is not discovered in the Call Auction, the price band in the normal trading session shall be 5% of the Offer price.

Additionally, the securities of the Company will be placed in SPOS and would remain in Trade for Trade settlement for first 10 days from commencement of trading.

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

CAPITAL STRUCTURE

Set forth below are the details of the Equity Share Capital of our Company as on the date of this Draft Red Herring Prospectus.

(Rs. in Lacs, except share data)			
Sr. No.	Particulars	Aggregate Value at Face Value	Aggregate Value at Issue Price
A	Authorized Share Capital 1,10,00,000 Equity Shares having Face Value of ₹ 10/- each	1,100.00	-
B	Issued, Subscribed & Paid-up Share Capital prior to the Issue 75,79,089 Equity Shares having Face Value of ₹10/- each	757.90	-
C	Present Issue in terms of this Draft Red Herring Prospectus* Upto 27,48,000 Equity Shares having Face Value of ₹ 10/-each at a Premium of ₹ [●] per share	274.80	[●]
	<i>Which comprises of:</i>		
D	Reservation for Market Maker Portion [●] Equity Shares of ₹10/- each at a price of ₹[●] per Equity Share reserved as Market Maker Portion	[●]	[●]
E	Net Issue to Public Net Issue to Public of [●] Equity Shares of ₹10/- each at a price of ₹[●] per Equity Share to the Public	[●]	[●]
F	Issued, Subscribed and Paid-up Equity Share Capital after the Issue Upto 1,03,27,089 Equity Shares of face value of ₹10/- each	1032.71	
G	Securities Premium Account Before the Issue (as on date of this Draft Red Herring Prospectus)	Nil	
	After the Issue	[●]	

*The Present Issue of upto 27,48,000 Equity Shares in terms of this Draft Red Herring Prospectus has been authorized pursuant to a resolution of our Board of Directors dated February 23, 2023 and by special resolution passed under Section 62(1)(c) of the Companies Act, 2013 at an Extra Ordinary General Meeting of the members held on March 23, 2023.

Classes of Shares:-

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

NOTES TO THE CAPITAL STRUCTURE:**1. Changes in Authorized Equity Share Capital of our Company:**

Sr. No.	Particulars of increase	Cumulative No. of Equity Shares	Face Value of Equity Share	Cumulative Authorized Share Capital (Rs. in lakhs)	Date of Meeting	Whether AGM/EGM
1.	On incorporation	50,000	10/-	5.00	On Incorporation	N.A.
2.	Increase in Authorized Share Capital from ₹5.00 Lakhs to ₹ 55.00 Lakhs	5,50,000	10/-	55.00	March 19, 2008	EGM
3.	Increase in Authorized Share Capital from ₹55.00 Lakhs to ₹ 1100.00 Lakhs	1,10,00,000	10/-	1100.00	March 23, 2023	EGM

2. Equity Share Capital History of our Company:

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

Date of Allotment of Equity Shares	No. of Equity Shares allotted	Face Value (₹)	Issue Price (including Premium if applicable(₹)	Consideration on Cash/ Other than Cash	Nature of Allotment	Cumulative No. of Equity Shares	Cumulative Securities Premium (₹)	Cumulative Paid-Up Capital (₹)
Upon Incorporation	10,000	10/-	10/-	Cash	Subscription to MOA ⁽ⁱ⁾	10,000	Nil	1,00,000
September 19, 2008	8,000	10/-	250/-	Cash	Further Issue of Shares	18,000	19,20,000	1,80,000
November 27, 2015	32,000	10/-	10/-	Cash	Right Issue	50,000	19,20,000	5,00,000
February 29, 2016	26,818	10/-	110/-	Cash	Right Issue	76,818	46,01,800	7,68,180
March 31, 2016	98,091	10/-	110/-	Cash	Right Issue	1,74,909	1,44,10,900	17,49,090
May 25, 2016	1,62,500	10/-	80/-	Cash	Right Issue	3,37,409	2,57,85,900	33,74,090
September 23, 2016	12,500	10/-	80/-	Cash	Right Issue	3,49,909	2,66,60,900	34,99,090
September 28, 2016	11,000	10/-	80/-	Cash	Right Issue	3,60,909	2,74,30,900	36,09,090
March 25, 2023	72,18,180	10/-	Nil	Other than Cash	Bonus Issue of Shares in ratio of 20:1	75,79,089	Nil	7,57,90,890

All the above-mentioned shares are fully paid up since the date of allotment.

(i) Initial Subscribers to the Memorandum of Association subscribed 10,000 Equity Shares of Face Value of Rs. 10/- each, details of which are given below:

Sr. No.	Name of Subscribers	Number of Shares Subscribed
1.	Satish Kumar Jindal	9,000
2.	Jagat Bhushan Johar	500
3.	Daljit Singh	500
	Total	10,000

(ii) Allotment on right issue basis of 8,000 Equity shares of Face Value of Rs. 10/- each as per the details given below

Sr. No.	Name of Subscribers	Number of Shares Subscribed
1.	Amit Sharan	8,000
	Total	8,000

(iii) Allotment on right issue basis of 32,000 Equity shares of Face Value of Rs. 10/- each as per the details given below:

Sr. No.	Name of Allottees	Number of Shares Allotted
1.	Avtar Singh	32,000
	Total	32,000

(iv) Allotment on right issue basis of 26,818 Equity shares of Face Value of Rs. 10/- each as per the details given below:

Sr. No.	Name of Allottees	Number of Shares Allotted
1.	Sardool Singh	26,818
	Total	26,818

(v) Allotment on right issue basis of 98,091 Equity shares of Face Value of Rs. 10/- each as per the details given below:

Sr. No.	Name of Allottees	Number of Shares Allotted
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1.	Paramvir Singh Mander	94,364
2.	Sardool Singh	1,727
	Total	98,091

(vi) Allotment on right issue basis of 1,62,500 Equity shares of Face Value of Rs. 10/- each as per the details given below:

Sr. No.	Name of Allottees	Number of Shares Allotted
1.	Paramvir Singh Mander	1,62,500
	Total	1,62,500

(vii) Allotment on right issue basis of 12,500 Equity shares of Face Value of Rs. 10/- each as per the details given below:

Sr. No.	Name of Allottees	Number of Shares Allotted
1.	Paramvir Singh Mander	12,500
	Total	12,500

(viii) Allotment on right issue basis of 11,000 Equity shares of Face Value of Rs. 10/- each as per the details given below:

Sr. No.	Name of Allottees	Number of Shares Allotted
1.	Paramvir Singh Mander	11,000
	Total	11,000

(ix) Bonus issue of 72,18,180 Equity Shares of Face Value of Rs. 10/-each in the ratio of 20:1 i.e., Twenty (20) Bonus Equity Shares for every One (1) Equity Shares held by shareholders. (refer point no. 4 below for allottees list)

b) As on the date of this Draft Red Herring Prospectus, our Company does not have any Preference Share Capital.

3. Except as mentioned in point number 4 below, the Company has not issued any Equity Share in the last two years preceding the date of the Draft Red Herring Prospectus.

4. Issue of Equity Shares for consideration other than cash:

Except as set out below we have not issued Equity Shares for consideration other than cash:

Date of Allotment	Number of Equity Shares	Face Value (Rs.)	Issue Price (Rs.)	Reasons for Allotment	Benefits Accrued to our Company	Name of Allottees	No. of Shares Allotted
March 25, 2023	72,18,180	10/-	-	Bonus Issue in the ratio of 20:1	Capitalization of Reserves & Surplus	Mohammad Nisar	20,000
						Paramvir Singh Mander	65,81,280
						Manjeet Singh	22,000
						Sardool Singh	5,90,900
						Maninder Singh	1,800
						Satwant Singh	2,000
						Sanjeev Goyal	200
						Total	72,18,180

5. No Equity Shares have been allotted pursuant to any scheme approved under sections 230-234 of the Companies Act, 2013 or under the erstwhile corresponding provisions of the Companies Act, 1956.

6. Our Company has not issued any shares pursuant to an Employee Stock Option Scheme.

7. Except for bonus issue made on March 25, 2023 our Company has not issued Equity shares at price below the Issue price within last one year from the date of the Draft Red Herring Prospectus.
8. We have not revalued our assets since inception and have not issued any Equity Shares (including bonus shares) by capitalizing any revaluation reserves.
9. **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 Red Herring Prospectus:

I - Our Shareholding Pattern:-

Our Shareholding Pattern:-																		
Category	Category of shareholder	Nos. of shareholders	No. of fully paid-up equity shares held	No. of Partly paid-up equity shares held	No. of shares underlying Depository Receipts	Total nos. shares held	Shareholding as a % of total no. of shares (calculated as per SCRR, 1957) As a % of (A+B+C2)	Number of Voting Rights held in each class of securities*				No. of Shares Underlying Outstanding convertible	Shareholding, as a % assuming full conversion of convertible securities (as a % of diluted share capital) As a % of (A+B+C2)	Number of Locked in shares		Number of Shares pledged or otherwise encumbered		Number of equity shares held in dematerialized form
								No of Voting Rights			Total as a % of (A+B+C)			No. (a)	As a % of total Shares held (b)	No. (a)	As a % of total Shares held (b)	
								Class Equity Shares of Rs.10/- each^	Classes e.g.: y	Total								
I	II	III	IV	V	VI	VII = IV+V+VI	VIII	IX				X	XI=VII+X	XII		XIII		XIV
(A)	Promoter & Promoter Group	1	69,10,344	-	-	69,10,344	91.18	69,10,344	-	69,10,344	91.18	-	91.18	-	-	-	-	69,10,344
(B)	Public	6	6,68,745	-	-	6,68,745	8.82	6,68,745	-	6,68,745	8.82	-	8.82	-	-	-	-	6,68,745
(C)	Non-Promoter	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-

Khanna Feed Limited

	r- Non-Public															
(C1)	Shares underlying DRs	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
(C2)	Shares held by Emp. Trusts	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
	Total	7	75,79,089	-	-	75,79,089	100	75,79,089	-	75,79,089	100	-	100	-	-	75,79,089

Notes-

**As on date of this Draft Red Herring Prospectus 1 Equity share holds 1 vote.*

We have only one class of Equity Shares of face value of Rs. 10/- each.

We have already entered into tripartite agreement with CDSL & NSDL.

Our Company will file the shareholding pattern in the form prescribed under Regulation 31 of the SEBI (Listing Obligations and Disclosure Requirements), Regulations, 2015, one day prior to the listing of the Equity shares. The shareholding pattern will be uploaded on the Website of the NSE before commencement of trading of such Equity Shares.

10. List of Shareholders of the Company holding 1% or more of the paid-up Share Capital of the Company:-

a) As on the date of filing of this Draft Red Herring Prospectus:-

Sr. No.	Names of Shareholders	Shares held (Face Value of Rs. 10 each)	% Pre-Issue paid up Share Capital
1.	Paramvir Singh Mander	69,10,344	91.18
2.	Sardool Singh	6,20,445	8.19
	Total	75,30,789	99.37

b) Ten days prior to the date of filing of this Draft Red Herring Prospectus:-

Sr. No.	Names of Shareholders	Shares held (Face Value of Rs. 10 each)	% Pre-Issue paid up Share Capital
1.	Paramvir Singh Mander	69,10,344	91.18
2.	Sardool Singh	6,20,445	8.19
	Total	75,30,789	99.37

c) One Year prior to the date of filing of this Draft Red Herring Prospectus:-

Sr. No.	Names of Shareholders	Shares held (Face Value of Rs. 10 each)	% Pre-Issue paid up Share Capital
1.	Paramvir Singh Mander	2,30,510	63.87
2.	Sardool Singh	29,545	8.19
3.	Amit Kedia & Sons HUF	28,990	8.03
4.	Vinayak Kedia & Sons HUF	69,564	19.27
	Total	3,58,609	99.36

*Details of shares held on August 14, 2022 and percentage held has been calculated based on the paid-up capital of our Company as on August 14, 2022.

d) Two Years prior to the date of filing of this Draft Red Herring Prospectus:-

Sr. No.	Names of Shareholders	Shares held (Face Value of Rs. 10 each)	% Pre-Issue paid up Share Capital
1.	Paramvir Singh Mander	2,30,510	63.87
2.	Sardool Singh	29,545	8.19
3.	Amit Kedia & Sons HUF	28,990	8.03
4.	Vinayak Kedia & Sons HUF	69,564	19.27
	Total	3,58,609	99.36

*Details of shares held on August 14, 2021 and percentage held has been calculated based on the paid-up capital of our Company as on August 14, 2021.

11. Our Company has not made any Initial Public Offer of specified securities in the preceding two years.

12. There will be no further issue of capital, whether by way of issue of bonus shares, preferential allotment, Right issue or in any other manner during the period commencing from the date of the Draft Red Herring Prospectus until the Equity Shares of our Company have been listed or application money unblocked on account of failure of Issue. Further, our Company does not intend to alter its capital structure within six months from the date of opening of the offer, by way of split / consolidation of the denomination of Equity Shares. However, our Company may further issue Equity shares (including issue of securities convertible into Equity Shares) whether preferential or otherwise after the date of the listing of equity shares to finance an acquisition, merger or joint venture or for regulatory compliance or such other scheme of arrangement or any other purpose as the Board of Directors may deem fit, if an opportunity of such nature is determined by the Board of Directors to be in the interest of our Company.

13. Capital Buildup in respect of Shareholding of our Promoter

As on the date of this Draft Red Herring Prospectus, Our Promoter, Paramvir Singh Mander hold 69,10,344 Equity Shares of our Company. None of the Equity Shares held by our Promoters are subject to any pledge.

Set forth below is the build-up of the shareholding of our Promoter in our Company since incorporation.

Date of Allotment and made fully paid up/ Transfer	No. of Equity Shares	Face Value Per Share (₹)	Issue/ Acquisition/ Transfer Price (₹)	Consideration	Nature of Issue	Pre-Issue Shareholding % (adjusted as per face value)	Post-Issue Shareholding % (adjusted as per face value)
Paramvir Singh Mander							
February 25, 2016	34,000	10/-	10/-	Cash	Acquisition by way of Transfer ^(a)	0.45	[●]
March 31, 2016	96,364	10/-	110/-	Cash	Right Issue	1.27	[●]
May 25, 2016	1,62,500	10/-	80/-	Cash	Right Issue	2.14	[●]
September 23, 2016	12,500	10/-	80/-	Cash	Right Issue	0.16	[●]
September 28, 2016	11,000	10/-	80/-	Cash	Right Issue	0.15	[●]
October 18, 2016	12,700	10/-	10/-	Cash	Acquisition by way of Transfer ^(b)	0.17	[●]
December 20, 2017	(28,990)	10/-	86.25/-	Cash	Transfer of Shares ^(c)	(0.38)	[●]
January 29, 2018	(69,654)	10/-	86.25/-	Cash	Transfer of Shares ^(c)	(0.92)	[●]
March 23, 2023	98,554	10/-	187/-	Cash	Acquisition by way of Transfer ^(d)	1.30	[●]
March 25, 2023	65,81,280	10/-	-	Other than Cash	Bonus Issue in the ratio of 20:1	86.83	[●]
Grand Total	69,10,344					91.18	[●]

Note: None of the Shares has been pledged by our Promoters.

a) Details of Acquisition by Paramvir Singh Mander by way of Transfer of 34,000 equity shares dated February 25, 2016:

Sr. No.	Date of Transfer	Name of Transferor	No. of Shares Transferred
1.	February 25, 2016	Avtar Singh	34,000
		Total	34,000

b) Details of Acquisition by Paramvir Singh Mander by way of Transfer of 12,700 equity shares dated October 18, 2016:

Sr. No.	Date of Transfer	Name of Transferor	No. of Shares Transferred
1.	October 18, 2016	Kirpal Singh Tiwana	4,900
2.	October 18, 2016	Balwinder Singh	6,900
3.	October 18, 2016	Yashpal Singh	900
		Total	12,700

c) Transfer of 98,554 Equity Shares by Paramvir Singh Mander dated December 20, 2017 and January 29, 2018:

Sr. No.	Date of Transfer	Name of Transferee	No. of Shares Transferred
1.	December 20, 2017	Amit Kedia & Sons HUF	28,990
2.	January 29, 2018	Vinayak Kedia & Sons HUF	69,564
		Total	98,554

d) Details of Acquisition by Paramvir Singh Mander by way of Transfer of 98,554 equity shares dated March 23, 2023:

Sr. No.	Date of Transfer	Name of Transferor	No. of Shares Transferred
1.	March 23, 2023	Amit Kedia & Sons HUF	28,990
2.	March 23, 2023	Vinayak Kedia & Sons HUF	69,564
		Total	98,554

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

Sr. No.	Name of the Promoters	No. of Shares held	Average cost of Acquisition (in ₹)
1.	Paramvir Singh Mander	69,10,344	5.19

15.Shareholding of Promoters & Promoters Group

Following are the details of pre and post Issue shareholding of persons belonging to the category “Promoter and Promoter Group”:

Sr. No	Names	Pre IPO		Post IPO	
		Shares Held	% Shares Held	Shares Held	% Shares Held
A	Promoters				
1.	Paramvir Singh Mander	69,10,344	91.18	69,10,344	[•]
	Total (A)	69,10,344	91.18	69,10,344	[•]
B	Promoter Group	Nil	Nil	Nil	Nil
	Total (A+B)	69,10,344	91.18	69,10,344	[•]

16. Except as provided below, no Equity Shares were acquired/ purchased/ sold by the Promoter and Promoter Group, Directors and their immediate relatives within six months immediately preceding the date of filing of this Draft Red Herring Prospectus.

Date of Allotment	Name of Shareholder	No. of Equity Share	% of Pre issue Capital	Subscribed/ Acquire/ Transfer	Category of Allottees (Promoter/Promoter Group/ Director)
March 22, 2023	Paramvir Singh Mander	98,554	1.30	Acquisition by way of Transfer ^(d)	Promoter
March 25, 2023	Paramvir Singh Mander	65,81,280	86.83	Acquisition of shares under the Bonus issue	Promoter

17. None of our Promoters, Promoter Group, our Directors and their relatives has entered into any financing arrangement or financed the purchase of the Equity Shares of our Company by any other person during the period of six months immediately preceding the date of filing of the Draft Red Herring Prospectus.

Details of Promoters’ Contribution Locked-in for Three Years

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

As on the date of this Draft Red Herring Prospectus, our Promoter hold 69,10,344 Equity Shares constituting 66.91% of the Post – Issued, subscribed and paid-up Equity Share Capital of our Company, which are eligible for the Promoters’ contribution. Our Promoter, Paramvir Singh Mander has agreed for the lock in of his 21,00,000 equity shares constituting 20.33% of the Post – Issued, subscribed and paid-up Equity Share Capital of our Company. Further, he has agreed not to sell or transfer or pledge or otherwise dispose of in any manner, the Promoter’s contribution, for a period of three years from the date of allotment in the Issue.

Details of shares locked in for 3 years are stated below:

Date of Allotment/ transfer and made fully paid up	No. of Equity Shares locked-in*	Face Value Per Share (₹)	Issue/ Acquisition/ Transfer Price (₹)	Nature of transaction	Post-Issue Shareholding* %	Lock in Period
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Paramvir Singh Mander						
March 24, 2023	21,00,000	10.00	Nil	Bonus Allotment	20.33	3 years
Total	21,00,000				20.33	

*Assuming full subscription to the Issue.

The minimum Promoter's contribution has been brought in to the extent of not less than the specified minimum lot and from persons defined as **"Promoter"** under the SEBI (ICDR) Regulations. All Equity Shares, which are being locked in are not ineligible for computation of Minimum Promoters Contribution as per Regulation 237 of the SEBI (ICDR) Regulations and are being locked in for 3 years as per Regulation 238(a) of the SEBI (ICDR) Regulations i.e., for a period of three years from the date of allotment of Equity Shares in this issue.

No Equity Shares proposed to be locked-in as Minimum Promoter's Contribution have been issued out of revaluation reserve or for consideration other than cash and revaluation of assets or capitalization of intangible assets, involved in such transactions.

The entire pre-issue shareholding of the Promoters, other than the Minimum Promoters contribution which is locked in for three years, shall be locked in for a period of one year from the date of allotment in this Issue.

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

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

Details of Promoters' Contribution Locked-in for One Year

In terms of Regulation 238(b) and 239 of the SEBI (ICDR) Regulations, 2018, in addition to the Minimum Promoters contribution which is locked in for three years, as specified above, the entire pre-issue equity share capital constituting 54,79,089 Equity Shares shall be locked in for a period of one year from the date of allotment of Equity Shares in this Issue.

In terms of Regulation 241 of the SEBI (ICDR) Regulations, 2018, the Equity Shares which are subject to lock-in shall carry inscription **'non-transferable'** along with the duration of specified non-transferable period mentioned in the face of the security certificate. The shares which are in dematerialized form, if any, shall be locked-in by the respective depositories. The details of lock-in of the Equity Shares shall also be provided to the Designated Stock Exchange before the listing of the Equity Shares.

Other requirements in respect of lock-in:

- a) In terms of Regulation 242 of the SEBI (ICDR) Regulations, the locked in Equity Shares held by the Promoters, as specified above, can be pledged with any scheduled commercial bank or public financial institution or a systemically important non-banking 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 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) In terms of Regulation 243 of the 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 the SEBI (ICDR) Regulations, subject to continuation of the lock-in in the hands of the transferees for the remaining period and compliance with the SEBI (Substantial Acquisition of Shares and Takeovers) Regulations, 2011, as applicable.
- c) Further in terms of Regulation 243 of the SEBI (ICDR) Regulations, the specified securities held by the promoters and locked-in as per regulation 238 may be transferred to another promoter or any person of the promoter group or a new promoter or a person in control of the issuer subject to continuation of the lock-in in the hands of the transferees for the remaining period and compliance with SEBI (Substantial Acquisition of Shares and Takeovers) Regulations, 2011, as applicable.
18. Neither, we nor our Promoters, Directors and the BRLM to this Issue have entered into any buyback and / or standby arrangements and / or similar arrangements for the purchase of our Equity Shares from any person.
19. As on the date of this Draft Red Herring Prospectus, the entire Issued Share, Subscribed and Paid-up Share Capital of our Company is fully paid up. Since the entire issue price in respect of the issue is payable on application, all the successful applicants will be allotted fully paid-up Equity shares.
20. The BRLM i.e., Hem Securities Limited and their associates do not hold any Equity Shares in our Company as on the date of filing of this Draft Red Herring Prospectus.
21. As on the date of this Draft Red Herring Prospectus, we do not have any Employees Stock Option Scheme / Employees Stock Purchase Scheme and we do not intend to allot any shares to our employees under Employee Stock Option Scheme/ Employee Stock Purchase Plan from the proposed issue. As and when, options are granted to our employees under the Employee Stock Option Scheme, our Company shall comply with the SEBI (Share Based Employee Benefits) Regulations, 2014.
22. We have 7 (Seven) shareholders as on the date of filing of this Draft Red Herring Prospectus.
23. As on the date of filing of this Draft Red Herring Prospectus, there are no outstanding warrants, options or rights to convert debentures, loans or other instruments which would entitle Promoters or any shareholders or any other person any option to acquire our Equity Shares after this Initial Public Offer.
24. Our Company has not raised any bridge loan against the proceeds of the Issue.
25. As on the date of this Draft Red Herring Prospectus, none of the shares held by our Promoters / Promoters Group are subject to any pledge.
26. We here by confirm that there will be no further issue of capital whether by way of issue of bonus shares, preferential allotment, rights issue or in any other manner during the period commencing from the date of the Draft Red Herring Prospectus until the Equity Shares offered have been listed or application money unblocked on account of failure of Issue.
27. 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.
28. Allocation to all categories shall be made on a proportionate basis subject to valid applications received at or above the Issue Price. under-subscription, if any, in any category, except in the QIB Portion, would be allowed to be met with spill-over from any of the other categories or a combination of categories at the discretion of our Company in consultation with the BRLM and Designated Stock Exchange i.e., NSE. Such inter-se spill over, if any, would be affected in accordance with applicable laws, rules, regulations and guidelines.
29. In case of over-subscription in all categories the allocation in the issue shall be as per the requirements of Regulation 253 of SEBI (ICDR) Regulations, 2018 and its amendments from time to time.

30. The unsubscribed portion in any reserved category (if any) may be added to any other reserved category.
31. The unsubscribed portion if any except for QIB portion, after such inter se adjustments among the reserved categories shall be added back to the net issue to the public portion.
32. At any given point of time there shall be only one denomination of the Equity Shares, unless otherwise permitted by law.
33. Our Company shall comply with such disclosure and accounting norms as may be specified by NSE, SEBI and other regulatory authorities from time to time.
34. There are no Equity Shares against which depository receipts have been issued.
35. Other than the Equity Shares, there is no other class of securities issued by our Company.
36. There are no safety net arrangements for this public issue.
37. As per RBI regulations, OCBs are not allowed to participate in this issue.
38. Our Promoters and Promoter Group will not participate in this Issue.
39. This Issue is being made through Book Building Method.
40. Our Company has not made any public issue or rights issue of any kind or class of securities since its incorporation.
41. 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.
42. 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.

We shall ensure that transactions in Equity Shares by the Promoters and members of the Promoter Group, if any, between the date of filing the Prospectus with the Registrar of companies and the Issue Closing Date are reported to the Stock Exchanges within 24 hours of such transactions being completed.

OBJECTS OF THE ISSUE

The Issue includes a fresh Issue of upto 27,48,000 Equity Shares of our Company at an Issue Price of Rs. [●] per Equity Share. We intend to utilize the proceeds of the Issue to meet the following objects:-

1. To meet working capital requirements;
2. General Corporate Purposes.

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

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

Our Company is an ISO 9001:2015 & ISO 22000:2018 certified company, engaged in manufacturing & processing of cattle feed mineral mixture in pellet and mash form. The products manufactured by us are used for feeding of cattle which provides the animals with the requisite nutrients. Our company operates from its manufacturing facility located at village Ikolaha, tehsil Khanna, Ludhiana - 141401, Punjab, India and another manufacturing facility located at Begusarai, Bihar for manufacturing of cattle feeds.

The main objects clause of our Memorandum enables our Company to undertake its existing activities and these activities which have been carried out until now by our Company are valid in terms of the object’s clause of our Memorandum of Association.

Net Proceeds

The details of the Net Proceeds are set forth below:

Particulars	Amt (Rs. In Lacs)
Gross Proceeds of the Issue	[●]
Less: Issue related expenses in relation to Issue	[●]
Net Proceeds	[●]

Requirement of Funds and Utilization of Net Proceeds

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

Sr. No	Particulars	Amt (Rs. In Lacs)
1.	To meet Working Capital requirements	[●]
2.	General Corporate Purpose	[●]
	Total	[●]

Our fund requirements and deployment thereof are based on internal management estimates of our current business plans and have not been appraised by any bank or financial institution. These are based on current conditions and are subject to change in light of changes in external circumstances or costs or in other financial conditions, business strategy, as discussed further below.

Means of Finance

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

Sr. No	Particulars	Amt (Rs. In Lacs)
1.	Net Issue Proceeds	[●]
	Total	[●]

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

In case of any increase in the actual utilization of funds earmarked for the Objects, such additional funds for a particular activity will be met by way of means available to our Company, including from internal accruals. If the actual utilization towards any of the Objects is lower than the proposed deployment such balance will be used for future growth opportunities including funding existing objects, if required. In case of delays in raising funds from the Issue, our Company may deploy certain amounts towards any of the above-mentioned Objects through a combination of Internal Accruals or Unsecured Loans (Bridge Financing) and in such case the

Funds raised shall be utilized towards repayment of such unsecured Loans or recouping of Internal Accruals. However, we confirm that no bridge financing has been availed as on date, which is subject to being repaid from the Issue Proceeds.

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

For further details on the risks involved in our business plans and executing our business strategies, please see the section titled **"Risk Factors"** beginning on page 24 of this Draft Red Herring Prospectus.

Details of Utilization of Net Proceeds

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

1. To Meet Working Capital Requirements

Our business is working capital intensive as the major capital is invested in inventories and trade receivables. The Company will meet the requirement to the extent of Rs. [●] from the Net Proceeds of the Issue and balance from internal accruals and borrowings at an appropriate time as per the requirement.

Details of Estimation of Working Capital requirement are as follows:

(Rs. in Lakhs)					
Sr. No.	Particulars	Actual			Estimated
		31-March-2021	31-March-2022	31-March-2023	31-March-2024
I	Current Assets				
	Trade receivables	1322.28	1457.88	1680.82	2270.00
	Inventories	148.54	589.80	1506.94	1997.00
	Cash and bank balances	184.84	91.56	107.75	124.00
	Short Term Loans & Advances	282.65	477.82	550.33	678.00
	Other current assets	0.02	0.02	0.10	20.00
	Total(A)	1938.33	2617.08	3845.94	5089.00
II	Current Liabilities				
	Trade payables	1095.23	1488.24	1886.63	1950.00
	Other current liabilities	71.24	91.47	105.60	120.00
	Short-term provisions	16.02	48.54	152.15	193.00
	Total (B)	1182.49	1628.25	2144.38	2263.00
III	Total Working Capital Gap (A-B)	755.84	988.83	1701.56	2826.00
IV	Funding Pattern				
	Borrowings	755.84	988.83	1701.56	[●]
	Internal accruals				
	IPO Proceeds				[●]

Key assumptions for working capital projections made by Our Company:

Particulars	31-03-2021	31-03-2022	31-03-2023	31-03-2024
Debtors (in days)	56 days	45 days	39 days	40 days
Creditors (in days)	58 days	55 days	54 days	44 days
Inventories (in days)	8 days	23 days	46 days	46 days

Justification:

Sr. No.	Particulars
Inventories	Inventories levels are maintained by our Company depending upon the demand, production and delivery schedules. We have assumed Inventories turnover days to be around 46 days for F.Y. 2023-24 as compared to 46 days in F.Y. 2022-23, 18 days in F.Y. 2021-22 and 8 days in F.Y. 2020-21. Our inventories are significant and are expected to grow in line with the growth in our business

Debtors	Our Company's general credit terms vary across type of customer. We expect Debtors Holding days to be around 40 days for F.Y. 2023-24, as compared to 39 days in F.Y. 2022-23, 45 days in F.Y. 2021-22 and 56 days in F.Y. 2020-21. We believe that we will be able to increase the turnover due to our consistent quality and maintain the debtors collection period to 39-40 days.
Creditors	Our Creditors payments days for the F.Y. 2021-22 and F.Y. 2022-23 were 55 days and 54 days respectively and we expect to maintain it at around 44 days for F.Y. 2023-24.

2. General Corporate Purpose

Our management, in accordance with the policies of our Board, will have flexibility in utilizing the proceeds earmarked for general corporate purposes. We intend to deploy the balance Fresh Issue proceeds aggregating Rs. [●] towards the general corporate purposes to drive our business growth. In accordance with the policies set up by our Board, we have flexibility in applying the remaining Net Proceeds, for general corporate purpose including but not restricted to, meeting operating expenses, initial development costs for projects other than the identified projects, and the strengthening of our business development and marketing capabilities, meeting exigencies, which the Company in the ordinary course of business may not foresee or any other purposes as approved by our Board of Directors, subject to compliance with the necessary provisions of the Companies Act, 2013.

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

Public Issue Expenses

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

Activity	(Rs. in Lakh)*	As a % of Estimates Issue Expenses	As a % of Issue Size
Book Running Lead Manger Fees	[●]	[●]	[●]
Fees Payable to Registrar to the Issue	[●]	[●]	[●]
Fees Payable for Advertising and Publishing Expenses	[●]	[●]	[●]
Fees Payable to Regulators including Stock Exchange	[●]	[●]	[●]
Payment for Printing & Stationery, Postage, etc.	[●]	[●]	[●]
Fees Payable to Auditor, Legal Advisors and other Professionals	[●]	[●]	[●]
Fees Payable to Underwriters	[●]	[●]	[●]
Others (Fees payable for Commission/processing fee to SCSBs, Sponsor Bank, brokerage and selling commission and bidding charges for Members of the Syndicate, Registered Brokers, RTAs and CDPs and Miscellaneous Expenses)	[●]	[●]	[●]
Total	[●]	[●]	[●]

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

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

Portion for Retail Individual Applicants*	0.10% of the Amount Allotted* (plus applicable taxes)
Portion for Non- Institutional Applicants*	0.10% of the Amount Allotted* (plus applicable taxes)

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

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

Portion for Retail Individual Applicants	₹10 per valid Bid cum Application Form (plus applicable taxes)
Portion for Non-Institutional Applicants	₹10 per valid Bid cum Application Form (plus applicable taxes)

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

⁽⁴⁾ The processing fees for applications made by Retail Individual Applicants using the UPI Mechanism would be as follows:

Members of the Syndicate/ RTAs/ CDPs (uploading charges)	₹ 10 per valid application (plus applicable taxes)
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Sponsor Bank	₹ 7 per valid Bid cum Application Form * (plus applicable taxes) The Sponsor Bank shall be responsible for making payments to the third parties such as remitter bank, NPCI and such other parties as required in connection with the performance of its duties under the SEBI circulars, the Syndicate Agreement and other applicable laws.
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*For each valid application by respective Sponsor Bank

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

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

Portion for Retail Individual Applicants	0.10% of the Amount Allotted* (plus applicable taxes)
Portion for Non-Institutional Applicants	0.10% of the Amount Allotted* (plus applicable taxes)

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

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

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

Portion for Retail Individual Applicants*	₹10 per valid application (plus applicable taxes)
Portion for Non-Institutional Applicants*	₹10 per valid application (plus applicable taxes)

* Based on valid applications

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

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

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

All such commissions and processing fees set out above shall be paid as per the timelines in terms of the Syndicate Agreement and/or Escrow and Sponsor Bank Agreement. Further, the processing fees for applications made by UPI Applicants using the UPI Mechanism may be released to the remitter banks (SCSBs) only after such banks provide a written confirmation on compliance with SEBI Circular No: SEBI/HO/CFD/DIL2/P/CIR/2021/570 dated June 2, 2021 read with SEBI Circular No: SEBI/HO/CFD/DIL2/P/CIR/2021/2480/1/M dated March 16, 2021.

Proposed Schedule of Implementation:

The proposed year wise break up of deployment of funds and Schedule of Implementation of Net Issue Proceeds is as under:

(Rs. In Lakhs)

S. No.	Particulars	Amount to be deployed and utilized in
		F.Y. 2023-24
1.	To meet Working Capital Requirements	[●]
2.	General Corporate Purpose	[●]
	Total	[●]

Funds Deployed and Source of Funds Deployed:

[●], Chartered Accountants vide their certificate dated [●] have confirmed that as on date of certificate the following funds have been deployed for the proposed object of the Issue:

S. No.	Particulars	Amt (Rs. in Lacs)
1.	Issue Expenses	[●]

	Total	[•]
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Sources of Financing for the Funds Deployed:

[•], Chartered Accountants vide their certificate dated [•] have confirmed that as on date of certificate the following funds have been deployed for the proposed object of the Issue:

S. No.	Particulars	Amt (Rs. in Lacs)
1.	Internal Accruals	[•]
	Total	[•]

Appraisal

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

Shortfall of Funds

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

Bridge Financing Facilities

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

Monitoring Utilization of Funds

The Audit committee & the Board of Directors of our Company will monitor the utilization of funds raised through this public issue. Pursuant to Regulation 32 of SEBI Listing Regulation 2015, our Company shall on half-yearly basis disclose to the Audit Committee the Applications of the proceeds of the Issue. On an annual basis, our Company shall prepare a statement of funds utilized for purposes other than stated in the Draft Red Herring Prospectus and place it before the Audit Committee. Such disclosures shall be made only until such time that all the proceeds of the Issue have been utilized in full. The statement of funds utilized will be certified by the Statutory Auditors of our Company.

Interim Use of Proceeds

Pending utilization of the Issue proceeds of the Issue for the purposes described above, our Company will deposit the Net Proceeds with scheduled commercial banks included in schedule II of the RBI Act.

Our Company confirms that it shall not use the Net Proceeds for buying, trading or otherwise dealing in shares of any listed company or for any investment in the equity markets or investing in any real estate product or real estate linked products.

Variation in Objects

In accordance with Section 27 of the Companies Act, 2013, our Company shall not vary the objects of the Issue without our Company being authorized to do so by the Shareholders by way of a special resolution. In addition, the notice issued to the Shareholders in relation to the passing of such special resolution shall specify the prescribed details as required under the Companies Act and shall be published in accordance with the Companies Act and the rules there under. As per the current provisions of the Companies Act, our Promoters or controlling Shareholders would be required to provide an exit opportunity to such shareholders who do not agree to the proposal to vary the objects, at such price, and in such manner, as may be prescribed by SEBI, in this regard.

Other confirmations

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

BASIS FOR ISSUE PRICE

Investors should read the following summary with the section titled “**Risk Factors**”, the details about our Company under the section titled “**Our Business**” and its financial statements under the section titled “**Financial Information of the Company**” beginning on page 24, 87 and 124 respectively of the Draft Red Herring Prospectus. The trading price of the Equity Shares of Our Company could decline due to these risks and the investor may lose all or part of his investment.

Price Band/ Issue Price shall be determined by our Company in consultation with the Book Running Lead Manager on the basis of the assessment of market demand for the Equity Shares through the Book Building Process and on the basis of the qualitative and quantitative factors as described in this section. The face value of the Equity Shares is ₹ 10/- each and the Issue Price is [●] times of the face value at the lower end of the Price Band and [●] times of the face value at the upper end of the Price Band.

QUALITATIVE FACTORS

We believe the following business strengths allow us to successfully compete in the industry and the following are our primary competitive strength:

1. Integrated manufacturing facility
2. Experienced Promoter and Management Team
3. Quality Assurance and Standards

For a detailed discussion on the qualitative factors which form the basis for computing the price, please refer to sections titled “**Our Business**” beginning on page 87 of the Draft Red Herring Prospectus.

QUANTITATIVE FACTORS

The information presented below relating to our Company is based on the Restated Financial Statements. For details, please refer section titled “**Financial Information of the Company**” on page 124 of this Draft Red Herring Prospectus.

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

1. Basic & Diluted Earnings per share (EPS) (Face value of Rs. 10 each), as adjusted for change in capital:

As per the Restated Financial Statements;

Sr. No	Period	EPS	Weights
1.	Period ending March 31, 2023	4.69	3
2.	Period ending March 31, 2022	1.72	2
3.	Period ending March 31, 2021	0.55	1
	Weighted Average	3.01	

Notes:

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

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

Particulars	(P/E) Ratio at the Floor Price	(P/E) Ratio at the Cap Price
P/E ratio based on the Basic & Diluted EPS, as restated for period ending March 31, 2023.	[●]	[●]
P/E ratio based on the Weighted Average EPS, as restated.	[●]	[●]

Industry P/E Ratio*	
Highest (Narmada Agrobases Ltd)	41.02
Lowest (Godrej Agrovet Ltd.)	30.95
Industry Average	35.99

*For the purpose of industry, we believe the companies engaged in the same sector or engaged in the similar line of business segment, however, they may not be exactly comparable in terms of size or business portfolio on a whole with that of our business. Average PE have been calculated based on the PE of the Peer company i.e., Narmada Agrobases Ltd, KSE Ltd & Godrej Agrovet Ltd. However, KSE Ltd have been ignored for this calculation as PE being negative.

Note:

- The P/E ratio has been computed by dividing Issue Price with EPS.
- P/E Ratio of the company is based on the Annual report of the company for the year 2023 and stock exchange data dated July 31, 2023.

2. Return on Net worth (RoNW)*

Sr. No	Period	RoNW	Weights
1.	Period ending March 31, 2023	35.80	3
2.	Period ending March 31, 2022	20.48	2
3.	Period ending March 31, 2021	8.23	1
	Weighted Average	26.10	

*Restated Profit after tax/Net Worth

Note:

- The figures disclosed above are based on the Restated Financial Statements of the Company.
- The RoNW has been computed by dividing restated net profit after tax (excluding exceptional items) with restated Net worth as at the end of the year/period
- 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.

3. Net Asset Value (NAV) per Equity Share:

Sr. No.	NAV per Equity Share*	NAV
a)	As at March 31, 2023	13.10
b)	As at March 31, 2022	8.41
c)	As at March 31, 2021	6.69
d)	NAV per Equity Share after the Issue	[●]
e)	Floor Price	[●]
f)	Cap Price	[●]
g)	Issue Price	[●]

*The above NAV has been calculated giving the effect of Bonus Shares

Note:

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

4. Comparison of Accounting Ratios with Industry Peers

Name of Company	Current Market Price (Rs.)	Face Value (Rs.)	EPS * (Rs.)	PE	RoNW (%) *	Book Value (Rs.)	Total Income (Rs. in Lakhs)
Khanna Feed Ltd.	[●]	10.00		[●]	35.80%	13.10	15536.46
Peer Group							
Narmada Agrobases Ltd	20.04	10.00	0.48	41.02	4.11%	11.72	5007.63
KSE LTD.	1500	10.00	(7.44)	-	-	668.91	161540.18

Godrej Agrovvet Ltd. (Consolidated)	472.80	10.00	15.71	30.95	10.76%	142.77	948118.00
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Notes:

- (i) Source – Annual report of the company for the year 2023 and stock exchange data dated July 31, 2023. For our Company, we have taken CMP as the issue price of equity share. Further, P/E Ratio is based on the CMP of the respective scrips.
- (ii) The EPS, NAV, RoNW and revenue from operations of the Company are taken as per Restated Financial Statement for the Financial Year 2022-23 as adjusted with the effect of Bonus Issue.
- (iii) NAV per share is computed as the closing net worth divided by the closing outstanding number of paid-up equity shares as adjusted with the effect of Bonus Issue.
- (iv) P/E Ratio of the company is based on the Annual report of the company for the year 2023 and stock exchange data dated July 31, 2023.
- (v) RoNW has been computed as net profit after tax divided by closing net worth.
- (vi) Net worth has been computed in the manner as specifies in Regulation 2(1) (hh) of SEBI (ICDR) Regulations, 2018.
- (vii) The face value of Equity Shares of our Company is Rs. 10/- per Equity Share and the Issue price is [●] times the face value of equity share.

5. Key Performance Indicators

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

The KPIs disclosed below have been approved by a resolution of our Audit Committee dated July 29, 2023 and the members of the Audit Committee have verified the details of all KPIs pertaining to our Company. Further, the members of the Audit Committee have confirmed that there are no KPIs pertaining to our Company that have been disclosed to any investors at any point of time during the three years period prior to the date of filing of this Draft Red Herring Prospectus. Further, the KPIs herein have been certified by our Statutory auditor, by their certificate dated July 29, 2023.

The KPIs of our Company have been disclosed in the sections titled “**Our Business**” and “**Management’s Discussion and Analysis of Financial Condition and Results of Operations – Key Performance Indicators**” on pages 87 and 158, respectively. We have described and defined the KPIs, as applicable, in “**Definitions and Abbreviations**” on page 1.

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

Key Performance Indicators of our Company

(All amounts in Rs. Lakhs)

Key Financial Performance	For the year		
	March 31, 2023	March 31, 2022	March 31, 2021
Revenue from operations ⁽¹⁾	15,536.46	11,883.13	8,619.21
EBITDA ⁽²⁾	720.38	328.14	179.11
EBITDA Margin ⁽³⁾	4.64%	2.76%	2.08%
PAT	355.38	130.52	41.71
PAT Margin ⁽⁴⁾	2.29%	1.10%	0.48%
RoE (%) ⁽⁵⁾	43.60%	22.81%	8.58%
RoCE (%) ⁽⁶⁾	19.00%	15.75%	7.77%

Notes:

(1) Revenue from operation means revenue from sales, service and other operating revenues

(2) EBITDA is calculated as Profit before tax + Depreciation + Interest Expenses

(3) ‘EBITDA Margin’ is calculated as EBITDA divided by Revenue from Operations

(4) ‘PAT Margin’ is calculated as PAT for the period/year divided by revenue from operations.

(5) Return on Equity is ratio of Profit after Tax and average shareholder Equity

(6) Return on Capital Employed is calculated as EBIT divided by capital employed, which is defined as shareholders’ equity plus total borrowings [current & non-current].

Explanation for KPI metrics

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

b) Set forth below are the details of comparison of key performance of indicators with our listed industry peers:

Khanna Feed Limited	For the year		
	March 31, 2023	March 31, 2022	March 31, 2021
Revenue from operations	15,536.46	11,883.13	8,619.21
EBITDA	720.38	328.14	179.11
EBITDA Margin	4.64%	2.76%	2.08%
PAT	355.38	130.52	41.71
PAT Margin	2.29%	1.10%	0.48%
RoE (%)	43.60%	22.81%	8.58%
RoCE (%)	19.00%	15.75%	7.77%
Narmada Agrobases Limited	For the year		
	March 31, 2023	March 31, 2022	March 31, 2021
Revenue from operations	5002.60	3497.37	5825.69
EBITDA	206.86	205.30	228.14
EBITDA Margin	4.14%	5.87%	3.92%
PAT	65.22	60.76	68.30
PAT Margin	1.30%	1.74%	1.17%
RoE (%)	4.19%	4.07%	4.73%
RoCE (%)	6.75%	6.79%	8.93%
KSE Limited	For the year		
	March 31, 2023	March 31, 2022	March 31, 2021
Revenue from operations	160988.36	167005.82	154326.47
EBITDA	226.33	1704.99	14690.21
EBITDA Margin	0.14%	1.02%	9.52%
PAT	(238.14)	657.13	11293.03
PAT Margin	-	0.39%	7.32%
RoE (%)	-	2.82%	58.65%
RoCE (%)	-	5.80%	50.96%
Godrej Agrovet Limited (Consolidated)	For the year		
	March 31, 2023	March 31, 2022	March 31, 2021
Revenue from operations	935281	829293	623960
EBITDA	63029	74506	60333
EBITDA Margin	6.74%	8.98%	9.67%
PAT	29536	41915	34757
PAT Margin	3.16%	5.05%	5.57%
RoE (%)	10.87%	16.28%	14.85%
RoCE (%)	10.94%	13.44%	13.03%

c) Weighted average cost of acquisition

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

There has been no issuance of Equity Shares, other than Equity Shares issued pursuant to a bonus issue on March 25, 2023 during the 18 months preceding the date of this Draft Red Herring Prospectus, where such issuance is equal to or more than 5% of the fully diluted paid-up share capital of the Company (calculated based on the pre-issue capital before such transaction(s) and excluding employee stock options granted but not vested), in a single transaction or multiple transactions combined together over a span of 30 days.

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

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

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

Primary Transactions:

Except as disclosed below, there have been no primary transactions in the last three years preceding the date of this Draft Red Herring Prospectus:

Date of Allotment	No. of equity shares allotted	Face value per equity share (₹)	Issue price per equity share (₹)	Nature of allotment	Nature of consideration	Total Consideration (in ₹ lakhs)
March 25, 2023	72,18,180	10	Nil	Bonus Issue of Shares in ratio of 20:1	Bonus Issue	Nil

Secondary Transactions:

Except as disclosed below, there have been no secondary transactions by the Promoters, members of the Promoter Group or shareholder(s) having the right to nominate director(s) in the Board of Directors of our Company are a party to the transaction, in the last three years preceding the date of this Draft Red Herring Prospectus:

Date of transfer	Name of transferor	Name of transferee	No. of Equity shares	Face value	Price Per Equity Share	Nature of transaction	Total Consideration (in ₹ lakhs)
March 22, 2023	Amit Kedia & Sons HUF	Paramvir Singh Mander	28,990	10.00	187.00	Transfer of shares	54.21
	Vinayak Kedia & Sons HUF		69,564	10.00	187.00		130.08
March 22, 2023	Maninder Singh	Sanjeev Goyal	10	10.00	10.00	Transfer of shares	0.00

Weighted average cost of acquisition & Issue price

Types of transactions	Weighted average cost of acquisition (₹ per Equity Shares)	Issue price* (i.e., ₹ [●])
Weighted average cost of acquisition of primary / new issue as per paragraph 8(a) above.	NA^	NA^
Weighted average cost of acquisition for secondary sale / acquisition as per paragraph 8(b) above.	NA^^	NA^^
Weighted average cost of acquisition of primary issuances / secondary transactions as per paragraph 8(c) above	2.52	[●]

Note:

^There were no primary / new issue of shares (equity/ convertible securities) other than Equity Shares issued pursuant to a bonus issue on March 25, 2023, in last 18 months and three years, where such issuance is equal to or more than 5% of the fully diluted paid-up share capital of the Company prior to the date of this Draft Red Herring Prospectus.

^^ There were no secondary sales / acquisition of shares (equity/ convertible securities) transactions in last 18 months, where either acquisition or sale is equal to or more than 5% of the fully diluted paid up share capital of the Company from the date of this Draft Red Herring Prospectus.

* To be updated at Red Herring Prospectus/Prospectus stage.

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

The Price Band/ Floor Price/ Issue Price shall be determined by our Company in consultation with the BRLM and will be justified by us in consultation with the BRLM on the basis of the above information. Investors should read the above mentioned information along with “**Our Business**”, “**Risk Factors**” and “**Restated Financial Statements**” on pages 87, 24 and 124 respectively, to have a more informed view. The trading price of the Equity Shares of our Company could decline due to the factors mentioned in “**Risk Factors**” or any other factors that may arise in the future and you may lose all or part of your investments.

STATEMENT OF SPECIAL TAX BENEFITS

To,
The Board of Directors
Khanna Feed Limited
Village Ikolaha, Tehsil Khanna, Khanna
Ludhiana Punjab 141401, India

Dear Sirs,

Sub: Statement of Tax Benefits ('The Statement') available to Khanna Feed Limited ("The Company") and its shareholders under the Direct and Indirect Tax Laws in India

We hereby report that the enclosed annexure prepared by the management of Khanna Feed Limited, states the special tax benefits available to the Company and the shareholders of the Company under the Income-Tax Act, 1961, the Central Goods and Services Tax Act, 2017, the Integrated Goods and Services Tax Act, 2017, the Union Territory Goods and Services Tax Act, 2017, respective State Goods and Services Tax Act, 2017 (collectively the "GST Act") presently in force in India. Several of these 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 business imperatives which the Company may face in the future, the Company may or may not choose to fulfill.

The benefits discussed in the enclosed Annexure cover only special tax benefits available to the Company and do not cover any general tax benefits available to the Company. Further, the preparation of enclosed statement and the contents stated therein is the responsibility of the Company's management. We are informed that, this 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 proposed initial public offering of Equity shares ("the Issue") by the Company.

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

- a) The Company or its shareholders will continue to obtain these benefits in future; or
- b) The conditions prescribed for availing the benefits have been/would be met.

The contents of the enclosed statement are based on information, explanations and representations obtained from the Company and on the basis of our understanding of the business activities and operations of the Company.

Our views are based on facts and assumptions indicated to us and the existing provisions of tax law and its interpretations, which are subject to change or modification from time to time by subsequent legislative, regulatory, administrative, or judicial decisions. Any such changes, which could also be retrospective, could have an effect on the validity of our views stated herein.

We assume no obligation to update this statement on any events subsequent to its issue, which may have a material effect on the discussions herein. This report including enclosed annexure are intended solely for your information and for the inclusion in the Draft Offer Document/ Offer Document or any other issue related material in connection with the proposed initial public offer of the Company and is not to be used, referred to or distributed for any other purpose without our prior written consent.

FOR JASMINDER SINGH & ASSOCIATES
CHARTERED ACCOUNTANTS

Firm Registration No.: 016192N

(CA. Jasinder Singh)
Partner
Membership No.: 096895

PLACE: Ludhiana
DATED : July 28, 2023

ANNEXURE TO THE STATEMENT OF SPECIAL TAX BENEFITS

The information provided below sets out the special tax benefits available to the Company and the Equity Shareholders under the Income Tax Act, 1961 presently in force in India. It is not exhaustive or comprehensive and is not intended to be a substitute for professional advice. Investors are advised to consult their own tax consultant with respect to the tax implications of an investment in Equity Shares particularly in view of the fact that certain recently enacted legislation may not have a direct legal precedent or may have a different interpretation on the benefits, which an investor can avail.

A. SPECIAL DIRECT AND INDIRECT TAX BENEFITS TO THE COMPANY

The Company is not entitled to any special tax benefits under the Income Tax Act, 1961 and GST Act.

B. SPECIAL DIRECT AND INDIRECT TAX BENEFITS TO THE SHAREHOLDERS

The Shareholders of the Company are not entitled to any special tax benefits under the Income Tax Act, 1961 and GST Act.

Notes:

1. For the purpose of reporting here, we have not considered the general tax benefits available to the company or shareholders.
2. The above statement covers only certain relevant direct tax law benefits and indirect tax law benefits or benefit.
3. No assurance is given that the revenue authorities/courts will concur with the views expressed herein. Our views are based on the existing provisions of law and its interpretation, which are subject to changes from time to time. We do not assume responsibility to update the views consequent to such changes. We shall not be liable to any claims, liabilities or expenses relating to this assignment except to the extent of fees relating to this assignment, as finally judicially determined to have resulted primarily from bad faith or intentional misconduct. We will not be liable to any other person in respect of this statement.

SECTION V – ABOUT THE COMPANY

INDUSTRY OVERVIEW

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

GLOBAL ECONOMIC ENVIRONMENT

The global economy is yet again at a highly uncertain moment, with the cumulative effects of the past three years of adverse shocks—most notably, the COVID-19 pandemic and Russia’s invasion of Ukraine—manifesting in unforeseen ways. Spurred by pent-up demand, lingering supply disruptions, and commodity price spikes, inflation reached multidecade highs last year in many economies, leading central banks to tighten aggressively to bring it back toward their targets and keep inflation expectations anchored.

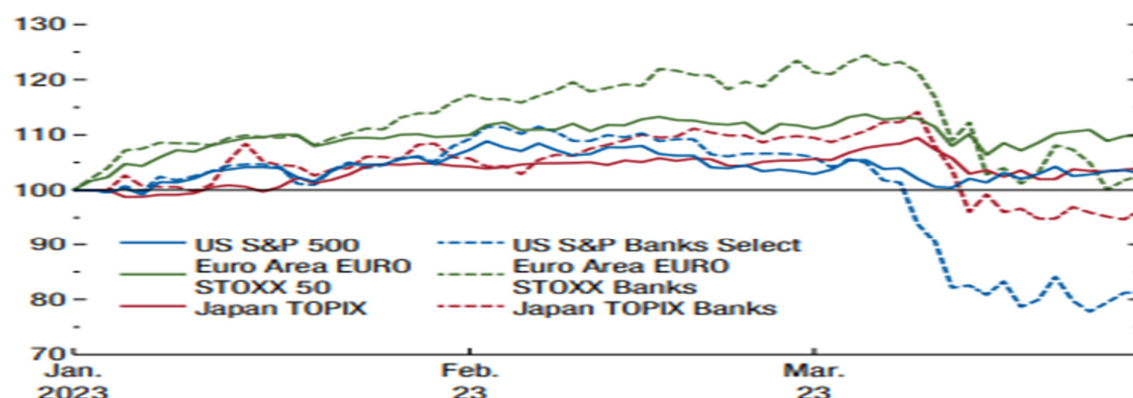
Although telegraphed by central banks, the rapid rise in interest rates and anticipated slowing of economic activity to put inflation on a downward path have, together with supervisory and regulatory gaps and the materialization of bank-specific risks, contributed to stresses in parts of the financial system, raising financial stability concerns. Banks’ generally strong liquidity and capital positions suggested that they would be able to absorb the effects of monetary policy tightening and adapt smoothly. However, some financial institutions with business models that relied heavily on a continuation of the extremely low nominal interest rates of the past years have come under acute stress, as they have proved either unprepared or unable to adjust to the fast pace of rate rises

The unexpected failures of two specialised regional banks in the United States in mid-March 2023 and the collapse of confidence in Credit Suisse—a globally significant bank—have roiled financial markets, with bank depositors and investors reevaluating the safety of their holdings and shifting away from institutions and investments perceived as vulnerable. The loss of confidence in Credit Suisse resulted in a brokered takeover. Broad equity indices across major markets have fallen below their levels prior to the turmoil, but bank equities have come under extreme pressure (Figure 1.1). Despite strong policy actions to support the banking sector and reassure markets, some depositors and investors have become highly sensitive to any news, as they struggle to discern the breadth of vulnerabilities across banks and nonbank financial institutions and their implications for the likely near-term path of the economy. Financial conditions have tightened, which is likely to entail lower lending and activity if they persist.

Prior to recent financial sector ructions, activity in the world economy had shown nascent signs of stabilizing in early 2023 after the adverse shocks of last year (Figure 1.2, panels 1 and 2). Russia’s invasion of Ukraine and the ongoing war caused severe commodity and energy price shocks and trade disruptions, provoking the beginning of a significant reorientation and adjustment across many economies. More contagious COVID-19 strains emerged and spread widely. Outbreaks particularly affected activity in economies in which populations had lower levels of immunity and in which strict lockdowns were implemented, such as in China. Although these developments imperiled the recovery, activity in many economies turned out better than expected in the second half of 2022, typically reflecting stronger-than-anticipated domestic conditions. Labor markets in advanced economies—most notably, the United States—have stayed very strong, with unemployment rates historically low. Even so, confidence remains depressed across all regions compared with where it was at the beginning of 2022, before Russia invaded Ukraine and the resurgence of COVID-19 in the second quarter (Figure 1.2, panel 3).

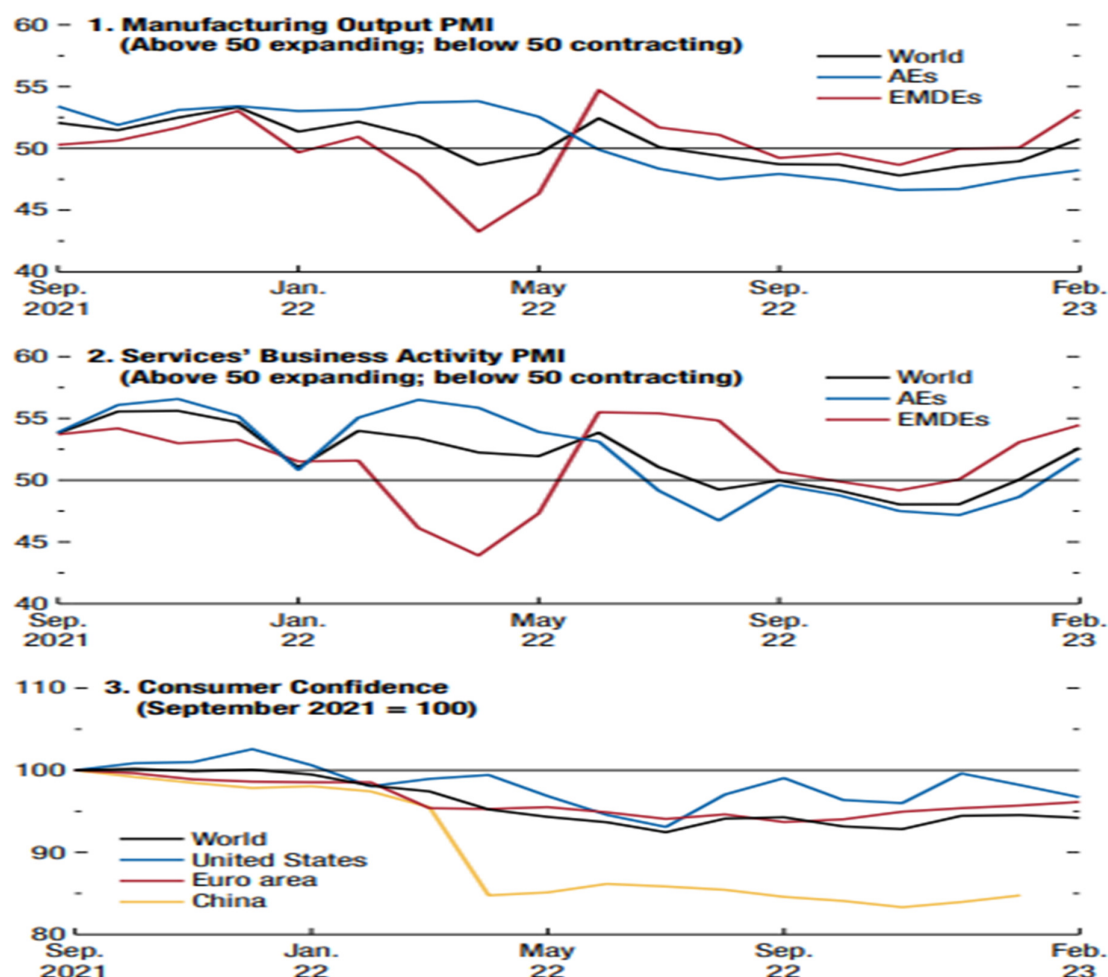
With the recent increase in financial market volatility and multiple indicators pointing in different directions, the fog around the world economic outlook has thickened. Uncertainty is high, and the balance of risks has shifted firmly to the downside so long as the financial sector remains unsettled. The major forces that affected the world in 2022—central banks’ tight monetary stances to allay inflation, limited fiscal buffers to absorb shocks amid historically high debt levels, commodity price spikes and geoeconomic fragmentation with Russia’s war in Ukraine, and China’s economic reopening—seem likely to continue into 2023. But these forces are now overlaid by and interacting with new financial stability concerns. A hard landing—particularly for advanced economies—has become a much larger risk. Policymakers may face difficult trade-offs to bring sticky inflation down and maintain growth while also preserving financial stability.

Figure 1.1. Broad Equity and Bank Equity Indices for Selected Major Economies (Index; January 1, 2023 = 100)



Sources: Bloomberg Finance L.P.; and IMF staff calculations.
Note: Latest data available are for March 28, 2023.

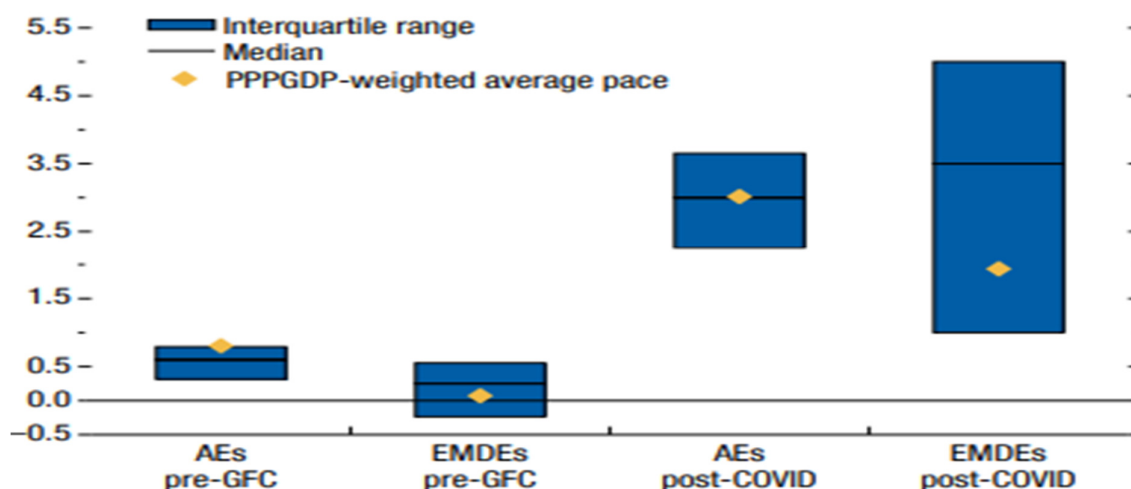
Figure 1.2. Early 2023 Activity Indicators Strengthened but Confidence Remained Depressed (Indices)



Sourchis Haver Analytics; IHS Markit; and IMF staff calculations. Note: For AEs in panel 1, sample comprises AUS, AUT, CAN, CHE, DEU, DNK, ESP, FRA, GBR, GRC, ITA, IRL, JPN, NLD, NZL, and USA. Contribution to AE manufacturing GVA is used as weights. For EMDEs in panel 1, sample comprises ARE, BRA, CHN, CZE, COL, EGY, GHA, IND, IDN, KEN, LBN, MYS, MEX, NGA, PHL, POL, RUS, SAU, THA, tUR, VNM, and ZAF. For AEs in panel 2, sample comprises AUS, DEU, ESP, FRA, GBR, ITA, IRL, JPN, NZL, and USA. Contribution to AE services GVA is used as weights. For EMDEs in panel 2, sample comprises BRA, CHN, CZE, COL, EGY, GHA, IND, IDN, KEN, LBN, MYS, MEX, NGA, PHL, POL, RUS, SAU, THA, TUR, VNM, and

ZAF. Economy list uses International Organization for Standardization (ISO) country codes. AEs = advanced economies; EMDEs = emerging market and developing economies; GVA = gross value added. PMI = purchasing managers' index.

Figure 1.3. Monetary Policy Tightening Rapidly across Many Economies (Percentage point change a year by episode, distribution by economy group)



Sources: Haver Analytics; and IMF staff calculations. Note: The figure shows the distribution (25th to 75th percentiles, median, and weighted average) of the annualized average percentage point change in policy rates by economy group over two episodes: May 2004 to July 2007 (pre-GFC) and Jan. 2022 to Jan. 2023 (post-COVID). AEs = advanced economies; EMDEs = emerging market and developing economies; GFC = global financial crisis; PPPGDP = nominal gross domestic product in purchasing-power-parity international dollars.

(Source - <https://www.imf.org/en/Publications/WEO/Issues/2023/04/11/world-economic-outlook-april-2023>)

OVERVIEW OF THE INDIAN ECONOMY

Dwelling on the Outlook for 2023-24, the Survey says, India's recovery from the pandemic was relatively quick, and growth in the upcoming year will be supported by solid domestic demand and a pickup in capital investment. It says that aided by healthy financials, incipient signs of a new private sector capital formation cycle are visible and more importantly, compensating for the private sector's caution in capital expenditure, the government raised capital expenditure substantially.

Budgeted capital expenditure rose 2.7 times in the last seven years, from FY16 to FY23, re-invigorating the Capex cycle. Structural reforms such as the introduction of the Goods and Services Tax and the Insolvency and Bankruptcy Code enhanced the efficiency and transparency of the economy and ensured financial discipline and better compliance, the Survey added.

Global growth is forecasted to slow from 3.2 per cent in 2022 to 2.7 per cent in 2023 as per IMF's World Economic Outlook, October 2022. A slower growth in economic output coupled with increased uncertainty will dampen trade growth. This is seen in the lower forecast for growth in global trade by the World Trade Organization, from 3.5 per cent in 2022 to 1.0 per cent in 2023.

On the external front, risks to the current account balance stem from multiple sources. While commodity prices have retreated from record highs, they are still above pre-conflict levels. Strong domestic demand amidst high commodity prices will raise India's total import bill and contribute to unfavorable developments in the current account balance. These may be exacerbated by plateauing export growth on account of slackening global demand. Should the current account deficit widen further, the currency may come under depreciation pressure.

Entrenched inflation may prolong the tightening cycle, and therefore, borrowing costs may stay 'higher for longer'. In such a scenario, global economy may be characterized by low growth in FY24. However, the scenario of subdued global growth presents two silver linings – oil prices will stay low, and India's CAD will be better than currently projected. The overall external situation will remain manageable.



India's Inclusive Growth

The Survey emphasizes that growth is inclusive when it creates jobs. Both official and unofficial sources confirm that employment levels have risen in the current financial year, as the Periodic Labor Force Survey (PLFS) shows that the urban unemployment rate for people aged 15 years and above declined from 9.8 per cent in the quarter ending September 2021 to 7.2 per cent one year later (quarter ending September 2022). This is accompanied by an improvement in the labour force participation rate (LFPR) as well, confirming the emergence of the economy out of the pandemic-induced slowdown early in FY23.

In FY21, the Government announced the Emergency Credit Line Guarantee Scheme, which succeeded in shielding micro, small and medium enterprises from financial distress. A recent CIBIL report (ECLGS Insights, August 2022) showed that the scheme has supported MSMEs in facing the COVID shock, with 83 per cent of the borrowers that availed of the ECLGS being micro-enterprises. Among these micro units, more than half had an overall exposure of less than Rs10 lakh.

Furthermore, the CIBIL data also shows that ECLGS borrowers had lower non-performing asset rates than enterprises that were eligible for ECLGS but did not avail of it. Further, the GST paid by MSMEs after declining in FY21 has been rising since and now has crossed the pre-pandemic level of FY20, reflecting the financial resilience of small businesses and the effectiveness of the pre-emptive government intervention targeted towards MSMEs.

Moreover, the scheme implemented by the government under the Mahatma Gandhi National Rural Employment Guarantee Act (MGNREGA) has been rapidly creating more assets in respect of "Works on individual's land" than in any other category. In addition, schemes like PM-KISAN, which benefits households covering half the rural population, and PM Garib Kalyan Anna Yojana have significantly contributed to lessening impoverishment in the country.

The UNDP Report of July 2022 stated that the recent inflationary episode in India would have a low poverty impact due to well-targeted support. In addition, the National Family Health Survey (NFHS) in India shows improved rural welfare indicators from FY16 to FY20, covering aspects like gender, fertility rate, household amenities, and women empowerment.

So far, India has reinforced the country's belief in its economic resilience as it has withstood the challenge of mitigating external imbalances caused by the Russian-Ukraine conflict without losing growth momentum in the process. India's stock markets had a positive return in CY22, unfazed by withdrawals by foreign portfolio investors. India's inflation rate did not creep too far above its tolerance range compared to several advanced nations and regions.

India is the third-largest economy in the world in PPP terms and the fifth-largest in market exchange rates. As expected of a nation of this size, the Indian economy in FY23 has nearly “recouped” what was lost, “renewed” what had paused, and “re-energized” what had slowed during the pandemic and since the conflict in Europe.

The global economy battles through a unique set of challenges

The Survey narrates about six challenges faced by the Global Economy. The three challenges like COVID-19 related disruptions in economies, Russian-Ukraine conflict and its adverse impact along with disruption in supply chain, mainly of food, fuel and fertilizer and the Central Banks across economies led by Federal Reserve responding with synchronized policy rate hikes to curb inflation, leading to appreciation of US Dollar and the widening of the Current Account Deficits (CAD) in net importing economies. The fourth challenge emerged as faced with the prospects of global stagflation, nations, feeling compelled to protect their respective economic space, thus slowing cross-border trade affecting overall growth. It adds that all along, the fifth challenge was festering as China experienced a considerable slowdown induced by its policies. The sixth medium-term challenge to growth was seen in the scarring from the pandemic brought in by the loss of education and income-earning opportunities.

The Survey notes that like the rest of the world, India, too, faced this extraordinary set of challenges but withstood them better than most economies.

In the last eleven months, the world economy has faced almost as many disruptions as caused by the pandemic in two years. The conflict caused the prices of critical commodities such as crude oil, natural gas, fertilizers, and wheat to soar. This strengthened the inflationary pressures that the global economic recovery had triggered, backed by massive fiscal stimuli and ultra-accommodative monetary policies undertaken to limit the output contraction in 2020. Inflation in Advanced Economies (AEs), which accounted for most of the global fiscal expansion and monetary easing, breached historical highs. Rising commodity prices also led to higher inflation in the Emerging Market Economies (EMEs), which otherwise were in the lower inflation zone by virtue of their governments undertaking a calibrated fiscal stimulus to address output contraction in 2020.

The Survey underlines that Inflation and monetary tightening led to a hardening of bond yields across economies and resulted in an outflow of equity capital from most of the economies around the world into the traditionally safe-haven market of the US. The capital flight subsequently led to the strengthening of the US Dollar against other currencies – the US Dollar index strengthened by 16.1 per cent between January and September 2022. The consequent depreciation of other currencies has been widening the CAD and increasing inflationary pressures in the net import–ng economies.

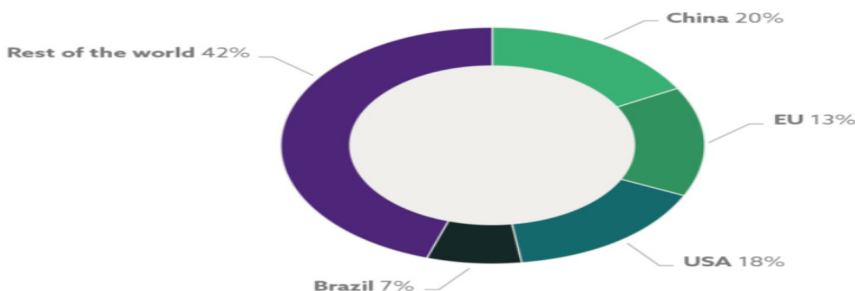
(Source - <https://pib.gov.in/PressReleasePage.aspx?PRID=1894932>)

Global Animal Feed Industry

Animal feeds play a leading role in the global food industry, enabling economic production of animal proteins throughout the world. Feed is the largest and most important component to ensuring safe, abundant and affordable animal proteins. Livestock raising and the consumption of animal products make a crucial contribution to the economic and nutritional wellbeing of millions of people around the world.

World compound feed production has reached over 1 billion tonnes annually. Global commercial feed manufacturing generates an estimated annual turnover of over US \$400 billion. Commercial production or sale of manufactured feed products takes place in more than 130 countries and directly employs more than a quarter of a million skilled workers, technicians, managers and professionals. The UN Food and Agricultural Organization (FAO) estimates that the world will have to produce ca. 60% more food by 2050 and we believe that animal protein production will grow even more – meats (poultry/swine/beef) will double, as well as dairy, and fish production will almost triple by 2050.

FOUR COUNTRIES PRODUCE OVER CA. 58% OF COMPOUND FEED GLOBALLY



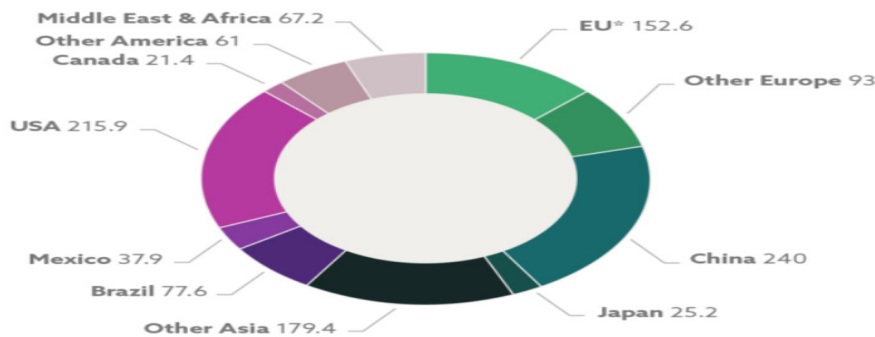
Source: 2021 IFIF estimates / National and Regional Associations

One of the challenges is that on top of the 1 billion tonnes of feed produced by the feed industry, around 300 million tonnes of feed is produced directly by on farm mixing. This poses challenges as food safety authorities do not regularly audit mixing by farmers and regulatory authorities only inspect when there is a problem. IFIF believes it is vital for the feed industry and for the sustainability of the whole feed and food chain that clear standards apply throughout the whole feed chain. We believe both industrial and on farm mixers should be controlled and inspected on a regular basis. In order to support the spreading of good manufacturing practice and higher feed safety standards around the globe, in 2020 IFIF and FAO published the new Manual 'Good Practices for the Feed Sector: Implementing the Codex Alimentarius Code of Practice on Good Animal Feeding' to increase safety and feed quality at the production level.

The last years have continued to see an increase in the demand for animal protein worldwide, including for livestock, dairy and fish. Generally, we have seen a growth of production particularly in the developing world, with the developed world remaining more or less stable. The United Nations Food and Agriculture Organization (FAO) estimates that between 2010 and 2050 production of animal proteins is expected to grow by around 1.7% per year, with meat production projected to rise by nearly 70%, aquaculture by 90% and dairy by 55%. This already marks a growth factor of almost two, however if we were to extrapolate the growth rates of the last forty years forward to 2050, this would in theory quadruple the needs.

2020 GLOBAL ANIMAL FEED PRODUCTION (1171.1 MT.)

GLOBAL COMPOUND FEED PRODUCTION 2020 (MIO. T)



* the UK is not part of the EU
Source: FEFAC / Alltech

(Source - <https://ifif.org/global-feed/>)

Dairy and cattle feed Industry

India has vast livestock resources including poultry. Livestock is an important source of income for landless and marginal farmers and plays an important role in national economy. Livestock Sector has continuously been growing at Compound Annual Growth Rate (CAGR) of 7.93% (at constant price) from 2014-15 to 2020-21, which is comparable to CAGR of manufacturing at 4.93% (at constant price) and Services at 4.82% (at constant price) and in contrast to Agriculture (Crop Sector) CAGR of 2.05% (at constant price). Agriculture (crop sector) contributed 8.96 % (at constant prices) of total GVA, whereas livestock sector contributed 4.90% (at constant prices) of total GVA in 2020-21. Agriculture diversification through animal husbandry is one of the primary drivers of growth in rural incomes and higher public investment in Livestock Sector is need of the hour for doubling farmers' income.

To further boost growth in livestock sector and thereby making animal husbandry more remunerative to 10 crore farmers engaged in Animal Husbandry Sector, recently, the Government has revised and realigned various components of Government of India's schemes for next 5 years starting from 2021-22 with the outlay of Rs. 9800 crore for leveraging total investment of Rs. 54,618 crore for 5 years. The revised and realigned scheme component related to Rashtriya Gokul Mission is crucial for development and conservation of indigenous breeds and would also contribute in improving the economic condition of the rural poor as most of the low producing indigenous breeds are with small and marginal farmers and landless labourers. The aim of RGM would be to deliver quality breeding inputs at the farmers' doorstep. Implementation of RGM is crucial to enhance milk production and productivity of bovines, thereby making dairying more remunerative to poor farmers of the country.

The realigned National Programme for Dairy Development (NPDD) will have two components. Component 'A' of National Programme for Dairy Development (NPDD) will be implemented with emphasis on milk procurement, processing, marketing and quality of milk and milk products. The scheme is targeted towards installation of about 8900 bulk milk coolers, which is likely to cover about 26,700 villages and thus providing benefit to more than 8 lakh milk producers and 20 LLPD milk will be additionally procured. Component 'B' of NPDD will avail financial assistance from Japan International Cooperation Agency (JICA) as per project agreement already signed with them and will strengthen or create fresh infrastructure in 4500 villages for dairy value chain with incremental procurement of about 14.20 LLPD from 1.5 Lakh additional milk producers.

To improve consumer confidence in dairy products manufactured and retailed in India and ensure consistency in implementation of food safety across the dairies, Department of Animal Husbandry and Dairying undertook initiatives for demonstrating quality and food-safety in the dairy sector by bringing about process improvement and a Unified Dairy Mark was got developed and notified by the Bureau of Indian Standards (BIS) with the help of National Dairy Development Board (NDDB) under the Conformity Assessment Scheme (CAS) of milk products, which was launched by Hon'ble Prime Minister Sh Narendra Modi.

The National Livestock Mission (NLM) scheme focuses on entrepreneurship development and breed improvement in rural poultry, sheep, goat and piggery including feed and fodder development, and also in creating better livelihood opportunity for unemployed youth and livestock farmers in the cattle, dairy, poultry, sheep, goat, piggery, feed and fodder sector paving the way towards Atma Nirbhar Bharat by giving 50% subsidy through hub and spoke model. Livestock Health and Disease Control is being implemented with the aim to reduce risk to animal health by prophylactic vaccination against diseases of livestock and poultry, capacity building of Veterinary services, disease surveillance and strengthening veterinary infrastructure. Under the scheme, during the next five years, Mobile veterinary clinics will be established in the country to deliver animal health services at doorstep which will prevent annual loss to the farmers amounting to Rs 5000 crores due to FMD and Brucellosis, Rs. 8900 crore due to PPR in sheep and goats and Rs 200 crore due to classical swine fever in pigs.

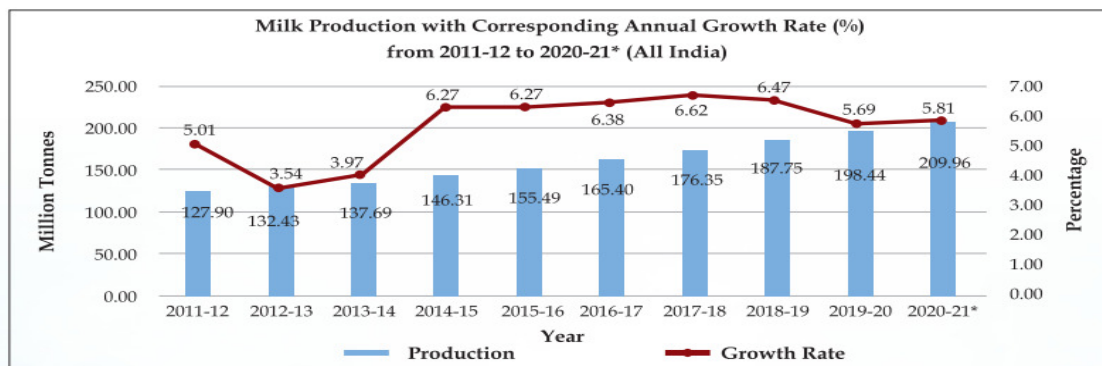
Under Dairy Processing and Infrastructure Development Fund, NDDB has also been allowed to provide loan directly to the Eligible End Borrower/ End Implementing Agency. In addition to Dairy Co-operative, Multi state dairy Cooperative, Milk Producer Companies, SHGs and FPOs registered under cooperative and companies act are also eligible under DIDF for avail assistance. Under Animal Husbandry Infrastructure Development Fund, recently, the activities for Breed Multiplication farm and Breed improvement technology, Manufacturing of milk testing equipment and Dairy equipment, manufacturing of feed supplements/ feed additives has been added. The end-to-end digital journey from application to disbursement of loan and interest subvention is online through ahidf.udyamimitra.in in which is user friendly with all necessary documents. Portal is integrated with the all-India network of common service centers for handholding the applicants from the rural parts of the country. NDDB has been added as the hand holding agency on the portal. NCDC has also been added as the preferred lender on the portal. For a better outreach and awareness various audio video aids are being used for propagation of the scheme.

Table 1.1: Livestock and Poultry Population

S. No.	Species	19 th Livestock Census 2012 (no. in millions)	20 th Livestock Census 2019 (no. in millions)	Growth Rate (%) 2012-19
1	Cattle	190.90	193.46	1.34
2	Buffalo	108.70	109.85	1.06
3	Yaks	0.08	0.06	-25.00
4	Mithun	0.30	0.39	30.00
	Total Bovines	299.98	303.76	1.26
5	Sheep	65.07	74.26	14.12
6	Goat	135.17	148.88	10.14
7	Pigs	10.29	9.06	-11.95
8	Other animals	1.54	0.80	-48.05
	Total Livestock	512.06	536.76	4.82
9	Poultry	729.21	851.81	16.81

As per the first revised estimates of press note on “First Revised Estimates of National Income, Consumption Expenditure and Capital Formation for 2020-21” released by National Statistical Office (NSO), MoSPI on 31st January, 2022, the Gross Value Added (GVA) of livestock sector is about Rs. 11,14,249 crore at current prices during FY 2020-21 which is about 30.87% of Agricultural and Allied Sector GVA and 6.17% of Total GVA. At constant prices (2011-12), the GVA of livestock sector is about Rs. 6,17,117 crore during FY 2020-21 with a positive growth of 6.13% over previous financial year.

India continues to be the largest producer of milk in world. Several measures have been initiated by the Government to increase the productivity of livestock, which has resulted in increasing milk production significantly. Milk production during 2019-20 and 2020-21(Provisional) is 198.44 million tonnes and 209.96 million tonnes respectively showing an annual growth of 5.81%. The per capita availability of milk is around 427grams/day in 2020-21 (Provisional). The production of milk and corresponding annual growth rate (%) per year from 2011-12 to 2020-21(Provisional) is given below:



*Note * Provisional*

Average Yield Rate for Milk: The average yield of milk per day per animal in milk at National level from different species during 2020- 21 (Provisional) is given below:

Table 1.2: Average Yield Rate for Milk

Exotic Cows (kg/day)	Crossbred Cows (kg/day)	Indigenous Cows(kg/day)	Non-Descript Cows (kg/day)	Indigenous Buffalo (kg/day)	Non-Descript Buffalo (kg/day)	Goat (kg/day)
9.15	7.22	3.34	2.71	6.41	4.13	0.47

Compound Cattle feed

Compound cattle feed is a mixture of various concentrate feed ingredients in suitable proportion. Commonly used ingredients in compound cattle feed include grains, brans, protein meals/cakes, chunnies, agro-industrial by-products, minerals and vitamins. Compound cattle feed is an economical source of concentrate supplements and it could be in the form of mash, pellets, crumbles, cubes, etc.

Compound cattle feed is palatable and good source of nutrients for growing, adult, dry, milk producing and pregnant animals. Through regular use of compound cattle feed in prescribed quantity along with basal diet, cost of milk production from dairy animals can be optimised and net profitability can be increased.

Presently, in India only two types of compound cattle feeds are manufactured for adult animals. Considering the increase in milk yield, regional variation in feed availability, preference of farmers it is required to produce different varieties of compound cattle feed. NDDB also promotes use of different compound feeds such as, calf starter, calf growth meal, feed for high yielding animals, feed for low yielding animals, buffalo feed, feed for dry pregnant animals etc.

NDDB provides cattle feed advisory services to Cattle Feeds Plants (CFPs) under the dairy cooperatives, by providing guidelines on quality of raw materials and finished products. CFPs are also assisted in least cost feed formulation, purchase specifications and test methods of cattle feed raw materials, finished products, including mineral mixture.

Compound cattle feed needs to be fed as follows:

Particulars	Cows (400 kg body wt.)	Buffaloes (500 kg body wt.)
For maintenance	1.5 - 2.0 kg	2.0 - 2.5 kg
For milk production (per litre)	400 grams	500 grams
For pregnancy	2.0 kg (last two months)	2.0 – 2.5 kg (last two months)

(Source - <https://www.nddb.coop/services/animalnutrition/cattlefeed>)

OUR BUSINESS

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

All financial information included herein is based on our “Financial information of the Company” included on page 124 of this Draft Red Herring Prospectus.

Business Overview

Our Company is an ISO 9001:2015 & ISO 22000:2018 certified company, engaged in manufacturing & processing of cattle feed mineral mixture in pellet and mash form. The products manufactured by us are used for feeding of cattle which provides the animals with the requisite nutrients. Our company operates from its manufacturing facility located at Village Ikolaha, Tehsil Khanna, Ludhiana - 141401, Punjab, India, with an aggregate production capacity of 250 MT per day (on triple shift basis), as of March 31, 2023. Apart, from the manufacturing facility located at Khanna we also operate from our manufacturing facility located at Begusarai, Bihar for manufacturing of cattle feeds having a capacity of around 250 MT per day (on triple shift basis).

Our Company was originally incorporated as “Shubham Infrastructure Developers Private Limited” on March 08, 2006 vide Registration Certificate No. 029858 under the provisions of the Companies Act, 1956 with the Registrar of Companies, Punjab, H.P. and Chandigarh (RoC). Further, pursuant to shareholder’s resolution passed at the Extra Ordinary General Meeting held on October 28, 2015, the name of our company was changed from “Shubham Infrastructure Developers Private Limited” to “Tara Feed Private Limited” vide a fresh certificate of incorporation dated November 06, 2015 issued by the Registrar of Companies, Chandigarh. Further, pursuant to Special Resolution passed by the Shareholders at the Extra Ordinary General Meeting, held on October 28, 2015 our Company was converted into a Public Limited Company and the name of our Company was changed from “Tara Feed Private Limited” to “Tara Feed Limited” vide a fresh certificate of incorporation dated December 01, 2015 issued by the Registrar of Companies, Chandigarh. Subsequently, pursuant to shareholder’s resolution passed at the Extra Ordinary General Meeting held on August 09, 2016, the name of our company was changed from “Tara Feed Limited” to “Khanna Feed Limited” vide a fresh certificate of incorporation dated August 24, 2016 issued by the Registrar of Companies, Chandigarh.

We are manufacturing and selling cattle feed in both pellet and mash form under the brand name of “Tara”, further categorized under different varieties like “Doodh Bahar”, “Raath”, “Buff 4500”, “Gujri” etc. We take utmost care that the products supplied by us are of the desired quality and meet the nutrition requirements. On receipt of the raw material from the suppliers, the material is inspected by our team for identifying the details of the material like nutrient contents etc. Post the quality check these material are issued for production of the animal feed.

Apart from the plant located at Ludhiana, we have also taken on lease a factory premises along with the plant and machinery located at Plot no - 104 Industrial Area, Barauni Bypass, Begusarai, Bihar which is also used for the manufacturing and selling of cattle feeds. The plant located at Bihar have been taken on lease of rent basis on vide agreement dated June 10, 2022, w.e.f. from June 01, 2022 for a period of 2 years at a rent of Rs. 1 lakh per month. The capacity of the plant at Bihar unit is around 250 MT per day (on triple shift basis), adding our total capacity to 500 MT per day (on triple shift basis). Further, the contribution of this unit in the total revenue has been around Rs. 30 crores of our total revenue during the Fiscal period 2023. Apart from the same we have also installed machines at our manufacturing facility at Khanna for crushing of the oil seeds and producing De-oiled cake and khal.

Our Plant is equipped with machines and equipment having an installed capacity of 500 MT per day (on triple shift basis) to provide cattle feeds of desired qualities including both our manufacturing facilities. Our management’s vision and production technology contribute to our ability to provide our customers with desired levels of nutrient compositions in a highly competitive industry. Also, our manufacturing facilities are equipped with testing department which undertake the testing of the raw material and cattle feeds produced at different stages which are also involved in the activities which are related to making the cattle feed products more nutritious and lead our customers to achieve the desired results.

Our company make continuous efforts to maintain the desired level of quality starting from the raw material inward stage, manufacturing process and packaging and storage stage. Our Company ensures that the product is in conformity with quality standards, hygienically produced and have the desired nutrient composition. We also maintain stringent care and hygienic conditions throughout the processing period, packaging and storage so that the products are free from contamination.

The current promoter of the Company is Paramvir Singh Mander, who have experience of about 6 years in the business of cattle feed and animal feed manufacturing business. The experience of our Promoter has been instrumental in determining the vision and growth strategies for our Company. We further believe that our market position has been achieved by adherence to the vision of our Promoter and senior management team and their experience of over a decades in the industry in which our Company operates.

Financial Snapshot

(All amounts in Rs. Lakhs)

Key Financial Performance	For the year		
	March 31, 2023	March 31, 2022	March 31, 2021
Revenue from operations ⁽¹⁾	15,536.46	11,883.13	8,619.21
EBITDA ⁽²⁾	720.38	328.14	179.11
EBITDA Margin ⁽³⁾	4.64%	2.76%	2.08%
PAT	355.38	130.52	41.71
PAT Margin ⁽⁴⁾	2.29%	1.10%	0.48%
RoE (%) ⁽⁵⁾	43.60%	22.81%	8.58%
RoCE (%) ⁽⁶⁾	19.00%	15.75%	7.77%

Notes:

(1) Revenue from operation means revenue from sales, service and other operating revenues

(2) EBITDA is calculated as Profit before tax + Depreciation + Interest Expenses

(3) 'EBITDA Margin' is calculated as EBITDA divided by Revenue from Operations

(4) 'PAT Margin' is calculated as PAT for the period/year divided by revenue from operations.

(5) Return on Equity is ratio of Profit after Tax and Average Shareholder Equity


(6) Return on Capital Employed is calculated as EBIT divided by capital employed, which is defined as shareholders' equity plus total borrowings {current & non-current}.


Geographical Revenue Break up

Sr. No.	State	Revenue (Amount in Lakhs)
		March 31, 2023
1.	Punjab	6624.25
2.	Uttar Pradesh	3369.19
3.	Bihar	2653.75
4.	Haryana	1299.37
5.	Gujarat	997.33
6.	Jharkand	266.53
7.	Others	326.03
	Total	15536.46

Our Product Portfolio

Our company is engaged in the business of manufacturing and selling of cattle feeds which are majorly manufactured in 2 different forms i.e., Pellets and mash form. Apart from these 2 forms goods are manufactured in different varieties based on the nutrient composition and requirements of the customers. Below are the brief details of the products are –

Description	
Pellets Cattle feed pellet are made from the pellet mill through great pressure. It is a kind of feed that can be used for different animal feeds like for oxen, cows, cattle, sheep, and goat reared for their milk. It contains protein, minerals and other nutrients which are useful for animals. Raw materials for making cattle feed pellets includes de-oiled rice bran cake, de-oiled sarson oil cake, maize, sarson khal, rice bran, rice nakku, molasses, mineral mixtures etc.	

<p>Mash form</p> <p>Feed mash is the simplest solid feed form for animals. It consists of grinding and mixing all raw materials into the correct proportions to meet nutritional requirements for the animals. No additional heat or compaction treatments are conducted on the feed; hence, energy expenditure to prepare the feed is low compared to pellets.</p>	
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Our Competitive Strength

1. Integrated manufacturing facility

The manufacturing facilities of our company is located at Village Ikolaha, Tehsil Khanna Ludhiana – 141401, Punjab and Plot no - 104 Industrial area Barauni Bypass, Begusarai, Bihar. The location of our current manufacturing facilities gives us a significant competitive cost advantage in terms of raw material sourcing, availability of labour at reasonable costs and enables us to address the requirements of our customers timely and efficiently. We believe that our cost-efficient manufacturing and supply chain management results in a reduction in our operational costs. Due to our location advantage, we are able to gauge our procurement of raw materials in timely manner. Further, our manufacturing unit is equipped with the required machinery, equipment and infrastructure and capable to carry out end to end manufacturing activities. Our experience and production facilities, coupled with use of latest technology and cost competitive manufacturing processes has enabled us to meet our customers' requirements and standards. Our manufacturing setup coupled with our experience in the industry not only gives us better control over the product quality and efficiency but also benefits us with cost advantages.

2. Experienced Promoter and Management Team

We have a strong management team with significant industry experience. Our Promoter Paramvir Singh Mander is a Master in Business Administration having an experience of 6 years in the Agri-related businesses. Further, Mr. Vinayak Kedia and Mr. J P Sehgal, our Directors, have been with our Company since 5 years and 7 years respectively and has approximately 23 years and 45 years of experience in the businesses respectively. They have played an instrumental role in setting up and running of our cattle feed business. In addition, our Board of Directors includes independent directors who bring significant business experience. We believe that the combination of our experienced Board of Directors and our dynamic management team positions us well to capitalize on future growth opportunities. We believe that our experienced management has demonstrated the ability to successfully build and integrate our various operating activities through their years of experience. They have also helped us in developing an optimized procurement model, marketing and sales network and long-term relationships with our key customers and vendors.

3. Quality Assurance and Standards

We believe that providing the customers with the best possible quality and composition of product is very important for the success of the business. Our Company is ISO 9001:2015 (Quality management System) and ISO 22000:2018 (Food Safety Management System) certified. We follow quality standards right from the start of the manufacturing process, and adhere during the manufacturing and processing of cattle feeds. Along with the quality of feeds we are also very particular about the hygiene and nutrient composition of the products manufactured. Our dedicated efforts towards the quality of products, processes and inputs have helped us gain a competitive advantage over our competitors. We believe that our quality products have earned us a goodwill from our customers, which has resulted in repeat services orders from many of them.

Our Business Strategies:

1. Expanding into new geographies

We currently earn majority of our revenue from operations from Northern part of the country. We intend to expand our geographical reach and enter the large domestic market for growth opportunities of our business. We plan to deepen our presence in the existing market and expand our reach and penetrate into the large available market by giving scale down low-price solution and grab major market share. We have over the years established long-term relationships with our customers. We believe that our customer retention levels reflect our ability to provide high quality products. We plan on utilizing our existing dealers network to expand our business with the existing customers and also expand our business in new markets, thereby consolidating our position as a preferred supplier across geographies.

2. Continue to invest in our manufacturing capabilities

We are committed towards taking steps towards the expansion of our existing manufacturing facility at Village Ikolaha, Tehsil Khanna Ludhiana. In order to capitalize on the future demand, we have started a capacity expansion of our existing manufacturing facility by expanding up the cattle feeds plant at our existing unit situated at Khanna, Ludhiana. We have expanded around Rs. 458.86 Lakhs uptill March 31, 2023 for the said capacity expansion. With installation of aforementioned plants, our production capacity for cattle feeds will increase from the existing capacity by 250 MT per day (on triple shift basis). Thus, going forward, we intend to continue making investments in capacity expansions and modernization of our equipment and facilities. We also seek to expand our capabilities in a cost efficient manner, by actively pursuing new venture & opportunities that are complementary to our business. We will continue to pursue such opportunities where we believe they will add value to our business, our stakeholders and our customers.

3. Focus on increasing operational efficiencies to improve returns

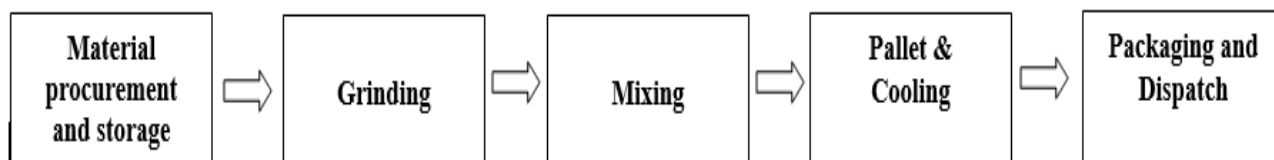
Offering quality products at attractive prices is a key aspect of maintaining and expanding our relationships with our customers. In order to achieve the same, we intend to use a variety of manufacturing strategies, material sourcing strategies and cost reduction strategies to continue to improve our operational efficiencies. For achieving the same, we have adopted several initiatives designed to improve our cost efficiency such as bulk purchase of raw material, sourcing the material from nearby sources to save on transportation etc. We continue to invest in operational excellence throughout the organization without any compromise on the quality.

4. Focus on consistently meeting quality standards

The quality of the feeds along with optimum nutrition requirements and hygienically produced feeds are very crucial for the success of our organization. Our Company intends to focus on adhering to the quality standards of the products by undertaking further research and development initiatives and making our products more nutritious, compliant with industry norms and cost effective. Also, hygiene and animal feed to be free from contamination is very important for the company from both customer point of view and regulatory point of view. Continuous quality review of products and timely corrective measures in case of quality diversion are keys for maintaining quality standards of the products. Providing the desired and good quality products help us in enhancing customer trust and maintaining long term relationships with customers.

Manufacturing Process:

Our manufacturing process can be summarized as under :-



- 1. Material procurement and Storage** – The principal raw material used in the manufacture of products comprises of De-oiled Rice Bran cake, De-oiled Sarson Oil Cake, Maize, Sarson Khal, Rice Bran, Rice Nakku, Molasses, Mineral Mixtures and other additives. These material are procured from local vendor and inspected for the desired quality by the department. Once the same is approved the products is moved to the storage area for storage till production.
- 2. Grinding** – The raw material is transferred to the dumping hooper from where they move to the hammer mill for grinding purpose through conveyer belts. During transfer to the Hammer mill the raw material is cleaned through magnets and jute removals. From here the material is weighted and transferred to the Hammer mill for grinding purpose and breaking into small particles.

3. **Mixing** – The grinded material from the previous steps are transferred to the mixing hooper, where they are stored prior to mixing. This process is very crucial for the overall composition of the cattle feed because the nutrition composition of the cattle feed depends on the correct mixing of the different items in correct proportion. The grinded grains, de-oiled cakes, extractions are mixed using the mixers, in this process fatty ingredients and nutrients are added to the material to raise the nutritional value of the feed.
4. **Pellet and Cooling** – This is an additional steps required for manufacturing of pellets. In case of manufacturing of mash, the mixture is directly transferred to bagging section from where the mashed product is packed and sent for dispatch. In case of manufacturing of pellets, the mixture is transferred to the pellet mill where the pellets are produced using the pelleting machines.
5. **Packaging and Dispatch** – During this step the pellet and mash material received are packed based on the grading and different varieties. Post packaging the bags are stored in the warehouse until dispatch to the customers.

Our Manufacturing Facility





Installed Capacity & Capacity Utilization:-

Our Company is engaged in the business of manufacturing & processing of cattle feed mineral mixture in pellet and mash form. Below are the brief details of our installed manufacturing capacity and utilization for last 3 financial years :-

Particular	2021	2022	2023*
Cattle Feed**			
Installed Capacity	91250	91250	167250
Actual Production	34648.64	45090.80	52656.00
Utilization	37.97	49.41	31.48

*including the installed capacity and actual production for the Bihar plant which the company has taken on rent during the year 2022-23.

**The installed capacity at Khanna unit and Bihar unit are 250 MT per day (on triple shift basis) individually considering 365 days of operation. Further, the plants of the company generally operates on single or double shift basis depending upon the business requirements and manufacturing plans of the company.

Collaborations/Tie Ups/ Joint Ventures:

As on date of the Draft Red Herring Prospectus, our Company does not have any Collaborations/Tie-ups/Joint Ventures.

Export Obligation:

Our Company does not have any export obligation, as on date of this Draft Red Herring Prospectus.

SALES AND MARKETING:-

Our success lies in the strength of our relationship with our customers. Our Chairman & Managing Director and Directors, through their vast experience and good rapport with customers owing to timely and quality delivery of products plays an instrumental role in creating and expanding a work platform for our Company. To retain our customers, we regularly interact with them and focus on gaining an insight into their other additional needs and requirements. Our Company has good marketing network and good Customer base for cattle feed. We have already well-established market and the company has very good reputation among its customers and suppliers. Further majority of our products are sold through a network of commission agents, brokers, distributors. These intermediaries in turn sell the products to retailers & direct consumers.

In future we intend to focus on following marketing strategies:

- Focus on existing markets and increasing our customer base.
- Continuously holding markets Trends.
- Supply of Quality Products.
- Fulfillment of Order Quantity on time.

COMPETITION:-

The cattle feed industry in India is largely unorganized, fragmented and we compete with multiple players in each geography in which we operate. Further, the market is not governed directly by any regulations or any governmental authority. The players in the informal market are mostly small and unrecognized. Many of our competitors have substantially large capital base and resources than we do and offer broader range of products. Our strategy for our cattle feed business is to focus on achieving cost leadership by improving the operational efficiency of our cattle feed business as well as cost rationalization initiatives., which we believe will help us in improving our profit margins and market share.

Infrastructure & Utilities:

- a) **Raw Materials** – The principal raw material used in the manufacture of cattle feed comprises of De-oiled Rice Bran cake, De-oiled Sarson Oil Cake, Maize, Sarson Khal, Rice Bran, Rice Nakku, Molasses, Mineral Mixtures etc. We procure all of our raw materials indigenously. The raw materials required for manufacturing process are stored within the factory and the warehouses taken on rent by our company.
- b) **Power** – The requirement of power for our operations, like power for running and operating the machinery/equipment is met through Punjab State Power Corporation Limited for our Factory. Further, the power requirements at our offices and warehouses are met through the local electricity boards of the respective states.
- c) **Water** – The manufacturing process does not have major water requirements. Our water requirement is for general purpose also. Water requirement is fulfilled through local government sources.

PLANT & MACHINERY:-

We have installed sufficient plant & machinery in our manufacturing units such as hoopers, conveyers and elevators connecting the raw material storage with the grinding section consisting of the hammer mill, mixing section, pelleting machine in the pelleting and cooling section and finally to the bagging section where the goods are packed for dispatch.

EMPLOYEES:

We believe that our employees are key contributors to our business success. Our senior management team consists of experienced individuals with diverse skills in manufacturing, engineering, and finance. Our manpower is a prudent mix of the experienced and youth which gives us the dual advantage of stability and growth.

As on March 31, 2023, we have 224 employees (including Registered Office Staff and Factory Workmen and Corporate Office) on payroll. The details of which is given below:

Sr. No.	Particular	Employees
1.	Plant Staff	134
2.	Marketing Staff	90
	Total	224

Insurance:

Our business is subject to loss due to theft or occurrence of any unforeseen event such as fire, earthquake, other natural calamities, terrorism and force majeure during storage, production or dispatch of goods to customers. These acts can cause our products subject to severe damage, loss of inventory or complete destruction of our property. We maintain insurances for the same which include insurance for finished stock, building, furniture, plant and machinery maintained at factory and vehicle insurance policy. We believe that our insurance coverage is adequate for our business needs and operations, however, our insurance policies may not be sufficient to cover our economic loss.

PROPERTY:-**Intellectual Property****Our Trademarks**

Sr. No.	Brand Name/Logo/ Trademark	Class	TM Name and Logo	Owner	Trademark No./ Application No./	Date of Application/ Rectification	Current Status
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					Registration Certificate No.		
1.	TARA	31	TARA	Khanna Feed Ltd.	1183137	30.12.2022	Rectification Filed
2.	TARA GOLD	29	TARA GOLD	Khanna Feed Ltd.	1899091	30.12.2022	Rectification Filed
3.	ZAUTOON TARA	29	ZAUTOON TARA	Khanna Feed Ltd.	1899089	30.12.2022	Rectification Filed
4.	ZAUTOON TARA	29	ZAUTOON TARA	Khanna Feed Ltd.	6000435	30.06.2023	Formalities Chk pass

Properties

The following table sets forth the location and other details of the properties of our Company

Sr. No	Location	Owned/ Rented	Purpose of Use	Description
1.	Village Ikolaha (H.B. No. 236), Tehsil Khanna Ludhiana – 141401, Punjab	Owned	Registered Office & Factory	Our company has purchased the land from Narinder Kaur, Gurpreet Singh, Amanpreet Kaur vide a sale deed dated December 02, 2015 for a consideration of Rs. 119.35 Lakhs admeasuring 7.65 acres.
2.	Office 10952, Shidipura, Doriwalan, Karol Bagh, New Delhi – 110005	Rented	Branch Office	The property has been taken on rent vide a rent deed dated April 01, 2023 entered between our company and Vinayak Kedia & Sons HUF for a period of 11 months starting from April 01, 2023 at monthly rent of Rs. 5000 per month.
3.	Khanna Malerkota road, Village Majri, Teh. Khanna Ludhiana – 141401, Punjab	Rented	Warehouse	The property has been taken on rent vide a rent deed dated November 10, 2022 entered between our company and Sashi Vij for a period of 11 months starting from December 01, 2022 at monthly rent of Rs. 36500 per month.
4.	Malerkotla road, Opp. Guru AngaKanta, Village Rasutra, Teh. Khanna Ludhiana – 141401, Punjab	Rented	Warehouse	The property has been taken on rent vide a rent deed dated November 10, 2022 entered between our company and Charanjit Singh for a period of 11 months starting from December 01, 2022 at monthly rent of Rs. 71200 per month.
5.	Malerkota road, Village Kotla Dhak, Teh. Khanna Ludhiana – 141401, Punjab	Rented	Warehouse	The property has been taken on rent vide a rent deed dated November 10, 2022 entered between our company and Akshay Laminates for a period of 11 months starting from December 15, 2022 at monthly rent of Rs. 92040 per month.
6.	Plot no - 104 Industrial area Barauni, Barauni Bypass, Begusarai – 851112, Bihar	Rented	Bihar Factory	The property has been taken on rent vide a rent deed dated June 10, 2022 entered between our company and Tara Health Foods Limited for a period of 2 years starting from June 01, 2022 at monthly rent of Rs. 100000 per month. As per the said lease deed the company has taken the plant on rent along with the building including the plant and machinery installed at the plant site.

Apart from the above, the company has made full and final payment for the purchase of Guest House situated at 'Florence Park' Vill. Dhodhe Majra, Mullanpur, New Chandigarh from Ambika Realcon Private Limited.

KEY INDUSTRIAL REGULATIONS AND POLICIES

The following description is a summary of the relevant regulations and policies as prescribed by the Government of India and other regulatory bodies that may be applicable to our business. 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 regulations and policies set out below may not be exhaustive and are only intended to provide general information to the investors and are neither designed nor intended to be a substitute for professional legal advice. The Company may be required to obtain licenses and approvals depending upon the prevailing laws and regulations as applicable.

The business of our Company requires, at various stages, the sanction of the concerned authorities under the relevant Central, State legislation and local bye-laws. The following is an overview of the important laws, regulations and policies which are relevant to our business in India. Certain information detailed in this chapter has been obtained from publications available in the public domain. The description of law, regulations and policies set out below are not exhaustive, and are only intended to provide general information to bidders and is neither designed nor intended to be a substitute for professional legal advice.

In addition to what has been specified in this Draft Red Herring Prospectus, taxation statutes such as the Income Tax Act, 1961 and Central Goods and Services Tax Act, 2017, various labour laws and other miscellaneous laws apply to us as they do to any other Indian company. The statements below are based on the current provisions of Indian law, and the judicial and administrative interpretations thereof, which are subject to change or modification by subsequent legislative, regulatory, administrative or judicial decisions. For details of government approvals obtained by us, see the chapter titled “Government and Other Approvals” beginning on page no 174 of this Draft Red Herring Prospectus.

Depending upon the nature of the activities undertaken by our Company the following are the various regulations applicable to our company

Key Acts, Regulations and Policies governing our Company

Consumer Protection Act, 2019 (the “Consumer Protection Act”) and rules made thereunder.

The Consumer Protection Act was designed and enacted to provide simpler and quicker access to redress consumer grievances. It seeks, amongst other things, to promote and protects the interests of consumers against deficiencies and defects in goods or services and secure the rights of a consumer against unfair trade practices, which may be practiced by manufacturers, service providers and traders. The definition of “consumer” under the Consumer Protection Act includes persons engaged in offline or online transactions through electronic means or by tele-shopping or direct-selling or multi-level marketing. It provides for the establishment of consumer disputes redressal forums and commissions for the purposes of redressal of consumer grievances. In addition to awarding compensation and/or passing corrective orders, the forums and commissions under the Consumer Protection Act, in cases of misleading and false advertisements, are empowered to impose imprisonment for a term which may extend to two years and fine which may extend to ten lakhs.

In line with the Consumer Protection Act, the Ministry of Consumer Affairs, Food and Public Distribution, Government of India (“Ministry of Consumer Affairs”) has also notified the Consumer Protection (E-Commerce) Rules, 2020 (“E-Commerce Rules”) on July 23, 2020, which provide 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, but does not include a seller offering his goods or services for sale on a marketplace e-commerce entity. The Ministry of Consumer Affairs has also released draft amendments to the E-Commerce Rules for public comments. The aforesaid draft amendments require e-commerce entities to, amongst other things, register themselves with the Department for Promotion of Industry and Internal Trade, appoint a chief compliance officer, a nodal contact person and a resident grievance officer. Additionally, the draft amendments prohibit e-commerce entities from misleading users by manipulating search results, prohibit flash sales and abuse of dominant position, and mandate e-commerce entities to identify sponsored listings of products and services with clear and prominent disclosures.

Information Technology Act, 2002 (“Information Technology Act”)

The Information Technology Act seeks to (i) provide legal recognition to transactions carried out by various means of electronic data interchange involving alternatives to paper-based methods of communication and storage of information; (ii) facilitate electronic filing of documents; and (iii) create a mechanism for the authentication of electronic documentation through digital signatures. The Information Technology Act facilitates electronic commerce by recognizing contracts concluded through electronic means, protects intermediaries in respect of third party information liability and creates liability for failure to protect sensitive personal data.

The Information Technology Act empowers the Government of India to formulate rules with respect to reasonable security practices and procedures and sensitive personal data. In exercise of this power, the Department of Information Technology, Ministry of

Electronics and Information Technology, Government of India (“**DoIT**”), on April 11, 2011, notified the Information Technology (Reasonable Security Practices and Procedures and Sensitive Personal Data or Information) Rules, 2011 (“**IT Security Rules**”) which prescribe directions for the collection, disclosure, transfer and protection of sensitive personal data by a body corporate or any person acting on behalf of a body corporate. The IT Security Rules require every such body corporate to provide a privacy policy for handling and dealing with personal information, including sensitive personal data, ensuring security of all personal data collected by it and publishing such policy on its website. The IT Security Rules further require that all such personal data be used solely for the purposes for which it was collected and any third party disclosure of such data is made with the prior consent of the information provider, unless contractually agreed upon between them or where such disclosure is mandated by law.

The DoIT also notified the Information Technology (Intermediaries Guidelines and Digital Media Ethics Code) Rules, 2021 (“**IT Intermediaries Rules**”) on February 25, 2021, requiring intermediaries receiving, storing, transmitting, or providing any service with respect to electronic messages to not knowingly host, publish, transmit, select or modify any information prohibited under the IT Intermediaries Rules, to disable hosting, publishing, transmission, selection or modification of such information once they become aware of it, as well as specifying the due diligence to be observed by intermediaries.

ENVIRONMENTAL LAWS AND REGULATIONS

We are subject to various environmental laws and regulations as the operation of our establishments might have an impact on the environment. The basic purpose of such statutes is to control, abate and prevent pollution. In order to achieve these objectives, Pollution Control Boards (“**PCBs**”), have been set up in each state and at a central level. Establishments, as prescribed under various regulations are required to obtain consent orders from the PCBs. These consent orders are required to be renewed periodically.

Water (Prevention and Control of Pollution) Act, 1974 (“Water Act”)

The Water Act prohibits the use of any stream or well for the disposal of polluting matter, in violation of the standards set out by the concerned state PCB. The Water Act also provides that the consent of the concerned state PCB must be obtained prior to establishing any industry, operations or any treatment and disposal system, which is likely to discharge sewage or effluent into a water body.

Water (Prevention & Control of Pollution) Cess Act, 1977 (“Water Cess Act”) and Water (Prevention & Control of Pollution) Cess Rules, 1978 (“Water Cess Rules”)

The Water Cess Act has been enacted to provide for the levy and collection of a cess on water consumed by persons carrying on certain industries by local authorities constituted under the Water Act, with a view to augment the resources of the central and state PCBs for the prevention and control of water pollution. The Water Cess Rules have been notified under Section 17 of the Water Cess Act and provide, inter alia, standards for meters and places where they are to be affixed and the furnishing of returns by consumers.

Air (Prevention and Control of Pollution) Act, 1981 (“Air Act”)

The Air Act requires that any industry or institution emitting smoke or gases must apply in a prescribed form and obtain consent from the state PCB prior to commencing any activity. The state PCB is required to grant, or refuse, consent within four months of receipt of the application. The consent may contain conditions relating to specifications of pollution control equipment to be installed.

Environment (Protection) Act, 1986 (“EPA”)

The EPA has been enacted with the objective of protecting and improving the environment and for matters connected therewith. As per the EPA, the Central Government has been given the power to take all such measures for the purpose of, inter alia, protecting and improving the quality of the environment and to prevent environmental pollution. Further, the Central Government has been given the power to give directions in writing to any person, officer or any authority for any of the purposes of the EPA. Such directions include, inter alia, the power to direct the closure, prohibition or regulation of any industry, operation or process.

Hazardous and Other Wastes (Management and Transboundary Movement) Rules, 2016 (“Hazardous Waste Rules”)

The Hazardous Waste Rules regulate the management, treatment, storage and disposal of hazardous waste by imposing an obligation on every occupier and operator of a facility generating hazardous waste to dispose of such waste without harming the environment. The term “hazardous waste” has been defined in the Hazardous Waste Rules and any person who has, control over the affairs of the factory or the premises or any person in possession of the hazardous waste has been defined as an “occupier”. Every occupier and operator of a facility generating hazardous waste must obtain authorization from the relevant state pollution control board. Further, the occupier, importer or exporter is liable for damages caused to the environment resulting from the improper handling and disposal of hazardous waste and must pay any financial penalty that may be levied by the respective state pollution control board.

Laws relating to Country of Origin.

Currently, Legal Metrology (Packaged Commodities) Rules, 2011 (“Packaged Commodity ‘ules”) require a ‘ecla‘ation of ‘country of o‘igin‘ or ‘country of man‘facture‘ or ‘country of assembly‘ on the imported products. This is aimed at curbing false and misleading claims by the brands to deceive the customers, as also to give complete information of the product to a potential buyer. Demands for s“eci”ying the Country of Origin (“COO”) of products sold online has gained‘ground in“view of Prime”Minister’s vision “Make in India”. The Government had asked e-commerce entities to adhere to the Packaged Commodity Rules and display Country of Origin of products listed on their platform/s by August 01, 2020. In the recently draft of proposed amendment to the Consumer Protection (E-Commerce) Rules, 2020, inter alia, requires and e-commerce entity that offers imported goods or services for sale, to identify goods based on their country of origin, provide a filter mechanism on their e-commerce website and display notification regarding the origin of goods at the pre-purchase stage, at the time of goods being viewed for purchase, suggestions of alternatives to ensure a fair opportunity for domestic goods and further to provide ranking for goods and ensure that the ranking parameters do not discriminate against domestic goods and seller.

REGULATIONS REGARDING FOREIGN INVESTMENTS

Under the current consolidated FDI Policy, effective from August 28, 2017, issued by the Department for Promotion of Industry and Internal Trade (“DPIIT”) (formerly known as Department of Industrial Policy and Promotion)including any modifications thereto or substitutions thereof, issued from time to time (the “Consolidated FDI Policy”)and the Foreign Exchange Management (Non Debt Instruments) Rules, 2019, 100% FDI through automatic route is permitted in the manufacturing sector. Additionally, trading under the Consolidated FDI Policy is also under the automatic route and FDI is permitted upto 100% therein. Trading under the Consolidated FDI Policy includes sale of goods/merchandise to retailers, industrial, commercial, institutional or other professional business users or to other wholesalers and related subordinated service providers.

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

The FTA seeks to increase foreign trade by regulating imports and exports to and from India. The FTA read with the Indian Foreign Trade Policy, 2015-20 provides that no person or company can make exports or imports without having obtained an importer exporter code number unless such person or company is specifically exempted. An application for an importer exporter code number has to be made to the Office of the Director General of Foreign Trade, Ministry of Commerce. An importer-exporter code number allotted to an applicant is valid for all its branches, divisions, units and factories.

Foreign Trade Policy 2015-20 (“EXIM Policy”)

Under the FTA, the Government of India is empowered to periodically formulate the EXIM Policy and amend it thereafter whenever it deems fit. All exports and imports have to be in compliance with such EXIM Policy. The EXIM Policy provides for certain schemes for the promotion of export of finished goods and import of inputs.

Shops and Establishments Act of relevant state

Under the provisions of local Shops and Establishments laws applicable in various states, establishments are required to be registered. Such laws regulate the working and employment conditions of the workers employed in shops and establishments including commercial establishments and provide for fixation of working hours, rest intervals, overtime, holidays, leave, termination of service, maintenance of shops and establishments and other rights and obligations of the employers and employees.

The Indecent Representation of Women (Prohibition) Act, 1986 (“IRWA”)

The IRWA prohibits indecent representation of women through advertisements, publications, writings, paintings, figures or in any other manner. It states that no person shall publish or release any advertisements involving an obscene portrayal of women or agree to participate in the publication or show, in any form. In the event an offence under IRWA has been committed by a company, every person, who, at the time the offence was committed was in-charge of, and was responsible to, the company for the conduct of the business of the company, as well as the company, shall be deemed to be guilty of the offence and shall be liable to be proceeded against and punished accordingly.

Competition Act, 2002

An act to prevent practices having adverse effect on competition, to promote and sustain competition in markets, to protect interest of consumer and to ensure freedom of trade in India. The act deals with prohibition of agreements and Anti-competitive agreements. No enterprise or group shall abuse its dominant position in various circumstances as mentioned under the Act. The prima facie duty of the commission is to eliminate practices having adverse effect on competition, promote and sustain competition, protect interest of consumer and ensure freedom of trade. The commission shall issue notice to show cause to the parties to combination calling

upon them to respond within 30 days in case it is of the opinion that there has been an appreciable adverse effect on competition in India. In case a person fails to comply with the directions of the Commission and Director General he shall be punishable with a fine which may exceed to ₹ 1 lakh for each day during such failure subject to maximum of Rupees One Crore.

GENERAL CORPORATE COMPLIANCE AND TAX RELATED LEGISLATIONS

Companies Act, 2013 (the “Companies Act”)

The Companies Act, 2013, has replaced the Companies Act, 1956 in a phased manner. The Act received the assent of President of India on 29th August 2013. The Companies Act deals with incorporation of companies and the procedure for incorporation and post incorporation. The conversion of private company into public company and vice versa is also laid down under the Companies Act, 2013. The procedure related to appointment of Directors. The procedure relating to winding up, voluntary winding up, appointment of liquidator also forms part of the Act. Further, Schedule V (read with sections 196 and 197), Part I lays down the conditions to be fulfilled for the appointment of a managing or whole-time director or manager. It provides the list of Acts under which if a person is prosecuted, he cannot be appointed as the director or Managing Director or Manager of a Company. The provisions relating to remuneration of the directors payable by the companies is under Part II of the said schedule.

Goods and Service Tax (GST)

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 thereunder. It replaces following indirect taxes and duties at the central and state levels: Central Excise Duty, Duties of Excise (Medicinal and Toilet Preparations), additional duties on excise– goods of special importance, textiles and textile products, commonly known as CVD – special additional duty of customs, service tax, central and state surcharges and cesses relating to supply of goods and services, state VAT, Central Sales Tax, Luxury Tax, Entry Tax (all forms), Entertainment and Amusement Tax (except when levied by local bodies), taxes on advertisements, purchase tax, taxes on lotteries, betting and gambling.

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, and Minimum Alternative Tax and like. Every such Company is also required to file its returns by 30th September of each assessment year.

EMPLOYMENT AND LABOUR LAWS

Employees’ Provident Fund and Miscellaneous Provisions Act, 1952 (“the EPF Act”) and the Employees Provident Fund Scheme, 1952

The EPF Act is applicable to an establishment employing more than 20 employees and as notified by the government from time to time. All the establishments under the EPF Act are required to be registered with the appropriate Provident Fund Commissioner. Also, in accordance with the provisions of the EPF Act, the employers are required to contribute to the employees’ provident fund the prescribed percentage of the basic wages, dearness allowances and remaining allowance (if any) payable to the employees. The employee shall also be required to make the equal contribution to the fund. The Central Government under Section 5 of the EPF Act (as mentioned above) frames Employees Provident Scheme, 1952.

Employees Deposit Linked Insurance Scheme, 1976

The scheme shall be administered by the Central Board constituted under section 5A of the EPF Act. The provisions relating to recovery of damages for default in payment of contribution with the percentage of damages are laid down under Section 8A of the act. The employer falling under the scheme shall send to the Commissioner within fifteen days of the close of each month a return in the prescribed form. The register and other records shall be produced by every employer to Commissioner

or other officer so authorized shall be produced for inspection from time to time. The amount received as the employer's contribution and also Central Government's contribution to the insurance fund shall be credited to an account called as "Deposit-Linked Insurance Fund Account."

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 59 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.

Payment of Bonus Act, 1965

The Payment of Bonus Act, 1965 imposes statutory liability upon the employers of every establishment in which 20 or more persons are employed on any day during an accounting year to pay bonus to their employees. It further provides for payment of minimum and maximum bonus and linking the payment of bonus with the production and productivity.

The Act shall apply to every factory, mine plantation, port and railway company; to every shop or establishment within the meaning of any law for the time being in force in relation to shops and establishments in a State, in which ten or more persons are employed, or were employed, on any day of the preceding twelve months; such other establishments or class of establishments, in which ten or more employees are employed, on any day of the preceding twelve months, as the Central Government, may by notification, specify in this behalf. A shop or establishment to which this act has become applicable shall be continued to be governed by this act irrespective of the number of persons falling below ten at any day.

Payment of Gratuity Act, 1972

Under the Payment of Gratuity Act, 1972, an employee in a factory or any other establishment in which 10 or more than 10 persons are employed on any day during an accounting year who is in continuous service for a period of five years notwithstanding that his service has been interrupted during that period by sickness, accident, leave, absence without leave, lay-off, strike, lock-out or cessation of work not due to the fault of the employee is eligible for gratuity upon his retirement, superannuation, death or disablement.

Minimum Wages Act, 1948 ("MWA")

The Minimum Wages Act, 1948 came into force with an objective to provide for the fixation of a minimum wage payable by the employer to the employee. Under the MWA, every employer is mandated to pay the minimum wages to all employees engaged to do any work skilled, unskilled, manual or clerical in any employment listed in the schedule to the MWA, in respect of which minimum rates of wages have been fixed or revised under the MWA. Construction of Buildings, Roads, and Runways are scheduled employments. It prescribes penalties for non-compliance by employers for payment of the wages thus fixed.

Maternity Benefit Act, 1961

The Maternity Benefit Act, 1961 provides for leave and right to payment of maternity benefits to women employees in case of confinement or miscarriage etc. The act is applicable to every establishment which is a factory, mine or plantation including any such establishment belonging to government and to every establishment of equestrian, acrobatic and other performances, to every shop or establishment within the meaning of any law for the time being in force in relation to shops and establishments in a state, in which ten or more persons are employed, or were employed, on any day of the preceding twelve months; provided that the state government may, with the approval of the Central Government, after giving at least two months' notice shall apply any of the provisions of this act to establishments or class of establishments, industrial, commercial, agricultural or otherwise.

Equal Remuneration Act, 1979

The Equal Remuneration Act 1979 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. The act was enacted with the aim of state to provide Equal Pay and Equal Work as envisaged under Article 39 of the Constitution.

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.

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 in contact at the workplace, organising 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 Occupational Safety, Health and Working Conditions Code, 2020 (the “Occupational Conditions Code”)

The Occupational Conditions Code received the assent of the President of India on September 28, 2020 and proposes to subsume certain existing legislations, including the Factories Act, 1948, the Contract Labour (Regulation and Abolition) Act, 1970, the Inter-State Migrant Workmen (Regulation of Employment and Conditions of Service) Act, 1979 and the Building and Other Construction Workers (Regulation of Employment and Conditions of Service) Act, 1996. The Occupational Conditions Code proposes to provide for, among other things, standards for health, safety and working conditions for employees of establishments, and will come into effect on a date to be notified by the Central Government.

The Industrial Relations Code, 2020

The Industrial Relations Code, 2020 received the assent of the President of India on September 28, 2020, and proposes to subsume three existing legislations, namely, the Industrial Disputes Act, 1947, the Trade Unions Act, 1926 and the Industrial Employment (Standing Orders) Act, 1946. The Industrial Relations Code, 2020 will come into effect on a date to be notified by the Central Government.

The Factories Act, 1948 (“Factories Act”)

The Factories Act defines a “factory” to cover any premises which employs ten or more workers and in which manufacturing process is carried on with the aid of power and, any premises where there are at least twenty workers even though there is no electrically aided manufacturing process being carried on. Each state government has rules in respect of the prior submission of plans and their approval for the establishment of factories, and registration and licensing of factories. The Factories Act provides that an occupier of a factory i.e., the person who has ultimate control over the affairs of the factory and in the case of a company, any one of the directors, must ensure the health, safety and welfare of all workers. There is a prohibition on employing children below the age of fourteen years in a factory. The occupier and the manager of a factory may be punished in accordance with the Factories Act for different offences in case of contravention of any provision thereof and in case of a continuing contravention after conviction, an additional fine for each day of contravention may be levied.

The Industries (Development and Regulation) Act, 1951

The Industries (Development and Regulation) Act, 1951, required obtaining of a license from the GoI, prior to establishment of any new industrial undertaking. Subsequently, upon introduction of the New Industrial Policy dated July 24, 1991, the GoI abolished industrial licensing, except for certain specified industries, and prescribed the requirement to file an information memorandum or Industrial Entrepreneurs Memorandum (the —IEM) for establishment of new projects and for substantial expansions. The requirement to file an IEM is applicable, amongst others, to the cattle feed and edible oil industry.

The Punjab Shops and Commercial Establishment Act, 1958

The Punjab Shops and Commercial Establishment Act, 1958 provides for the regulation of conditions of work and employment in shops and commercial establishments in the state of Punjab. It provides for conditions of employment, wages and termination of employment.

Other labour law legislations

The various other labour and employment-related legislations (and rules issued thereunder) that may apply to our operations, from the perspective of protecting the workers' rights and specifying registration, reporting and other compliances, and the requirements that may apply to us as an employer, would include the following:

- i. Child Labour (Prohibition and Regulation) Act, 1986
- ii. Transgender Persons (Protection of Rights) Act, 2019
- iii. Equal Remuneration Act, 1976
- iv. Employment Exchanges (Compulsory Notification of Vacancies) Act, 1959
- v. The Code on Wages, 2019*
- vi. The Code on Social Security, 2020**
- vii. Various state shops and establishments legislations

**The GoI enacted 'The Code on Wages, 2019' which received the assent of the President of India on August 8, 2019. Through its notification dated December 18, 2020, the GoI brought into force sections 42(1), 42(2), 42(3), 42(10), 42(11), 67(2)(s), 67(2)(t) (to the extent that they relate to the Central Advisory Board) and 69 (to the extent that it relates to sections 7, 9 (to the extent that they relate to the GoI) and 8 of the Minimum Wages Act, 1986)) of the Code on Wages, 2019. The remaining provisions of this code will be brought into force on a date to be notified by the GoI. It proposes to subsume four separate legislations, namely, the Payment of Wages Act, 1936, the Minimum Wages Act, 1948, the Payment of Bonus Act, 1965 and the Equal Remuneration Act, 1976.*

***The GoI enacted 'The Code on Social Security, 2020' which received the assent of the President of India on September 28, 2020. The provisions of this code will be brought into force on a date to be notified by the GoI. It proposes to subsume several separate legislations including the Employee's Compensation Act, 1923, the Employees' State Insurance Act, 1948, the Employees' Provident Funds and Miscellaneous Provisions Act, 1952, the Maternity Benefit Act, 1961, the Payment of Gratuity Act, 1972, the Building and Other Construction Workers' Welfare Cess Act, 1996 and the Unorganised Workers' Social Security Act, 2008.*

INTELLECTUAL PROPERTY LEGISLATIONS:

In-general the Intellectual Property Rights includes but is not limited to the following enactments:

- i. The Trademarks Act, 1999
- ii. Design Act, 2000
- iii. Indian Copyright Act, 1957

The Trade Marks Act, 1999 (the "Trade Marks Act")

The Trade Marks Act governs the statutory protection of trademarks and prevention of the use of fraudulent marks in India. It provides for the application and registration of trademarks in India. It also provides for exclusive rights to marks such as brand, label, and heading and to obtain relief in case of infringement for commercial purposes as a trade description. Under the provisions of the Trade Marks Act, an application for trade mark registration may be made with the Controller General of Patents, Designs and Trademarks by any person or persons claiming to be the proprietor of a trade mark, whether individually or as joint applicants, and can be made on the basis of either actual use or intention to use a trade mark in the future. Once granted, a trade mark registration is valid for 10 years unless cancelled, subsequent to which, it can be renewed. If not renewed, the mark lapses and the registration is required to be restored to gain protection under the provisions of the Trade Marks Act. The Trade Marks Act prohibits registration of deceptively similar trademarks and provides penalties for infringement, falsifying or falsely applying for trademarks. Further, pursuant to the notification of the Trade Marks (Amendment) Act, 2010, simultaneous protection of trade mark in India and other countries has been made available to owners of Indian and foreign trade marks. It also seeks to simplify the law relating to the transfer of ownership of trade marks by assignment or transmission and to bring the law in line with international practices.

The Copyright Act, 1957

Copyright is a right given by the law to creators of literary, dramatic, musical and artistic works and producers of cinematograph films and sound recordings. In fact, it is a bundle of rights including, inter alia, rights of reproduction, communication to the public, adaptation and translation of the work. There could be slight variations in the composition of the rights depending on the work.

Design Act, 2000 ("Design Act")

The Design Act, which came into force in May 2001, along with the rules made thereunder consolidate and amend the law relating to protection of designs. A design refers to the features of shape, configuration, pattern, ornamentation or composition of lines or colours applied to any article, in two or three dimensional or both forms, by an industrial process or means, whether manual, mechanical or chemical, separate or combined, which in the finished article appeal to and are judged solely by the eye. In order to

register a design, it must be new or original and must not be disclosed to the public anywhere in India or any other country by publication in tangible form or by use or in any other way prior to the filing date. A design should be significantly distinguishable from known designs or combination of known designs in order for it to be registered. A registered design is valid for a period of 10 years after which the same can be renewed for a second period of five years, before the expiration of the original period of 10 years. After such period, the design is made available to the public by placing it in the public domain.

OTHER LAWS

Municipality Laws

Pursuant to the Seventy Fourth Amendment Act, 1992, the respective State Legislatures in India have the power to endow the Municipalities (as defined under Article 243Q of the Constitution of India) with the power to implement schemes and perform functions in relation to matters listed in the Twelfth Schedule to the Constitution of India which includes regulation of public health. The respective States of India have enacted laws empowering the Municipalities to regulate public health including the issuance of a health trade license for operating eating outlets and implementation of regulations relating to such license along with prescribing penalties for non-compliance.

Police Laws

The State Legislatures in India are empowered to enact laws in relation to public order and police under Entries 1 and 2 of the State List (List II) to the Constitution of India. Pursuant to the same the respective States of India have enacted laws regulating the same along with prescribing penalties for non-compliance.

Approvals from Local Authorities

Setting up of a Factory or Manufacturing/Housing unit/Establishments entails the requisite Planning approvals to be obtained from the relevant Local Panchayat(s) outside the city limits and appropriate Metropolitan Development Authority within the city limits. Consents from the state Pollution Control Board(s), the relevant state Electricity Board(s), the State Excise Authorities, Sales Tax, are required to be obtained before commencing the building of a factory or the start of manufacturing operations.

The Indian Contract Act, 1872

The Contract Act is the legislation which lays down the general principles relating to formation, performance and enforceability of contracts. The rights and duties of parties and the specific terms of agreement are decided by the contracting parties themselves, under the general principles set forth in the Contract Act. The Contract Act also provides for circumstances under which contracts will be considered as 'void' or 'voidable'. The Contract Act contains provisions governing certain special contracts, including indemnity, guarantee, bailment, pledge, and agency.

Transfer of Property Act, 1882

The transfer of property is governed by the Transfer of Property Act, 1882 ("T.P. Act"). The T.P. Act establishes the general principles relating to the transfer of property including among other things 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 contingent and vested interest in the property.

Registration Act, 1908

The Registration Act, 1908 ("Registration Act") has been enacted with the object of providing public notice of execution of documents affecting a transfer of interest in property. Section 17 of the Registration Act identifies documents for which registration is compulsory and includes among other things, any non-testamentary instrument which purports or operates to create, declare, assign, limit or extinguish, whether in present or in future, any right, title or interest, whether vested or contingent, in immovable property of the value of one hundred rupees or more, and a lease of immovable property for any term exceeding one year or reserving a yearly rent. Section 18 of the Registration Act provides for non-compulsory registration of documents as enumerated in the provision.

The Negotiable Instruments Act, 1881(NI Act)

In India, the laws governing monetary instruments such as cheques are contained in the NI Act, which is largely a codification of the English Law on the subject. To ensure prompt remedy against defaulters and to ensure credibility of the holders of the negotiable instrument a criminal remedy of penalty was inserted in Negotiable Instruments Act, 1881 in form of the Banking, Public Financial Institutions and Negotiable Instruments Laws (Amendment), 1988 which were further modified by the Negotiable Instruments (Amendment and Miscellaneous Provisions) Act, 2002. The Act provides effective legal provision to

restrain people from issuing cheques without having sufficient funds in their account or any stringent provision to punish them in the event of such cheque not being honoured by their bankers and returned unpaid.

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") & Foreign Exchange Management (Non-debt Instruments) Rules, 2019 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.

The Arbitration & Conciliation Act, 1996

The Arbitration and Conciliation Act, 1996 is an act to consolidate and amend the law relating to domestic arbitration, international commercial arbitration and enforcement of foreign arbitral awards as also to define the law relating to conciliation and for matters connected therewith or incidental thereto. It aims at streamlining the process of arbitration and facilitating conciliation in business matters. The Act recognizes the autonomy of parties in the conduct of arbitral proceedings by the arbitral tribunal and abolishes the scope of judicial review of the award and minimizes the supervisory role of Courts. A significant feature of the Act is the appointment of arbitrators by the Chief Justice of India or Chief Justice of High Court. The Chief Justice may either appoint the arbitrator himself or nominate a person or Institution to nominate the arbitrator. The autonomy of the arbitral tribunal has further been strengthened by empowering them to decide on jurisdiction and to consider objections regarding the existence or validity of the arbitration agreement.

The Code of Criminal Procedure Code, 1973

It is the main legislation on procedure for administration of substantive criminal law in India. It was enacted in 1973 and came into force on 1st April, 1974. It provides the machinery for the investigation of crime, apprehension of suspected criminals, collection of evidence, determination of guilt or innocence of the accused person and the determination of punishment of the guilty.

Criminal law occupies a pre-dominant place among the agencies of social control and is regarded as a formidable weapon that society has forged to protect itself against anti-social behavior. The law of criminal procedure is meant to be complimentary to criminal law. It is intended to provide a mechanism for the enforcement of criminal law. The Code of Criminal Procedure creates the necessary machinery for apprehending the criminals, investigating the criminal cases, their trials before the criminal courts and imposition of proper punishment on the guilty person. The Code enumerates the hierarchy of criminal courts in which different offences can be tried and then it spells out the limits of sentences which such Courts are authorized to pass.

The law of criminal procedure is intended to provide a mechanism for the enforcement of criminal law. Without the proper procedural law, the substantive criminal law which defines offences and provides punishment for them would be almost worthless.

The Code of Civil Procedure, 1908

The Code of Civil Procedure, 1908 is a procedural law related to the administration of civil proceedings in India. The Civil Procedure Code consolidates and amends the law relating to the procedure of the Courts of Civil jurisdiction. The Code of Civil Procedure is an adjective law it neither creates nor takes away any right. It is intended to regulate the procedure to be followed by Civil Courts. The Civil Procedure Code consists of two parts. 158 Sections form the first part and the rules and orders contained in Schedule I form the second part. The object of the Code generally is to create jurisdiction while the rules indicate the mode in which the jurisdiction should be exercised.

The Code does not affect any special or local laws nor does it supersede any special jurisdiction or power conferred or any special form of procedure prescribed by or under any other law for the time being in force. The Code is the general law so that in case of conflict between the Code and the special law the latter prevails over the former. Where the special law is silent on a particular matter the Code applies, but consistent with the special enactment.

Laws related to food

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

The Food Safety Act regulates the manufacture, storage, distribution, sale and import of food products including wines, liquor and alcoholic beverages. Every person involved in the business of carrying out any of the activities related to inter alia manufacture, processing, packaging, storage, transportation, or distribution of food is required to procure a license in accordance with the Food Safety Act read with Food Safety and Standards (Licensing and Registration of Food Businesses), Regulations 2011. Pursuant to the Food Safety Act, every manufacturer is required to procure a license by or before August 04, 2012. Pursuant to the Food Safety Act, any manufacturer who is required to obtain a license, manufactures any article of food without a license shall be punishable with imprisonment for a term which may extend to 6 months and also a fine which may extend to ₹ 0.5 million.

Laws in relation to animal feed business

The laws in relation to our animal feed business regulate, inter alia, (i) the setting up and operation of our production facilities and (ii) various labour welfare measures. Our animal feed business is regulated both by Central laws and State-specific rules and notifications. The Factories Act and the rules issued under the Factories Act by various State governments, require registration of our production facilities and regulates their operations in relation to matters such as health and safety measures to be adopted and welfare measures for persons working in our production facilities. The penalties for contravention of the Factories Act include fine and imprisonment for the ‘occupier’ or ‘manager’ as defined under the Factories Act, and enhanced penalties for repeat offences and contravention of certain provisions relating to use of hazardous materials. Our Company is also required to obtain from various State authorities (i) consent to operate our production facility and (ii) permission to discharge effluents and emissions, under the Water (Prevention and Control of Pollution) Act, 1974, the Air (Prevention and Control of Pollution) Act, 1981 and the Environment Protection Act, 1986 (collectively, the “Environmental Protection Laws”). The Industrial Disputes Act, 1947 (the “Industrial Disputes Act”), inter alia, regulates the dismissal of employees and settlement of industrial disputes between the management and the employees. The Contract Labour (Regulation and Abolition) Act, 1970 (the “CLRA”) regulates the registration of contract labour and their health and welfare.

Legal Metrology Act, 2009 (“LM Act”)

The LM Act aims 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. The LM Act and rules framed thereunder regulate, *inter alia*, the labelling and packaging of commodities, verification of weights and measures used, and lists penalties for offences and compounding of offences under it. The Controller of Legal Metrology Department is the competent authority to grant the license under the LM Act. Any manufacturer dealing instruments for weights and measuring of goods must procure a license from the state department under the LM Act. Any non-compliance or violation under the LM Act may result in inter alia a monetary penalty on the manufacturer or seizure of goods or imprisonment in certain cases.

Legal Metrology (Packaged Commodities) Rules, 2011 (“Packaged Commodities Rules”)

The Packaged Commodities Rules lay down specific provisions applicable to packages intended for retail sale, whole sale and for export and import and also regulate pre-packaged commodities in India, inter alia by mandating certain labelling requirements prior to sale of such commodities. Legal Metrology (Packaged Commodities) (Amendment) Rules (“Packaged Commodity Amendment Rules”) issued on June 23, 2017 have introduced important amendments to the Packaged Commodity Rules, especially in relation to ecommerce entities. The Packaged Commodity Amendment Rules came into force from January 1, 2018. The key provisions of the Packaged Commodity Amendment Rules are regarding the size of declarations on the label, declaration on e-commerce platforms, declaration of name and address of the manufacturer and fine for contravention.

Public Liability Insurance Act, 1991 (“Public Liability Act”)

The Public Liability Act, as amended, imposes liability on the owner or controller of hazardous substances for any damage arising out of an accident involving such hazardous substance. A list of hazardous substances covered by the Public Liability Act has been enumerated by the Government by way of a notification. The owner or handler is also required to take out an insurance policy insuring against liability under the legislation. The rules made under the Public Liability Act mandate that the employer has to contribute towards the environment relief fund, a sum equal to the premium paid on the insurance policies. This amount is payable to the insurer.

The Essential Commodities Act, 1955 (the “ECA”)

Under the ECA, if the Central Government is of the opinion that it is necessary or expedient to (i) maintain or increase supply of any essential commodity (as defined under the ECA); (ii) secure their equitable distribution and availability at fair price; or (iii) for the defense of India or conduct of any military operation, it may inter alia, (a) regulate the production or manufacture; (b) control

the price; (c) regulate the storage, transport, distribution, disposal, acquisition or use; (d) prohibit the withholding from sale; and (e) require any person holding stock to sell to the Central or State government, in respect of such essential commodity. The control orders issued under the ECA regulate essential commodities. Penalties under the ECA for contravention of its provisions include fine, imprisonment and forfeiture of the goods.

HISTORY AND CORPORATE STRUCTURE**Brief history of our Company:**

Our Company was originally incorporated as “Shubham Infrastructure Developers Private Limited” on March 08, 2006 vide Registration Certificate No. 029858 under the provisions of the Companies Act, 1956 with the Registrar of Companies, Punjab, H.P. and Chandigarh (RoC). Further, pursuant to shareholder’s resolution passed at the Extra Ordinary General Meeting held on October 28, 2015, the name of our company was changed from “Shubham Infrastructure Developers Private Limited” to “Tara Feed Private Limited” vide a fresh certificate of incorporation dated November 06, 2015 issued by the Registrar of Companies, Chandigarh, Further, pursuant to Special Resolution passed by the Shareholders at the Extra Ordinary General Meeting, held on October 28, 2015 our Company was converted into a Public Limited Company and the name of our Company was changed from “Tara Feed Private Limited” to “Tara Feed Limited” vide a fresh certificate of incorporation dated December 01, 2015 issued by the Registrar of Companies, Chandigarh. Subsequently, pursuant to shareholder’s resolution passed at the Extra Ordinary General Meeting held on August 09, 2016, the name of our company was changed from “Tara Feed Limited” to “Khanna Feed Limited” vide a fresh certificate of incorporation dated August 24, 2016 issued by the Registrar of Companies, Chandigarh bearing CIN U15331PB2006PLC029858.

Satish Kumar Jindal, Jagat Bhushan Johar and Daljit Singh were the initial subscribers to the Memorandum of Association of our Company

Address of the Registered Office:

Registered Office	Village Ikolaha, Tehsil Khanna, Khanna, Ludhiana, Punjab, 141401
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Changes in Registered Office of the Company since Incorporation:

Except as stated below, there has not been any change in our Registered Office since inception of the Company till the date of the Draft Red Herring Prospectus.

Effective Date	From	To	Reason for Change
February 21, 2011	SCO 3, Kidwai Nagar, Ludhiana, Punjab, India,	3 rd Floor, C. N. Tower, Adjoining Preet Palace Cinema, Ludhiana, Punjab, 141002	To increase Operational Efficiency
March 03, 2016	3 rd Floor, C.N. Tower, Adjoining Preet Palace Cinema, Ludhiana Punjab, India, 141002	Village Ikolaha, Tehsil Khanna, Khanna, Ludhiana, Punjab, 141401	To Increase Operational Efficiency

Main Objects of Memorandum of Association:

The main objects of our Company as contained in our Clause III (A) of Memorandum of Association of our Company are as follows:

1. To manufacture, process, import, export, distribute or otherwise deal in all kinds and descriptions of poultry, cattle and animal feeds.
2. To carry on in India or abroad the business as manufacturers, buyers, sellers, traders, dealers, importers, exporters and distributors of all kinds and description of health foods, health supplements, oils, food grains and food products.
3. To carry on in India or abroad the business of growing, processing, developing, importing, exporting and otherwise dealing in all kinds and descriptions of Seeds and Grains.
4. To carry on in India or abroad Research & Development related with paddy, wheat, vegetables, Horticulture, Fodder and other grains.

Amendments to the Memorandum of Association:

Except as stated below, there has been no change in the Memorandum of Association of our Company since its Incorporation:

Date of Meeting	Type of Meeting	Amendments
October 28, 2015	EGM	Change in name of our Company from “Shubham Infrastructure Developers Private Limited ” to “Tara Feed Private Limited” vide a fresh Certificate of Incorporation dated November 06, 2015 having CIN U15331PB2006PTC029858 issued by the Registrar of Companies, Chandigarh
October 28, 2015	EGM	Alteration in the object clause of Memorandum of Association of the Company, by inserting new sub clause 2 to 5 after Sub clause 1 of clause III(A) of the Memorandum of Association. The details are as under:

		2. To manufacture, process, import, export, distribute or otherwise deal in all kinds and descriptions of poultry, cattle and animal feeds. 3. To carry on in India or abroad the business as manufacturers, buyers, sellers, traders, dealers, importers, exporters and distributors of all kinds and description of health foods, health supplements, oils, food grains and food products. 4. To carry on in India or abroad the business of growing, processing, developing, importing, exporting and otherwise dealing in all kinds and descriptions of Seeds and Grains. 5. To carry on in India or abroad Research & Development related with paddy, wheat, vegetables, Horticulture, Fodder and other grains.
October 28, 2015	EGM	Conversion of our Company from Private Limited to Public Limited Company. Consequently, Name of the Company has been changed from “Tara Feed Private Limited” to Tara Feed Limited” vide a Fresh Certificate of Incorporation dated December 01, 2015 was issued by the Registrar of Companies, Chandigarh bearing CIN: U15331PB2006PLC029858
October 28, 2015	EGM	To adopt New Set of Memorandum of Association containing regulation in conformity with the Companies Act, 2013.
August 09, 2016	EGM	Change in name of our Company from “Tara Feed Limited ” to “Khanna Feed Limited” vide a fresh Certificate of Incorporation dated August 24, 2016 having CIN U15331PB2006PLC029858 issued by the Registrar of Companies, Chandigarh
February 12, 2018	EGM	Alteration in the object clause of Memorandum of Association of the Company by inserting new sub clause 38 after sub-clause 37 of clause III B of the Memorandum of Association.
March 23, 2023	EGM	Clause V of the Memorandum of Association was amended to reflect increase in the authorized share capital of the company from ₹ 55.00 Lakhs divided into 5,50, 000 Equity Shares of ₹ 10/- each to ₹ 1100.00 Lakhs divided into 1,10,00,000 Equity Shares of ₹ 10/- each.
	EGM	Alteration in the object clause of Memorandum of Association of the Company by deleting sub clause 1 and re-numbering existing sub clauses 2,3,4 and 5 as 1,2,3,& 4 Respectively.

Adopting new set of Articles of Association of the Company:

Our Company has adopted a new set of Articles of Association of the Company in accordance with applicable provisions of the Companies Act 2013, in the Extra Ordinary General Meeting of the Company dated March 23, 2023.

Major events and milestones of our Company:

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

Year/F.Y.	Key Events / Milestone / Achievements
2006	Incorporation of the Company in the name of “Shubham Infrastructure Developers Private Limited”
2015	Purchased land at Khanna, Ludhiana for setting up of plant for cattle feed manufacturing
2015	Change in the name of Company from Shubham Infrastructure Developers Private Limited to Tara Feed Private Limited
	Conversion of the Company from Private Limited to Public Limited.
2016	Change in the name of Company from Tara Feed Limited to Khanna Feed Limited
2022	Commencement of production of Cattle feeds in Bihar.
2022	Crossed turnover of Rs. 100 Cr.

Other details about our Company:

For details of our Company’s activities, products, growth, awards & recognitions, capacity, location of plants, technology, marketing strategy, competition and our customers, please refer section titled “***Our Business***”, “***Management’s Discussion and Analysis of Financial Conditions and Results of Operations***” and “***Basis for Issue Price***” on pages 87, 158 and 70 respectively of this Draft Red Herring Prospectus. For details of our management and managerial competence and for details of shareholding of our Promoters, please refer to sections titled “***Our Management***” and “***Capital Structure***” beginning on page 110 and 54 of the Draft Red Herring Prospectus respectively.

Capital Raising (Debt / Equity):

For details in relation to our capital raising activities through equity, please refer to the chapter titled “**Capital Structure**” beginning on page 54 of the Draft Red Herring Prospectus.

For a description of our Company’s debt facilities, see “**Statement of Financial Indebtedness**” on page 166 of the Draft Red Herring Prospectus.

Lock-out or strikes:

There have been no lock-outs or strikes in our Company since inception.

Changes in activities of our Company during the last five (5) Years:

There has not been any change in the activity of our Company during the last five (5) years preceding the date of this Draft Red Herring Prospectus.

Our Holding Company:

As on the date of the Draft Red Herring Prospectus, our Company is not a subsidiary of any company.

Our Subsidiary Company

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

Joint Ventures

The Company has not formed any joint ventures as on the date of this Draft Red Herring Prospectus.

Strategic Partners

Our Company does not have any strategic partners as on the date of this Draft Red Herring 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 Red Herring Prospectus, our Company does not have any financial partner.

Time and Cost Overruns in Setting up 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 87 of this Draft Red Herring Prospectus.

Details of launch of key products, entry in new geographies or exit from existing markets:

For details pertaining to launch of key products services, entry in new geographies or exit from existing markets, please refer chapter titled “Business Overview” on page 87 of this Draft Red Herring Prospectus.

Details regarding Acquisition of Business/Undertakings, Mergers, Amalgamation, Revaluation of Assets etc.

In the last 10 years, there are no mergers, amalgamation, revaluation of assets etc. with respect to our company and we have not acquired any business/undertaking in the said period.

Injunction or Restraining Order:

Except as disclosed in the section titled “*Outstanding Litigation and Material Developments*” beginning on page 169 of this Draft Red Herring Prospectus, there are no injunctions/restraining orders that have been passed against our Company.

Number of shareholders of our Company:

Our Company has seven (7) shareholders as on the date of this Draft Red Herring Prospectus. For further details on the shareholding pattern of our Company, please refer to the chapter titled “*Capital Structure*” beginning on page 54 of the Draft Red Herring Prospectus.

Defaults or Rescheduling of Borrowings 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.

Changes in the Management:

For details of change in Management, please see chapter titled “***Our Management***” on page 110 of the Draft Red Herring Prospectus.

Shareholders Agreements:

There are no subsisting shareholder’s agreements among our shareholders in relation to our Company, to which our Company is a party or otherwise has notice of the same as on the date of the Draft Red Herring Prospectus.

Agreement with key managerial personnel or Directors or Promoters or any other employee of the Company:

There are no agreements entered into by key managerial personnel or Directors or Promoters or any other employee, either by themselves or on behalf of any other person, with any shareholder or any other third party with regard to compensation or profit sharing in connection with dealings in the securities of the Company.

Collaboration Agreements:

As on date of this Draft Red Herring Prospectus, Our Company is not a party to any collaboration agreements.

Other Material Agreement:

Our Company has not entered into any subsisting material agreements including with strategic partners, joint venture partners and/or financial partners, entered into, other than in the ordinary course of business of the Company.

OUR MANAGEMENT

Board of Directors:

The following table sets forth the details regarding the Board of Directors of our Company as on the date of filing of this Draft Red Herring Prospectus:

Name, designation, age, date of birth, address, experience, occupation, qualification, current term, date of appointment and DIN	Other directorships
Paramvir Singh Mandher Designation: Chairman & Managing Director Age: 28 years Date of Birth: September 13, 1994 Address: House No-3, Gajjan Majra, Bhurthala Mander, Sangrur, Punjab – 148 023, India Experience: 6 years Occupation: Business Qualification: Master of Business Administration Current Term: For a period of 3 years, w.e.f. March 01, 2023, liable to retire by rotation. Period of Directorship: Since February 23, 2016 DIN: 07447147	1. Greetings Homes Private Limited 2. Amtek Dealer Pvt Ltd 3. Rana Hills (OPC) Private Limited
Vinayak Kedia Designation: Non-Executive Director Age: 53 years Date of Birth: September 16, 1969 Address: 10950-51, Doriwalan, Manakpura, Karol Bagh, New Delhi, Central Delhi – 110 005, India Experience: 23 years Occupation: Business Qualification: Under Matric Current Term: Designated as Non-Executive Director w.e.f. September 30, 2018, Liable to retire by rotation Period of Directorship: Since January 20, 2018 DIN: 00775106	1. Ragani Textiles Private Limited 2. A.V. Residency Private Limited 3. NMV Realtor Private Limited
Jatinder Paul Sehgal Designation: Non-Executive Director Age: 69 years Date of Birth: July 06, 1953 Address: House No C-43, NDRI Campus, Karnal Rural Part 1, Karnal, Haryana – 132 001, India Experience: 45 years Occupation: Business Qualification: Doctor of Philosophy, M.Sc. Current Term: Appointed as Non-Executive Director w.e.f. February 16, 2016, , not Liable to retire by rotation Period of Directorship: Since February 16, 2016 DIN: 07298205	NIL
Rupinder Kaur Pandher Designation: Independent Director Age: 44 years Date of Birth: February 18, 1979 Address: Kuhli Kalan, Payal, Ludhiana, Punjab – 141 119, India Experience: 14 Years Occupation: Employment Qualification: Master of Business Administration Current Term: For a period of 5 years, w.e.f. March 23, 2023 Period of Directorship: w.e.f. March 23, 2023 DIN: 10049252	NIL
Man Singh Tandon Designation: Independent Director	NIL

Age: 58 years Date of Birth: January 01, 1965 Address: House No 232, Guru Nanak Nagar, Bhamian Road, Focal Point, Ludhiana, Punjab -141 010, India Experience: 35 Years Occupation: Employment Qualification: B.Sc. Current Term: For a period of 5 years, w.e.f. March 23, 2023 Period of Directorship: w.e.f. March 23, 2023 DIN: 10049263	
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Brief Profile of Directors:

- 1. Paramvir Singh Mandher**, aged 28 years is the Promoter, Chairman & Managing Director of our Company. He was originally appointed on the board w.e.f. February 23, 2016 and further designated as Chairman and Managing Director for a period of 3 years w.e.f. March 01, 2023 vide Extraordinary General Meeting dated March 23, 2023. He has completed his Master's in Business Administration from Rayat Bhara University, Mohali, Punjab in 2019. He has work experience of around 6 years in the Cattle Feed Industry. He looks after purchase, sales, finance and compliance matters in our Company. He provides strategic guidance to our Company and takes care of day to day business of our Company. He is also involved in charting new growth opportunities for the Company.
- 2. Vinayak Kedia**, aged 63 years is the Non-Executive Director of our Company. He possesses around 23 years of experience. He was originally appointed on the board w.e.f. January 20, 2018.
- 3. Jatinder Paul Sehgal**, aged 69 years is the Non-Executive Director of our Company. He possesses more than 45 years of experience in the animal feed and nutrition industry. He was originally appointed on the board w.e.f. February 16, 2016. He has completed his Doctorate in Philosophy from Punjab Agricultural University in 1987. He also hold Master's Degree in Animal Nutrition from Punjab Agricultural University in 1977.
- 4. Rupinder Kaur Pandher**, is an Independent Director of our Company. She has been appointed on the board for a period of 5 years w.e.f. March 23, 2023. She has completed her Masters of Business Administration (MBA) from Anglia Ruskin University in London in 2014. She has a working experience of around 14 years.
- 5. Man Singh Tandon**, is an Independent Director of our Company. He has completed his Bachelors of Science from Mukund Lal National College, Yamuna Nagar, Haryana in 1986. He has over 35 years of experience in testing of all types of oils and fats, Cattle Feed etc. He has been appointed on the board for a period of 5 years w.e.f. March 23, 2023.

Confirmations:

As on the date of this Draft Red Herring Prospectus:

- None of our Directors have held or currently hold directorship in any listed company whose shares have been or were suspended from being traded on any of the stock exchanges in the five years preceding the date of filing of this Draft Red Herring Prospectus with the SEBI, during the term of his/ her directorship in such company.
- Further, none of our Directors of our Company are or were associated in the capacity of a director with any listed company which has been delisted from any stock exchange(s) at any time in the past.
- None of our Directors have been identified as a willful defaulter, as defined in the SEBI Regulations and there are no violations of securities laws committed by them in the past and no prosecution or other proceedings for any such alleged violation are pending against them.
- Neither Company nor our Directors are declared as fugitive economic offenders as defined in Regulation 2(1) (p) of the SEBI ICDR Regulations, and have not been declared as a 'fugitive economic offender' under Section 12 of the Fugitive Economic Offenders Act, 2018.
- None of our Directors have been debarred from accessing capital markets by the Securities and Exchange Board of India. Additionally, none of our Directors are or were, associated with any other company which is debarred from accessing the capital market by the Securities and Exchange Board of India.

Arrangements with major Shareholders, Customers, Suppliers or Others:

We have not entered into any arrangement or understanding with our major shareholders, customers, suppliers or others, pursuant to which any of our Directors were selected as Directors or members of the senior management.

Service Contracts:

The Directors of our Company have not entered into any service contracts with our company which provides for benefits upon termination of their employment.

Details of Borrowing Powers of Directors

Pursuant to a special resolution passed at an Extra-ordinary General Meeting of our Company held on March 23, 2023 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 ₹ 100 crores (Rupees One Hundred Crores Only).

Compensation of our Managing Director and Executive Director

The compensation payable to our Managing Director will be governed as per the terms of their appointment and shall be subject to the provisions of Sections 2(54), 188, 196, 197, 198 and 203 and any other applicable provisions, if any of the Companies Act, 2013 read with Schedule V to the Companies Act, 2013 and the rules made there under (including any statutory modification(s) or re-enactment thereof or any of the provisions of the Companies Act, 1956, for the time being in force).

The following compensation has been approved for Managing Director and Executive Director

Particulars	Paramvir Singh Mander
Appointment/Change in Designation	Originally Appointed as Additional Director w.e.f. February 23, 2016; Further re-designated as Whole-Time Director w.e.f. September 30, 2016. Further re-designated as Chairman & Managing Director w.e.f. March 23, 2023 for a period of 3 Years.
Current Designation	Chairman & Managing Director
Terms of Appointment	3 years
Remuneration & Perquisites	5,00,000 p.m. inclusive of all perquisites
Compensation paid in the year 2022-23	Rs. 19,00,000/- per annum

Bonus or Profit Sharing Plan for our Directors:

We have no bonus or profit sharing plan for our Directors.

Sitting Fees:

The Articles of Association of our Company provides for payment of sitting fees to Directors (other than Managing Director & Whole-time Directors), not exceeding Rs. 1.00 Lac to be fixed by Directors from time to time, for attending a meeting of the Board or a Committee thereof. Our Board of Directors have resolved in their meeting dated March 23, 2023 or payment of an amount not exceeding Rs. 1.00 Lac as approved by the Board to all Non-executive Directors for attending each such meeting of the Board or Committee thereof.

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

Sr. No.	Name of the Directors	No. of Shares Held	Holding in %
1.	Paramvir Singh Mander	69,10,344	91.18
	Total	69,10,344	91.18

None of the Independent Directors of the Company holds any Equity Shares of Company as on the date of this Draft Red Herring Prospectus.

Our company does not have any subsidiary Company as defined under Section 2(6) of the Companies Act, 2013. For details refer chapter titled **“History and Corporate Matters”** beginning on page 106 of this Draft Red Herring Prospectus.

Our Articles of Association do not require our Directors to hold any qualification Equity Shares in the Company.

INTEREST OF DIRECTORS

All the Directors may be deemed to be interested to the extent of remuneration and reimbursement of expenses payable to them under the Articles, and to the extent of remuneration paid to them for services rendered as an officer or employee of the Company. For further details, please refer to Chapter titled ***“Our Management”*** beginning on page 110 of this Draft Red Herring Prospectus.

Our Directors may also be regarded as interested to the extent of their shareholding and dividend payable thereon, if any, and to the extent of Equity Shares, if any held by them in our Company or held by their relatives. Further our Director are also interested to the extent of unsecured loans, if any, given by them to our Company or by their relatives or by the companies/ firms in which they are interested as directors/Members/Partners. Further our Directors are also interested to the extent of loans, if any, taken by them or their relatives or taken by the companies/ firms in which they are interested as Directors/Members/Partners and for the details of Personal Guarantee given by Directors towards Financial facilities of our Company please refer to ***“Statement of Financial Indebtedness”*** on page 166 of this Draft Red Herring Prospectus.

Except as stated otherwise in this Draft Red Herring Prospectus, our Company has not entered into any Contract, Agreements or Arrangements during the preceding two years from the date of the Draft Red Herring Prospectus in which the Directors are interested directly or indirectly and no payments have been made to them in respect of the contracts, agreements or arrangements which are proposed to be entered into with them.

Except as stated in this section ***“Our Management”*** or the section titled ***“Financial information of the Company –Note–Y - Related Party Disclosure”*** beginning on page 110 and 153 respectively of this Draft Red Herring Prospectus, and except to the extent of shareholding in our Company, our Directors do not have any other interest in our business.

Interest in the property of Our Company:

Except as mentioned in this Draft Red Herring Prospectus, our Directors do not have any interest in any property acquired by our Company in the three years preceding the date of this Prospectus or proposed to be acquired by our Company or in any transaction with respect to the acquisition of land, construction of building or supply of machinery or any other contract, agreement or arrangement entered into by our Company and no payments have been made or are proposed to be made in respect of these contracts, agreements or arrangements.

Below is the detail of the property in which our director is interested:-

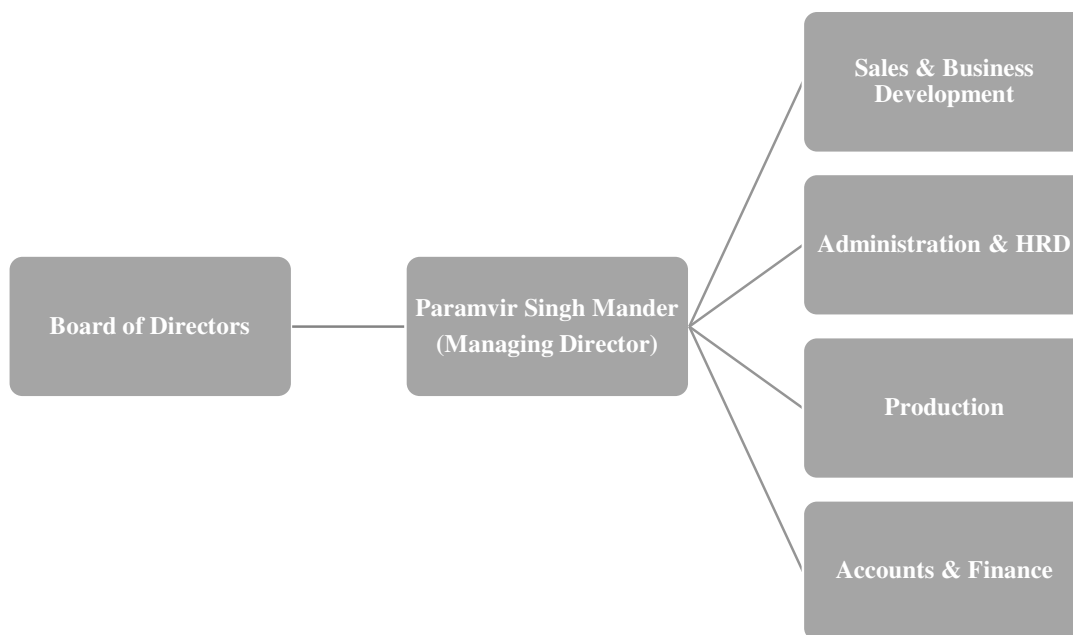
Sr. No	Location	Owned/ Rented	Purpose of Use	Description
1.	Office 10952, Shidipura, Doriwalan, Karol Bagh, New Delhi – 110005	Rented	Branch Office	The property has been taken on rent vide a rent deed dated April 01, 2023 entered between our company and Vinayak Kedia & Sons HUF for a period of 11 months starting from April 01, 2023 at monthly rent of Rs. 5000 per month.

Changes in Board of Directors in Last 3 Years

Sr. No.	Name of Director	Date of Appointment / –e - Appointment	Reasons for Change
1	Paramvir Singh Mander	Re-designated as Chairman & Managing Director w.e.f. March 23, 2023 for a period of 3 years	To ensure better Corporate Governance and compliance with Companies Act, 2013
2	Rupinder Kaur Pandher	Appointed as Independent w.e.f. March 23, 2023 for a period of 5 years	
3	Man Singh Tandon	Appointed as Independent w.e.f. March 23, 2023 for a period of 5 years	

MANAGEMENT ORGANISATION STRUCTURE

The following chart depicts our Management Organization Structure:-



COMPLIANCE WITH CORPORATE GOVERNANCE

In addition to the applicable provisions of the Companies Act, 2013, provisions of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 as amended and SEBI (ICDR) Regulations, 2018 in respect of corporate governance will be applicable to our Company immediately upon the listing of our Company's Equity Shares on the SME Platform of NSE. The requirements pertaining to constitution of the committees such as the Audit Committee, Nomination and Remuneration Committees and Stakeholders Relationship Committee have been complied with.

Our Board has been constituted in compliance with the Companies Act and the SEBI Listing Regulations and in accordance with the best practices in corporate governance. Our Board functions either as a full board or through various committees constituted to oversee specific operational areas. The executive management provides our Board detailed reports on its performance periodically.

Our Board of Directors consist of Five (5) directors of which two (2) are Independent Directors, and we have one women director on the Board. The constitution of our Board is in compliance with Section 149 of the Companies Act, 2013.

Our Company has constituted the following committees:

a. Audit Committee

Our Company has formed an Audit Committee ("Audit Committee"), vide Board Resolution dated March 25, 2023, as per the applicable provisions of the Section 177 of the Companies Act, 2013 read with rule 6 of the companies (Meeting of board and its power) rules, 2014 and Regulation 18 of Securities And Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015. The constituted Audit Committee comprises following members:

Name	Position in the Committee	Designation
Rupinder Kaur Pandher	Chairman	Independent Director
Man Singh Tondon	Member	Independent Director
Paramvir Singh Mander	Member	Managing Director

The Company Secretary of our Company shall act as a Secretary to the Audit Committee. The Chairman of the Audit Committee shall attend the Annual General Meeting of our Company to answer shareholder queries. The scope and function of the Audit Committee and its terms of reference shall include the following:

- A. **Tenure of the Committee:** The Audit Committee shall continue to be in function as a committee of the Board until otherwise resolved by the Board, to carry out the functions of the Audit Committee as approved by the Board.

Meetings of the Committee: The committee shall meet at least four times in a year and not more than one hundred and twenty day shall elapse between any two meetings. The quorum for the meeting shall be either two members or one third of the members of the committee, whichever is higher but there shall be presence of minimum two Independent members

at each meeting. The Chairman of the Audit Committee shall attend the Annual General Meeting of our Company to answer shareholder queries.

B. Power of the Committee:

The Audit Committee shall have powers, including the following:

- a) to investigate any activity within its terms of reference;
- b) to seek information from any employee;
- c) to obtain outside legal or other professional advice;
- d) to secure attendance of outsiders with relevant expertise, if it considers necessary as may be prescribed under the Companies Act, 2013 (together with the rules thereunder) and SEBI Listing Regulations; and
- e) To have full access to information contained in records of Company.

C. Role of the Committee:

The Role of Audit Committee together with its powers as per Part C of Schedule II of SEBI Listing Regulation and Companies Act, 2013 shall be as under:

The role of the Audit Committee shall include the following:

- 1) Overseeing the Company's financial reporting process and disclosure of its financial information to ensure that its financial statements are correct, sufficient and credible;
- 2) Recommending to the Board for the appointment, re-appointment, replacement, remuneration and terms of appointment of the statutory auditors of the Company;
- 3) Approving payments to the 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, with particular reference to:
 - a. 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;
 - b. Changes, if any, in accounting policies and practices and reasons for the same;
 - c. Major accounting entries involving estimates based on the exercise of judgment by management;
 - d. Significant adjustments made in the financial statements arising out of audit findings;
 - e. Compliance with listing and other legal requirements relating to financial statements;
 - f. Disclosure of any related party transactions; and
 - g. Qualifications and modified opinions in the draft audit report.
- 5) Reviewing, with the management, the quarterly, half-yearly and annual financial statements before submission to the Board for approval;
- 6) Reviewing, with the management, the statement of uses/ application of funds raised through an issue (public issue, rights issue, preferential issue, etc.), the statement of funds utilized for purposes other than those stated in the offer document/ prospectus/ notice and the report submitted by the monitoring agency monitoring the utilization of proceeds of a public or rights issue, and making appropriate recommendations to the Board to take up steps in this matter. This also includes monitoring the use/application of the funds raised through the proposed initial public offer by the Company;
- 7) Reviewing and monitoring the statutory auditor's independence and performance, and effectiveness of audit process;
- 8) Approval or any subsequent modifications of transactions of the Company with related parties and omnibus approval for related party transactions proposed to be entered into by the Company subject to such conditions as may be prescribed;
- 9) Scrutiny of inter-corporate loans and investments;
- 10) Valuation of undertakings or assets of the Company, wherever it is necessary;
- 11) Evaluation of internal financial controls and risk management systems;
- 12) Reviewing, with the management, the performance of statutory and internal auditors, and adequacy of the internal control systems;
- 13) Reviewing the adequacy of internal audit function if any, including the structure of the internal audit department, staffing and seniority of the official heading the department, reporting structure coverage and frequency of internal audit;
- 14) Discussing with internal auditors on any significant findings and follow up thereon;
- 15) Reviewing the findings of any internal investigations by the internal auditors into matters where there is suspected fraud or irregularity or a failure of internal control systems of a material nature and reporting the matter to the Board;
- 16) Discussing with statutory auditors before the audit commences, about the nature and scope of audit as well as post-audit discussion to ascertain any area of concern;
- 17) Looking into the reasons for substantial defaults in the payment to the depositors, debenture holders, shareholders (in case of non-payment of declared dividends) and creditors;
- 18) Reviewing the functioning of the whistle blower mechanism;
- 19) Approving the appointment of the chief financial officer or any other person heading the finance function or discharging that function after assessing the qualifications, experience and background, etc. of the candidate;

- 20) Reviewing the utilization of loans and/ or advances from/investment by the holding company in any subsidiary exceeding ₹1,00 crore million or 10% of the asset size of the subsidiary, whichever is lower including existing loans / advances / investments;
- 21) Considering and commenting on the rationale, cost-benefits and impact of schemes involving merger, demerger, amalgamation etc., on the Company and its shareholders;
- 22) Such roles as may be delegated by the Board and/or prescribed under the Companies Act, 2013 and SEBI Listing Regulations or other applicable law.

Further, the Audit Committee shall mandatorily review the following:

- 1) management discussion and analysis of financial condition and results of operations;
- 2) management letters / letters of internal control weaknesses issued by the statutory auditors;
- 3) internal audit reports relating to internal control weaknesses;
- 4) the appointment, removal and terms of remuneration of the chief internal auditor shall be subject to review by the audit committee; and
- 5) statement of deviations:
 - a. quarterly statement of deviation(s) including report of monitoring agency, if applicable, submitted to stock exchange(s) in terms of Regulation 32(1) of the SEBI ICDR Regulations;
 - b. Annual statement of funds utilized for purposes other than those stated in the offer document/prospectus/notice in terms of Regulation 32(7) of the SEBI ICDR Regulations.

b. Nomination and Remuneration Committee

Our Company has formed the Nomination and Remuneration Committee pursuant to Section 178, Schedule V and other applicable provisions of the Companies Act, 2013 read with rule 6 of the companies (Meeting of board and its power) rules, 2014 and Regulation 19 of SEBI Listing Regulation, 2015 vide Resolution dated March 25, 2023. The Nomination and Remuneration Committee comprise the following:

Name	Position in the Committee	Designation
Man Singh Tondon	Chairman	Independent Director
Jatinder Paul Sehgal	Member	Non-Executive Director
Rupinder Kaur Pandher	Member	Independent Director

The Company Secretary of our Company shall act as a Secretary to the Nomination and Remuneration Committee. The scope and function of the Committee and its terms of reference shall include the following:

- **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 of the committee:** The committee shall meet as and when the need arises, subject to at least once in a year. The quorum for a meeting of the Nomination and Remuneration Committee shall be either two members or one third of the members of the committee, whichever is greater, including at least one independent director in attendance.
The 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.
- **Scope and Terms of reference:** The terms of reference of the Nomination and Remuneration Committee as per Regulation 19 and Part D of Schedule II of SEBI Listing Regulations and Companies Act, 2013 shall be as under:
 - 1) formulating the criteria for determining qualifications, positive attributes and independence of a director and recommend to the Board a policy relating to the remuneration of the directors, key managerial personnel and other employees;
 - 2) Evaluating the balance of skills, knowledge and experience on the Board and on the basis of such evaluation, prepare a description of the role and capabilities required of an independent director. The person recommended to the board of directors of the Company for appointment as an independent director shall have the capabilities identified in such description. For the purpose of identifying suitable candidates, the Committee may:
 - a) use the services of external agencies, if required;
 - b) consider candidates from a wide range of backgrounds, having due regard to diversity; and
 - c) Consider the time commitments of the candidates.
 - 3) Formulation of criteria for evaluation of the performance of independent directors and the Board;
 - 4) Specify the manner for effective evaluation of performance of Board, its committees and individual directors to be carried out either by the Board, by the Nomination and Remuneration Committee or by an independent external agency and review its implementation and compliance
 - 5) devising a policy on diversity of the Board;

- 6) identifying persons, who are qualified to become directors or who may be appointed in senior management in accordance with the criteria laid down, recommending to the Board their appointment and removal;
- 7) determining whether to extend or continue the term of appointment of the independent director, on the basis of the report of performance evaluation of independent directors;
- 8) recommending to the Board, all remuneration, in whatever form, payable to senior management; and
- 9) Such other functions / roles as may be delegated to the Committee by the Board and/or as may be required under applicable laws.

c. Stakeholders Relationship Committee

Our Company has formed the Stakeholders Relationship Committee as per the applicable provisions of the Section 178(5) and other applicable provisions of the Companies Act, 2013 read with rule 6 of the companies (Meeting of board and its power) rules, 2014 and Regulation 20 of SEBI Listing Regulation, 2015 vide Resolution dated March 25, 2023. The constituted Stakeholders Relationship Committee comprises the following:

Name	Position in the Committee	Designation
Man Singh Tondon	Chairman	Independent Director
Rupinder Kaur Pandher	Member	Independent Director
Paramvir Singh Mander	Member	Managing Director

The Company Secretary of our Company shall act as a Secretary to the Stakeholders Relationship Committee. The scope and function of the Stakeholders Relationship Committee and its terms of reference shall include the following:

A. Tenure of the committee:

The Stakeholders Relationship Committee shall continue to be in function as a committee of the Board until otherwise resolved by the Board, to carry out the functions of the Stakeholders Relationship Committee as approved by the Board.

B. Meetings of the committee:

The Stakeholder Relationship Committee shall meet at least once in a year. The quorum for the meeting shall be one third of the total strength of the committee or two members, whichever is higher.

C. Scope and terms of reference:

The terms of reference of the Stakeholders Relationship Committee as per Regulation 20 and Part D of Schedule II of SEBI Listing Regulations, 2015 and Companies Act, 2013 shall be as under:

1. to consider and resolve grievances of security holders of the Company, including complaints related to transfer/transmission of shares, non-receipt of annual report, non-receipt of declared dividends, issue of new/duplicate certificates, general meetings, etc.;
2. to review of measures taken for effective exercise of voting rights by shareholders;
3. review of adherence to the service standards adopted by the Company in respect of various services being rendered by the Registrar and Share Transfer Agent;
4. to review various measures and initiatives taken by the Company for reducing the quantum of unclaimed dividends and ensuring timely receipt of dividend warrants/annual reports/ statutory notices by the shareholders of the Company;
5. Such other functions / roles as may be delegated to the Committee by the Board and/or as may be required under applicable laws.

Policy on Disclosures & Internal procedure for prevention of Insider Trading:

The provisions of Regulation 8 and 9 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 Stock Exchange. We shall comply with the requirements of the SEBI (Prohibition of Insider Trading) Regulations, 2015 on listing of our Equity Shares on stock exchange. Further, Board of Directors have approved and adopted the policy on insider trading in view of the proposed public issue. Our Board is 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.

KEY MANAGERIAL PERSONNEL

Our Company is supported by a team of professionals having exposure to various operational aspects of our business. A brief detail about the Key Managerial Personnel of our Company is provided below:

Name, Designation & Educational Qualification	Age (Years)	Year of joining	Compensation paid for F.Y. ended 2022-23 (in Rs. Lacs)	Overall experience (in years)	Previous employment
Paramvir Singh Mandher Designation: Chairman and Managing Director Educational Qualification: Master of Business Administration Term of office: 3 years w.e.f. March 23, 2023	28	2016	24.00	6	NIL
Mohd. Parvez Designation: Chief Financial Officer Educational Qualification: B. Com.	45	2023	1.71	17	Tara Health Foods Limited
Simranjit Kaur Designation: Company Secretary and Compliance Officer Educational Qualification - Company Secretary	32	2023	0.75	5	R N Gupta & Co. Limited

BRIEF PROFILE OF KEY MANAGERIAL PERSONNEL

Paramvir Singh Mander - Please refer to section “Brief Profile of our Directors” beginning on page 110 of this Draft Red Herring Prospectus for details.

Mohd. Parvez is the Chief Financial Officer of our Company. He has completed his Bachelor of Commerce from Institute of advance studies in education deemed university, Gandhi Vidhya Mandir, Sardarshahar, Rajasthan and is associated with our Company from 2023. He has over 17 years of experience in Accounts, Finance and Taxation field. He has been designated as Chief Financial Officer of our Company with effect from January 05, 2023.

Simranjit Kaur is the Company Secretary and Compliance officer of our Company. She is a qualified Company Secretary from Institute of Company Secretaries of India. She has 5 years of experience in the field of secretarial matters. He looks after the overall corporate governance and secretarial matters of our Company. She has been appointed as Company Secretary & Compliance Officer of Our Company w.e.f. January 05, 2023.

We confirm that:

- All the persons named as our Key Managerial Personnel above are the permanent employees of our Company.
- There is no understanding with major shareholders, customers, suppliers or any others pursuant to which any of the above mentioned Key Managerial Personnel have been recruited.
- None of our KMPs except Paramvir Singh Mander is also part of the Board of Directors.
- In respect of all above mentioned Key Managerial Personnel there has been no contingent or deferred compensation accrued for the year ended March 2023.
- Except for the terms set forth in the appointment letters, the Key Managerial Personnel have not entered into any other contractual arrangements or service contracts (including retirement and termination benefits) with the issuer.
- Our Company does not have any bonus/profit sharing plan for any of the Key Managerial Personnel.
- None of the Key Managerial Personnel in our Company hold any shares of our Company as on the date of filing of this Draft Red Herring Prospectus except as under: -

Sr. No.	Name of the KMP's	No. of Shares held
1	Paramvir Singh Mander	69,10,344
	Total	69,10,344

- Presently, we do not have ESOP/ESPS scheme for our employees.
- The turnover of KMPs is not high, compared to the industry to which our company belongs.

Nature of any family relationship between our Directors and Key Managerial Personnel (KMP)

None of the Directors and KMPs of the Company are related to each other within the meaning of section 2 (77) of the Companies Act, 2013.

Payment of benefits to officers of Our Company (non-salary related)

Except as disclosed in this Draft Red Herring Prospectus and any statutory payments made by our Company to its officers, our Company has not paid any sum, any non-salary related amount or benefit to any of its officers or to its employees including amounts towards super-annuation, ex-gratia/rewards.

Except statutory benefits upon termination of employment in our Company or superannuation, no officer of our Company is entitled to any benefit upon termination of such officer's employment in our Company or superannuation. Contributions are made by our Company towards provident fund, gratuity fund and employee state insurance

Changes in the Key Managerial Personnel in last three years:

There have been no changes in the Key Managerial Personnel of our Company during the last 3 (three) year except as stated below:

Sr. No.	Name of Director	Designation and period	Appointment / Cessation/Re-designation	Reasons
1.	Paramvir Singh Mander	Change in Designation as Chairman & Managing Director w.e.f. March 01, 2023	Re-designation	To comply with the provisions of Companies Act 2013 and to ensure better Corporate Governance.
2.	Mohd. Parvez	Appointed as Chief Financial Officer w.e.f. January 05, 2023	Appointment	
3.	Simranjit Kaur	Appointment as Company Secretary and Compliance Officer w.e.f. January 05, 2023	Appointment	

Interest of Our Key Managerial Persons

Apart from the shares held in the Company and to extent of remuneration allowed and reimbursement of expenses incurred by them for or on behalf of the Company and to the extent of loans and advances made to or borrowed from the Company, none of our key managerial personal are interested in our Company. For details, please refer section titled "*Financial information of the Company – Note Y - Related Party Transaction*" beginning on page 153 of this Draft Red Herring Prospectus.

Interest in the property of our Company

Our KMPs do not have any interest in any property acquired by our Company in a period of two years before filing of this Draft Red Herring Prospectus or proposed to be acquired by us as on date of filing the Draft Red Herring Prospectus with RoC.

Details of Service Contracts of the Key Managerial Personnel

Except for the terms set forth in the appointment letters, the Key Managerial Personnel have not entered into any other contractual arrangements with our Company for provision of benefits or payments of any amount upon termination of employment.

Loans given/availed by Directors / Key Managerial Personnel of Our Company

For details of unsecured loan taken from or given to our Directors/KMPs and for details of transaction entered by them in the past please refer to "*Note Y – Related Party Transaction*" page 153 of this Draft Red Herring Prospectus.

ESOP/ESPS SCHEME TO EMPLOYEES

Presently, we do not have any ESOP/ESPS Scheme for our employees.


OUR PROMOTER & PROMOTER GROUP

Our Promoter:

The Promoter of our Company is Paramvir Singh Mander.

As on date of this Draft Red Herring Prospectus, the Promoter, in aggregate, hold 69,10,344 Equity shares of our Company, representing 91.18% of the pre-issue paid-up Equity Share capital of our Company. For details of the build-up of the Promoters' shareholding in our Company, see "*Capital Structure – History of the Equity Share capital held by our Promoters*", on pages 54 of this Draft Red Herring Prospectus.

Details of our Promoter:

	Paramvir Singh Mander – Chairman & Managing Director	
	Qualification	Master of Business Administration (MBA)
	Age	28 Years
	Date of Birth	September 13, 1994
	Address	House No-3, Gajjan Majra, Bhurthala Mander, Sangrur, Punjab - 148 023, India
	Experience	6 Years
	Occupation	Business
	PAN	COOPM8649K
	No. of Equity Shares & % of Shareholding (Pre-Issued)	69,10,344 Equity Shares aggregating to 91.18% of Pre-Issued Share Capital
	Other Venture	Directorships in other Companies: <ol style="list-style-type: none"> 1. Greetings Homes Private Limited 2. Amttek Dealer Pvt Ltd 3. Rana Hills (OPC) Private Limited Partnership Firm: NIL HUF's: NIL Proprietorship Firm: NIL

For brief biography of our Individual Promoters, please refer to Chapter titled "*Our Management*" beginning on page 110 of this Draft Red Herring Prospectus.

Confirmations/Declarations:

In relation to our Promoter, our Company confirms that the PAN, bank account numbers, passport numbers, Aadhaar card number and driving license number shall be submitted to NSE at the time of filing of this Draft Red Herring Prospectus.

Undertaking/ Confirmations:

None of our Promoter or Promoter Group or Group Company or person in control of our Company has been:

- Prohibited or debarred from accessing or operating in the capital market or restrained from buying, selling or dealing in securities under any order or direction passed by SEBI or any other authority or
- Refused listing of any of the securities issued by such entity by any stock exchange, in India or abroad.
- No material regulatory or disciplinary action is taken by any stock exchange or regulatory authority in the past one year in respect of our Promoters, Group Company and Company promoted by the promoters of our company.
- Except as disclosed in the chapter titled "Risk Factor" beginning on page 24 of this Draft Red Herring Prospectus, there are no defaults in respect of payment of interest and principal to the debenture/ bond/ fixed deposit holders, banks, FIs by our Company, our Promoters, Group Company and Company promoted by the promoters during the past three years.
- The litigation record, the nature of litigation, and status of litigation of our Company, Promoters, Group company and Company promoted by the Promoters are disclosed in chapter titled "Outstanding Litigations and Material Developments" beginning on page 169 of this Draft Red Herring Prospectus.
- None of our Promoters, person in control of our Company are or have ever been a promoter, director or person in control of any other company which is debarred from accessing the capital markets under any order or direction passed by the SEBI or any other authority.

Interest of our Promoter:

Interest in promotion and shareholding of our Company:

Our Promoter is interested in the promotion of our Company and also to the extent of his shareholding and shareholding of their relatives, from time to time, for which they are entitled to receive dividend payable, if any, and other distribution in respect of the Equity Shares held by him and their relatives. As on the date of this Draft Red Herring Prospectus, our Promoter, Paramvir Singh Mander holds 69,10,344 Equity Shares in our Company i.e., 91.18% of the pre issue paid up Equity Share Capital of our Company. Our Promoter may also be deemed to be interested to the extent of the remuneration, as per the terms of their appointment and reimbursement of expenses payable to them. For details, please refer to Note Y – ***“Related Party Transactions”*** beginning on page 153 of this Draft Red Herring Prospectus.

For details regarding the shareholding of our Promoters in our Company, please see ***“Capital Structure”*** on page 54 of this Draft Red Herring Prospectus.

Interest in the property of Our Company:

Our Promoters do not have any other interest in any property acquired by our Company in a period of two years before filing of this Draft Red Herring Prospectus or proposed to be acquired by us as on date of this Draft Red Herring Prospectus.

In transactions for acquisition of land, construction of building and supply of machinery

None of our promoter or directors is interested in any transaction for the acquisition of land, construction of building or supply of machinery.

Other Interests in our Company

For transactions in respect of loans and other monetary transactions entered in past please refer Note Y on “Related Party Transactions” on page 153, forming part of “Financial Information of the Company” of this Draft Red Herring Prospectus.

Further, our promoter may be interested to the extent of personal guarantees given by them in favor of the Company, for the details of Personal Guarantee given by Promoters towards Financial facilities of our Company please refer to ***“Statement of Financial Indebtedness”*** and ***“Financial Information of Our Company”*** on page 166 and 124 respectively of this Draft Red Herring Prospectus.

Payment or Benefits to our Promoter and Promoter Group during the last 2 years:

For details of payments or benefits paid to our Promoter and promoter group, please refer to the paragraph ***“Compensation of our Managing Director”*** in the chapter titled ***“Our Management”*** beginning on page 110 also refer Note Y on ***“Related Party Transactions”*** on page 153 forming part of ***“Financial Information of the Company”*** and Paragraph on ***“Interest of Promoter”*** in chapter titled ***“Our Promoter and Promoter Group”*** on page 120 of this Draft Red Herring Prospectus.

Companies/Firms with which our Promoters have disassociated in the last (3) three years

Our promoters have not disassociated themselves from any of the Company, Firms or other entities during the last three years preceding the date of this Draft Red Herring Prospectus.

Other ventures of our Promoter

Save and except as disclosed in this section titled ***“Our Promoter & Promoter Group”*** beginning on page 120 of this Draft Red Herring Prospectus, there are no ventures promoted by our Promoters in which they have any business interests/ other interests.

Material Guarantees:

Except as stated in the ***“Statement of Financial Indebtedness”*** and ***“Restated Financial Information of the Company”*** beginning on page 166 and 124 of this Draft Red Herring Prospectus respectively, our Promoter have not given any material guarantee to any third party with respect to the Equity Shares as on the date of this Draft Red Herring Prospectus.

Litigation details pertaining to our Promoter

For details on litigations and disputes pending against the Promoters and defaults made by the Promoters please refer to the section titled ***“Outstanding Litigations and Material Developments”*** beginning on page 169 of this Draft Red Herring Prospectus.

Experience of Promoters in the line of business

Our Promoter, Paramvir Singh Mander has an experience of around 6 Years in Cattle Feed Industry. The Company shall also endeavor to ensure that relevant professional help is sought as and when required in the future.

Related Party Transactions

For the transactions with our Promoter Group entities please refer to section titled “**Note Y**” **Related Party Transactions**” on page 153 of this Draft Red Herring Prospectus.

Except as stated in “**Note Y Related Party Transactions**” beginning on page 153 of this Draft Red Herring Prospectus, and as stated therein, our Promoter or any of the Promoter Group Entities do not have any other interest in our business.

OUR PROMOTER GROUP:

In addition to the Promoters named above, the following natural persons are part of our Promoter Group:

1. Natural Persons who are part of the Promoter Group

As per Regulation 2(1)(pp)(ii) of the SEBI (ICDR) Regulations, 2018, the Natural persons who are part of the Promoter Group (due to their relationship with the Promoters) are as follows:

Relationship with Promoter	Paramvir Singh Mander
Father	Jaswant Singh Mander
Mother	Parminder Kaur Mander
Spouse	Khushpreet Kaur
Brother	-
Sister	Harmanpreet Kaur
Son	Master Ratth Parwaan Singh Mander
Daughter	-
Spouse's Father	Manjeet Singh
Spouse's Mother	Harjeet Kaur
Spouse's Brother	Ranpreet Singh
Spouse's Sister	Dilpreet Kaur

2. Corporate Entities or Firms forming part of the Promoter Group

As per Regulation 2(1)(pp)(iv) of the SEBI (ICDR) Regulations, 2018, the following entities forms part of our Promoter Group:

Companies:

1. Greeting Homes Private Limited
2. Amtek Dealers Private Limited
3. Rana Hills (OPC) Private Limited
4. Tara Energy Limited
5. Tara Heart Care Products Limited
6. Tara Infratech Limited
7. Tara Exports Limited
8. True Value Estates Private Limited
9. Tara Health Foods Limited

Partnership Firms:

Nil

Proprietorship Firms:

Nil

HUF's

1. Jaswant Singh HUF

3. Other Persons included in Promoter Group:

None of the other persons forms part of promoter group for the purpose of shareholding of the Promoter Group under Regulation 2(1) (pp)(v) of SEBI (ICDR) Regulations 2018.

DIVIDEND POLICY

Under the Companies Act, 2013 our Company can pay dividends upon a recommendation by our Board of Directors and approval by a majority of the shareholders at the General Meeting and as per provisions of Articles of Association of our Company. The shareholders of the Company have the right to decrease but not to increase the amount of dividend recommended by the Board of Directors. The dividends may be paid out of profits of our Company in the year in which the dividend is declared or out of the undistributed profits or reserves of previous fiscal years or out of both. The Articles of Association of our Company also gives the discretion to our Board of Directors to declare and pay interim dividends. All Dividends upon recommendation by our Board of Directors and approved by the shareholders at the General Meeting will be paid to credit of registered shareholders by way of cheque or warrant or in any electronic mode.

Our Company does not have any formal dividend policy for the Equity Shares. The declaration and payment of dividend will be recommended by our Board of Directors and approved by the shareholders of our Company at their discretion and will depend on a number of factors, including the results of operations, earnings, capital requirements and surplus, general financial conditions, applicable Indian legal restrictions and other factors considered relevant by our Board of Directors.

Our Company has not paid / declared any dividend in last three years from date of this Draft Red Herring Prospectus. Our Company's corporate actions pertaining to payment of dividends in the past are not to be taken as being indicative of the payment of dividends by our Company in the future.

FINANCIAL INFORMATION OF THE COMPANY

RESTATED FINANCIAL STATEMENTS

INDEPENDENT AUDITOR'S EXAMINATION REPORT ON RESTATED [STANDALONE] FINANCIAL INFORMATION

To,

The Board of Directors,
Khanna Feed Limited
Village Ikolaha, Tehsil Khanna, Khanna
Ludhiana Punjab 141401, India

Dear Sir,

Reference: - Proposed Public Issue of Equity Shares of Khanna Feed Limited

We have examined the attached Restated Standalone Financial Statement of Khanna Feed Limited (hereunder referred to "the Company", "Issuer") comprising the Restated Statement of Assets and Liabilities as at March 31, 2023, March 31, 2022, and March 31, 2021, the Restated Statement of Profit & Loss, the Restated Cash Flow Statement for the year ended March 31, 2023, March 31, 2022, and March 31, 2021, the statement of Significant Accounting Policies and other explanatory Information (Collectively the Restated Standalone Financial Statement) as approved by the Board of Directors in their meeting held for the purpose of inclusion in the Draft Red Herring Prospectus / Red Herring Prospectus / Prospectus ("Offer Document") in connection with its proposed Initial Public Offering (IPO) of equity shares, prepared by the Company in connection with its Initial Public Offer of Equity Shares (IPO) 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 as amended ("ICDR Regulations"); and
- C. The Guidance Note on Reports in Company Prospectuses (Revised 2020) 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 Standalone Financial Statement 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, Punjab in connection with the proposed IPO. The Restated Standalone Financial Statements have been prepared by the management of the Company for the year ended on March 31, 2023, March 31, 2022, and March 31, 2021 on the basis of notes to restatement in note IV to the Restated Standalone Financial Statement. 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 Standalone Financial Statement.

We have examined such Restated Standalone Financial Statement taking into consideration:

- The terms of reference and terms of our engagement agreed upon with you in accordance with our engagement letter dated June 16, 2023 in connection with the proposed IPO of equity shares of the Company;
- The Guidance Note also requires that we comply with the ethical requirements of the Code of Ethics issued by the ICAI;
- Concepts of test checks and materiality to obtain reasonable assurance based on verification of evidence supporting the Restated Standalone Financial Statements; and
- 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.

This Restated Standalone Financial Statements have been compiled by the management from:

- Audited financial statements of the company as at and for the year ended on March 31, 2023, March 31, 2022, and March 31, 2021 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.

Audit of the Standalone Financial Statement of the Company for the year ended March 31, 2023, March 31, 2022, and March 31, 2021 have been prepared by the Company in accordance with the generally accepted accounting policies and as approved by board of the Company and Audited by M/s Raj Kumar Jindal & Co. vide their Audit Report dated May 26, 2023, September 26, 2022 & November 22, 2021 respectively.

For the purpose of our examination, we have relied on:

a) Auditors' Report issued by the Statutory Auditor M/s Raj Kumar Jindal & Co. dated May 26, 2023, September 26, 2022 & November 22, 2021 respectively, for the financial year ended 31st March 2023, 31st March 2022 and 31st March 2021 respectively.

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 31st March 2023, 31st March 2022 and 31st March 2021.

a) The Restated Standalone 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 Standalone Financial Statement have been made after incorporating adjustments for prior period and other material amounts in the respective financial year to which they relate;

c) Extra-ordinary items that need to be disclosed separately in the accounts has been disclosed wherever required;

d) 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 Policies and Notes to Accounts as set out in Annexure IV to this report;

e) Adjustments in Restated Standalone Financial Statement have been made in accordance with the correct accounting policies,

f) There was no change in accounting policies, which needs to be adjusted in the Restated Standalone Financial Statement, except as mentioned in notes to Restatement;

g) There are no revaluation reserves, which need to be disclosed separately in the Restated Standalone Financial Statement

h) The Company has not paid any dividend during FY 2020-21 to FY 2022-23.

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 I to this report, of the Company as at March 31, 2023, March 31, 2022, and March 31, 2021 is prepared by the Company and approved by the Board of Directors. These Restated Standalone 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 IV to this Report.

b) The "Restated Statement of Profit and Loss" as set out in Annexure II to this report, of the Company for Financial year ended March 31, 2023, March 31, 2022, and March 31, 2021 is prepared by the Company and approved by the Board of Directors. These Restated Standalone 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 IV to this Report.

c) The "Restated Statement of Cash Flow" as set out in Annexure III to this report, of the Company for Financial year ended March 31, 2023, March 31, 2022, and March 31, 2021 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 IV to this Report.

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 Financial year ended March 31, 2023, March 31, 2022, and March 31, 2021 proposed to be included in the Offer Document for the proposed IPO.

- Restated Statement of Share Capital, Reserves And Surplus Note-A
- Restated Statement of Long Term And Statement of principle Term of Secured loan and Assets charges as security and Statement of term & Condition of unsecured Loans. Note-B, B(A) and B(B)
- Restated Statement of Deferred Tax (Assets) / Liabilities Note-C
- Restated Statement of Long Term Provisions Note-D

- Restated Statement of Non-Current Liabilities Note-E
- Restated Statement of Short Term Borrowings Note-F
- Restated Statement of Trade Payables Note-G
- Restated Statement of Other Current Liabilities Note-H
- Restated Statement of Short Term Provisions Note-I
- Restated Statement of Fixed Assets Note-J
- Restated Statement of Trade Receivables Note-K
- Restated Statement of Cash & Cash Equivalents Note-L
- Restated Statement of Inventories Note-M
- Restated Statement of Short-Term Loans And Advances Note-N
- Restated Statement of Other Current Assets Note-O
- Restated Statement of Long term loans and advances Note-O-1
- Restated Statement of Revenue from Operations Note-P
- Restated Statement of Other Income Note-Q
- Restated Statement of Raw Material Consumption Note-R
- Restated Statement of Manufacturing Expenses Note-R-1
- Restated Statement of Change in Inventories Note-S
- Restated Statement of Employee Benefits Expenses Note-T
- Restated Statement of Finance Cost Note-U
- Restated Statement of Depreciation & Amortization Note-V
- Restated Statement of Other Expenses Note-W
- Restated Statement of Contingent Liabilities Note-X
- Restated Statement of Related Party Transaction Note-Y
- Restated Statement of Capitalization Note-Z
- Restated Statement of Mandatory Accounting Ratios Note-ZA
- Significant Accounting Policy And Notes To The Restated financial Statements Annexure IV

In our opinion and to the best of information and explanation provided to us, the Restated Standalone Financial Statement of the Company, read with significant accounting policies and notes to accounts as appearing in Annexure IV are prepared after providing appropriate adjustments and regroupings as considered appropriate.

We, **M/s Jasminder Singh & Associates**, Chartered Accountants have been subjected to the peer review process of the Institute of Chartered Accountants of India (ICAI) and our peer Review Certificate is valid as on the date of signing of this report.

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 Standalone Financial Statements along with Note A to ZA of this report read with the respective Significant Accounting Policies and Notes to Accounts as set out in Annexure IV 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 Proposed SME IPO 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.

Yours faithfully,

FOR JASMINDER SINGH & ASSOCIATES
CHARTERED ACCOUNTANTS
Firm Registration No.: 016192N

(CA. Jasinder Singh)
Partner
Membership No.: 096895

PLACE: Ludhiana
DATED : July 28, 2023
UDIN : 23096895BGSVRG2460

ANNEXURE – I
RESTATED STATEMENT OF ASSETS AND LIABILITIES

(Rs. in Lakhs)

	Particular	Notes	31.03.2023	31.03.2022	31.03.2021
A)	EQUITY AND LIABILITIES				
1.	Shareholders' Funds				
(a)	Share Capital	A	757.91	36.09	36.09
(b)	Reserves & Surplus	A	234.88	601.31	470.79
(c)	Share Application Money		-	-	-
			992.79	637.40	506.88
2.	Non-Current Liabilities				
(a)	Long Term Borrowings	B	1,063.35	447.16	702.07
(b)	Deferred Tax Liabilities (Net)	C	39.81	46.28	36.85
(c)	Long Term Provisions	D	38.16	23.45	13.67
(c)	Other Non-Current Liabilities	E	70.00	581.99	154.14
			1,211.32	1,098.88	906.73
3.	Current Liabilities				
(a)	Short Term Borrowings	F	1,166.48	548.64	289.92
(b)	Trade Payables	G			
	(A) outstanding dues of micro enterprises and small enterprises; and		-	-	-
	(B) total outstanding dues of creditors other than micro enterprises and small enterprises.		1,886.63	1,488.24	1,095.23
(c)	Other Current Liabilities	H	105.60	91.47	71.24
(d)	Short Term Provisions	I	152.15	48.54	16.02
			3,310.86	2,176.89	1,472.41
	Total		5,514.96	3,913.18	2,886.02
B)	ASSETS				
1.	Non-Current Assets				
I)	Property, Plant and Equipment	J			
	(i) Gross Block		1,237.38	1,230.76	986.00
	(ii) Depreciation		281.15	233.88	164.56
	(iii) Net Block		956.23	996.88	821.44
II)	Intangible Assets		-	-	-
III)	Capital Work-in-Progress		698.49	287.81	114.84
IV)	Intangible assets under development		-	-	-
			1,654.72	1,284.69	936.28
(b)	Non-Current Investment		-	-	-
(c)	Deferred Tax Assets (Net)		-	-	-
(d)	Long Term Loans and Advances		14.30	11.41	11.41
(e)	Other Non-Current Assets		-	-	-
			14.30	11.41	11.41
2.	Current Assets				
(a)	Trade Receivables	K	1,680.82	1,457.88	1,322.28
(b)	Cash and Cash equivalents	L	107.75	91.56	184.84
(c)	Inventories	M	1,506.94	589.80	148.54
(d)	Short-Term Loans and Advances	N	550.33	477.82	282.65
(e)	Other Current Assets	O	0.10	0.02	0.02
			3845.94	2617.08	1938.33
	Total		5,514.96	3,913.18	2,886.02

ANNEXURE – II

RESTATED STATEMENT OF PROFIT AND LOSS

(Rs. in Lakhs)

PARTICULARS		Note	31/03/2023	31/03/2022	31/03/2021
1	Revenue From Operation	P	15,536.46	11,883.13	8,619.21
2	Other Income	Q	-	5.69	0.70
	Total Income (1+2)		15,536.45	11,888.82	8,619.91
3	Expenditure				
(a)	Raw Material Consumption	R	11,848.97	9,378.54	7,123.90
(b)	Manufacturing Expenses		348.80	225.77	162.88
(c)	Change in inventories of finished goods, work in progress and stock in trade	S	(0.44)	6.69	47.90
(d)	Employee Benefit Expenses	T	714.04	566.83	332.18
(e)	Finance Cost	U	149.21	85.56	67.95
(f)	Depreciation and Amortization Expenses	V	100.55	69.32	60.54
(g)	Other Expenses	W	1886.31	1369.66	762.10
4	Total Expenditure 3(a) to 3(f)		15,047.44	11,702.37	8,557.45
5	Profit/(Loss) Before Exceptional & extraordinary items & Tax (2-4)		489.02	186.45	62.46
6	Exceptional and Extra-ordinary items		-	-	-
7	Profit/(Loss) Before Tax		489.02	186.45	62.46
8	Tax Expense:				
(a)	Tax Expense for Current Year		140.11	46.50	15.48
(b)	MAT Credit entitlement		-	-	-
(c)	Deferred Tax		(6.48)	9.43	5.27
	Net Current Tax Expenses		133.64	55.93	20.75
7	Profit/(Loss) for the Year (5-6)		355.38	130.52	41.71

ANNEXURE III
RESTATED CASH FLOW STATEMENT

(Rs. in Lakhs)

PARTICULAR	FOR THE YEAR ENDED		
	31/03/2023	31/03/2022	31/03/2021
A) Cash Flow From Operating Activities :			
Net Profit before tax	489.02	186.45	62.46
Adjustment for :			
Depreciation and amortization	100.55	69.32	60.54
Interest Paid	149.21	85.56	67.95
Interest Income	-	(0.04)	(0.46)
Short/ Excess provision Written off	15.31	10.07	13.44
Deferred Tax Liabilities (Net)			
Loss/Profit on sale of vehicles	8.63		
Income Tax Provision	-	-	-
Operating profit before working capital changes	762.72	351.36	203.93
Changes in Working Capital			
(Increase)/Decrease in Trade Receivables	(222.94)	(135.60)	(671.91)
(Increase)/Decrease in Inventory	(917.14)	(441.26)	309.58
(Increase)/Decrease in Short Term Loans & Advances	(72.51)	(195.17)	(25.22)
(Increase)/Decrease in Other Current Assets	(2.97)	-	-
Increase/(Decrease) in Trade Payables	398.39	393.01	158.65
Increase/(Decrease) in Other Current Liabilities	14.13	20.23	(12.67)
Increase/(Decrease) in Short Term Provisions, etc.	0.24	0.05	0.25
Increase/(Decrease) in Short Term Borrowings			-
Cash generated from operations	(37.19)	(7.38)	(37.39)
Tax Paid	37.35	14.31	9.17
Net cash flow from operating activities	(74.54)	(21.69)	(46.56)
Purchase of Fixed Assets including of CWIP	(573.41)	(417.73)	(52.14)
Sale of Fixed Assets	94.20	-	-
Investment made/Sold during the year	-	-	-
Dividend Income	-	-	-
Interest Income	-	0.04	0.46
Net cash flow from investing activities	(479.21)	(417.69)	(51.68)
C) Cash Flow From Financing Activities :			
Proceeds from Issue of Share Capital		-	
Increase/(Decrease) in Short Term Borrowings	617.84	258.72	289.92
Increase/(Decrease) in Long Term Borrowings	616.19	(254.91)	(51.15)
Interest Paid	(149.21)	(85.56)	(67.95)
Share Money Pending Allotment		-	-
Increase/(Decrease) in Long Term Loans and Advances	(514.88)	427.85	61.80
Net cash flow from financing activities	569.94	346.10	232.62
Net Increase/(Decrease) In Cash & Cash Equivalents	16.19	(93.28)	134.38
Cash equivalents at the beginning of the year	91.56	184.84	50.46
Cash equivalents at the end of the year	107.75	91.56	184.84
Notes :-			
Component of Cash and Cash equivalents			
Cash on hand	27.98	6.05	1.18
Balance With banks	79.77	79.01	181.64
Other Bank Balance	-	6.50	2.02
Total	107.75	91.56	184.84

Cash flows are reported using the indirect method, whereby profit before tax is adjusted for the effects of transactions of a non-cash nature and any deferrals or accruals of past or future cash receipts or payments. The cash flows from regular revenue generating, financing and investing activities of the company are segregated.

The accompanying summary of significant accounting policies, restated notes to accounts and notes on adjustments for restated summary financial information (Annexure IV) are an integral part of this statement.

ANNEXURE – IV

STATEMENT OF SIGNIFICANT ACCOUNTING POLICIES & NOTES TO RESTATED FINANCIAL STATEMENT

A. COMPANY OVERVIEW

Khanna Feed Limited (the “Company”) was incorporated on March 08, 2006 under the provisions of the Companies Act, 1956 with the Registrar of Companies, Punjab, H.P. and Chandigarh. The Company’s registered office is situated at Village Ikolaha, Tehsil Khanna, Ludhiana Punjab 141401, India. The company is primarily involved in the manufacturing of cattle feeds.

B. SIGNIFICANT ACCOUNTING POLICIES

1. BASIS OF PREPARATION OF FINANCIAL STATEMENT :-

The Restated Financial Statements comprises of:

Restated Standalone Statement of Assets and Liabilities (Annexure I) as at 31st March 2023, 31st March 2022, 31st March 2021, Restated Standalone Statement of Profit and Loss (Annexure II) and the Restated Standalone Statement of Cash Flows (Annexure III) for the year ended 31st March 2023, 31st March 2022 and 31st March 2021 and the summary of significant accounting policies and explanatory notes.

The paragraph above are collectively referred to as the ‘Restated Financial Statements’.

These Restated Financial Statements have been prepared by the management in connection with its proposed SME Initial Public Offer of equity shares (“SME IPO”) prepared in terms of the requirements of:

- a) Section 26 of Part I of Chapter III of the Companies Act, 2013 (the “Act”);
- b) The Securities and Exchange Board of India (Issue of Capital and Disclosure Requirements) Regulations, 2018, 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 (“ICAI”), as amended from time to time (the “Guidance Note”).

These Restated Financial Information have been compiled by the management of the company from:

- I. Audited standalone financial statements of the company as at and for the year ended 31st March 2023, 31st March 2022 and 31st March 2021 prepared in accordance with Accounting Standard as specified under section 133 of the Act and other accounting principles generally accepted in India which have been approved by the Board of Directors.
- II. The standalone financial statements of the Company for the year ended 31st March 2023, 2022, 2021 has been audited by us.

2. USE OF ESTIMATES:-

The preparation of financial statements is in conformity with Indian GAAP requires judgments, estimates and assumptions to be made that affect the reported amount of assets and liabilities, disclosure of contingent liabilities on the date of the financial statements 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 the results are known / materialized.

3. ACCOUNTING CONVENTION:-

The company follows the mercantile system of accounting, recognizing income and expenditure on accrual basis. The accounts are prepared on historical cost basis and as a going concern. Accounting policies not referred to specifically otherwise, are consistent with the generally accepted accounting principles.

4. Property, Plant & Equipment :-

Tangible Asset

Property, Plants & Equipment’s are stated at as per Cost Model i.e., at cost less accumulated depreciation and impairment, if any. Costs directly attributable to acquisition are capitalized until the property, plant and equipment are ready for use, as intended by the

management. Cost comprises the purchase price and any attributable cost of bringing the asset to its working condition for its intended use. Input tax credit of GST, Grants on capital goods are accounted for by reducing the cost of Capital Goods. Subsequent expenditures relating to property, plant and equipment are capitalized only when it is probable that future economic benefits associated with them will flow to the Company and the cost of the expenditure can be measured reliably. Repairs and Maintenance costs are recognized in the Statement of Profit and Loss when they are incurred.

When assets are disposed or retired, their cost is removed from the financial statements. The gain or loss arising on the disposal or retirement of an asset is determined as the difference between sales proceeds and the carrying amount of the asset and is recognized in Statement of Profit and Loss for the relevant financial year.

Intangible assets :-

Intangible assets purchased are initially measured at cost. The cost of an intangible asset comprise its purchase price including any costs directly attributable to making the asset ready for their intended use.

5. Depreciation :-

Depreciation on property, plant and equipment, tangible and intangible assets, has been provided under Straight Line method over the useful life of assets estimated by the management which is in line with the terms prescribed in Schedule II to The Companies Act, 2013. Depreciation for assets purchased/sold during the period is proportionately charged. Depreciation method, useful life & residual value are reviewed periodically.

6. Revenue Recognition :-

Revenue from Sale of Goods is recognized when all the significant risk and rewards of ownership are transferred to the buyer and seller retains no effective control of the goods transferred to degree usually associated with ownership.

No significant uncertainty exists regarding the amount of the consideration that will be derived from the sale of goods

7. Inventories :-

Raw Material, stores & spares and Finished Goods are valued at Lower of cost and net realizable value (NRV).

The Net realizable value is estimated selling price in the ordinary course of business less the estimated costs of Completion and estimated cost necessary to make the finished goods/product ready for sale.

8. Investment :-

Investment which are readily realizable and intended to be held for not more than one year from the date on which such investments are made, are classified as current investments. All other investments are classified as non-current investments.

On initial recognition, all investments are measured at cost. The cost comprises purchase price and directly attributable acquisition charges such as brokerage, fees and duties.

9. Retirement Benefits & Other Employee Benefits:-

All short term employee benefits are accounted on undiscounted basis during the accounting period based on services rendered by employees. The Company's contribution to Provident Fund is charged to the Statement of Profit and Loss on accrual basis. The Company's obligation is limited to the amount to be contributed by it. The Liability in respect of gratuity is recognized on the basis of actuarial valuation.

10. Borrowing Costs :-

Borrowing costs that are directly attributable to the acquisition or construction of qualifying assets are capitalized as part of the cost of such assets till such time the asset is ready for its intended use. A qualifying asset is one that necessarily takes substantial period of time to get ready for intended use. Costs incurred in raising funds are amortized equally over the period for which the funds are acquired. All other borrowing costs are charged to profit and loss account.

11. Cash Flow Statement:-

Cash flows are reported using the indirect method, whereby profit before tax is adjusted for the effects of transactions of a non-cash nature, any deferrals or accruals of past or future operating cash receipts or payments and item of income or expenses associated with investing or financing cash flows. The cash flows from operating, investing and financing activities are segregated.

12. Taxation:-

The accounting treatment for the Income Tax in respect of the Company's income is based on the Accounting Standard on 'Accounting for Taxes on Income' (AS-22). The provision made for Income Tax in Accounts comprises both, the current tax and deferred tax. Provision for Current Tax is made on the assessable Income Tax rate applicable to the relevant assessment year after considering various deductions available under the Income Tax Act, 1961.

Deferred tax is recognized for all timing differences; being the differences between the taxable income and accounting income that originate in one period and are capable of reversal in one or more subsequent periods. Such deferred tax is quantified using the tax rates and laws enacted or substantively enacted as on the Balance Sheet date. The carrying amount of deferred tax asset/liability is reviewed at each Balance Sheet date and consequential adjustments are carried out.

13. Provisions, Contingent liabilities and Contingent assets :-

A provision is recognized if, as a result of a past event, the Company has a present legal obligation that is reasonably estimable, and it is probable that an outflow of economic benefits will be required to settle the obligation. Provisions are determined by the best estimate of the likely future outflow of economic benefits required to settle the obligation at the reporting date.

Where no reliable estimate can be made, a disclosure is made as contingent liability. A disclosure for a contingent liability is also made when there is a possible obligation or a present obligation that may, but probably will not, require an outflow of resources. Where there is a possible obligation or a present obligation in respect of which the likelihood of outflow of resources is remote, no provision or disclosure is made.

Contingent assets are neither recognized nor disclosed in the financial statements.

However, Contingent assets are assessed continually and when it becomes reasonably certain that inflow of economic benefit will arise.

14. Contingencies and Events Occurring After the Balance Sheet Date:-

Events that occur between balance sheet date and date on which these are approved, might suggest the requirement for an adjustment(s) to the assets and the liabilities as at balance sheet date or might need disclosure. Adjustments are required to assets and liabilities for events which occur after balance sheet date which offer added information substantially affecting the determination of the amounts which relates to the conditions that existed at balance sheet date.

15. Impairment Of Assets :-

An asset is treated as impaired when carrying cost of assets exceeds its recoverable value. The recoverable amount is measured as the higher of the net selling price and the value in use determined by the present value of estimated future cash flows. An impairment loss is charged off to profit and loss account as and when asset is identified for impairment. The impairment loss recognized in prior accounting period is reversed if there has been a change in the estimate of recoverable amount. An asset is treated as impaired when carrying cost of assets exceeds its recoverable value. The recoverable amount is measured as the higher of the net selling price and the value in use determined by the present value of estimated future cash flows.

16. Foreign Currency Transaction :-

The company has provided for effect of change in foreign exchange transactions as required by the Accounting Standard-11 (AS-11) issued by the Institute of Chartered Accountants of India (ICAI). Consequently, for the purposes of this statement the effect of changes in foreign exchange is accounted as per Accounting Standards-11 (AS-11).

- (i) Initial Recognition Foreign currency transactions are recorded in the reporting currency, by applying to the foreign currency amount the exchange rate between the reporting currency and the foreign currency at the date of the transaction.
- (ii) Exchange Differences Exchange differences arising on the settlement of monetary items or on reporting company's monetary items at rates different from those at which they were initially recorded during the year, or reported in previous financial statements, are recognized as income or as expenses in the year in which they arise

17. Earnings Per Share:-

Basic earnings per share is computed by dividing the net profit after tax by the weighted average number of equity shares outstanding during the period. Diluted earnings per share is computed by dividing the profit after tax by the weighted average number of equity shares considered for deriving basic earnings per share and also the weighted average number of equity shares that could have been issued upon conversion of all dilutive potential equity shares.

The diluted potential equity shares are adjusted for the proceeds receivable had the shares been actually issued at fair value which is the average market value of the outstanding shares. Dilutive potential equity shares are deemed converted as of the beginning of the period, unless issued at a later date. Dilutive potential equity shares are determined independently for each period presented.

In case of bonus issue the weighted average number of equity shares outstanding during the period and for all periods presented should be adjusted for events, other than the conversion of potential equity shares, that have changed the number of equity shares outstanding, without a corresponding change in resources.

18. Government Grants :-

Government Grants are recognized when there is reasonable assurance that the company will comply with the conditions attached to them and the grants will be received.

Government grants whose primary conditions that company should purchase, construct or otherwise acquired capital assets are presented by deducting them from carrying value of assets.

Grants related to the revenue are adjusted against expenses to the extent there is certainty to receive.

C. NOTES TO RESTATED FINANCIAL STATEMENTS:

1. EMPLOYEE BENEFITS

The Company has adopted the Accounting Standard 15 (revised 2005) on Employee Benefits during the restated financials period. The disclosure as envisaged under the Accounting Standard is provided hereunder:

(Rs. In Lakhs)

2.1: Table Showing Changes in Present Value of Obligations:

Period	31-03-2023	31-03-2022	31-03-2021
Present value of the obligation at the beginning of the period	24.03	13.96	-
Interest cost	1.80	1.05	-
Current service cost	14.63	11.15	-
Past Service Cost	0	0	-
Benefits paid (if any)	0	0	-
Actuarial (gain)/loss	(1.12)	(2.12)	-
Present value of the obligation at the end of the period	39.34	24.03	13.96

2.2: Key results (The amount to be recognized in the Balance Sheet):

Period	31-03-2023	31-03-2022	31-03-2021
Present value of the obligation at the end of the period	39.34	24.03	13.96
Fair value of plan assets at end of period	0	0	0
Net liability/(asset) recognized in Balance Sheet and related analysis	39.34	24.03	13.96
Funded Status - Surplus/ (Deficit)	(39.34)	(24.03)	(13.96)

2.3: Expense recognized in the statement of Profit and Loss:

Period	31-03-2023	31-03-2022	31-03-2021
Interest cost	1.80	1.05	-
Current service cost	14.63	11.15	-
Past Service Cost	0	0	-
Expected return on plan asset	(0)	(0)	-
Net actuarial (gain)/loss recognized in the period	(1.12)	(2.12)	-
Expenses to be recognized in P&L	15.31	10.07	13.96

2.4: Experience adjustment:

Period	31-03-2023	31-03-2022	31-03-2021
Experience Adjustment (Gain) / loss for Plan liabilities	(1.12)	(2.12)	-
Experience Adjustment Gain / (loss) for Plan assets	0	0	-

3.1: Summary of membership data at the date of valuation and statistics based thereon:

Period	31-03-2023	31-03-2022	31-03-2021
Number of employees	224	182	142
Total monthly salary	47.40	38.64	27.07
Average Past Service (Years)	1.8	1.6	1.3
Average Future Service (yrs.)	26.5	26.2	26.9
Average Age (Years)	33.5	33.8	33.1
Weighted average duration (based on discounted cash flows) in years	24	26	25
Average monthly salary	0.21	0.21	0.19

3.2: Actuarial assumptions provided by the company and employed for the calculations are tabulated:

Discount rate	7.50 % per annum	7.50 % per annum	7.50 % per annum
Salary Growth Rate	5.00 % per annum	5.00 % per annum	5.00 % per annum
Mortality	IALM 2012-14	IALM 2012-14	IALM 2012-14
Expected rate of return	0	0	0
Withdrawal rate (Per Annum)	5.00% p.a.	5.00% p.a.	5.00% p.a.

3.3: Benefits valued:

Normal Retirement Age	60 Years	60 Years	60 Years
Salary	Last drawn qualifying salary	Last drawn qualifying salary	Last drawn qualifying salary
Vesting Period	5 Years of service	5 Years of service	5 Years of service
Benefits on Normal Retirement	15/26 * Salary * Past Service (yr.).	15/26 * Salary * Past Service (yr.).	15/26 * Salary * Past Service (yr.).
Benefit on early exit due to death and disability	As above except that no vesting conditions apply	As above except that no vesting conditions apply	As above except that no vesting conditions apply
Limit	2000000.00	2000000.00	2000000.00

3.4: Current Liability (*Expected payout in next year as per schedule III of the Companies Act, 2013) :

Period	31-03-2023	31-03-2022	31-03-2021
Current Liability (Short Term)	1.17	0.57	0.29
Non-Current Liability (Long Term)	38.17	23.46	13.67
Total Liability	39.34	24.03	13.96

2. Contingent liabilities and commitments (to the extent not provided for)

A disclosure for a contingent liability is usually reported in the notes to restated financial statements when there is a possible obligation that may, require an outflow of the Company's resources. However, there has not been any such liability/event, which qualifies as contingent liability in the restated period except as stated in Note X.

3. Disclosure under Micro, Small and Medium Enterprises Development Act, 2006

The amount due to Micro, small and medium enterprise in the "Micro, small and medium Enterprise Development Act, 2006"(MSMED) has been determined to the extent such parties have been identified on the basis of information available with the company. The disclosures relating to micro and small enterprises is as below:

	(Rs. In Lakhs)		
Trade Payables	2023	2022	2021
(a) the principal amount remaining unpaid to any supplier at the end of each accounting year;	Nil	Nil	Nil
Interest amount due thereon remaining unpaid to any supplier at the end of each accounting year	Nil	Nil	Nil
(b) the amount of interest paid by the buyer(Company) in terms of section 16 of the Micro, Small and Medium Enterprises Development Act, 2006, along with the amount of the payment made to the supplier beyond the appointed day during each accounting year;	Nil	Nil	Nil
(c) the amount of interest due and payable for the period of delay in making payment (which have been paid but beyond the appointed day during the year) but without adding the interest specified under the Micro, Small and Medium Enterprises Development Act, 2006;	Not ascertained	Not ascertained	Not ascertained
(d) the amount of interest accrued and remaining unpaid at the end of each accounting year; and	Nil	Nil	Nil

(e) the amount of further interest remaining due and payable even in the succeeding years, until such date when the interest dues above are actually paid to the small enterprise, for the purpose of disallowance of a deductible expenditure under section 23 of the Micro, Small and Medium Enterprises Development Act, 2006.	Nil	Nil	Nil
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4. Related party transactions are already reported as per AS-18 of Companies (Accounting Standards) Rules, 2006, as amended, in the Note Y of the enclosed financial statements.
5. Deferred Tax liability/Asset in view of Accounting Standard – 22: “Accounting for Taxes on Income” as at the end of the year is as under:

(Rs. in lakhs)

Particulars	As At		
	3/31/2023	3/31/2022	3/31/2021
Opening Balance (A)	Rs. Lakh		
Opening Balance of Deferred Tax (Asset) / Liability	46.28	36.85	31.58
Closing Balances (B)			
(DTA) / DTL on Timing Difference in Depreciation as per Companies Act and Income Tax Act.	50.75	52.97	40.48
(DTA) / DTL on account of gratuity provision	(10.94)	(6.69)	(3.63)
Closing Balance of Deferred Tax (Asset) / Liability (B)	39.81	46.28	36.85
Current Year Provision (B-A)	(6.48)	9.43	5.27

6. Directors' Remuneration:

(Rs. in lakhs)

Particulars	For the Year Ended		
	2022-23	2021-22	2020-21
Directors' Remuneration (including sitting fees)	31.00	36.00	24.00
Total	31.00	36.00	24.00

7. Auditors' Remuneration:

(Rs. in Lakhs)

Particulars	For the Year Ended		
	2022-23	2021-22	2020-21
a. As Auditors			
Statutory & Tax Audit Fees & Other Tax Matter	0.60	0.30	0.25
Total	0.60	0.30	0.25

8. Earnings per Share:

(Amt. Rs. in Lakhs, except EPS)

Particulars	For the Year Ended		
	2022-23	2021-22	2020-21
A. Total Number of equity shares outstanding at the end of the year (Nos.)	7,579,089	360,909	360,909
B. Weighted average number of equity shares outstanding during the year (Nos.)	7,579,089	7,579,089	7,579,089
C. Net profit after tax available for equity shareholders (excluding exceptional and extraordinary items) (as Restated) (Rs.)	355.38	130.52	41.71
D. Restated Basic and Diluted earnings per share (Rs.)	4.69	1.72	0.55

9. Figures have been rearranged and recomputed wherever practicable and considered necessary.
10. The adequate provisions have been made for all the known and determined liabilities and the same is not in excess of the amounts reasonably required to be provided for.
11. Certain balances of trade payables, trade receivables, loans and advance are subject to confirmation and adjustment if any will be made on receipt of the same.

12. Realizations

In the opinion of the Board and to the best of its knowledge and belief, the value on realization of current assets and loans and advances are approximately of the same value as stated.

13. Contractual liabilities

All other contractual liabilities connected with business operations of the Company have been appropriately provided for.

14. Amounts in the financial statements

Amounts in the financial statements are rounded off to nearest Lakhs. Figures in brackets indicate negative values.

15. Impact of Audit Qualifications/Observations in Statutory Auditor's Report on Financial Statements

There has been no audit qualifications/observations in Statutory Auditor's Report for the year ended F.Y. 2020-21, 2021-22 and 2022-23 which requires adjustments in restated financial statements.

D. Material Adjustments

Appropriate adjustments have been made in the restated financial statements, whenever required, by reclassification of the corresponding items of assets, liabilities and cash flow statement, in order to ensure consistency and compliance with requirement of Schedule III of Companies Act and Accounting Standards issued by ICAI.

1. The company is operating only one business segment viz different types cattle feeds and animal feeds. Further, the company primarily operates in India. Therefore, no further information required to disclose as per "Accounting Standard 17- Segment Reporting".
2. Statement of Adjustments in the financial statements is presented here below:

RECONCILIATION OF RESTATED PROFIT:

(Rs. In Lakhs)

Particulars	For the Year Ended		
	2022-23	2021-22	2020-21
Net profit/(Loss) after Tax as per Audited Profit & Loss Account	399.08	151.92	56.17
Adjustments for:			
Provision for gratuity	(15.31)	(10.07)	(13.96)
(Short)/excess Provision of deferred tax	(1.84)	(1.46)	0.05
(Short)/excess of Provision of tax	(27.18)	(9.77)	(1.08)
Earlier year Taxes	0.62	(0.09)	0.52
Total Adjustments	(43.70)	(21.40)	(14.46)
Net Profit/ (Loss) After Tax as Restated	355.38	130.52	41.71

Note:-

- a) The provision for gratuity has been done in all years covered for restatement as per Actuarial Valuation Reports and provided in the respective year in which such liability has arisen as per AS 15: Employee Benefits issued by ICAI.
 - b) Provision for Taxation has been adjusted for Items like Income Tax related to Earlier Years.
3. The reconciliation of Equity and Reserves as per audited results and the Equity and Reserves as per Restated Accounts is presented below:-

RECONCILIATION OF EQUITY AND RESERVES:

(Rs. In Lakhs)

Particulars	For the Year Ended		
	2022-23	2021-22	2020-21
Equity and Reserves as per Audited Balance sheet	1072.86	673.78	521.86
Adjustments for:			
Difference Due to Change in P&L	(43.70)	(21.40)	(14.46)
Opening Adjustments	(36.38)	(14.98)	(0.52)
Total Adjustments	(80.07)	(36.38)	(14.98)

Equity and Reserves as per Re-stated Balance sheet	992.79	637.40	506.88
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4. Other Information:

- a) The Company increased its Authorized Share Capital to Rs. 11,00,00,000/-divided into 1,10,00,000 equity shares of Rs.10 each from Rs. 55,00,000/- divided into 5,50,000 equity shares of Rs.10 each on March 23, 2023.
- b) The company has allotted 72,18,180 equity shares of Rs.10 each by way of Bonus in the ratio of 20:1 on March 25, 2023 by passing shareholder's resolution.

Additional Regulatory Information

1. No funds have been advanced or loaned or invested (either from borrowed funds or share premium or any other sources or kind of funds) by the company to or in any other persons or entities, including foreign entities ("Intermediaries") with the understanding, whether recorded in writing or otherwise, that the Intermediary shall directly or indirectly lend or invest in other persons or entities identified in any manner whatsoever (Ultimate beneficiaries) by or on behalf of the company or provide any guarantee, security or the like on behalf of the Ultimate Beneficiaries.
2. No funds have been received by the Company from any persons or entities, including foreign entities ("Funding Parties"), with the understanding, whether recorded in writing or otherwise, that the Company shall directly or indirectly, lend or invest in other persons or entities identified in any manner whatsoever ("Ultimate Beneficiaries") by or on behalf of the Funding Parties or provide any guarantee, security or the like from or on behalf of the Ultimate Beneficiaries.
3. The company has not entered any transactions with struck off companies under section 248 of the companies Act, 2013 or section 560 of companies Act, 1956.
4. The company had complied with requirement of registration of charges with Registrar of Companies in respect of borrowings from the bank for company's assets.
5. The company has complied with the number of layers prescribed under clause (87) of section 2 of the Act read with Companies (Restriction on number of Layers) Rules, 2017.
6. There is no Scheme of Arrangements that has been approved in terms of sections 230 to 237 of companies Act, 2013.
7. There are no transactions that are not recorded in the books of account to be surrendered or disclosed as income during the year in the tax assessments under the Income Tax Act, 1961.
8. The company is not covered under the provisions of section 135 of Companies Act, 2013.
9. The Company has not traded or invested in Crypto currency or Virtual Currency during the financial year.
10. No proceedings have been initiated or pending against the company for holding any benami property under the Benami Transactions (Prohibition) Act, 1988 (45 of 1988) and the rules made thereunder.
11. The Company is capable of meeting its liabilities existing at the date of balance sheet as and when they fall due within a period of one year from the balance sheet date.

NOTE – A

RESTATED STATEMENT OF SHARE CAPITAL, RESERVES AND SURPLUS

(Amt. in Rs. Lakhs, Except Share Data)

	31/03/2023	31/03/2022	31/03/2021
Share Capital			
Authorized Share Capital			
Equity shares of Rs.10 each	1,10,00,000	5,50,000	5,50,000
Equity Share Capital	1,100.00	55.00	55.00
Issued, Subscribed and Paid up Share Capital			
Equity Shares of Rs. 10 each fully paid up	75,79,089	3,60,909	3,60,909
Share Capital (in Rs.)	757.91	36.09	36.09
Total	757.91	36.09	36.09
Reserves and Surplus			
Securities Premium	274.31	274.31	274.31
Surplus in Profit and Loss account			
Balance as per the last financial statements	327.00	196.48	154.77
Profit for the Year	355.38	130.52	41.71
Less: Issue of Bonus Shares	(721.82)	-	-
Less: Prior Period Tax			
Balance as at the end of Financial Year	234.88	601.31	470.79

1. Terms/rights attached to equity shares:

i. The company has only one class of shares referred to as equity shares having a par value of Rs.10/-. Each holder of equity shares is entitled to one vote per share

ii. In the event of liquidation of the Company, the holders of equity shares shall be entitled to receive any of the remaining assets of the Company, after distribution of all preferential amounts. The amount distributed will be in proportion to the number of equity shares held by the shareholders.

2. The figures disclosed above are based on the restated summary statement of assets and liabilities of the Company

3. Company does not have any Revaluation Reserve.

4. The company has issued Bonus issue of 72,18,180 Equity Shares of Face Value of Rs. 10/-each in the ratio of 20:1 i.e. Twenty (20) Bonus Equity Shares for every One (1) Equity Shares held by shareholders on March 25, 2023.

5. The reconciliation of the number of Equity shares outstanding as at: -

Particulars	31/03/2023	31/03/2022	31/03/2021
Number of shares at the beginning	3,60,909	3,60,909	3,60,909
Add: Bonus Share Issued	72,18,180	-	-
Add: Fresh Issue of shares		-	-
Number of shares at the end	75,79,089	3,60,909	3,60,909

6. The detail of shareholders holding more than 5% of Shares: -

Particulars	31/03/2023	31/03/2022	31/03/2021
Sh Paramvir Singh Mander	69,10,344	2,30,510	2,30,510
Sh. Sardool Singh	6,20,445	29,545	29,545

6. Details of shares held by promoters at the end of the reporting period

Particulars	31/03/2023	31/03/2022	31/03/2021
Sh Paramvir Singh Mander	69,10,344	2,30,510	2,30,510
% of holding	91.18%	63.87%	63.87%
Change in Holding	27.31%	0.00%	-

NOTE – B

RESTATED STATEMENT OF LONG TERM BORROWINGS

(Rs. in Lakhs)

Particulars	31/03/2023	31/03/2022	31/03/2021
(Secured)			
(a) Term loans			

Axis Bank Limited	136.67	-	-
Equitas Small Finance Bank Ltd (Vehicle Loan)	8.49	18.69	27.74
HDB Financial Services	4.43	6.79	
HDFC Bank Vehicle Loan	3.00	6.24	9.11
HDFC Bank Vehicle Loan- II	13.94	7.66	11.08
HDFC Bank G wagon Loan	-	49.01	
HDFC Bank Tata CNG Tempu	3.97		
Hinduja Leyland Finance Ltd	-	14.24	38.19
ICICI Loan against Property	165.15		
Kotak Mahindra Bank CNG tempo	62.64		
Kotak Mahindra Prime Ltd Innova	4.87		
Mahindra & Mahindra Financial Services-I	-	-	-
Mahindra & Mahindra Financial Services-II	-	8.72	28.08
Punjab & Sind Bank Car Loan	5.20	20.05	
Tata Capital Finance co	157.03		
Sub-total (a)	565.39	131.40	114.20
(b) Term loans (Unsecured)			
Axis Bank Limited	34.39	7.70	14.32
Fedbank Financial Services	21.61		
Hero Fincorp Limited	-	-	10.70
ICICI Bank	-	9.86	20.10
IDFC First Bank Ltd	-	13.45	31.20
IDFC First Bank Ltd-II	44.04		
Tata Capital Financial Services Ltd	0.42	7.25	16.36
	100.46	38.26	92.68
(c) Loans and advances from related parties & shareholders (Unsecured)			
From Directors	300.00		
From Others	-	-	237.69
From Body Corporate	-	-	-
Sub-total (c)	300.00	-	237.69
(d) Inter-corporate Deposits			
From Body Corporate	97.50	277.50	257.50
Sub-total (d)	97.50	277.50	257.50
Total (a+b+c+d)	1,063.35	447.16	702.07

Notes:

1. The terms and conditions and other information in respect of Secured Loans and Unsecured Loans are given in NOTE-B (A) and NOTE B (B)

NOTE B(A) RESTATED STATEMENT OF PRINCIPAL TERMS OF SECURED LOANS AND ASSETS CHARGED AS SECURITY

						(Rs. in Lakhs)
Name of Lender	Purpose	Sanctioned Amount (In Lacs)	Rate of interest	Primary & Collateral Security	Re-Payment Schedule	Outstanding amount as on 31.03.2023 as per Books (In Lakhs)
Axis Bank Ltd. (Cash Credit)	Working Capital Loan	550.00	REPO rate +3.5%	The loan is secured on the hypothecation of the stock and book debts, equitable mortgage of the factory situated at Village Ikkolaha, Khanna, Ludhiana, Personal guarantee of Paramvir Singh Mander, Vinayak Kedia & J P Sehgal	On demand	524.04
Axis Bank Ltd.	Pledge facility	1000.00	REPO rate +4.1%	The loan is secured on the hypothecation of the stock & Bill discounting & Personal guarantee of Paramvir Singh Mander, Vinayak Kedia & J P Sehgal	On demand	430.54
Axis Bank Limited	Secured Term loan working capital	150.00	REPO rate +3.5%	The loan is secured on the equitable mortgage of the factory situated at Village Ikkolaha, Khanna, Ludhiana, Personal guarantee of Paramvir Singh Mander, Vinayak Kedia & J P Sehgal	180 Monthly EMI of Rs. 83393/- excluding interest	146.67
Equitas Small Finance Bank Ltd (Vehicle Loan)	Vehicle Loan	44.55	12.00%	Hypothecation of Vehicle	Number of loan - 3 60 Monthly EMI of Rs. 33050/- including interest	18.69
HDB Financial Services	Vehicle Loan	4.55	11.20%	Hypothecation of Vehicle	48 Monthly EMI of Rs. 11892/- including interest	3.19
HDFC Bank Vehicle Loan	Vehicle Loan	5.00	11.20%	Hypothecation of Vehicle	48 Monthly EMI of Rs. 13020/- including interest	3.60
HDFC Bank Vehicle Loan	Vehicle Loan	12.05	12.00%	Hypothecation of Vehicle	48 Monthly EMI of Rs. 31728/- including interest	6.23
HDFC Bank Vehicle Loan-II	Vehicle Loan	22.50	7.50%	Hypothecation of Vehicle	48 Monthly EMI of Rs. 54450/- including interest	19.20
HDFC Bank Tata CNG Tempu	Vehicle Loan	14.25	7.50%	Hypothecation of Vehicle	48 Monthly EMI of Rs. 34455/- including interest	7.66
Hinduja Layland Finance Ltd	Vehicle Loan	82.53	10.24%	Hypothecation of Vehicle	Number of loan - 5 46 Monthly EMI of Rs. 43906/- including interest	16.92
ICICI Loan against Property	Loan against property	173.00	9.60%	Loan against mortgage of property	180 Monthly EMI of Rs. 181697/- including interest	170.80

Khanna Feed Limited

Kotak Mahindra Bank CNG tempu	Vehicle Loan	110.05	7.75%	Hypothecation of Vehicle	Number of loan - 5 47 Monthly EMI of Rs. 54380/- including interest	89.25
Kotak Mahindra Prime Ltd Innova	Vehicle Loan	11.25	8.45%	Hypothecation of Vehicle	36 Monthly EMI of Rs. 37501/- including interest	8.51
Mahindra & Mahindra Financial Services-II	Vehicle Loan	6.80	11.20%	Hypothecation of Vehicle	Number of loan - 4 47 Monthly EMI of Rs. 44851/- including interest	8.72
Punjab & Sind Bank Car Loan	Vehicle Loan	42.50	7.40%	Hypothecation of Vehicle	36 Monthly EMI of Rs. 132006/- including interest	20.06
Tata Capital Finance co	Term Loan	244.00	8.14%	Loan against mortgage of property	96 Monthly EMI of Rs. 254950/- excluding interest	187.00
TOTAL						1,661.08

B(B) STATEMENT OF TERMS & CONDITIONS OF UNSECURED LOANS

(Amt. Rs. in Lacs)

Name of Lender	Purpose	Rate of Interest	Re-Payment Schedule	31-03-2023
Axis Bank Limited	Business Loan	16.00%	36 Monthly EMI of Rs. 175,785/- including interest	48.71
Fedbank Financial Services	Business Loan	16.00%	36 Monthly EMI of Rs. 105,823/- including interest	30.10
ICICI Bank	Business Loan	15.99%	36 Monthly EMI of Rs. 106,011/- including interest	9.86
IDFC First Bank Ltd	Business Loan	8.56%	36 Monthly EMI of Rs. 178045/- including interest	13.45
IDFC First Bank Ltd-II	Business Loan	15.50%	36 Monthly EMI of Rs. 214562/- including interest	61.46
Tata Capital Financial Services Ltd	Business Loan	18.50%	36 Monthly EMI of Rs. 91929/- including interest	7.67
TOTAL				171.25
FROM DIRECTORS:-				
Paramvir Singh Mander	Business Loan	Nil	On Demand	300.00
FROM OTHERS:-				
G.S.P. International Pvt Ltd	Business Loan	Nil	On Demand	12.50
Gajjanmajra Feed limited	Business Loan	Nil	On Demand	85.00
GRAND TOTAL				568.75

NOTE –C
RESTATED STATEMENT OF DEFERRED TAX (ASSETS) / LIABILITIES

(Amt. Rs. in Lacs)

Particulars	As At		
	31/03/2023	31/03/2022	31/03/2021
Opening Balance (A)			
Opening Balance of Deferred Tax (Asset) / Liability	46.28	36.85	31.58
Closing Balances (B)			
(DTA) / DTL on Timing Difference in Depreciation as per Companies Act and Income Tax Act.	50.75	52.97	40.48
(DTA) / DTL on account of gratuity provision	(10.94)	(6.69)	(3.63)
Closing Balance of Deferred Tax (Asset) / Liability (B)	39.81	46.28	36.85
Current Year Provision (B-A)	(6.48)	9.43	5.27

NOTE –D
RESTATED STATEMENT OF LONG TERM PROVISIONS

(Amt. Rs. in Lacs)

Particulars	As AT		
	31/03/2023	31/03/2022	31/03/2021
Provision for Gratuity	38.16	23.45	13.67
Total	38.16	23.45	13.67

NOTE –E
RESTATED STATEMENT OF OTHER NON CURRENT LIABILITIES

(Amt. Rs. in Lacs)

Particulars	As AT		
	31/03/2023	31/03/2022	31/03/2021
Security deposits from Dealers	70.00	581.99	154.14
Total	70.00	581.99	154.14

NOTE –F
RESTATED STATEMENT OF SHORT TERM BORROWINGS

(Amt. Rs. in Lacs)

Particulars	As At	As At	As At
	31/03/2023	31/03/2022	31/03/2021
Secured (Payable within 12 months)			
Axis Bank Limited	10.00	-	-
Equitas Small Finance Bank Ltd	10.20	8.04	7.40
HDB Financial Services	2.36	2.07	
HDFC Bank Vehicle Loan	3.23	2.77	2.53
HDFC Bank Vehicle Loan- II	5.26	3.35	3.17
HDFC Bank G wagon Loan	-	17.07	
HDFC Bank Tata CNG Tempu	3.69	-	-
Hinduja Leyland Finance Ltd	16.92	23.44	21.28
ICICI Loan agt Property	5.65		
Kotak Mahindra Bank CNG tempu	26.61		
Kotak Mahindra Prime Ltd Innova	3.64		
Mahindra & Mahindra Financial Services	-	-	16.10
Mahindra & Mahindra Financial Services	8.72	18.09	16.47
Punjab & Sind Bank Car Loan	14.86	13.89	
Tata Capital Finance co	29.97		
Loan Repayable on Demand			
From Banks			
Kissandhan Agri Financial Services Ltd	-	30.86	174.33
Axis Bank OD Limit	-	376.31	
Axis Bank CC Limit	524.04		
Axis Bank (against Commodity)	430.54		
From Other Parties			
Subtotal (a)	1,095.69	495.89	241.28

Unsecured			
From Financial Institutions			
Axis Bank Limited	14.32	6.49	5.68
Fedbank Financial Services	8.49		
Hero Fincorp Limited	-	10.29	12.02
ICICI Bank	9.86	9.98	8.66
IDFC First Bank Ltd	13.45	17.28	15.03
IDFC First Bank Ltd-II	17.42		
Tata Capital Financial Services Ltd	7.25	8.71	7.25
Loan from Others			
Loan from Directors	-	-	-
Sub Total (b)	70.79	52.75	48.64
Total (a+b)	1,166.48	548.64	289.92

Note

The terms and conditions and other information in respect of Secured Loans and Unsecured Loans are given in NOTE-B (A) and NOTE B (B)

NOTE –G
RESTATED STATEMENT OF TRADE PAYABLES

(Amt. Rs. in Lacs)

Particulars	As AT		
	31/03/2023	31/03/2022	31/03/2021
Trade Payables			
For Assets			45.28
For Goods & Services			
Micro, Small and Medium Enterprises	-	-	-
Other than Micro, Small and Medium Enterprises	1,886.63	1,488.24	1,049.95
Total	1,886.63	1,488.24	1,095.23

Trade Payables ageing schedule 31.03.2023

Particulars	Outstanding for following periods from due date of payment/transaction				Total
	Less than 1 year	1-2 years	2-3 years	More than 3 years	
(i)MSME					
(ii)Others	1867.6	16.23	0.30	2.50	1,886.63
(iii) Disputed dues – MSME					
(iv) Disputed dues - Others					

Trade Payables ageing schedule 31.03.2022

Particulars	Outstanding for following periods from due date of payment/transaction				Total
	Less than 1 year	1-2 years	2-3 years	More than 3 years	
(i)MSME					
(ii)Others	1386.31	65.73	-	36.20	1,488.24
(iii) Disputed dues – MSME					
(iv) Disputed dues - Others					

Trade Payables ageing schedule 31.03.2021

Particulars	Outstanding for following periods from due date of payment/transaction				Total
	Less than 1 year	1-2 years	2-3 years	More than 3 years	
(i)MSME					
(ii)Others	1034.25	23.76	-	37.22	1,095.23

(iii) Disputed dues – MSME					
(iv) Disputed dues - Others					

Notes:

1. The figures disclosed above are based on the restated summary statement of assets and liabilities of the Company.
2. Amount due to entities covered under Micro, Small and Medium Enterprises as defined in the Micro, Small, Medium Enterprises Development Act, 2006, have been identified on the basis of information available with the Company. There was no amount due to any such entities which needs to be disclosed.

NOTE –H
RESTATED STATEMENT OF OTHER CURRENT LIABILITIES

(Amt. Rs. in Lacs)

Particulars	As At		
	31/03/2023	31/03/2022	31/03/2021
Other Current Liabilities			
Advanced From Customers			
Unsecured and considered Good	19.86	13.54	-
Statutory Dues Payable			
GST(Reverse Charge) Payable	0.84	2.37	1.30
Pb. Welfare Fund Payable	0.69	0.69	0.31
Provident Fund Payable	5.69	2.48	2.19
ESI Payable	1.56	0.62	0.45
TDS Payable	9.15	9.50	2.81
TCS Payable	1.94	0.89	0.21
Due to employees			
Bonus Payable	-	-	19.48
Salary Payable	30.68	43.99	26.17
Wages Payable	17.39	10.60	7.46
Other Payable			
Expenses Payable	12.80	6.79	6.96
Cheques Issued but not presented	-	-	3.90
Other Liabilities	5.00	-	-
Total	105.60	91.47	71.24

NOTE –I
RESTATED STATEMENT OF SHORT TERM PROVISIONS

(Amt. Rs. in Lacs)

Particulars	As At		
	31/03/2023	31/03/2022	31/03/2021
Short Term Provisions			
Provision for Income Tax	150.43	47.66	15.48
Provision for PF	-	-	-
Provision for Gratuity	1.18	0.58	0.29
Provision for Audit Fees	0.54	0.30	0.25
Total	152.15	48.54	16.02

NOTE –J
RESTATED STATEMENT OF FIXED ASSETS

FY 2020-21

Particulars	Gross Block				Depreciation				Net Block	
	As at 01-Apr-20	Additions during the year	Deletions during the year	As at 31-Mar-21	Upto 01-Apr-20	During the year	Deletion during the year	Total upto 31-Mar-21	As at 31-Mar-21	As at 31-Mar-20
Property, Plant and Equipment										
Land	144.02			144.02	-	-		-	144.02	144.02
Building	218.38			218.38	18.86	6.92		25.78	192.60	199.52
Car	-	12.05		12.05	-	0.04		0.04	12.01	-
Computer	1.17			1.17	0.59	0.16		0.75	0.42	0.58
Electric Installation	10.49			10.49	1.64	0.66		2.30	8.19	8.85
Lab. Equipment's	1.94			1.94	0.40	0.12		0.52	1.42	1.54
Mobile Phone	0.19	0.24		0.43	0.02	0.06		0.08	0.35	0.17
Office Equipment's	3.01	2.30		5.31	0.88	0.70		1.58	3.73	2.13
Furniture	3.44	3.73		7.17	0.30	0.56		0.86	6.31	3.14
Motor Cycle	0.71			0.71	0.11	0.07		0.18	0.53	0.60
Plant & Machinery	293.18			293.18	46.70	18.56		65.26	227.92	246.48
Tempo	270.92	15.00		285.92	33.59	32.29		65.88	220.04	237.33
Weighing Scales	2.84			2.84	0.39	0.18		0.57	2.27	2.45
Wooden Crates	2.39			2.39	0.53	0.23		0.76	1.63	1.86
CWIP										
Building under construction	67.41	16.48	-	83.89	-	-	-	-	83.89	67.41
Electric Installation	1.32	-	-	1.32	-	-	-	-	1.32	1.32
Office Equipment's	2.23	-	-	2.23	-	-	-	-	2.23	2.23
Plant & Machinery	25.06	2.34	-	27.40	-	-	-	-	27.40	25.06
Intangible Asset										
Trade Mark										
Total	952.68	33.32	-	986.00	104.01	60.55	-	164.56	821.44	848.67
Previous Year	760.00	192.68		952.68	56.06	47.94		104.00	848.68	703.93

F.Y. 2021-22

Particulars	Gross Block				Depreciation				Net Block	
	As at 01-Apr-21	Additions during the year	Deletions during the year	As at 31-Mar-22	Upto 01-Apr-21	During the year	Deletion during the year	Total upto 31-Mar-22	As at 31-Mar-22	As at 31-Mar-21
Property, Plant and Equipment										
Land	144.02			144.02	-	-		-	144.02	144.02
Building	218.38			218.38	25.78	6.92		32.70	185.68	192.60
Car	12.05	160.54		172.59	0.04	2.78		2.82	169.77	12.01
Computer	1.17			1.17	0.75	0.16		0.91	0.26	0.42
Electric Installation	10.49			10.49	2.30	0.66		2.96	7.53	8.19
Lab. Equipment's	1.94	1.23		3.17	0.52	0.13		0.65	2.52	1.42
Mobile Phone	0.43	0.66		1.09	0.08	0.13		0.21	0.88	0.35
Office Equipment's	5.31	6.01		11.32	1.58	1.86		3.44	7.88	3.73
Furniture	7.17	0.21		7.38	0.86	0.69		1.55	5.83	6.31
Motor Cycle	0.71			0.71	0.18	0.07		0.25	0.46	0.53
Plant & Machinery	293.18	76.11		369.29	65.26	21.54		86.80	282.49	227.92
Tempo	285.92			285.92	65.88	33.97		99.85	186.07	220.04
Weighing Scales	2.84			2.84	0.57	0.18		0.75	2.09	2.27
Wooden Crates	2.39			2.39	0.76	0.23		0.99	1.40	1.63
CWIP										
Building under construction	83.89	129.03	-	212.92	-	-	-	-	212.92	83.89
Electric Installation	1.32	6.49	-	7.81	-	-	-	-	7.81	1.32
Office Equipment's	2.23	-	-	2.23	-	-	-	-	2.23	2.23
Plant & Machinery	27.40	37.43	-	64.83	-	-	-	-	64.83	27.40
Intangible Asset										
Trade Mark										
Total	986.00	244.76	-	1,230.76	164.56	69.32	-	233.88	996.88	821.44
Previous Year	952.68	33.32	-	986.00	104.01	60.55	-	164.56	821.44	848.67

F.Y 2022-23

Particulars	Gross Block				Depreciation				Net Block	
	As at 01-Apr-22	Additions during the year	Deletions during the year	As at 31-Mar-23	Upto 01-Apr-22	During the year	Deletion during the year	Total upto 31-Mar-23	As at 31-Mar-23	As at 31-Mar-22
Property, Plant and Equipment										
Land	144.02	-	-	144.02	-	-	-	-	144.02	144.02
Building	218.38	-	-	218.38	32.70	6.92	-	39.62	178.76	185.68
Car	172.59	18.00	74.82	115.77	2.82	27.34	10.81	19.35	96.42	169.77
Computer	1.17	0.37	-	1.54	0.91	0.09	-	1.00	0.54	0.26
Electric Installation	10.49	0.07	-	10.56	2.96	0.67	-	3.63	6.94	7.53
Lab. Equipment's	3.17	-	-	3.17	0.65	0.20	-	0.85	2.32	2.52
Mobile Phone	1.09	0.82	-	1.91	0.21	0.23	-	0.44	1.47	0.88
Office Equipment's	11.32	5.43	-	16.75	3.44	1.93	-	5.37	11.38	7.88
Furniture	7.38	2.77	-	10.15	1.55	0.81	-	2.36	7.79	5.83
Motor Cycle	0.71	-	-	0.71	0.25	0.07	-	0.32	0.39	0.46
Plant & Machinery	369.29	1.82	-	371.11	86.80	23.42	-	110.22	260.88	282.49
Tempo	285.92	133.35	81.29	337.98	99.85	38.46	42.47	95.84	242.14	186.07
Weighing Scales	2.84	0.09	-	2.93	0.75	0.18	-	0.93	2.00	2.09
Wooden Crates	2.39	-	-	2.39	0.99	0.23	-	1.22	1.17	1.40
CWIP										
Building under construction	212.92	67.50	-	280.42	-	-	-	-	280.42	212.92
Electric Installation	7.81	41.72	-	49.53	-	-	-	-	49.53	7.81
Office Equipment's	2.23	-	-	2.23	-	-	-	-	2.23	2.23
Plant & Machinery	64.83	61.82	-	126.65	-	-	-	-	126.65	64.83
Guest House	-	239.63	-	239.63	-	-	-	-	239.63	-
Intangible Asset										
Trade Mark										
Total	1,230.76	162.73	156.11	1,237.38	233.88	100.55	53.28	281.15	956.23	996.88
Previous Year	986.00	244.76	-	1,230.76	164.56	69.32	-	233.88	996.88	821.44

Notes:

1. The figures disclosed above are based on the restated summary statement of assets and liabilities of the Company.

NOTE-K
RESTATED STATEMENT OF TRADE RECEIVABLES

(Amt. Rs. in Lacs)

Particulars	As at		
	31/03/20 23	31/03/20 22	31/03/20 21
Trade Receivables			
Unsecured Considered good			
Trade receivables outstanding for a period exceeding six months from the date they are due for payment	379.68	226.04	57.91
Dues From Directors, Related parties/Common Group Company, etc.	-	-	-
Others	1,301.14	1,231.84	1,264.37
Sub Total (A)	1,680.82	1,457.88	1,322.28
Secured considered good			
Outstanding for a period not exceeding 6 months (Unsecured and considered Good)			
Dues From Directors, Related parties/Common Group Company, etc.	-	-	-
Others			
Sub Total (B)			
Total	1,680.82	1,457.88	1,322.27

1. Trade Receivables ageing schedule 31.03.2023

Particulars	Outstanding for following periods from due date of payment/transaction					
	Less than 6 months	6 months - 1 year	1-2 years	2-3 years	More than 3 years	Total
(i) Undisputed Trade receivables – considered good	1301.14	131.82	194.82	27.32	25.72	1,680.82
(ii) Undisputed Trade Receivables – considered doubtful						
(iii) Disputed Trade Receivables considered good						
(iv) Disputed Trade Receivables considered doubtful						

2. Trade Receivables ageing schedule 31.03.2022

Particulars	Outstanding for following periods from due date of payment/transaction					
	Less than 6 months	6 months - 1 year	1-2 years	2-3 years	More than 3 years	Total
(i) Undisputed Trade receivables – considered good	1231.84	127.04	58.88	8.35	31.77	1,457.88
(ii) Undisputed Trade Receivables – considered doubtful						
(iii) Disputed Trade Receivables considered good						
(iv) Disputed Trade Receivables considered doubtful						

3. Trade Receivables ageing schedule 31.03.2021

Particulars	Outstanding for following periods from due date of payment/transaction					
	Less than 6 months	6 months - 1 year	1-2 years	2-3 years	More than 3 years	Total
(i) Undisputed Trade receivables – considered good	1264.37	12.76	15.46	18.11	11.58	1,322.27
(ii) Undisputed Trade Receivables – considered doubtful						

(iii) Disputed Trade Receivables considered good						
(iv) Disputed Trade Receivables considered doubtful						

2. The figures disclosed above are based on the restated summary statement of assets and liabilities of the Company.

3. List of persons/entities classified as 'Promoters' and 'Group Companies' has been determined by the Management and relied upon by the Auditors. The Auditors have not performed any procedure to determine whether the list is accurate and complete.

NOTE-L
RESTATED STATEMENT OF CASH & CASH EQUIVALENTS

(Amt. Rs. in Lacs)

Particulars	As at		
	31/03/2023	31/03/2022	31/03/2021
Cash and Cash Equivalents			
Cash on Hand	27.98	6.05	1.18
Balances with Banks in Current Accounts	79.77	79.01	181.64
Other Bank Balances	-	6.50	2.02
Total	107.75	91.56	184.84

1. The figures disclosed above are based on the restated summary statement of assets and liabilities of the Company.

NOTE-M
RESTATED STATEMENT OF INVENTORIES

(Amt. Rs. in Lacs)

Particulars	As at		
	31/03/2023	31/03/2022	31/03/2021
Stock of Raw Material and Stock in Trade			
Raw Material	1,449.30	528.74	100.11
Stores & Spares	17.52	21.37	2.06
Finished Goods	29.19	37.93	44.62
Others	10.93	1.76	1.75
Total	1,506.94	589.80	148.54

NOTE-N
RESTATED STATEMENT OF SHORT-TERM LOANS AND ADVANCES

(Amt. Rs. in Lacs)

Particulars	As at		
	31/03/2023	31/03/2022	31/03/2021
Unsecured, Considered Good unless otherwise stated			
Balances dues from Government Authority	15.62	5.21	5.56
Loan and advance to Others (Unsecured and considered good)			
Loans and Advances to Directors/ Relatives of Directors	64.94	64.94	98.02
Advance against property purchase	255.61	213.22	35.00
Staff Advance	28.14	14.05	8.97
Advances to Suppliers	53.00	39.78	-
Other Loans and Advance	133.02	140.62	135.10
Total	550.33	477.82	282.65

NOTE-O
RESTATED STATEMENT OF OTHER CURRENT ASSETS

(Amt. Rs. in Lacs)

Particulars	As at		
	31/03/2023	31/03/2022	31/03/2021
Receivables towards Unbilled revenue			
Fixed Deposit			
Deposits			
Wimax	-	0.02	0.02
NSDL Security	0.10		
Total	14.40	11.43	11.43

NOTE – O-1

RESTATED STATEMENT OF LONG TERM LOANS AND ADVANCES

(Amt. Rs. in Lacs)

Particulars	As at		
	31/03/2023	31/03/2022	31/03/2021
Electricity security	14.30	11.41	11.41
Total	14.40	11.41	11.41

NOTE-P

RESTATED STATEMENT OF REVENUE FROM OPERATIONS

(Amt. Rs. in Lacs)

Particulars	As at		
	31/03/2023	31/03/2022	31/03/2021
Sale of products	15,536.46	11,883.13	8,619.21
Total (A+B)	15,536.46	11,883.13	8,619.21

NOTE-Q

RESTATED STATEMENT OF OTHER INCOME

(Amt. Rs. in Lacs)

Particulars	For the Year ended		
	31/03/2023	31/03/2022	31/03/2021
Related and Non-Recurring Income:			
Insurance Claim Received	-	5.65	0.24
Non Related and Recurring Income:			
Interest	-	0.04	0.46
Profit on Sale of Fixed Assets	-		
Non Related and Non-Recurring Income:			
Balance Written Off	-	-	-
Sub Total	-	5.69	0.70
Total	-	5.69	0.70

1. The classification of other income as recurring/not-recurring, related/not-related to business activity is based on the current operations and business activity of the Company as determined by the management.

NOTE-R

RESTATED STATEMENT OF RAW MATERIAL CONSUMPTION

(Amt. Rs. in Lacs)

Particulars	For the Year ended		
	31/03/2023	31/03/2022	31/03/2021
Opening Stock of Raw Material	528.74	100.11	357.16
Purchase of Raw Materials	12,769.53	9,807.17	6,866.85
Less: Closing stock of Raw Material	(1,449.30)	(528.74)	(100.11)
Total	11,848.97	9,378.54	7,123.90

NOTE-R-1

RESTATED STATEMENT OF MANUFACTURING EXPENSES

(Amt. Rs. in Lacs)

Particulars	For the Year ended		
	31/03/2023	31/03/2022	31/03/2021
Manufacturing Expense:			
Electricity Exp	156.88	93.85	79.13
Freight, Cartage & Loading & Unloading Exp	122.24	87.40	60.52
Boiler Expenses	67.12	43.55	22.00
Kanda Expense	0.17	-	0.19
Generator Exp	-	0.03	0.22
Pest Management Charges	0.40	0.94	0.82
Consumables	1.60		
Testing charges	0.39		
Total	348.80	225.77	162.88

NOTE-S

RESTATED STATEMENT OF CHANGE IN INVENTORIES

(Amt. Rs. in Lacs)

Particulars	31/03/2023	31/03/2022	31/03/2021
Opening Balance of Stock			
(i) Finished Goods	37.94	44.62	92.18
(ii) Work-in-progress	1.75	1.76	2.09
(iii) Stock-in-trade	-	-	-
Total	39.69	46.38	94.27
Less: Closing Balance of Stock			
(i) Finished Goods	29.20	37.94	44.62
(ii) Work-in-progress	10.93	1.75	1.75
(iii) Stock-in-trade	-	-	-
Total	40.13	39.69	46.37
Increase/(Decrease) in Stock	(0.44)	6.69	47.90

NOTE-T
RESTATED STATEMENT OF EMPLOYEE BENEFITS EXPENSE

(Amt. Rs. in Lacs)

Particulars	31/03/2023	31/03/2022	31/03/2021
Salary and Wages	628.14	490.06	294.22
Remuneration to Directors & MD	31.00	36.00	24.00
Staff Welfare Expenses	39.59	30.70	-
Provision for Gratuity	15.31	10.07	13.96
Total	714.04	566.83	332.18

NOTE-U
RESTATED STATEMENT OF FINANCE COST

(Amt. Rs. in Lacs)

Particulars	31/03/2023	31/03/2022	31/03/2021
Interest expense	130.81	78.06	56.81
Other Borrowing cost	18.40	7.50	11.14
Total	149.21	85.56	67.95

NOTE-V
RESTATED STATEMENT OF DEPRECIATION & AMORTISATION

(Amt. Rs. in Lacs)

Particulars	31/03/2023	31/03/2022	31/03/2021
Depreciation and Amortization Expenses	100.55	69.32	60.54
Total	100.55	69.32	60.54

NOTE-W
RESTATED STATEMENT OF OTHER EXPENSES

(Amt. Rs. in Lacs)

Particulars	31/03/2023	31/03/2022	31/03/2021
<u>Manufacturing Expense</u>			
Electricity Exp	156.88	93.85	79.13
Freight, Cartage & Loading & Unloading Exp	122.24	87.40	60.52
Boiler expenses	67.12	43.55	22.00
Kanda Expense	0.17	-	0.19
Generator Exp	-	0.03	0.22
Pest Management Charges	0.40	0.94	0.82
Consumables	1.60		
Testing charges	0.39		
Total	348.80	225.77	162.88
<u>Administrative Expense</u>			
Audit Fees	0.60	0.30	0.25
Canteen Expenses	8.61	1.13	0.11
Charity & Donation	0.14	0.19	-
Computer Exp	0.96	0.60	1.03
Electric Repair	22.77	16.67	3.14

Entertainment Exp	1.79	0.70	0.36
Fees & Tax	1.79	3.67	1.77
Festival Exp	1.09	7.26	3.06
GST deposit	14.13	-	-
Godown Rent	27.84	32.14	6.74
Insurance	19.27	7.11	5.94
Internet Exp	0.02	0.37	0.74
Kitchen Exp	-	-	1.51
Lab Exp	2.35	1.68	0.39
Machinery Repair Exp	72.87	39.66	25.20
Misc. Expenses	3.41	4.00	1.63
Newspaper Exp	-	-	-
Petrol Exp	0.16	0.67	0.03
Plantation Exp	3.05	2.11	1.35
Postage Exp	0.04	0.01	0.05
Printing & Stationery Exp	5.25	5.80	1.88
Procurement Charges	-	-	5.71
Professional Charges	12.02	14.05	3.21
Rent / Lease	12.40	-	-
Repair & Maint. Exp	6.66	3.06	5.98
Round off	0.01	-	-
Sample charges	0.30	0.34	0.50
Software Exp	0.63	0.24	0.35
Staff Welfare Exp	0.32	-	0.25
Telephone & Mobile Exp	2.37	0.70	0.35
Travelling Exp	11.93	1.29	0.52
Loss on sale of Fixed Assets	8.63	-	-
White Washing Exp	0.69	2.47	1.21
Total	242.10	146.22	73.25
<u>Selling & Distribution Expense</u>			
Advertisement Exp	24.03	14.27	20.17
Commission Exp	247.30	44.12	12.10
Diesel Exp	157.13	131.23	129.93
Freight Outward	366.86	311.07	101.83
Packing Expenses	373.30	297.98	210.47
Rebate & Discount	283.43	369.78	164.21
Sale Promotion Exp	109.39	0.58	0.64
Vehicle Exp	82.77	54.41	49.50
Total	1,644.21	1,223.44	688.85

NOTE-X
RESTATED STATEMENT OF CONTINGENT LIABILITIES

(Amt. Rs. in Lacs)

Particulars	As at		
	31/03/2023	31/03/2022	31/03/2021
Contingent liabilities in respect of:			
In respect of TDS & Income Tax matters	0.58	-	-
Other commitments	-	-	-
Total	0.58	-	-

NOTE-Y
RESTATED STATEMENT OF RELATED PARTY TRANSACTIONS

AA	<u>RELATED PARTY DISCLOSURE</u>	
(a)	List of Related parties	
	Names of the related parties with whom transactions were carried out during the years and description of relationship:	
Sr. No.	Name of the Person / Entity	

1	Tara Health Foods Limited*	Related Enterprise
2	Ragani Textiles Pvt Ltd	Related Enterprise
3	Tara Exports Limited*	Related Enterprise
4	Madhur Textiles	Related Enterprise
5	Vinayak Kedia & Sons HUF	Related Enterprise
6	Crown Steel	Related Enterprise
7	A.V. Residency Pvt Ltd	Related Enterprise
8	G.R. residency Pvt Ltd	Related Enterprise
9	NVM Realtor (P) Ltd	Related Enterprise
10	Paramvir Singh Mander	Director
11	Jatinder Paul Sehgal	Director
12	Vinayak Kedia	Director
13	Mohd. Pervaz	CFO
14	Simranjeet Kaur	Company Secretary

(b) Transaction with related Parties :-
(Rs. In Lakhs)

SI No.	Particulars	For the financial year		
		2022-23	2021-22	2020-21
	Remuneration Paid to Directors			
	Vinayak Keda	12.00	12.00	12.00
	Paramvir Singh Mander	19.00	24.00	12.00
	Mohd. Pervaz	1.71	-	-
	Simranjeet Kaur	0.75	-	-
	Sales			
	Tara Health Foods Limited	58.46	322.04	442.29
	Purchase			
	Tara Health Foods Limited	1,396.21	1017.70	1430.1
	Purchase of Machinery			
	Tara Health Foods Limited	-	41.63	-
	Loans Received			
	Madhur Textiles	855.00	950.00	975.00
	Tara Exports Limited	-	17.00	-
	Loans Repaid/ Given			
	Madhur Textiles	855.00	1107.48	1082.30
	Tara Exports Limited	10.00	18.00	20.00
	Interest Paid/Other charges			
	Madhur Textiles	33.26	19.80	19.24
	Vinayak Kedia & Sons HUF (Rent)	0.60	-	-
	Balances at the end of year (LOAN)			
	Payables/ (Receivables)			
	Madhur Textiles	-	-	137.68
	Tara Exports Limited	(11.00)	(1.00)	-
	Tara Health Foods Limited	(198.79)	(15.32)	(566.58)

NOTE-Z
CAPITALISATION STATEMENT

(Amt. Rs. in Lacs)

Particulars	Pre Issue	Post Issue
Borrowings		
Short term debt (A)	1166.48	1166.48
Long Term Debt (B)	1063.35	1063.35
Total debts (C)	2229.83	2229.83
Shareholders' funds		
Equity share capital	757.91	*
Reserve and surplus - as restated	234.88	*
Total shareholders' funds	992.79	*

Long term debt / shareholders' funds (in Rs.)	1.07	*
Total debt / shareholders' funds (in Rs.)	2.25	*

(*) The corresponding post issue figures are not determinable at this stage pending the completion of public issue and hence have not been furnished.

"Notes:

1. Short term Debts represent which are expected to be paid/payable within 12 months and excludes installment of term loans repayable within 12 months.
2. Long term Debts represent debts other than Short term Debts as defined above but includes installment of term loans repayable within 12 months grouped under other current liabilities.
3. The figures disclosed above are based on restated statement of Assets and Liabilities of the Company as at 31.03.2023.
4. The company has issued Bonus issue of 72,18,180 Equity Shares of Face Value of Rs. 10/-each in the ratio of 20:1 i.e. Twenty (20) Bonus Equity Shares for every One (1) Equity Shares held by shareholders on March 25, 2023.

NOTE-ZA RESTATED STATEMENT OF MANDATORY ACCOUNTING RATIOS

(Rs. in Lakhs Except Per Share Data)

Particulars			
	31/03/2023	31/03/2022	31/03/2021
Net Worth (A)	992.79	637.40	506.88
Adjusted Profit after Tax (B)	355.38	130.52	41.71
Number of Equity Share outstanding as on the End of Year (c)	7,579,089	360,909	360,909
Weighted average no of Equity shares at the time of end of the year (D)	7,579,089	7,579,089	7,579,089
Face Value per Share	10.00	10.00	10.00
Restated Basic and Diluted Earnings Per Share (Rs.) (B/D)	4.69	1.72	0.55
Return on Net worth (%) (B/A)	35.80%	20.48%	8.23%
Net asset value per share (A/C) (Face Value of Rs. 10 Each) (Based on Actual Number of Shares)	13.10	176.61	140.45
Net asset value per share (A/C) (Face Value of Rs. 10 Each) (Based on Weighted Average Number of Shares)	13.10	8.41	6.69
EBITDA	720.38	328.14	179.11

Note:

1) The ratios have been computed as below:

- (a) Basic earnings per share (Rs.) - : Net profit after tax as restated for calculating basic EPS / Weighted average number of equity shares outstanding at the end of the period or year
 - (b) Diluted earnings per share (Rs.) - : Net profit after tax as restated for calculating diluted EPS / Weighted average number of equity shares outstanding at the end of the period or year for diluted EPS
 - (c) Return on net worth (%) - : Net profit after tax (as restated) / Net worth at the end of the period or year
 - (d) Net assets value per share - : Net Worth at the end of the period or year / Total number of equity shares outstanding at the end of the period or year
- 2) Weighted average number of equity shares is the number of equity shares outstanding at the beginning of the period/year adjusted by the number of equity shares issued during period/year multiplied by the time weighting factor. The time weighting 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.
- 3) Net worth for ratios mentioned in note 1(c) and 1(d) is = Equity share capital + Reserves and surplus (including, Securities Premium, General Reserve and surplus in statement of profit and loss).
- 4) The figures disclosed above are based on the restated summary statements of the Company.
- 5) EBITDA has been calculated as Profit before tax + Depreciation + Interest Expenses - Other Income"

RATIO ANALYSIS AND ITS ELEMENTS

(Rs. in Lakhs Except Per Share Data)

Particular	31/03/2023	31/03/2022	Change	Reason
Current Ratio	1.16: 1	1.21: 1	-3%	
Debt Equity Ratio	2.25: 1	1.56: 1	44%	The company has availed credit facilities from Banks and financial institutions with the increase in the scale of operations of the company resulting in increase in the Debt Equity ratio.
Debt Service Coverage Ratio	0.6: 1	0.62: 1	-3%	
Return On Equity Ratio	35.80%	20.48%	75%	Due to better profits
Inventory Turnover ratio	11.52 times	26.24 times	-56%	The company has availed credit facilities from banks for bulk storage of raw materials as these are

				seasonal commodities which has resulted in increase in inventory turnover ratio.
Trade Receivable Turnover Ratio	9.9 times	8.55 times	16%	
Trade Payable Turnover Ratio	7.57 times	7.73 times	-2%	
Net Capital Turnover Ratio	29.04 times	27 times	7%	
Net Profit Ratio	2.29%	1.10%	108%	The company had decided to substitute cheaper Bank Finance over costly market purchase resulting in better profitability
Return on Capital Employed	19.00%	15.75%	21%	
Return On Investment/Total Assets	6.44%	3.34%	93%	Due to improved profitability the return on Investment/Total Assets has also improved.

Particular	31/03/2022	31/03/2021	Change	Reason
Current Ratio	1.21: 1	1.32: 1	-9%	
Debt Equity Ratio	1.56: 1	1.96: 1	-20%	
Debt Service Coverage Ratio	0.62: 1	0.24: 1	158%	The company is generating sufficient cash accruals to meet its debt service obligations on time. There have been no instances of default till date.
Return On Equity Ratio	20.48%	8.23%	149%	Due to better profits
Inventory Turnover ratio	26.24 times	23.83 times	10%	
Trade Receivable Turnover Ratio	8.55 times	4.27 times	100%	The company has aggressively explored new States in India for marketing its products which resulted in increase in ratio in FY22. The ratio has increased moderately in FY23 due to stabilisation.
Trade Payable Turnover Ratio	7.73 times	19.43 times	-60%	The company had decided to substitute cheaper Bank Finance over costly market purchase resulting in decline in the Trade Payable Ratio.
Net Capital Turnover Ratio	27 times	18.5 times	46%	
Net Profit Ratio	1.10%	0.48%	127%	The company had decided to substitute cheaper Bank Finance over costly market purchase resulting in better profitability
Return on Capital Employed	15.75%	7.77%	103%	Due to improved profitability the return on capital employed has also improved
Return On Investment/Total Assets	3.34%	1.45%	131%	Due to improved profitability the return on Investment/Total Assets has also improved.

OTHER FINANCIAL INFORMATION

The audited financial statements of our Company as at and for the year ended March 31, 2023, March 31, 2022 and March 31, 2021 and their respective Audit reports thereon (Audited Financial Statements) are available at www.khannafeedltd.in.

Our Company is providing a link to this website solely to comply with the requirements specified in the Securities and Exchange Board of India (Issue of Capital and Disclosure Requirement) Regulations, 2018. The Audited Financial Statements do not constitute, (i) a part of this Draft Red Herring Prospectus; or (ii) Red Herring Prospectus and Prospectus, a statement in lieu of a prospectus, an advertisement, an offer or a solicitation of any offer or an offer document to purchase or sell any securities under the Companies Act, 2013, the Securities and Exchange Board of India (Issue of Capital and Disclosure Requirement) Regulations, 2018, or any other applicable law in India or elsewhere in the world. The Audited Financial Statements should not be considered as part of information that any investor should consider subscribing for or purchase any securities of our Company and should not be relied upon or used as a basis for any investment decision. Neither our Company, nor BRLM, nor any of their respective employees, directors, affiliates, agents or representatives accept any liability whatsoever for any loss, direct or indirect, arising from any information presented or contained in the Audited Financial Statements, or the opinions expressed therein.

The accounting ratios required under Clause 11 of Part A of Schedule VI of the SEBI ICDR Regulations are given below: -

Particulars	<i>(Rs. in Lakhs Except Per Share Data)</i> For the period		
	31/03/2023	31/03/2022	31/03/2021
Profit after Tax	355.38	130.52	41.71
Restated Basic and Diluted Earnings Per Share (Rs.)	4.69	1.72	0.55
Return on Net worth (%)	35.80%	20.48%	8.23%
Net asset value per share (Face Value of Rs. 10 Each) (Based on Actual Number of Shares)	13.10	176.61	140.45
Net asset value per share (Face Value of Rs. 10 Each) (Based on Weighted Average Number of Shares)	13.10	8.41	6.69
EBITDA	720.38	328.14	179.11

MANAGEMENT'S DISCUSSION AND ANALYSIS OF FINANCIAL CONDITIONS AND RESULTS OF OPERATION

You should read the following discussion in conjunction with our restated financial statements attached in the chapter titled “Financial Information of the Company” beginning on page 124. You should also read the section titled “Risk Factors” on page 24 and the section titled “Forward Looking Statements” on page 17 of this Draft Red Herring Prospectus, which discusses a number of factors and contingencies that could affect our financial condition and results of operations. The following discussion relates to us, and, unless otherwise stated or the context requires otherwise, is based on our Restated financial Statements.

Our financial statements have been prepared in accordance with Indian GAAP, the Companies Act and the SEBI (ICDR) Regulations and restated as described in the report of our auditor dated July 12, 2022 which is included in this Draft Red Herring Prospectus under “Financial Statements”. The Restated Financial Information has been prepared on a basis that differs in certain material respects from generally accepted accounting principles in other jurisdictions, including US GAAP and IFRS. Our financial year ends on March 31 of each year, and all references to a particular financial year are to the twelve-month period ended March 31 of that year.

OVERVIEW

Our Company is an ISO 9001:2015 & ISO 22000:2018 certified company, engaged in manufacturing & processing of cattle feed mineral mixture in pellet and mash form. The products manufactured by us are used for feeding of cattle which provides the animals with the requisite nutrients. Our company operates from its manufacturing facility located at village Ikolaha, tehsil Khanna, Ludhiana - 141401, Punjab, India, with an aggregate production capacity of 250 MT per day (on triple shift basis), as of March 31, 2023. Apart, from the manufacturing facility located at Khanna we also operate from our manufacturing facility located at Begusarai, Bihar for manufacturing of cattle feeds having a capacity of around 250 MT per day (on triple shift basis).

Our Company was originally incorporated as “Shubham Infrastructure Developers Private Limited” on March 08, 2006 vide Registration Certificate No. 029858 under the provisions of the Companies Act, 1956 with the Registrar of Companies, Punjab, H.P. and Chandigarh (RoC). Further, pursuant to shareholder’s resolution passed at the Extra Ordinary General Meeting held on October 28, 2015, the name of our company was changed from “Shubham Infrastructure Developers Private Limited” to “Tara Feed Private Limited” vide a fresh certificate of incorporation dated November 06, 2015 issued by the Registrar of Companies, Chandigarh. Further, pursuant to Special Resolution passed by the Shareholders at the Extra Ordinary General Meeting, held on October 28, 2015 our Company was converted into a Public Limited Company and the name of our Company was changed from “Tara Feed Private Limited” to “Tara Feed Limited” vide a fresh certificate of incorporation dated December 01, 2015 issued by the Registrar of Companies, Chandigarh. Subsequently, pursuant to shareholder’s resolution passed at the Extra Ordinary General Meeting held on August 09, 2016, the name of our company was changed from “Tara Feed Limited” to “Khanna Feed Limited” vide a fresh certificate of incorporation dated August 24, 2016 issued by the Registrar of Companies, Chandigarh.

We are manufacturing and selling cattle feed in both pellet and mash form under the brand name of “Tara”, further categorized under different varieties like “Doodh Bahar”, “Raath”, “Buff 4500”, “Gujri” etc. Our Company has over the year, created its name among the customers for its quality products, efficient services and reliability in the cattle feed industry. We take utmost care that the products supplied by us are of the desired quality and meet the nutrition requirements. On receipt of the raw material from the suppliers, the material is inspected by our team for identifying the details of the material like nutrient contents etc. Post the quality check these material are issued for production of the animal feed. We strive to maintain the exact and accurate composition for our product range for achieving the desired results for our customers. We further strive to maintain hygiene during the manufacturing, packaging and storage so that the products remain free from contamination, ensures effectiveness and longer shelf life.

Apart from the plant located at Ludhiana, we have also taken on lease a factory premises along with the plant and machinery located at Plot no - 104 Industrial area Barauni Bypass, Begusarai, Bihar which is also used for the manufacturing and selling of cattle feeds. The plant located at Bihar have been taken on lease of rent basis on vide agreement dated June 10, 2022, w.e.f. from June 01, 2022 for a period of 2 years at a rent of Rs. 100000 per month. The capacity of the plant at Bihar unit is around 250 MT per day (on triple shift basis), adding our total capacity to 500 MT per day (on triple shift basis). Further, the contribution of this unit in the total revenue has been around 30 crores of our total revenue during the Fiscal period 2023. Apart from the same we have also installed machines at our manufacturing facility at Khanna for crushing of the oil seeds and producing De-oiled cake and khal.

Our Plant is equipped with machines and equipment having an installed capacity of 500 MT per day (on triple shift basis) to provide cattle feeds of desired qualities including both our manufacturing facilities. Our management’s vision and production technology contribute to our ability to provide our customers with desired levels of nutrient compositions in a highly competitive industry. Also, our manufacturing facilities are equipped with testing department which undertake the testing of the raw material and cattle feeds produced at different stages which are also involved in the activities which are related to making the cattle feed products more nutritious and lead our customers to achieve the desired results.

Our company is very quality conscious and make continuous efforts to maintain the desired level of quality starting from the raw material inward stage, manufacturing process and packaging and storage stage. Our Company ensures that the product is in

conformity with quality standards, hygienically produced and have the desired nutrient composition. We also maintain stringent care and hygienic conditions throughout the processing period, packaging and storage so that the products are free from contamination.

The current promoter of the Company is Paramvir Singh Mander, who have experience of about 6 years in the business of cattle feed and animal feed manufacturing business. The experience of our Promoter has been instrumental in determining the vision and growth strategies for our Company. We further believe that our market position has been achieved by adherence to the vision of our Promoter and senior management team and their experience of over a decades in the industry in which our Company operates.

Financial Snapshot

(All amounts in Rs. Lakhs)

Key Financial Performance	For the year		
	March 31, 2023	March 31, 2022	March 31, 2021
Revenue from operations ⁽¹⁾	15,536.46	11,883.13	8,619.21
EBITDA ⁽²⁾	720.38	328.14	179.11
EBITDA Margin ⁽³⁾	4.64%	2.76%	2.08%
PAT	355.38	130.52	41.71
PAT Margin ⁽⁴⁾	2.29%	1.10%	0.48%
RoE (%) ⁽⁵⁾	43.60%	22.81%	8.58%
RoCE (%) ⁽⁶⁾	19.00%	15.75%	7.77%

Notes:

(1) Revenue from operation means revenue from sales, service and other operating revenues

(2) EBITDA is calculated as Profit before tax + Depreciation + Interest Expenses

(3) 'EBITDA Margin' is calculated as EBITDA divided by Revenue from Operations

(4) 'PAT Margin' is calculated as PAT for the period/year divided by revenue from operations.

(5) Return on Equity is ratio of Profit after Tax and Average Shareholder Equity

(6) Return on Capital Employed is calculated as EBIT divided by capital employed, which is defined as shareholders' equity plus total borrowings {current & non-current}.

Explanation for KPI metrics

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

STATEMENT OF SIGNIFICANT ACCOUNTING POLICIES

For details in respect of Statement of Significant Accounting Policies, please refer to “*Annexure D of Restated Financial Statements beginning*” on page 124 of this Draft Red Herring Prospectus.

Factors Affecting our Results of Operations

Our business is subjected to various risks and uncertainties, including those discussed in the section titled “*Risk Factors*” beginning on page 24 of this Draft Red Herring Prospectus. Our results of operations and financial conditions are affected by numerous factors including the following:

1. General economic and business conditions in the markets in which we operate and in the local, regional, national and international economies;
2. Changes in consumer demand;
3. Fluctuations in operating costs;
4. Any change in government policies resulting in increases in taxes payable by us
5. Any change in agriculture Industry;
6. Our ability to retain our key managements persons and other employees;
7. Changes in laws and regulations that apply to the industries in which we operate.
8. Our failure to keep pace with rapid changes in technology;

9. Our ability to grow our business;
10. Our ability to make interest and principal payments on our existing debt obligations and satisfy the other covenants contained in our existing debt agreements;
11. general economic, political and other risks that are out of our control;
12. Inflation, deflation, unanticipated turbulence in interest rates, equity prices or other rates or prices;
13. Company's ability to successfully implement its growth strategy and expansion plans ;
14. failure to comply with regulations prescribed by authorities of the jurisdictions in which we operate;
15. inability to successfully obtain registrations in a timely manner or at all;
16. occurrence of Environmental Problems & Uninsured Losses;
17. conflicts of interest with affiliated companies, the promoter group and other related parties;
18. any adverse outcome in the legal proceedings in which we are involved;
19. Concentration of ownership among our Promoter;
20. The performance of the financial markets in India and globally;
21. Impact of covid-19 on our business and operations; and
22. Global distress due to pandemic, war or by any other reason.

Discussion on Result of Operations

The following discussion on results of operations should be read in conjunction with the Restated Financial Statements for the financial years ended on March 31, 2022, March 31, 2021 and March 31, 2020.

(₹ in lakhs)

Particulars	For the Period/ Year ended on					
	March 31, 2023	% of Total Income	March 31, 2021	% of Total Income	March 31, 2020	% of Total Income
Revenue From Operations	15,536.46	100.00	11883.13	99.95	8619.21	99.99
Other Income	-	-	5.69	0.05	0.70	0.01
Total Income (1+2)	15,536.46	100.00	11888.82	100.00	8619.91	100.00
Expenses						
Manufacturing Expenses	348.80	2.25	225.77	1.90	162.88	1.89
Raw Material Consumption	11,848.97	76.27	9,378.54	78.89	7,123.90	82.64
Change in inventories of finished goods, work in progress and stock in trade	(0.44)	(0.00)	6.69	0.06	47.90	0.56
Employee Benefit Expenses	714.04	4.60	566.83	4.77	332.18	3.85
Finance Cost	149.21	0.96	85.56	0.72	67.95	0.79
Depreciation and Amortization Expenses	100.55	0.65	69.32	0.58	60.54	0.70
Other Expenses	1886.31	12.14	1369.66	11.52	762.10	8.84
Total Expenses	15047.44	96.85	11702.37	98.43	8557.47	99.28
Profit/(Loss) Before Exceptional & extraordinary items & Tax (2-4)	489.02	3.15	186.44	1.57	62.44	0.72
Exceptional and Extra-ordinary items	-	-	-	-	-	-
Profit/(Loss) Before Tax	489.02	3.15	186.44	1.57	62.44	0.72
Tax Expenses						
Tax Expense for Current Year	140.11	0.90	46.50	0.39	15.48	0.18
MAT Credit entitlement	-	-	-	-	-	-
Deferred Tax	(6.48)	(0.04)	9.43	0.08	5.27	0.06
Net Current Tax Expenses	133.64	0.86	55.93	0.47	20.75	0.24
Profit/(Loss) for the Year	355.38	2.29	130.52	1.10	41.71	0.48

Revenue from operations:

Revenue from operations mainly consists of revenue from sale of cattle feed mineral mixture.

Other Income:

Our other income primarily comprises of Interest Income, income from insurance claim received.

Expenses:

Company's expenses consist of raw material consumption, Change in inventories of finished goods, work in progress and stock in trade, Employee benefits expense, Finance costs, Depreciation and amortization and other expenses.

Employee benefits expense:

Our employee benefits expense primarily comprises of Salaries & Wages, Remuneration to Directors & MD, Staff Welfare Expenses, Provisions for Gratuity.

Finance Costs:

Our finance cost includes Interest expense and Other Borrowing cost.

Depreciation and Amortization Expenses:

Depreciation includes depreciation on Property, Plant & Equipment's etc.

Other Expenses:

Our other expenses includes electricity expenses, freight, cartage, loading & unloading expenses, boiler expenses, electricity repair expenses, godown rent, machinery repair expenses, selling commission expenses, diesel expenses, freight outward expenses, packing expenses and sale promotion expenses.

Comparison of Financial Year 2023 with Financial Year 2022 (Based on Restated Financial Statements)

Total Income:

Total income for the financial year 2022-23 stood at ₹ 15536.45 Lakhs whereas in Financial Year 2021-22 the same stood at ₹ 11888.81 Lakhs representing significant increase of 130.68%. The main reason for increase in the business operations of the company was due to the revenue from operation earned by the company due to starting of operations at the Bihar plant.

Revenue from Operations:

Revenue from Operations for the financial year 2022-23 stood at ₹ 15536.46 Lakhs whereas in Financial Year 2021-22 the same stood at ₹ 11883.13 Lakhs representing significant increase of 30.74%. The main reason for increase in the business operations of the company was due to the revenue from operation earned by the company due to starting of operations at the Bihar plant.

Other Income:

For financial year 2022-23, there was no such other income as against ₹ 5.69 Lakhs in the Financial Year 2021-22.

Total Expenses:

For financial year 2022-23, it has significantly increased to ₹ 15047.45 Lakhs from ₹ 11702.37 Lakhs in the financial year 2021-22 representing a significant increase of 28.58%. The main reason for increase in total expenses were due to increase in raw material consumption by 26.34%, manufacturing expenses by 54.49% and other expenses by 37.72% from Fiscal year 2022 to 2023.

Raw Material consumption

For financial year 2022-23, it has significantly increased to ₹ 11848.97 Lakhs from ₹ 9378.54 Lakhs in the financial year 2021-22 representing a significant increase of 26.34%. The increase in the raw material consumption has been due to the increase the sales.

Manufacturing Expenses

For financial year 2022-23, it has significantly increased to ₹ 348.80 Lakhs from ₹ 225.77 Lakhs in the financial year 2021-22 representing a significant increase of 54.49%. The increase in the manufacturing expenses was due to the increase in the sales. The main components of manufacturing expenses were Electricity Expenses, Freight, Cartage & Loading & Unloading Expenses & Boiler Expenses which has increased by 67.16%, 39.86% and 54.12% respectively.

Employee benefits expense:

The Employee benefit expenses stood at ₹ 714.04 Lakhs during the financial year 2022-23 as compared to ₹ 566.83 Lakhs in the financial year 2021-22, representing an increase of 25.97%. The said increase is due the increase in salaries and wages by 28.17%.

Finance costs:

For financial Year 2022-23, the finance cost has increased to ₹ 149.21 Lakhs as against ₹ 85.56 Lakhs during the financial year 2021-22, representing an increase of 74.39%, which is mainly due to the increase in loans undertaken by the company during the year which has led to increase in interest expenses & borrowing cost. The loans taken by the company has increased from Rs. 995.80 lakhs in Fiscal 2022 to Rs. 2229.83 Lakhs in Fiscal 2023.

Depreciation and Amortization Expenses:

For financial year 2022-23, the depreciation and amortization expenses stood at ₹ 100.55 Lakhs as against ₹ 69.32 Lakhs during the financial year 2021-22, representing an increase of 45.05% due to addition in fixed assets made during the prior year.

Other Expenses:

For Financial Year 2022-23, other expenses was ₹ 1886.31 Lakhs as against ₹ 1369.66 Lakhs during the financial year 2021-22. The significant increase of 37.72% was mainly due to increase in repair expenses from 56.33 lakhs to 95.64 lakhs, commission expenses from 44.12 lakhs to 247.30 lakhs & Sales promotion expenses from 0.58 lakhs to 109.39 lakhs etc.

Restated Profit/ (Loss) before tax:

For financial year 2022-23, restated profit before tax has increased to ₹ 489.02 Lakhs as compared to ₹ 186.44 Lakhs in the financial year 2021-22, representing an increase of 162.29%. The increase in profit was attributable to increase in revenue from operations by 30.68% and the corresponding increase in total expenses by 28.58% which leads to increase in the profit margin of the company.

Restated Profit/ (Loss) after tax:

For financial year 2022-23, Restated Profit/ (Loss) after tax stood at ₹ 355.38 Lakhs in comparison to ₹ 130.52 Lakhs in the financial year 2021-22, representing an increase of 172.28%. The increase in profit was attributable to increase in revenue from operations by 30.68% and the corresponding increase in total expenses by 28.58% which leads to increase in the profit margin of the company.

Financial Year 2022 Compared to Financial Year 2021 (Based on Restated Financial Statements)**Total Income:**

Total income for the financial year 2021-22 stood at ₹ 11888.81 Lakhs as compares to ₹ 8619.91 Lakhs in Financial Year 2020-21 representing a significant increase of 37.92%. The increase in revenue was attributable to the increase in the revenue of the Company which increase from 8619.21 lakhs to 11883.13 lakhs representing an increase of 37.87% as compared to previous year.

Revenue from Operations:

During the financial year 2021-22, the revenue from operation of our Company increased to ₹ 11883.13 Lakhs as against ₹ 8619.21 lakhs in the Financial Year 2020-21, representing increase of 37.87%. Such increase was due to increase in the sale of Company.

Other Income:

During the financial year 2021-22, the other income of our Company increased to ₹ 5.69 Lakhs as against ₹ 0.70 lakhs in the Financial Year 2020-21, representing increase of 712.86% The significant increase in the other income was due to increase in the claim received by the Company.

Total Expenses:

The Total Expenses for the financial year 2021-22 increased to ₹ 11702.37 Lakhs from ₹ 8557.47 lakhs in the Financial Year 2020-21 representing increase of 36.75%. The main reason for increase in total expenses were due to increase in raw material consumption by 31.65%, manufacturing expenses by 38.61% and other expenses by 79.72% from Fiscal year 2021 to 2022.

Raw Material consumption

For financial year 2021-22, it has significantly increased to ₹ 9378.54 Lakhs from ₹ 7123.90 Lakhs in the financial year 2020-21 representing a significant increase of 31.65%. The increase in the raw material consumption has been due to the increase the sales by 37.87% during the current fiscal.

Manufacturing Expenses

For financial year 2021-22, it has significantly increased to ₹ 225.77 Lakhs from ₹ 162.88 Lakhs in the financial year 2021-21 representing a significant increase of 38.61%. The increase in the manufacturing expenses was due to the increase in the sales. The

main components of manufacturing expenses were Electricity Expenses, Freight, Cartage & Loading & Unloading Expenses & Boiler Expenses which has increased by 18.60%, 44.42% and 97.95% respectively.

Employee benefits expense:

Our Company has incurred ₹ 566.83 Lakhs as Employee benefits expense during the financial year 2021-22 as compared to ₹ 332.18 Lakhs in the financial year 2020-21 representing increase of 70.64%. The increase in employee benefit expenses was due to the increase in staff welfare expenses by 30.70 Lakhs and increase in salary and wages expenses by 195.84 lakhs representing an increase of 66.56% as compared to previous year.

Finance costs:

These costs were for the financial Year 2021-22 increased to ₹ 85.56 Lakhs as against ₹ 67.95 Lakhs during the financial year 2020-21, representing increase of 25.92%.

Depreciation and Amortization Expenses:

Depreciation for the financial year 2021-22 stood at 69.32 Lakhs as against ₹ 60.54 Lakhs during the financial year 2020-21, representing increase of 14.50%.

Other Expenses:

Our Company has incurred ₹ 1595.43 Lakhs during the Financial Year 2021-22 on other expenses as against ₹ 924.99 Lakhs during the financial year 2020-21 representing increase of 72.48%. The significant increase of 72.48% was mainly due to increase in repair expenses from 28.33 lakhs to 56.33 lakhs, Godown rent from 6.74 lakhs to 32.14 lakhs, commission expenses from 12.10 lakhs to 44.12 lakhs & freight outwards expenses from 101.83 lakhs to 311.07 lakhs & rebate and discount expenses from 164.21 lakhs to 369.78 lakhs etc.

Restated Profit/ (Loss) before tax:

Restated profit before tax for the financial year 2021-22 was ₹ 186.44 Lakhs as compared to Restated Profit before Tax of ₹ 62.44 Lakhs during the financial year 2020-21. The increase in profit was attributable to increase in revenue from operations by 37.87% and the corresponding increase in total expenses by 36.75% which leads to increase in the profit margin of the company.

Restated Profit/ (Loss) after tax:

The Restated Profit after tax for the financial year 2021-22 was ₹ 130.52 Lakhs as compared to Restated Profit after Tax of ₹ 41.71 lakhs during the financial year 2020-21. The increase in profit was attributable to increase in revenue from operations by 37.87% and the corresponding increase in total expenses by 36.75% which leads to increase in the profit margin of the company.

Information required as per Item (II) (C) (iv) of Part A of Schedule VI to the SEBI Regulations:

An analysis of reasons for the changes in significant items of income and expenditure is given hereunder:

1. Unusual or infrequent events or transactions

There has not been any unusual trend on account of our business activity. Except as disclosed in this Draft Red Herring Prospectus, there are no unusual or infrequent events or transactions in our Company.

2. Significant economic changes that materially affected or are likely to affect income from continuing operations.

There are no significant economic changes that may materially affect or likely to affect income from continuing operations.

3. Known trends or uncertainties that have had or are expected to have a material adverse impact on sales, revenue or income from continuing operations.

Apart from the risks as disclosed under Section “**Risk Factors**” beginning on page 24 of the Draft Red Herring Prospectus, in our opinion there are no other known trends or uncertainties that have had or are expected to have a material adverse impact on revenue or income from continuing operations.

4. Future changes in relationship between costs and revenues

Other than as described in the sections “**Risk Factors**”, “**Our Business**” and “**Management’s Discussion and Analysis of Financial Condition and Results of Operations**” on pages 24, 87 and 158 respectively, to our knowledge, no future relationship between expenditure and income is expected to have a material adverse impact on our operations and finances.

5. Total turnover of each major industry segment in which our Company operates

Our business activity primarily falls within a single business and geographical segment, i.e. is engaged in the business of selling of cattle feed minerals mixtures in India, as disclosed in “**Restated Financial Statements**” on page 124, we do not follow any other segment reporting.

6. Status of any publicly announced New Products or Business Segment

Except as disclosed in the Chapter “**Our Business**”, our Company has not announced any new product or service.

7. Seasonality of business

The success of our business is dependent on seasonal fluctuations. For further information, see “**Industry Overview**” and “**Our Business**” on pages 78 and 87, respectively.

8. Dependence on single or few customers

Our business is majorly depend upon dealers & consumers of cattle food. For further details, refer risk factor on page 24 of this Draft Red Herring Prospectus.

9. Competitive conditions

Competitive conditions are as described under the Chapters “**Industry Overview**” and “**Our Business**” beginning on pages 78 and 87 respectively of this Draft Red Herring Prospectus.

10. Details of material developments after the date of last balance sheet i.e. March 31, 2023.

After the date of last Balance sheet i.e. March 31, 2023, no such material event has been occurred after the last audited financial statement

CAPITALISATION STATEMENT

(Amt. Rs. in Lacs)		
Particulars	Pre Issue	Post Issue
Borrowings		
Short term debt (A)	1166.48	1166.48
Long Term Debt (B)	1063.35	1063.35
Total debts (C)	2229.83	2229.83
Shareholders' funds		
Equity share capital	757.91	*
Reserve and surplus - as restated	234.88	*
Total shareholders' funds	992.79	*
Long term debt / shareholders' funds (in Rs.)	1.07	*
Total debt / shareholders' funds (in Rs.)	2.25	*

(*) The corresponding post issue figures are not determinable at this stage pending the completion of public issue and hence have not been furnished.

"Notes:

1. Short term Debts represent which are expected to be paid/payable within 12 months and excludes installment of term loans repayable within 12 months.
2. Long term Debts represent debts other than Short term Debts as defined above but includes installment of term loans repayable within 12 months grouped under other current liabilities.
3. The figures disclosed above are based on restated statement of Assets and Liabilities of the Company as at 31.03.2023.
4. The company has issued Bonus issue of 72,18,180 Equity Shares of Face Value of Rs. 10/-each in the ratio of 20:1 i.e. Twenty (20) Bonus Equity Shares for every One (1) Equity Shares held by shareholders on March 25, 2023."

STATEMENT OF FINANCIAL INDEBTEDNESS

To,

The Board of Directors

Khanna Feed Limited

Village Ikolaha, Tehsil Khanna, Khanna

Ludhiana Punjab 141401, India

Dear Sirs,

We **M/s Jasmininder Singh & Associates**, Chartered Accountants, are the present statutory auditors of the Company. This certificate is issued in accordance with terms of our engagement letter dated June 16, 2023. We have received a request from the Company to issue a certificate on the Statement of Financial Indebtedness of the Company. Based on the independent examination of Books of Accounts, Audited Financial Statements and other documents of the company and further explanations and information provided by the management of the Company, which we believe to be true and correct to the best of our information and belief, the sanction amount of financial indebtedness, principal terms of security for loan and other related details as on March 31, 2023 are mentioned below.

A. SECURED LOANS

STATEMENT OF PRINCIPAL TERMS OF SECURED LOANS AND ASSETS CHARGED AS SECURITY

(Rs. in Lacs)						
Name of Lender	Purpose	Sanctioned Amount	Rate of interest	Primary & Collateral Security	Re-Payment Schedule	Outstanding amount as on 31.03.2023 as per Books
Axis Bank Ltd. (Cash Credit)	Working Capital Loan	5500.00	REPO rate +3.5%	The loan is secured on the hypothecation of the stock and book debts, equitable mortgage of the factory situated at Village Ikolaha, Khanna, Ludhiana, Personal guarantee of Paramvir Singh Mander, Vinayak Kedia & J P Sehgal	On demand	524.04
Axis Bank Ltd.	Pledge facility	1000.00	REPO rate +4.1%	The loan is secured on the hypothecation of the stock & Bill discounting & Personal guarantee of Paramvir Singh Mander, Vinayak Kedia & J P Sehgal	On demand	430.54
Axis Bank Limited	Secured Term loan working capital	150.00	REPO rate +3.5%	The loan is secured on the equitable mortgage of the factory situated at Village Ikolaha, Khanna, Ludhiana, Personal guarantee of Paramvir Singh Mander, Vinayak Kedia & J P Sehgal	180 Monthly EMI of Rs. 83393/- excluding interest	146.67
Equitas Small Finance Bank Ltd (Vehicle Loan)	Vehicle Loan	44.55	12.00%	Hypothecation of Vehicle	Number of loan - 3 60 Monthly EMI of Rs. 33050/- including interest	18.69
HDB Financial Services	Vehicle Loan	4.55	11.20%	Hypothecation of Vehicle	48 Monthly EMI of Rs. 11892/- including interest	3.19

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HDFC Bank Vehicle Loan	Vehicle Loan	5.00	11.20%	Hypothecation of Vehicle	48 Monthly EMI of Rs. 13020/- including interest	3.60
HDFC Bank Vehicle Loan	Vehicle Loan	12.05	12.00%	Hypothecation of Vehicle	48 Monthly EMI of Rs. 31728/- including interest	6.23
HDFC Bank Vehicle Loan- II	Vehicle Loan	22.50	7.50%	Hypothecation of Vehicle	48 Monthly EMI of Rs. 54450/- including interest	19.20
HDFC Bank Tata CNG Tempu	Vehicle Loan	14.25	7.50%	Hypothecation of Vehicle	48 Monthly EMI of Rs. 34455/- including interest	7.66
Hinduja Leyland Finance Ltd	Vehicle Loan	82.53	10.24%	Hypothecation of Vehicle	Number of loan - 5 46 Monthly EMI of Rs. 43906/- including interest	16.92
ICICI Loan against Property	Loan against property	173.00	9.60%	Loan against mortgage of property	180 Monthly EMI of Rs. 181697/- including interest	170.80
Kotak Mahindra Bank CNG tempu	Vehicle Loan	110.05	7.75%	Hypothecation of Vehicle	Number of loan - 5 47 Monthly EMI of Rs. 54380/- including interest	89.25
Kotak Mahindra Prime Ltd Innova	Vehicle Loan	11.25	8.45%	Hypothecation of Vehicle	36 Monthly EMI of Rs. 37501/- including interest	8.51
Mahindra & Mahindra Financial Services-II	Vehicle Loan	6.80	11.20%	Hypothecation of Vehicle	Number of loan - 4 47 Monthly EMI of Rs. 44851/- including interest	8.72
Punjab & Sind Bank Car Loan	Vehicle Loan	42.50	7.40%	Hypothecation of Vehicle	36 Monthly EMI of Rs. 132006/- including interest	20.06
Tata Capital Finance co	Term Loan	244.00	8.14%	Loan against mortgage of property	96 Monthly EMI of Rs. 254950/- excluding interest	187.00
TOTAL						1,661.08

B. UNSECURED LOANS

Name of Lender	Purpose	Rate of Interest	Re-Payment Schedule	31-03-2023
Axis Bank Limited	Business Loan	16.00%	36 Monthly EMI of Rs. 175,785/- including interest	48.71
Fed bank Financial Services	Business Loan	16.00%	36 Monthly EMI of Rs. 105,823/- including interest	30.10
ICICI Bank	Business Loan	15.99%	36 Monthly EMI of Rs. 106,011/- including interest	9.86
IDFC First Bank Ltd	Business Loan	8.56%	36 Monthly EMI of Rs. 178045/- including interest	13.45
IDFC First Bank Ltd-II	Business Loan	15.50%	36 Monthly EMI of Rs. 214562/- including interest	61.46
Tata Capital Financial Services Ltd	Business Loan	18.50%	36 Monthly EMI of Rs. 91929/- including interest	7.67
TOTAL				171.25
FROM DIRECTORS:-				
Paramvir Singh Mander	Business Loan	Nil	On Demand	300.00

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FROM OTHERS:-				
G.S.P. International Pvt Ltd	Business Loan	Nil	On Demand	12.50
Gajjan Majra Feed limited	Business Loan	Nil	On Demand	85.00
GRAND TOTAL				568.75

Yours faithfully,

FOR JASMINDER SINGH & ASSOCIATES
CHARTERED ACCOUNTANTS
Firm Registration No.: 016192N

(CA. Jasinder Singh)
Partner
Membership No.: 096895

PLACE: Ludhiana
DATED: July 28, 2023

LEGAL AND OTHER INFORMATION

OUTSTANDING LITIGATIONS AND MATERIAL DEVELOPMENTS

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

Our Board, in its meeting held on March 25, 2023, determined that outstanding legal proceedings involving the Company, its Directors and Promoter will be considered as material litigation ("Material Litigation") if the aggregate amount involved in such individual litigation exceeds 1% of profit after tax of the Company, as per the last restated financial statements of the Company or such litigations outcome could have a material impact on the business, operations, prospects or reputations of the Company. The Company has a policy for identification of Material Outstanding Dues to Creditors in terms of the SEBI (ICDR) Regulations, 2018 as amended for creditors where outstanding due to any one of them exceeds 5% of the Company's trade payables as per the last restated financial statements.

A. LITIGATION INVOLVING THE COMPANY

(a) Criminal proceedings against the Company

As on the date of this Draft Red Herring Prospectus, there are no outstanding criminal proceedings initiated against the Company.

(b) Criminal proceedings filed by the Company

- i. Our Company (hereinafter referred to as '**Complainant**') has filed a Complaint Case being Case No. NACT/337/2020 against M/s. Laxmi Narayan Sharma & another (hereinafter referred to as '**Accused**') before Court of Judicial Magistrate 1st Class, Khanna ("**Hon'ble Court**") under the section 138 of Negotiable Instrument Act, 1881 for recovery of Rs. 3,50,000/-. The Accused had issued cheque towards the payment of goods purchased from Complainant. On depositing the cheque, they were dishonored with a remark 'exceeds arrangement' and therefore this case has been filed by the Complainant. The same is pending adjudication before the Hon'ble Court. The next date of hearing is on 17.08.2023.
- ii. Our Company (hereinafter referred to as '**Complainant**') has filed a Complaint Case being CC No. NACT/460/2022 against Mohd. Raisul Alam & another (hereinafter referred to as '**Accused**') before Court of Illaqua/Duty, Judicial Magistrate, Khanna (Ludhiana) ("**Hon'ble Court**") under section 138 of Negotiable Instrument Act, 1881 for recovery of Rs. 1,20,000/-. The Accused had issued cheque towards the payment of goods purchased from Complainant. On depositing the cheque, they were dishonored with a remark 'funds insufficient' and therefore this case has been filed by the Complainant. The same is pending adjudication before the Hon'ble Court. The next date of hearing is on 29.08.2023.
- iii. Our Company (hereinafter referred to as '**Complainant**') has filed a Complaint Case being Case no. NACT/562/2022 against Vinod Kumar (hereinafter referred to as '**Accused**') before Court of Illaqua/Duty, Judicial Magistrate, Khanna (Ludhiana) ("**Hon'ble Court**") under section 138 of Negotiable Instrument Act, 1881 for recovery of Rs. 2,20,050/-. The Accused had issued cheque towards the payment of goods purchased from Complainant. On depositing the cheque, they were dishonored with a remark 'funds insufficient' and therefore this case has been filed by the Complainant. The same is pending adjudication before the Hon'ble Court. The next date of hearing is on 21.10.2023.
- iv. Our Company (hereinafter referred to as '**Complainant**') has filed a Complaint Case being case no. NACT/561/2022 against Prakash Puri & another (hereinafter referred to as '**Accused**') before Court of Illaqua/Duty, Judicial Magistrate, Khanna (Ludhiana) ("**Hon'ble Court**") under the provisions of Negotiable Instrument Act, 1881 for recovery of Rs. 1,50,000/-. The Accused had issued cheque towards the payment of goods purchased from Complainant. On depositing the cheque, they were dishonored with a remark 'funds insufficient' and therefore this case has been filed by the Complainant. The same is pending adjudication before the Hon'ble Court. The next date of hearing is on 21.10.2023.
- v. Our Company (hereinafter referred to as '**Complainant**') has filed a Complaint Case being case no. NACT/459/2022 against Prashant Singh & another (hereinafter referred to as '**Accused**') under section 138 of Negotiable Instrument Act, 1881 for recovery of Rs. 4,00,000/-. The Accused had issued cheque towards the payment of goods purchased from Complainant. On depositing the cheque, they were dishonored with a remark 'alteration/corrections on instruments are prohibited under CTS' and therefore this case has been filed by the Complainant. The same is pending adjudication before the Hon'ble Court. The next date of hearing is on 23.08.2023.
- vi. Our Company (hereinafter referred to as '**Complainant**') has filed a Complaint Case being Case No. NACT/291/2022 against Dheeraj Sharma (hereinafter referred to as '**Accused**') before Court of Illaqua/Duty, Judicial Magistrate, Khanna (Ludhiana)

("Hon'ble Court") under section 138 of Negotiable Instrument Act, 1881 for recovery of Rs. 2,15,775/-. The Accused had issued cheque towards the payment of goods purchased from Complainant. On depositing the cheque, they were dishonored with a remark 'exceeds arrangement' and therefore this case has been filed by the Complainant. The same is pending adjudication before the Hon'ble Court. The next date of hearing is on 09.11.2023.

vii. Our Company (hereinafter referred to as '**Complainant**') has filed a Complaint Case being Case No. NACT/292/2022 against Abhishek Kumar (hereinafter referred to as '**Accused**') before Court of Illaqua/Duty, Judicial Magistrate, Khanna (Ludhiana) ("Hon'ble Court") under section 138 of Negotiable Instrument Act, 1881 for recovery of Rs. 2,15,775/-. The Accused had issued cheque towards the payment of goods purchased from Complainant. On depositing the cheque, they were dishonored with a remark 'insufficient funds' and therefore this case has been filed by the Complainant. The same is pending adjudication before the Hon'ble Court. The next date of hearing is on 09.11.2023.

viii. Our Company (hereinafter referred to as '**Complainant**') has filed a Complaint Case being Case No. NACT/29/2021 against Ajay Agarwal & another (hereinafter referred to as '**Accused**') before Court of Illaqua/Duty, Judicial Magistrate, Khanna (Ludhiana) ("Hon'ble Court") under section 138 of Negotiable Instrument Act, 1881 for recovery of Rs. 2,23,750/-. The Accused had issued cheque towards the payment of goods purchased from Complainant. On depositing the cheque, they were dishonored with a remark 'insufficient funds' and therefore this case has been filed by the Complainant. The same is pending adjudication before the Hon'ble Court. The next date of hearing is on 31.07.2023.

ix. Our Company (hereinafter referred to as '**Complainant**') has filed a Complaint Case being Case No. NACT/563/2022 against Shobhit Chaudhary (hereinafter referred to as '**Accused**') before Court of Illaqua/Duty, Judicial Magistrate, Khanna (Ludhiana) ("Hon'ble Court") under section 138 of Negotiable Instrument Act, 1881 for recovery of Rs. 2,31,350/-. The Accused had issued cheque towards the payment of goods purchased from Complainant. On depositing the cheque, they were dishonored with a remark 'funds insufficient' and therefore this case has been filed by the Complainant. The same is pending adjudication before the Hon'ble Court. The next date of hearing is on 09.11.2023.

x. Our Company (hereinafter referred to as '**Complainant**') has filed a Complaint Case being Case No. NACT/560/2022 against Dr. Rajiv Roj (hereinafter referred to as '**Accused**') before Court of Illaqua/Duty, Judicial Magistrate, Khanna (Ludhiana) ("Hon'ble Court") under section 138 of Negotiable Instrument Act, 1881 for recovery of Rs. 2,10,130/-. The Accused had issued cheque towards the payment of goods purchased from Complainant. On depositing the cheque, they were dishonored with a remark 'account blocked' and therefore this case has been filed by the Complainant. The same is pending adjudication before the Hon'ble Court. The next date of hearing is on 09.11.2023.

xi. Our Company (hereinafter referred to as '**Complainant**') has filed a Complaint Case being Case No. NACT/533/2022 against Abhishek Kumar Mishra (hereinafter referred to as '**Accused**') before Court of Illaqua/Duty, Judicial Magistrate, Khanna (Ludhiana) ("Hon'ble Court") under section 138 of Negotiable Instrument Act, 1881 for recovery of Rs. 1,07,775/-. The Accused had issued cheque towards the payment of goods purchased from Complainant. On depositing the cheque, they were dishonored with a remark 'funds insufficient' and therefore this case has been filed by the Complainant. The same is pending adjudication before the Hon'ble Court. The next date of hearing is on 29.08.2023.

xii. Our Company (hereinafter referred to as '**Complainant**') has filed a Complaint Case being Case No. NACT/532/2022 against Anuj Kumar (hereinafter referred to as '**Accused**') before Court of Illaqua/Duty, Judicial Magistrate, Khanna (Ludhiana) ("Hon'ble Court") under section 138 of Negotiable Instrument Act, 1881 for recovery of Rs. 3,16,810/-. The Accused had issued cheque towards the payment of goods purchased from Complainant. On depositing the cheque, they were dishonored with a remark 'funds insufficient' and therefore this case has been filed by the Complainant. The same is pending adjudication before the Hon'ble Court. The next date of hearing is on 29.08.2023.

xiii. Our Company (hereinafter referred to as '**Complainant**') has filed a Complaint Case being Case No. NACT/458/2022 against Pardeep Kumar Singh (hereinafter referred to as '**Accused**') before Court of Illaqua/Duty, Judicial Magistrate, Khanna (Ludhiana) ("Hon'ble Court") under section 138 of Negotiable Instrument Act, 1881 for recovery of Rs. 1,38,000/-. The Accused had issued cheque towards the payment of goods purchased from Complainant. On depositing the cheque, they were dishonored with a remark 'fund insufficient' and therefore this case has been filed by the Complainant. The same is pending adjudication before the Hon'ble Court. The next date of hearing is on 09.11.2023.

xiv. Our Company (hereinafter referred to as '**Complainant**') has filed a Complaint Case being Case No. NACT/2047/2023 against Ravinder Kumar (hereinafter referred to as '**Accused**') before Court of Illaqua/Duty, Judicial Magistrate, Khanna (Ludhiana) ("Hon'ble Court") under section 138 of Negotiable Instrument Act, 1881 for recovery of Rs. 50,970/-. The Accused had issued cheque towards the payment of goods purchased from Complainant. On depositing the cheque, they were dishonored with a remark 'drawer signature differ' and therefore this case has been filed by the Complainant. The same is pending adjudication before the Hon'ble Court. The last date of hearing was on 10.08.2023.

(c) Actions by statutory and regulatory authorities against the Company

As on the date of this Draft Red Herring Prospectus, there are no outstanding actions by statutory or regulatory authorities initiated against the Company.

(d) Tax Proceedings

Nature of Proceedings	Number of cases	Amount involved* (Rs. in lakhs)
Direct Tax		
TDS	1	0.58
Income Tax	1	Not ascertainable**
Indirect Tax	Nil	Nil
Total	2	0.58

*To the extent quantifiable

**Notice have been issued to the company for defective return under section 139(9) of Income tax Act.

(e) Other pending material litigations against the Company

As on the date of this Draft Red Herring Prospectus, there are no outstanding litigations initiated against the Company, which have been considered material by the Company in accordance with the Materiality Policy.

(f) Other pending material litigations filed by the Company

- Our Company (hereinafter referred to as '**Plaintiff**') has filed a Complaint Case being CS/336/2020 against M/s. Raipur- Naresh Bhai Bhikha Bhai Patel (hereinafter referred to as '**Defendant**') before Court of Additional Civil Judge Senior Division, Khanna ("**Hon'ble Court**") for suit for recovery of Rs. 2,81,880. The Defendant had purchased cattle feed from Plaintiff on a condition to pay the outstanding amount shortly. But the Defendant has failed to pay the amount till date in spite of issuing a legal notice, there was no action taken. The case is pending adjudication before the Hon'ble Court. The next date of hearing is on 30.08.2023.
- Our Company (hereinafter referred to as '**Complainant**') has filed a Complaint Case being Case No. CS/353/2021 against M/S Guinagaur-Shri Ram Traders (hereinafter referred to as '**Accused**') before the Civil Court of Khanna ("**Hon'ble Court**") for suit for recovery of Rs. 140,855/-. The Defendant had purchased cattle feed from Plaintiff on a condition to pay the outstanding amount shortly. But the Defendant has failed to pay the amount till date in spite of issuing a legal notice, there was no action taken. The case is pending adjudication before the Hon'ble Court. The next date of hearing is on 28.08.2023.

B. LITIGATIONS INVOLVING THE DIRECTORS/ PROMOTERS OF THE COMPANY

(a) Criminal proceedings against the Directors/ Promoters of the Company

As on the date of this Draft Red Herring Prospectus, there are no outstanding criminal proceedings initiated against the Directors/ Promoters of the Company.

(b) Criminal proceedings filed by the Directors/ Promoters of the Company

As on the date of this Draft Red Herring Prospectus, there are no outstanding criminal proceedings initiated by the Directors/ Promoters of the Company.

(c) Actions by statutory and regulatory authorities against the Directors/ Promoters of the Company

As on the date of this Draft Red Herring Prospectus, there are no outstanding actions by statutory or regulatory authorities initiated against the Directors/ Promoters.

(d) Tax Proceedings

Tax Liability	Number of cases	Amount Involved* (Rs. In Lacs)
Direct Tax		
Vinayak Kedia	2	Not ascertainable***
Indirect Tax	Nil	Nil
Total	Nil	Nil

*To the extent quantifiable

***Notice have been issued to the respective director for defective return under section 139(9) of Income tax Act.

***Notice has been issued to the respective director for scrutiny assessment for AY 2022-23 & notice for reassessment under section 148 of the Income Tax act.

(e) Other pending material litigations against the Directors/ Promoters of the Company

i. A suit has been filed by Shakuntala Goswami ("Plaintiff") against one of our Director Vinayak Kedia & Others ("Defendants") filed before the Hon'ble court of District Judge, Central District, Delhi. The Petitioner has filed a suit for declaration, cancellation of sale deed dated 26.06.2009 with consequential relief of permanent injunction against the Defendant No. 1 to 3 and have arrayed Mr. Vinayak Kedia i.e. our Director (Defendant No. 4) on an apprehension that the Defendant No. 1 to 3 are intending to sell the subject property of the suit to Defendant No. 4 and 5. The case is pending adjudication.

(f) Other pending material litigations filed by the Directors/ Promoters of the Company

As on the date of this Draft Red Herring Prospectus, there are no such outstanding litigations initiated by the Directors/ Promoters, which have been considered material by the Company in accordance with the Materiality Policy.

C. LITIGATIONS INVOLVING THE GROUP COMPANIES WHICH CAN HAVE A MATERIAL IMPACT ON OUR COMPANY

Except for the details mentioned below, there are no such outstanding litigations involving our Group Company, which may have a material impact on our Company.

A case has been filed by Corporation Bank ("Applicant") against Tara Health Foods Limited ("Corporate Debtor") bearing case C.P. (IB) - 91/2019 under Section 7 of Insolvency and Bankruptcy Code, 2016 and Union Bank of India bearing case no. IA (I.B.C) - 338/2020 for initiation of Corporate Insolvency Resolution Process for a default in repayment of loan amount, before National Company Law Tribunal, Chandigarh Bench ("Hon'ble Court"). The aforesaid matters are pending adjudication before the Hon'ble Court.

There are six distinct cases registered by different applicants, including State Bank of India, Central Bank of India, Bank of Baroda, Canara Bank, Punjab National Bank, and Allahabad Bank ("Applicants"), against our Group Company, Tara Health Foods Limited & Others ("Defendants"), in Debt Recovery Tribunal III, Chandigarh ("Hon'ble Court"). These cases bear case numbers Miscellaneous Application 86 of 2023, Original Application 1742 of 2019, Original Application 5152 of 2017, Original Application 2704 of 2018, Original Application 2705 of 2018, and Original Application 3539 of 2017. The cases concern the non-payment of a loan by the abovementioned Group Company. Allegedly, due to this non-payment, our Group Company's account was categorized as a Non-Performing Asset (NPA). Consequently, the Applicants have initiated action against secured assets under section 13(2) of the SARFAESI Act. The aforesaid matters are pending adjudication before the Hon'ble Court.

However, it is pertinent to note that there is a Compromise Settlement Proposal which was allowed by the consortium of banks on August 6, 2020 for an amount of ₹ 15,450 lacs aiming for the complete resolution of our Group Company's outstanding dues to all lenders. Later, vide a letter dated January 17, 2022, our Group Company had sought extension for the repayment period from the Applicants which was approved till 31.03.2022. Additionally, our Group Company has sought further extension for the repayment vide letter dated May 05, 2023. We are currently awaiting a response from the Applicants.

AMOUNTS OWED TO SMALL SCALE UNDERTAKINGS AND OTHER CREDITORS:

The Board of Directors of our Company considers dues exceeding 5% of our Company's trade payables as per the last Restated financial statements, to small scale undertakings and other creditors, as material dues for our Company.

As per Restated Financial Statements, the trade payables of our Company as on March 31, 2023 were Rs. 1886.63 lakhs. Accordingly, a creditor has been considered 'material' if the amount due to such creditor exceeds Rs. 94.33 lakhs as on March 31, 2023. This materiality threshold has been approved by our Board of Directors pursuant to the resolution passed on March 25, 2023. As on March 31, 2023, there are 2 creditors to each of whom our Company owes amounts exceeding 5% of our Company's total trade payables and the aggregate outstanding dues to them being approximately Rs. 277.43 lakhs.

As per the above materiality policy, the outstanding amount owned to small scale undertakings and material creditors as on March 31, 2023, by our Company is as follows:

Material Creditors	Number of Cases	Amount Involved (₹ in Lakhs)
Micro, Small and Medium Enterprises*	-	-
Material Creditors	2	277.43
Other Creditors	207	1609.20
Total	209	1886.63

**Entities that are identified as "Micro, Small and Medium Enterprises" under the Restated Financial Statements are considered as micro small and medium enterprises.*

The details pertaining to amounts due towards material creditors are available on the website of our Company at www.khannafeedltd.in.

MATERIAL DEVELOPMENTS OCCURING AFTER LAST BALANCE SHEET DATE:

Except as disclosed in Chapter titled “*Management’s Discussion & Analysis of Financial Conditions & Results of Operations*” beginning on page 158 of this Draft Red Herring Prospectus, there have been no material developments that have occurred after the Last Balance Sheet date.

GOVERNMENT AND OTHER APPROVALS

Our Company has received the necessary licenses, permissions and approvals from the Central and State Governments and other government agencies/regulatory authorities/certification bodies required to undertake the issue or continue our business activities and except as mentioned below, no further approvals are required for carrying on our present or proposed business activities.

In view of the approvals listed below, we can undertake this issue and our current business activities and no further major approvals from any governmental or regulatory authority or any other entity are required to be undertaken in respect of the issue or to continue our business activities. It must be distinctly understood that, in granting these approvals, the Government of India does not take any responsibility for our financial soundness or for the correctness of any of the statements made or opinions expressed in this behalf. Unless otherwise stated, these approvals are all valid as of the date of this Draft Red Herring Prospectus.

The main objects clause of the Memorandum of Association of our Company and the objects incidental, enable our Company to carry out its activities.

The Company has got following licenses / registrations / approvals /consents / permissions from the Government and various other Government agencies required for its present business.

I. Incorporation related Approvals:

Sr. No	Nature of Registration	Registration No.	Applicable Laws	Issuing Authority	Date of Issue	Date of Expiry
1.	Certificate of Incorporation In the name of – Shubham Infrastructure Developers Private Limited	U70100PB2006PTC29858	Companies Act, 1956	Registrar of Companies, Punjab, H.P. & Chandigarh	March 08, 2006	Valid till cancelled
2.	Certificate of Incorporation for change in name from Shubham Infrastructure Developers Private Limited to Tara Feed Private Limited	U15331PB2006PTC029858	Companies Act 2013	Registrar of Companies, Chandigarh	November 06, 2015	Valid till cancelled
3.	Certificate of Incorporation for conversion of Company in to Public Limited Company	U15331PB2006PLC029858	Companies Act 2013	Registrar of Companies, Chandigarh	December 01, 2015	Valid till cancelled
4.	Certificate of Incorporation for change in name from Tara Feed Limited to Khanna Feed Limited	U15331PB2006PLC029858	Companies Act 2013	Registrar of Companies, Chandigarh	August 24, 2016	Valid till cancelled

II. Issue related Approvals:

The following approvals have been obtained or will be obtained in connection with the Issue:

1. The Board of Directors have, pursuant to Section 62(1)(c) of the Companies Act, 2013, by a resolution passed at its meeting held on February 23, 2023 authorized the Issue, subject to the approval of the shareholders and such other authorities as may be necessary.
2. The shareholders of our Company have, pursuant to Section 62(1) (c) of the Companies Act, 2013, by a special resolution passed in the Extra-Ordinary General Meeting held on March 23, 2023 authorized the Issue.
3. Our company has obtained In-principle approval dated [●] from the NSE to use the name of NSE for listing of the Equity Shares issued by our Company pursuant to the Issue.
4. The International Securities Identification Number (“ISIN”) of our Company is INE07AJ01015

III. Corporate/General Authorizations:

Sr. No	Nature of Registration/ License	Registration/ License No.	Applicable Laws	Issuing Authority	Date of Issue	Date of Expiry
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1.	Permanent Account Number(PAN)	AAGCK2729M	Income Tax Act 1961	Commissioner of Income Tax	08/03/2006	Valid till cancelled
2.	Tax Deduction Account Number (TAN)	JLDK03487B	Income Tax Act 1961	Income Tax Department	*	Valid till cancelled
3.	GST Registration Certificate (Punjab-HO)	03AAGCK2729M 1ZF	Central Goods and Services Tax Act, 2017	Government of India and Government of Punjab	16/07/2017	Valid till cancelled
4.	GST Registration Certificate (Bihar)	10AAGCK2729M 1ZK	Central Goods and Services Tax Act, 2017	Government of India and Government of Bihar	11/05/2022	Valid till cancelled
5.	GST Registration Certificate (Delhi)	07AAGCK2729M 1Z7	Central Goods and Services Tax Act, 2017	Government of India and Government of Delhi	08/02/2022	Valid till cancelled

*The company is not in possession of the TAN certificate.

IV. Business Related Certifications:

Sr. No	Nature of Registration/ License	Registration/ License No.	Applicable Laws	Issuing Authority	Date of Issue	Date of Expiry
1.	Factory License (Ludhiana)	LDH0FL008173	Factories Act, 1948	Department of Labour of Punjab	January 27, 2023	December 31, 2024
2.	ISO Certificate (Quality Management)	QMS/23N092	ISO Standards	Optimum Certification Inc.	January 25, 2023	January 24, 2026
3.	ISO Certificate (Food Safety Management System)	FSMS/23N091	ISO Standards	Optimum Certification Inc.	January 25, 2023	January 24, 2026
4.	Pollution Certificate	CTOA/Renewal/LDHKH/2022/18085038	Air (Prevention and Control of Pollution) Act, 1981.	Punjab Pollution Control Board	May 04, 2022	September 30, 2024
5.	Fire Safety Certificate- Punjab	1203-60650-Fire/44747	Punjab Fire Prevention and Fire Safety Act, 2004	Punjab Fire Services	November 15, 2022	November 14, 2023
6.	MSME Certificate	UDYAM-PB-12-0011491	MSME Act, 2006	Ministry of Micro, Small and Medium Enterprises	December 15, 2020	Valid till Cancelled
7.	Bureau of Indian Standards	CM/L-9800069524	IS 2052: 2009	Bureau of Indian Standards	May 06, 2023	March 31, 2024
8.	Certificate for use of boiler- Punjab	LD4-2022-23/453	Director of Boilers Punjab	Director of Boilers Punjab	March 15, 2023	March 14, 2024

V. Labour Related Licenses

Sr. No.	Nature of Registration/ License	Registration/ License No.	Applicable Laws	Issuing Authority	Date of Issue	Date of Expiry
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1.	Registration Certificate for Employees Provident Fund Punjab-Ludhiana	LDLDH1711704000	Employees Provident Funds & Miscellaneous Provisions Act, 1952	Employees' Provident Fund Organisation	March 19, 2018	Valid till Cancelled
2.	Registration under Employees' State Insurance Corporation (ESIC)- Chandigarh	12000676220000999	E.S.I. Act, 1948 and Registration of Employees of the Factories and Establishments under Section 2(12) of the Act	Employees' State Insurance Corporation	October 15, 2019	Valid till Cancelled
3	Registration Certificate for Employees Provident Fund-Bihar	BRMUZ2743362000	Employees Provident Funds & Miscellaneous Provisions Act, 1952	Employees' Provident Fund Organisation	September 02, 2022	Valid till Cancelled
4.	Registration under Employees' State Insurance Corporation (ESIC)- Bihar	42120676220010999	E.S.I. Act, 1948 and Registration of Employees of the Factories and Establishments under Section 2(12) of the Act	Employees' State Insurance Corporation	September 09, 2022	Valid till Cancelled

VI. Intellectual Property related approvals: -

Below is the list of trademarks used by our Company along with their status of registration:-

Sr. No.	Brand Name/Logo/ Trademark	Class	Nature of Trademark	Trademark Owner/Applied by	Trade Mark registration Number / Application Number	Status
1	TARA	31	Word	Khanna Feed Limited	1183137	Rectification Filed
2	TARA GOLD	29	Word	Khanna Feed Limited	1899091	Rectification Filed
3.	ZAITON TARA	29	Word	Khanna Feed Ltd.	1899089	Rectification Filed
4.	ZAITON TARA	29	Word	Khanna Feed Ltd.	6000435	Formalities Chk pass

OUR GROUP COMPANY

As per the SEBI (ICDR) Regulations, 2018, for the purpose of identification of Group Company, our Company has considered those Company as our Group company with which there were related party transactions as per the Restated Financial Statements of our Company in any of the last three financial years and stub period (if any) and any other company as considered material by our Board. Further, pursuant to a resolution of our Board dated March 25, 2023 for the purpose of disclosure in relation to Group company in connection with the Issue, a company shall be considered material and disclosed as a Group company if such company fulfills both the below mentioned conditions:-

- a. the companies with which there were related party transactions (in accordance with AS-18), as disclosed in the Restated Financial Statements (“**Restated Financial Statements**”); or
- b. if such company fulfills both the below mentioned conditions: -
 - i. such company that forms part of the Promoter Group of the Company in terms of Regulation 2(1)(pp) of the SEBI (ICDR) Regulations; and
 - ii. the Company has entered into one or more transactions with such company in preceding fiscal or audit period as the case may be exceeding 10.00% of total revenue of the Company as per Restated Financial Statements.

Except as stated below, there are no companies/entities falling under definition of SEBI (Issue of Capital and Disclosure Requirements) Regulations, 2018 which are to be identified as group company/entity.

1. Tara Health Food Limited
2. Tara Export Limited
3. Amtek Dealer Private Limited
4. Greetings Homes Private Limited

Details of our Group Company:

1. Tara Health Food Limited

Tara Health Food Limited was incorporated on February 28, 1977 as a private limited company under the Companies Act, 1956 with name “Angora Wool Combers Private Limited” pursuant to a certificate of incorporation issued by the Registrar of Companies, Punjab, Himachal Pradesh & Chandigarh (RoC). The name of our Company was changed to ‘Ram Sahai Wool Combers Private Limited’ and a fresh certificate of incorporation pursuant to change of name was issued to our Company on December 2, 1986 by the RoC. Subsequently, our Company’s name was changed to ‘Tara Feeds Private Limited’ and a fresh certificate of incorporation pursuant to change of name was issued to our Company on September 2, 2004, by the RoC. Pursuant to a resolution passed by our shareholders dated September 30, 2005, our Company was converted into a public limited company and our Company’s name was changed to ‘Tara Feed Limited’. A fresh certificate of incorporation consequent to change of status into public limited company was issued to our Company on October 5, 2005. Subsequently, our name was changed to ‘Tara Olive India Limited’ and a fresh certificate of incorporation pursuant to change of name was issued to our Company on June 11, 2008. Our name was further changed to ‘Tara Health Foods Limited’ and a fresh certificate of incorporation pursuant to change of name was issued to our Company by the RoC on November 24, 2008.

CIN	U17292PB1977PLC003723
PAN	AACCT3940R
Registered Office	Village Jitwal Kalan, Tehsil Malerkotla, Malerkotla, Sangrur, Punjab, 148023

2. Tara Export Limited

Tara Exports Limited was incorporated on November 21, 2007 as a private limited company under the Companies Act, 1956 with name “Spa Infrastructure Private Limited” pursuant to a certificate of incorporation issued by the Registrar of Companies, NCT Delhi & Haryana. Subsequently, pursuant to Special Resolution passed by the Shareholders at the Extra Ordinary General Meeting the Company was converted into a public limited company and consequently the name of company was changed from “Spa Infrastructure Private Limited” to “Spa Infrastructure Limited”. Further, the company has changed its name from “Spa Infrastructure Limited” to “Tara Exports Limited” vide new certificate of incorporation dated August 12, 2013, issued by the Registrar of Companies, Punjab & Chandigarh pursuant to the change in name.

CIN	U51101PB2007PLC037557
PAN	AAMCS3124L
Registered Office	Village Gaunspura, Tehsil Malerkotla, Malerkotla, Sangrur, Punjab, 148023

3. Amtek Dealer Private Limited

Amtek Dealer Private Limited was incorporated on December 19, 1995 as a private limited company under the Companies Act, 1956 pursuant to a certificate of incorporation issued by the Registrar of Companies, West Bengal.

CIN	U51109WB1995PTC076065
PAN	AADCT7767P
Registered Office	C/O- Old Dunbur Mills Ltd, Garulia Shyamnagar Noapara, w.e.f. 08/07/05, Dist- 24PGS (North) West Bengal India, 743133

4. Greetings Homes Private Limited

Greetings Homes Private Limited was incorporated on October 24, 2017 as a private limited company under the Companies Act, 2013 pursuant to a certificate of incorporation issued by the Registrar of Companies, Central Registration Centre.

CIN	U45309PB2017PTC047104
PAN	AAHCG0507C
Registered Office	Tejinder Singh Village Gaunspura, Tehsil Malerkotla, Malerkotla Sangrur PB 148023 India

Financial Information

In accordance with the SEBI (ICDR) Regulations, details of reserves (excluding revaluation reserves), sales, profit after tax, earnings per share, basis/diluted earnings per share and Net Asset Value, derived from the latest audited financial statements available of our group company are available on the website of our company at www.khannafeedltd.in.

It is clarified that such details available on our Group Company websites do not form a part of this Draft Red Herring Prospectus. anyone placing reliance on any other source of information, including our Group Company website, as mentioned above, would be doing so at their own risk.

Other Confirmations:

- None of our Group Company is listed on any stock exchange nor any of the Group Company has made any public and/or rights issue of securities in the preceding three years.
- Except for Tara Health Foods Limited none of the above-mentioned Group Company is in defaults in meeting any Statutory/bank/institutional dues and no proceedings have been initiated for economic offences against any of the Group Company.
- None of the above-mentioned Group Company is a sick company within the meaning of the Sick Industrial Companies (Special Provisions) Act, 1985 or is under winding up/insolvency proceedings.
- Our Group Company has not been debarred from accessing the capital market for any reasons by the SEBI or any other authorities.

Common pursuits

As on the date of this Draft Red Herring Prospectus, Tara Export Limited & Tara Health Foods Limited are engaged inter-alia in similar line of business as of our Company. In case of any such situation arising in future involving conflict of interest between our company and the group company. This may adversely affect our business operations and financial condition of our Company.

We shall adopt the necessary procedures and practices as permitted by law to address any conflicting situations, as and when they may arise.

Nature and extent of interest of our Group Company**a) Interest in the promotion of our Company**

None of our Group Company has any interest in the promotion of our Company.

b) Interest in the property acquired or proposed to be acquired by the Company

Except of the factory premises situated at Begusurai, Bihar which have been taken on rent from one of our Group company i.e. Tara Health Foods Limited, none of our Group Company is interested, directly or indirectly, in the properties acquired by our Company in the preceding three years or proposed to be acquired by our Company.

c) Interest in transactions for acquisition of land, construction of building, or supply of machinery

Except as disclosed in the section “**Financial Information of the Company – Related Party Transactions**” on page 153, none of our Group Company is interested, directly or indirectly, in any transactions for acquisition of land, construction of building, supply of machinery, with our Company.

Related business transactions and their significance on the financial performance of our Company

Other than the transactions disclosed in the section “**Financial Information of the Company – Related Party Transactions**” on page 153, there is no related business transactions between the Group Company and our Company.

Business interest of our Group Company in our Company

Except as disclosed in the section “**Financial Information of the Company – Related Party Transactions**” on page 153, our Group Company has no business interests in our Company.

Litigations

Except as disclosed in the section “**Outstanding Litigations & Material Developments**” on page 169, there are no other litigations involving our Group Company which may have a material impact on our Company.

Other confirmations

- a) None of the above-mentioned Group Companies has made any public and/ or rights issue of securities in the preceding three years.
- b) Except for Tara Health Foods Limited, none of the above-mentioned Group Companies are in defaults in meeting any Statutory/ bank/ institutional dues and no proceedings have been initiated for economic offences against any of the Group Companies.
- c) Our Group Companies has not been debarred from accessing the capital market for any reasons by the SEBI or any other authorities.

Undertaking / Confirmations by our Group Company

None of our Promoter or Promoter Group or Group Company or person in control of our Company has been

- i. Prohibited from accessing or operating in the capital market or restrained from buying, selling or dealing in securities under any order or direction passed by SEBI or any other authority; or
- ii. Refused listing of any of the securities issued by such entity by any stock exchange, in India or abroad.

None of our Promoters, person in control of our Company or have ever been a Promoter, Director or person in control of any other Company which is debarred from accessing the capital markets under any order or direction passed by the SEBI or any other authority.

Further, except for Tara Health Foods Limited neither our Promoters, the relatives of our individual Promoters (as defined under the Companies Act) nor our Group Company/Promoter Group entities have been declared as a willful defaulter or economic offender by the RBI or any other government authority and there are no violations of securities laws committed by them or any entities they are connected with in the past and no proceedings for violation of securities laws are pending against them.

The information as required by the SEBI (ICDR) Regulations with regards to the Group Company, is also available on the website of our company i.e., www.khannafeedltd.in.

OTHER REGULATORY AND STATUTORY DISCLOSURES

Authority for the Issue

Corporate Approvals

Our Board has approved the Issue pursuant to the resolution passed at its meeting held on February 23, 2023 and our Shareholders have approved the Fresh Issue pursuant to the resolution passed at their Extra Ordinary General meeting held on March 23, 2023 under Section 62(1) (c) of the Companies Act, 2013.

In-principal Approval

Our Company has obtained in-principal approval from the NSE for using its name in this Draft Red Herring Prospectus/ Red Herring Prospectus/Prospectus pursuant to an approval letter dated [●] NSE which is the Designated Stock Exchange.

Prohibition by SEBI, RBI or governmental authorities

As on date of this Draft Red Herring Prospectus, we confirm that our Company, our Promoter, our Promoter Group, our Directors, person(s) in control of the promoter, our Group Companies or the natural person(s) in control of our Company are not prohibited from accessing the capital market or debarred from buying, selling or dealing in securities under any order or direction passed by the Board or any securities market regulator in any other jurisdiction or any other authority/court.

The companies, with which our Directors are or were associated as promoter, directors or persons in control are not prohibited or debarred from accessing capital markets under any order or direction passed by SEBI or any other regulatory authority.

None of our Directors or the entities that our Directors are associated with as promoter or directors is in any manner associated with the securities market and there has been no action taken by the SEBI against our Directors or any entity in which our Directors are associated with as promoter or directors.

Prohibition with respect to willful defaulter or a fraudulent borrower

Neither our Company, our Promoter, our Directors, relatives (as per Companies Act, 2013) of Promoter or the person(s) in control of our Company have been identified as willful defaulter or a fraudulent borrower as defined by the SEBI ICDR Regulations, 2018.

Compliance with the Companies (Significant Beneficial Ownership) Rules, 2018

Under the SBO Rules certain persons who are 'significant beneficial owners', are required to intimate their beneficial holdings to our Company in Form no. BEN-1. As on date of Draft Red Herring Prospectus, there are no such significant beneficial owners in our Company.

Eligibility for the Issue

Our Company is eligible in terms of Regulations 230 of SEBI (ICDR) Regulations for this issue.

Our Company is an "Unlisted Issuer" in terms of the SEBI (ICDR) Regulations; and this issue is an Initial Public Issue in terms of the SEBI (ICDR) Regulations.

Our Company is eligible for the Issue in accordance with Regulation 229(2) and other provisions of Chapter IX of the SEBI (ICDR) Regulations, as we are an Issuer whose post issue paid up capital is more than 10 crore rupees but less than 25 crore rupees and we may hence issue Equity Shares to the public and propose to list the same on the Small and Medium Enterprise Exchange (in this case being the "NSE Emerge Platform").

We confirm that:

1. In accordance with Regulation 260 of the SEBI (ICDR) Regulations, this issue will be 100% underwritten and that the BRLM to the Issue shall underwrite minimum 15% of the Total Issue Size. For further details pertaining to said underwriting please refer to section titled "General Information – Underwriting" beginning on page 44 of this Draft Red Herring Prospectus.
2. In accordance with Regulation 268 of the SEBI (ICDR) Regulations, we shall ensure that the total number of proposed allottees in the Issue shall be greater than or Equal to fifty (50), otherwise, the entire application money will be unblocked forthwith. If such money is not repaid within eight (8) Working Days from the date our Company becomes liable to repay it, then our Company and every officer in default shall, on and from expiry of eight (8) Working Days, be liable to repay such application money, with an interest at the rate as prescribed under the Companies Act 2013.

Company and every officer in default shall, on and from expiry of eight (8) Working Days, be liable to repay such application money, with an interest at the rate as prescribed under the Companies Act 2013.

3. In terms of Regulation 246(5) of the SEBI (ICDR) Regulations, we shall ensure that our Book Running Lead Manager submits a copy of the Prospectus along with a Due Diligence Certificate including additional confirmations as required to SEBI at the time of filing the Prospectus with Stock Exchange and the Registrar of Companies. Further, in terms of Regulation 246(2), SEBI shall not issue observation on the Draft Red Herring Prospectus/Red Herring Prospectus/Prospectus.
4. In accordance with Regulation 261(1) of the SEBI (ICDR) Regulations, we hereby confirm that we will enter into an agreement with the Book Running Lead Manager and with Market Maker to ensure compulsory Market Making for a minimum period of three (3) years from the date of listing of Equity Shares on the NSE Emerge Platform. For further details of the arrangement of market making please refer to section titled "General Information – Details of the Market Making Arrangements for this Issue" beginning on page 44 of this Draft Red Herring Prospectus.
5. In accordance with Regulation 228(c) of the SEBI (ICDR) Regulations, Neither the issuer nor any of its promoters or directors is a wilful defaulter or a fraudulent borrower.
6. In accordance with Regulation 228(d) of the SEBI (ICDR) Regulations, None of the Issuer's promoters or directors is a fugitive economic offender.
7. In accordance with Regulation 230(1)(a) of the SEBI (ICDR) Regulations, Application is being made to SME Platform of NSE and NSE is the Designated Stock Exchange.
8. In accordance with Regulation 230(1)(b) of the SEBI (ICDR) Regulations, our Company has entered into agreement with depositories for dematerialization of specified securities already issued and proposed to be issued.
9. In accordance with Regulation 230(1)(c) of the SEBI (ICDR) Regulations, all the present Equity share Capital is fully Paid-up.
10. In accordance with Regulation 230(1)(d) of the SEBI (ICDR) Regulations, all the specified securities held by the promoters are already in dematerialized form.
11. Our Company shall mandatorily facilitate trading in Demat securities for which we have entered into an agreement with the Central Depository Services Limited (CDSL) dated January 20, 2023 and National Securities Depository Limited dated January 23, 2023 for establishing connectivity.
12. Our Company has a website i.e., www.khannafeedltd.in
13. There has been no change in the promoters of the Company in the preceding one year from date of filing application to SME Platform of NSE (NSE EMERGE).

We further confirm that we shall be complying with all the other requirements as laid down for such an issue under Chapter IX of SEBI (ICDR) Regulations, as amended from time to time and subsequent circulars and guidelines issued by SEBI and the Stock Exchange.

We confirm that we comply with all the below requirements / conditions so as to be eligible to be listed on the SME Platform of NSE (NSE Emerge): -

- 1) Our Company was originally incorporated as "Shubham Infrastructure Developers Private Limited" on March 08, 2006 vide Registration Certificate No. 029858 under the provisions of the Companies Act, 1956 with the Registrar of Companies, Punjab, H.P. and Chandigarh (RoC). Further, pursuant to shareholder's resolution passed at the Extra Ordinary General Meeting held on October 28, 2015, the name of our company was changed from "Shubham Infrastructure Developers Private Limited" to "Tara Feed Private Limited" vide a fresh certificate of incorporation dated November 06, 2015 issued by the Registrar of Companies, Chandigarh. Further, pursuant to Special Resolution passed by the Shareholders at the Extra Ordinary General Meeting, held on October 28, 2015 our Company was converted into a Public Limited Company and the name of our Company was changed from "Tara Feed Private Limited" to "Tara Feed Limited" vide a fresh certificate of incorporation dated December 01, 2015 issued by the Registrar of Companies, Chandigarh. Subsequently, pursuant to shareholder's resolution passed at the Extra Ordinary General Meeting held on August 09, 2016, the name of our company was changed from "Tara Feed Limited" to "Khanna Feed Limited" vide a fresh certificate of incorporation dated August 24, 2016 issued by the Registrar of Companies, Chandigarh bearing CIN U15331PB2006PLC029858.
- 2) The post issue paid up capital of the company will be 1,03,27,089 shares of face value of Rs.10/- aggregating up to Rs. 10.33 Crore which is less than Rs. 25 Crores.
- 3) The Company has a track record of at least 3 years as on the date of filling Draft Red Herring Prospectus.
- 4) As on March 31, 2023, the Company has net tangible assets of Rs. 5514.96 Lakhs.

The Company confirms that it has operating profits (earnings before interest, depreciation and tax) from operations for at least financial years preceding the application and its net-worth as on financial year ended on March 31, 2023, 2022 and 2021 is positive.

(In Rs. Lacs)

Particulars	March 31, 2023	March 31, 2022	March 31, 2021
EBITDA	720.38	328.14	179.11
Networth	992.79	637.40	506.88

- 5) Our Company confirms that there is no material regulatory or disciplinary action by a stock exchange or regulatory authority in the past one year in respect of promoter, Group Companies, companies promoted by the promoter of the Company;
- 6) Our Company has not been referred to the Board for Industrial and Financial Reconstruction (BIFR);
- 7) There is no winding up petition against our Company that has been admitted by the Court or a liquidator has not been appointed of competent Jurisdiction against the Company.
- 8) No material regulatory or disciplinary action by a stock exchange or regulatory authority in the past three years against the company
- 9) The directors of the issuer are not associated with the securities market in any manner, and there is no outstanding action against them initiated by the Board in the past five years
- 10) There is no change in the promoters of the company in preceding one year.

DISCLAIMER CLAUSE OF SEBI

IT IS TO BE DISTINCTLY UNDERSTOOD THAT SUBMISSION OF DRAFT OFFER DOCUMENT / OFFER DOCUMENT TO THE SECURITIES AND EXCHANGE BOARD OF INDIA (SEBI) SHOULD NOT IN ANY WAY BE DEEMED OR CONSTRUED THAT THE SAME HAS BEEN CLEARED OR APPROVED BY SEBI. SEBI DOES NOT TAKE ANY RESPONSIBILITY EITHER FOR THE FINANCIAL SOUNDNESS OF ANY SCHEME OR THE PROJECT FOR WHICH THE OFFER IS PROPOSED TO BE MADE OR FOR THE CORRECTNESS OF THE STATEMENTS MADE OR OPINIONS EXPRESSED IN THE DRAFT OFFER DOCUMENT / OFFER DOCUMENT. THE BOOK RUNNING LEAD MANAGER, HEM SECURITIES LIMITED HAS CERTIFIED THAT THE DISCLOSURES MADE IN THE OFFER DOCUMENT ARE GENERALLY ADEQUATE AND ARE IN CONFORMITY WITH THE SEBI (ISSUE OF CAPITAL AND DISCLOSURE REQUIREMENTS) REGULATIONS, 2018 IN FORCE FOR THE TIME BEING. THIS REQUIREMENT IS TO FACILITATE INVESTORS TO TAKE AN INFORMED DECISION FOR MAKING INVESTMENT IN THE PROPOSED ISSUE.

IT SHOULD ALSO BE CLEARLY UNDERSTOOD THAT WHILE THE ISSUER IS PRIMARILY RESPONSIBLE FOR THE CORRECTNESS, ADEQUACY AND DISCLOSURE OF ALL RELEVANT INFORMATION IN THE DRAFT OFFER DOCUMENT/ OFFER DOCUMENT, THE BOOK RUNNING LEAD MANAGER, HEM SECURITIES LIMITED IS EXPECTED TO EXERCISE DUE DILIGENCE TO ENSURE THAT THE ISSUER DISCHARGES ITS RESPONSIBILITY ADEQUATELY IN THIS BEHALF AND TOWARDS THIS PURPOSE, THE BOOK RUNNING LEAD MANAGER, HEM SECURITIES LIMITED, HAS FURNISHED TO SEBI A DUE DILIGENCE CERTIFICATE DATED AUGUST 14, 2023 IN THE FORMAT PRESCRIBED UNDER SCHEDULE V(A) OF THE SEBI (ICDR), REGULATION 2018.

The filing of this Draft Red Herring Prospectus does not, however, absolve our Company from any liabilities under Section 34, Section 35, Section 36 and Section 38 (1) of the Companies Act, 2013 or from the requirement of obtaining such statutory and / or other clearances as may be required for the purpose of the proposed Issue. SEBI further reserves the right to take up at any point of time, with the BRLM any irregularities or lapses in the Draft Red Herring Prospectus/Red Herring Prospectus/Prospectus.

All legal requirements pertaining to the Issue will be complied with at the time of registration of the Red Herring Prospectus with the Registrar of Companies, Chandigarh in terms of sections 26, 32 and 33 of the Companies Act, 2013.

Statement on Price Information of Past Issues handled by Hem Securities Limited:

Sr. No.	Issue name	Issue size (₹ in Cr.)	Issue Price (₹)	Listing date	Opening Price on listing date	+/- % change in closing price, [+/- % change in closing benchmark]- 30th calendar days from listing	+/- % change in closing price, [+/- % change in closing benchmark]- 90th calendar days from listing	+/- % change in closing price, [+/- % change in closing benchmark]- 180th calendar days from listing
1.	Chaman Metallics Limited	24.21	38.00	January 16, 2023	68.00	44.47% [0.68%]	19.74% [-1.05%]	68.16% [11.65%]

2.	Earthstahl & Alloys Limited	12.96	40.00	February 08, 2023	55.00	22.50% [1.41%]	45.83% [1.81%]	52.93% [8.34%]
3.	Macfos Limited	23.75	102.00	March 01, 2023	184.00	69.61% [0.71%]	174.41% [5.99%]	N.A.
4.	Systango Technologies Limited	34.82	90.00	March 15, 2023	98.00	110.56% [5.00%]	132.56% [10.28%]	N.A.
5.	Labelkraft Technologies Limited	4.75	55.00	March 23, 2023	56.00	0.27% [3.68%]	24.55% [9.66%]	N.A.
6.	Vasa Denticity Limited	54.06	128.00	June 02, 2023	211.00	156.13% [3.53%]	N.A.	N.A.
7.	Hemant Surgical Industries Limited	24.84	90.00	June 05, 2023	171.00	34.30% [4.23%]	N.A.	N.A.
8.	Greenchef Appliances Limited	53.62	87.00	July 06, 2023	104.00	28.91% [0.51%]	N.A.	N.A.
9.	Kaka Industries Limited	21.23	58.00	July 19, 2023	110.20	N.A.	N.A.	N.A.
10.	Asarfi Hospital Limited	26.94	52.00	July 26, 2023	98.80	N.A.	N.A.	N.A.

Source: Price Information www.bseindia.com & www.nseindia.com, Issue Information from respective Prospectus.

Summary statement of Disclosure:

Financial Year	Total no. of IPOs	Total amount of funds raised (₹ Cr.)	No. of IPOs trading at discount- 30 th days from listing			No. of IPOs trading at Premium- 30 th days from listing			No. of IPOs trading at discount- 180 th days from listing			No. of IPOs trading at Premium- 180 th days from listing		
			Over 50 %	Between 25- 50 %	Less than 25 %	Over 50 %	Between 25- 50 %	Less than 25 %	Over 50 %	Between 25- 50 %	Less than 25 %	Over 50 %	Between 25- 50 %	Less than 25 %
2021-22	6 ⁽¹⁾	130.40	-	-	-	4	-	2	-	-	-	6	-	-
2022-23	15 ⁽²⁾	220.57	-	-	-	6	5	3	-	-	-	9	-	3
2023-24	5 ⁽³⁾	180.69	-	-	-	2	1	-	-	-	-	-	-	-

1) The scrip of EKI Energy Services Limited, DU Digital Technologies Limited, Prevest Denpro Limited, Jainam Ferro Alloys (I) Limited, Shri Venkatesh Refineries Ltd. and KN Agri Resources Limited was listed on April 7, 2021, August 26, 2021, September 27, 2021, October 08, 2021, October 11, 2021 and March 28, 2022 respectively;

2) The scrip of Krishna Defence and Allied Industries Limited was listed on April 6, 2022; Eighty Jewellers Limited was listed on April 13, 2022; Kesar India Limited was listed on July 12, 2022; Silicon Rental Solutions Limited was listed on October 10, 2022; Cargosol Logistics Limited was listed on October 10, 2022; Cargotrans Maritime Limited was listed on October 10, 2022; Concord Control Systems Limited was listed on October 10, 2022; Lloyds Luxuries Limited was listed on October 11, 2022; Vedant Asset Limited was listed on October 12, 2022; Baheti Recycling Industries Limited was listed on December 08, 2022; Chaman Metallics Limited was listed on January 16, 2023; Earthstahl & Alloys Limited was listed on February 08, 2023; Macfos Limited was listed on March 01, 2023; Systango Technologies Limited was listed on March 15, 2023 and Labelkraft Technologies Limited was listed on March 23, 2023;

3) The scrip of Vasa Denticity Limited was listed on June 02, 2023; Hemant Surgical Industries Limited was listed on June 05, 2023; Greenchef Appliances Limited was listed on July 06, 2023; Kaka Industries Limited was listed on July 19, 2023; Asarfi Hospital Limited was listed on July 26, 2023.

Note:

- a) Based on date of listing.
- b) BSE SENSEX and CNX NIFTY have been considered as the benchmark index.
- c) Prices on BSE/NSE are considered for all of the above calculations.
- d) In case 30th /90th /180th day is not a trading day, closing price on BSE/NSE of the next trading day has been considered.
- e) In case 30th /90th /180th day, scrips are not traded then last trading price has been considered.
- f) N.A. – Period not completed.
- g) As per SEBI Circular No. CIR/CFD/DIL/7/2015 dated October 30, 2015, the above table should reflect max. 10 issues (initial public offerings) managed by the Book Running Lead Manager. Hence, disclosures pertaining to recent 10 issues handled by Book Running Lead Manager are provided.

Track Record of past issues handled by Hem Securities Limited

For details regarding track record of BRLM to the Issue as specified in the Circular reference no. CIR/MIRSD/1/2012 dated January 10, 2012 issued by the SEBI, please refer the website of the BRLM at: www.hemsecurities.com.

Disclaimer from our Company and the Book Running Lead Manager

Our Company, the Directors and the Book Running Lead Manager accept no responsibility for statements made otherwise than those contained in this Draft Red Herring Prospectus or, in the advertisements or any other material issued by or at the instance of the Company and anyone placing reliance on any other source of information would be doing so at their own risk.

The BRLM accept no responsibility, save to the limited extent as provided in the Agreement entered between the BRLM (Hem securities Limited), and our Company on June 13, 2023 and the Underwriting Agreement dated [●] entered into between the Underwriter, and our Company and the Market Making Agreement dated [●] entered into among the Market Maker and our Company.

All information shall be made available by our Company, and the Book Running Lead Manager to the public and investors at large and no selective or additional information would be available for a section of the investors in any manner whatsoever including at road show presentations, in research or sales reports, at collection centres or elsewhere.

The Book Running Lead Manager and their respective associates and affiliates may engage in transactions with, and perform services for, our Company, our Promoter Group, Group Companies, or our affiliates or associates in the ordinary course of business and have engaged, or may in future engage, in commercial banking and investment banking transactions with our Company, our Promoter Group, Group Companies, and our affiliates or associates for which they have received and may in future receive compensation.

Note

Investors who apply in the Issue will be required to confirm and will be deemed to have represented to our Company, and the Underwriter and their respective directors, officers, agents, affiliates and representatives that they are eligible under all applicable laws, rules, regulations, guidelines and approvals to acquire Equity Shares of our Company and will not offer, sell, pledge or transfer the Equity Shares of our Company to any person who is not eligible under applicable laws, rules, regulations, guidelines and approvals to acquire Equity Shares of our Company. Our Company, the Underwriter and their respective Directors, officers, agents, affiliates and representatives accept no responsibility or liability for advising any investor on whether such investor is eligible to acquire the Equity Shares in the issue.

Disclaimer in Respect of Jurisdiction

This Issue is being made in India to persons resident in India (including Indian nationals resident in India who are majors, HUFs, companies, corporate bodies and societies registered under applicable laws in India and authorized to invest in shares, Indian mutual funds registered with SEBI, Indian financial institutions, commercial banks, regional rural banks, cooperative banks (subject to RBI permission), or trusts under applicable trust law and who are authorized under their constitution to hold and invest in shares, public financial institutions as specified in Section 2(72) of the Companies Act, 2013, VCFs, state industrial development corporations, insurance companies registered with the Insurance Regulatory and Development Authority, provident funds (subject to applicable law) with a minimum corpus of ₹2,500.00 Lakhs and pension funds with a minimum corpus of ₹2,500.00 Lakhs, and permitted non-residents including FIIs, Eligible NRIs, multilateral and bilateral development financial institutions, FVCIs and eligible foreign investors, insurance funds set up and managed by army, navy or air force of the Union of India and insurance funds set up and managed by the Department of Posts, India provided that they are eligible under all applicable laws and regulations to hold Equity Shares of our Company. This Draft Red Herring Prospectus does not, however, constitute an offer to sell or an invitation to subscribe for Equity Shares offered hereby in any jurisdiction other than India to any person to whom it is unlawful to make an offer or invitation in such jurisdiction. Any person into whose possession this Draft Red Herring Prospectus comes is required to inform

himself or herself about, and to observe, any such restrictions. Any dispute arising out of this Issue will be subject to jurisdiction of the competent court(s) in Ludhiana, Punjab India only.

No action has been, or will be, taken to permit a public offering in any jurisdiction where action would be required for that purpose. Accordingly, the Equity Shares represented hereby may not be offered or sold, directly or indirectly, and this Draft Red Herring Prospectus may not be distributed in any jurisdiction, except in accordance with the legal requirements applicable in such jurisdiction. Neither the delivery of this Draft Red Herring Prospectus nor any sale hereunder shall, under any circumstances, create any implication that there has been no change in the affairs of our Company from the date hereof or that the information contained herein is correct as of any time subsequent to this date.

Disclaimer Clause of the NSE

As required, a copy of this Offer Document has been submitted to NSE. NSE has given vide its letter [●] permission to the Issuer to use the Exchange's name in this Offer Document as one of the stock exchanges on which this Issuer's securities are proposed to be listed. The Exchange has scrutinized draft offer document for its limited internal purpose of deciding on the matter of granting the aforesaid permission to this Issuer. It is to be distinctly understood that the aforesaid permission given by NSE should not in any way be deemed or construed that the offer document has been cleared or approved by NSE; nor does it in any manner warrant, certify or endorse the correctness or completeness of any of the contents of this offer document; nor does it warrant that this Issuer's securities will be listed or will continue to be listed on the Exchange; nor does it take any responsibility for the financial or other soundness of this Issuer, its Promoter, its management or any scheme or project of this Issuer. Every person who desires to apply for or otherwise acquire any securities of this Issuer may do so pursuant to independent inquiry, investigation and analysis and shall not have any claim against the Exchange whatsoever by reason of any loss which may be suffered by such person consequent to or in connection with such subscription /acquisition whether by reason of anything stated or omitted to be stated herein or any other reason whatsoever.

Disclaimer Clause under Rule 144A of the U.S. Securities Act

The Equity Shares have not been, and will not be, registered under the U.S. Securities Act 1933, as amended (the "Securities Act") or any state securities laws in the United States and may not be offered or sold within the United States or to, or for the account or benefit of, "U.S. persons" (as defined in Regulations under the Securities Act), except pursuant to an exemption from, or in a transaction not subject to, the registration requirements of the Securities Act. Accordingly, the Equity Shares will be offered and sold outside the United States in compliance with Regulations of the Securities Act and the applicable laws of the jurisdiction where those offers and sales occur. The Equity Shares have not been, and will not be, registered, listed or otherwise qualified in any other jurisdiction outside India and may not be offered or sold, and Applications may not be made by persons in any such jurisdiction, except in compliance with the applicable laws of such jurisdiction.

Further, each Applicant where required agrees that such Applicant will not sell or transfer any Equity Shares or create any economic interest therein, including any off-shore derivative instruments, such as participatory notes, issued against the Equity Shares or any similar security, other than pursuant to an exemption from, or in a transaction not subject to, the registration requirements of the Securities Act and in compliance with applicable laws and legislations in each jurisdiction, including India.

Filing

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

The Draft Red Herring Prospectus will not be filed with SEBI, nor will SEBI issue any observation on the Offer Document in terms of Regulation 246(2) of SEBI (ICDR) Regulations, 2018. However, pursuant to Regulation 246 (5) of the SEBI (ICDR) Regulations, 2018, a soft copy of Prospectus shall be furnished to SEBI.

Pursuant to SEBI Circular Number SEBI/HO/CFD/DIL1/CIR/P/2018/011 dated January 19, 2018, a copy of Red Herring Prospectus/Prospectus will be filed online through SEBI Intermediary Portal at <https://siportal.sebi.gov.in>.

A copy of the Red Herring Prospectus/Prospectus, along with the documents required to be filed under Section 26 of the Companies Act, 2013 will be filed to the RoC Office situated at Registrar of Companies, Chandigarh, 1st Floor, Corporate Bhawan, Plot No.4-B, Sector 27-B, 160019, Chandigarh.

Listing

The Equity Shares of our Company are proposed to be listed on NSE Emerge. Our Company has obtained in-principle approval from NSE by way of its letter dated [●] for listing of equity shares on SME Platform of NSE (NSE Emerge).

NSE will be the Designated Stock Exchange, with which the Basis of Allotment will be finalized for the Issue. If the permission to deal in and for an official quotation of the Equity Shares on the NSE EMERGE is not granted by NSE, our Company shall forthwith repay, all moneys received from the applicants in pursuance of this Draft Red Herring Prospectus. If such money is not repaid within the prescribed time, then our Company becomes liable to repay it, then our Company and every officer in default shall, shall be liable to repay such application money, with interest, as prescribed under the applicable law.

Our Company shall ensure that all steps for the completion of the necessary formalities for listing and commencement of trading at the NSE Emerge mentioned above are taken within Six (6) Working Days of the Issue Closing Date. If Equity Shares are not Allotted pursuant to the Issue within Six (6) Working Days from the Issue Closing Date or within such timeline as prescribed by the SEBI, our Company shall repay with interest all monies received from applicants, failing which interest shall be due to be paid to the applicants at the rate of 15% per annum for the delayed period.

Impersonation

Attention of the Applicants is specifically drawn to the provisions of sub-section (1) of Section 38 of the Companies Act, 2013 which is reproduced below:

Any person who-

- 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
- iii. Otherwise induces directly or indirectly a company to allot, or register any transfer of, securities to him, or to any other person in a fictitious name,

Shall be liable to action under section 447 of the Companies, Act 2013

Consents

Consents in writing of Our Directors, Our Promoter, Our Company Secretary & Compliance Officer, Chief Financial Officer, Our Statutory Auditor, Banker to the Our Company, Book Running Lead Manager, Registrar to the Issue, Banker to the Issue/ Sponsor Bank*, Legal Advisor to the Issue, Underwriter to the Issue* and Market Maker to the Issue* to act in their respective capacities have been obtained as required under section 26 and 32 of the Companies Act, 2013 and shall be filed along with a copy of the Red Herring Prospectus/Prospectus with the RoC, as required under Sections 32 of the Companies Act, 2013 and such consents will not be withdrawn up to the time of delivery of the Red Herring Prospectus/Prospectus for registration with the RoC.

**The aforesaid will be appointed prior to filing of Red Herring Prospectus with RoC and their consents as above would be obtained prior to the filing of the Red Herring Prospectus with RoC.*

In accordance with the Companies Act and the SEBI (ICDR) Regulations, 2018, M/s. Jasminder Singh & Associates, Chartered Accountants, Statutory Auditors of the Company has agreed to provide their written consent to the inclusion of their respective reports on Statement of Possible Tax Benefits relating to the possible tax benefits and restated financial statements as included in this Draft Red Herring Prospectus/Red Herring Prospectus/Prospectus in the form and context in which they appear therein and such consent and reports will not be withdrawn up to the time of delivery of the Red Herring Prospectus/Prospectus for registration with the RoC.

Experts Opinion

Except for the reports in the section titled “Financial Statements” and “Statement of Special Tax Benefits” on page 124 and 76 respectively of this Draft Red Herring Prospectus from the Statutory Auditor, our Company has not obtained any expert opinions. However, the term “expert” shall not be construed to mean an “expert” as defined under the U.S. Securities Act 1933.

Fees, Brokerage and Selling Commission payable

The total fees payable to the Book Running Lead Manager will be as per the (i) Agreement dated June 13, 2023 with the Book Running Lead Manager, (ii) the Underwriting Agreement dated [●] with the Underwriter and (iii) the Market Making Agreement [●] with the Market Maker, a copy of which is available for inspection at our Corporate Office from 10.00am to 5.00 pm on Working Days from the date of the Draft Red Herring Prospectus until the Issue Closing Date.

Fees Payable to the Registrar to the Issue

The fees payable to the Registrar to the Issue for processing of applications, data entry, printing of CAN, tape and printing of bulk mailing register will be as per the agreement between our Company, and the Registrar to the Issue dated June 13, 2023, a copy of which is available for inspection at our Company's Registered Office.

The Registrar to the Issue will be reimbursed for all out-of-pocket expenses including cost of stationery, postage, stamp duty, and communication expenses. Adequate funds will be provided to the Registrar to the Issue to enable it to send allotment advice by registered post/speed post.

Particulars regarding Public or Rights Issues during the last five (5) years

Our Company has not made any previous public or rights issue in India or Abroad the five (5) years preceding the date of this Draft Red Herring Prospectus.

Previous issues of Equity Shares otherwise than for cash

For detailed description please refer to the section titled "Capital Structure" beginning on page 54 of this Draft Red Herring Prospectus.

Underwriting Commission, brokerage and selling commission on Previous Issues

Since this is the initial public offering of our Company's Equity Shares, no sum has been paid or has been payable as commission or brokerage for subscribing for or procuring or agreeing to procure subscription for any of the Equity Shares since our incorporation.

Previous capital issue during the last three years by listed Group Companies of our Company

None of our Group Company have undertaken any public issue during the last three years. Nor does we have any listed Group Company.

Performance vis-à-vis objects

Our Company is an "Unlisted Issuer" in terms of the SEBI (ICDR) Regulations, and this Issue is an "Initial Public Offering" in terms of the SEBI (ICDR) Regulations. Therefore, data regarding promise versus performance is not applicable to us.

Outstanding Debentures or Bond Issues or Redeemable Preference Shares

As on the date of this Draft Red Herring Prospectus, our Company has no outstanding debentures, bonds or redeemable preference shares.

Partly Paid-Up Shares

As on the date of this Draft Red Herring Prospectus, there are no partly paid-up Equity Shares of our Company.

Outstanding Convertible Instruments

Our Company does not have any outstanding convertible instruments as on the date of filing this Draft Red Herring Prospectus.

Option to Subscribe

- a. Investors will get the allotment of specified securities in dematerialization form only.
- b. The equity shares, on allotment, shall be traded on stock exchange in Demat segment only.

Stock Market Data for our Equity Shares

Our Company is an "Unlisted Issuer" in terms of the SEBI (ICDR) Regulations, and this Issue is an "Initial Public Offering" in terms of the SEBI (ICDR) Regulations. Thus, there is no stock market data available for the Equity Shares of our Company.

Investor Grievances and Redressal System

The agreement between the Registrar to the Issue, our Company provides for retention of records with the Registrar to the Issue for a period of at least three (3) years from the last date of dispatch of the letters of allotment and Demat credit to enable the investors to approach the Registrar to the Issue for redressal of their grievances.

We hereby confirm that there are no investor complaints received during the three years preceding the filing of this Draft Red Herring Prospectus. Since there are no investor complaints received, none are pending as on the date of filing of this Draft Red Herring Prospectus.

Investors may contact the BRLM for any complaint pertaining to the Issue. All grievances, may be addressed to the Registrar to the Issue, with a copy to the relevant Designated Intermediary, where the Application Form was submitted, quoting the full name of the sole or first Applicant, Application Form number, Applicants' DP ID, Client ID, PAN, address of the Applicant, number of Equity Shares applied for, date of Application Form, name and address of the relevant Designated Intermediary, where the Bid was submitted and ASBA Account number in which the amount equivalent to the Bid Amount was blocked. Further, the Applicant shall enclose the Acknowledgement Slip or provide the acknowledgement number received from the Designated Intermediaries in addition to the documents/information mentioned hereinabove. Our Company, BRLM and the Registrar accept no responsibility for errors, omissions, commission of any acts of the Designated Intermediaries, including any defaults in complying with its obligations under the SEBI ICDR Regulations.

Disposal of Investor Grievances by our Company

Our Company estimates that the average time required by our Company or the Registrar to the Issue for the redressal of routine investor grievances shall be within 15 Working Days from the date of receipt of the complaint. In case of complaints that are not routine or where external agencies are involved, our Company will seek to redress these complaints as expeditiously as possible.

Our Company has appointed Ms. Simranjit Kaur, as the Company Secretary and Compliance Officer to redress complaints, if any, of the investors participating in the Issue. Contact details for our Company Secretary and Compliance Officer are as follows:

Simranjit Kaur

Village Ikolaha, Tehsil Khanna, Khanna

Ludhiana Punjab 141401, India

Tel. No.: 01628-212493

Email: info@khannafeedltd.in

Website: www.khannafeedltd.in

Investors can contact the Compliance Officer or the Registrar in case of any pre-Issue or post-Issue related problems such as non-receipt of letters of allocation, credit of allotted Equity Shares in the respective beneficiary account etc.

Pursuant to the press release no. PR. No. 85/2011 dated June 8, 2011, SEBI has launched a centralized web-based complaints redress system "SCORES". This would enable investors to lodge and follow up their complaints and track the status of redressal of such complaints from anywhere. For more details, investors are requested to visit the website www.scores.gov.in.

Our Board by a resolution on March 25, 2023 constituted a Stakeholders Relationship Committee. For further details, please refer to section titled "Our Management" beginning on page 110 of this Draft Red Herring Prospectus.

Status of Investor Complaints

We confirm that we have not received any investor complaint during the three years preceding the date of this Draft Red Herring Prospectus and hence there are no pending investor complaints as on the date of this Draft Red Herring Prospectus.

Disposal of investor grievances by listed companies under the same management as our Company

Not Applicable

Tax Implications

Investors who are allotted Equity Shares in the Issue will be subject to capital gains tax on any resale of the Equity Shares at applicable rates, depending on the duration for which the investors have held the Equity Shares prior to such resale and whether the Equity Shares are sold on the Stock Exchanges. For details, please refer the section titled "Statement of Special Tax Benefits" beginning on page 76.

Capitalization of Reserves or Profits

Save and except as stated in “Capital Structure” on page 54 of this Draft Red Herring Prospectus, our Company has not capitalized its reserves or profits at any time since inception.

Revaluation of assets

For details of revaluation of assets refer chapter “History and certain corporate matters” and “Financial Information of the company” beginning on page 106 and 124 of this Draft Red Herring Prospectus.

Servicing Behavior

There has been no default in payment of statutory dues or of interest or principal in respect of our borrowings or deposits.

Payment or benefit to officers of Our Company

Except statutory benefits upon termination of their employment in our Company or superannuation, no officer of our Company is entitled to any benefit upon termination of his employment in our Company or superannuation. Except as disclosed under sections titled "Our Management" and "Related Party Transactions" beginning on page 110 and 153 of this Draft Red Herring Prospectus.

Respectively, none of the beneficiaries of loans and advances and sundry debtors are related to the Directors of our Company.

Exemption from complying with any provisions of securities laws, if any

Not Applicable

SECTION VIII: ISSUE RELATED INFORMATION

TERMS OF THE ISSUE

The Equity Shares being Issued are subject to the provisions of the Companies Act, SCRA, SCRR, SEBI (ICDR) Regulations, the SEBI Listing Regulations, our Memorandum and Articles of Association, the terms of the Draft Red Herring Prospectus, Red Herring Prospectus, Prospectus, Application Form, any Confirmation of Allocation Note ("CAN"), the Revision Form, Allotment advices, and other terms and conditions as may be incorporated in the Allotment advices and other documents/certificates that may be executed in respect of the Issue. The Equity Shares shall also be subject to all applicable laws, guidelines, rules, notifications and regulations relating to the issue of capital and listing and trading of securities issued from time to time by SEBI, the GoI, the Stock Exchange, the RoC, the RBI and/or other authorities, as in force on the date of the Issue and to the extent applicable or such other conditions as may be prescribed by SEBI, RBI, the GoI, the Stock Exchange, the RoC and/or any other authorities while granting its approval for the Issue.

Please note that, in terms of SEBI Circular No. CIR/CFD/POLICYCELL/11/2015 dated November 10, 2015 and the SEBI (Issue of Capital and Disclosure Requirements) Regulations, 2018, all the investors applying in a public issue shall use only Application Supported by Blocked Amount (ASBA) process for application providing details of the bank account which will be blocked by the Self Certified Syndicate Banks (SCSBs) for the same. Further, SEBI through its circular no. SEBI/HO/CFD/DIL2/CIR/P/2018/138 dated November 1, 2018 read with its circular no. SEBI/HO/CFD/DIL2/CIR/P/2019/50 dated April 3, 2019, circular no. SEBI/HO/CFD/DIL2/CIR/P/2019/76 dated June 28, 2019, circular (SEBI/HO/CFD/DIL2/CIR/P/2019/85) dated July 26, 2019 and circular (SEBI/HO/CFD/DCR2/CIR/P/2019/133) dated November 8, 2019, the circular no. SEBI/HO/CFD/DIL2/CIR/P/2020/50 dated March 30, 2020, SEBI circular no. SEBI/HO/CFD/DIL1/CIR/P/2021/47 dated March 31, 2021 and any subsequent circulars issued by SEBI in this regard, SEBI has introduced an alternate payment mechanism using Unified Payments Interface (UPI) and consequent reduction in timelines for listing in a phased manner. From January 1, 2019, the UPI Mechanism for RIIs applying through Designated Intermediaries was made effective along with the existing process and existing timeline of T+6 days. ("UPI Phase I"). The UPI Phase I was effective till June 30, 2019. With effect from July 1, 2019, with respect to Application by retail individual investors 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 Applicants 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"). Subsequently, the final reduced timeline will be made effective using the UPI Mechanism for applications by retail individual investors ("UPI Phase III"), as may be prescribed by SEBI.

Further vide the said circular Registrar to the Issue and Depository Participants have been also authorized to collect the Bid-cum-Application forms. Investor may visit the official website of the concerned for any information on operational utilization of this facility of form collection by the Registrar to the Issue and Depository Participants as and when the same is made available.

Authority for the Issue

The present Public Issue of upto 27,48,000 Equity Shares has been authorized by a resolution of the Board of Directors of our Company at their meeting held on February 23, 2023 and was approved by the Shareholders of the Company by passing Special Resolution at the Extra Ordinary General Meeting held on March 23, 2023 in accordance with the provisions of Section 62(1)(c) of the Companies Act, 2013.

Ranking of Equity Shares

The Equity Shares being issued shall be subject to the provisions of the Companies Act, 2013 and our MOA and AOA and shall rank pari-passu in all respects with the existing Equity Shares of our Company including rights in respect of dividend. The Allottees, upon Allotment of Equity Shares under this Issue, will be entitled to receive dividends and other corporate benefits, if any, declared by our Company after the date of Allotment. For further details, please refer to section titled, **"Main Provisions of Article of Association"**, beginning on page 228 of this Draft Red Herring 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 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 Article of Association"** beginning on page 123 and 228 respectively of this Draft Red Herring Prospectus.

Face Value and Issue Price

The face value of each Equity Share is ₹ 10.00 and the Issue Price at the lower end of the Price Band is ₹ [●] per Equity Share (“Floor Price”) and at the higher end of the Price Band is ₹ [●] per Equity Share (“Cap Price”). The Anchor Investor Issue Price is ₹ [●] per Equity Share.

The Price Band and the minimum Bid Lot size will be decided by our Company in consultation with the BRLM, and will be advertised, at least two Working Days prior to the Bid/ Issue Opening Date, in all editions of [●], an English national daily newspaper and all editions of [●], a Hindi national daily newspaper and Ludhiana edition of [●], a regional newspaper each with wide circulation and shall be made available to the Stock Exchange for the purpose of uploading on its website. The Price Band, along with the relevant financial ratios calculated at the Floor Price and at the Cap Price, shall be pre filled in the Bid cum Application Forms available on the website of the Stock Exchange. The Issue Price shall be determined by our Company and in consultation with the BRLM, after the Bid/ Issue Closing Date, on the basis of assessment of market demand for the Equity Shares offered by way of Book Building Process. At any given point of time there shall be only one denomination of the Equity Shares of our Company, subject to applicable laws.

Compliance with SEBI ICDR Regulations, 2018

Our Company shall comply with all requirements of the SEBI (ICDR) Regulations. Our Company shall comply with all disclosure and accounting norms as specified by SEBI from time to time.

Compliance with Disclosure and Accounting Norms

Our Company shall comply with all disclosure and accounting norms as specified by SEBI from time to time.

Rights of the Equity Shareholders

Subject to applicable laws, rules, regulations and guidelines and the Articles of Association, the equity shareholders shall have the following rights:

- a) Right to receive dividend, if declared;
- b) Right to receive Annual Reports and notices to members;
- c) Right to attend general meetings and exercise voting rights, unless prohibited by law;
- d) Right to vote on a poll either in person or by proxy;
- e) Right to receive offer for rights shares and be allotted bonus shares, if announced;
- f) Right to receive surplus on liquidation; subject to any statutory or preferential claims being satisfied;
- g) Right of free transferability of the Equity Shares; and
- h) Such other rights, as may be available to a shareholder of a listed Public Limited Company under the Companies Act, terms of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 and the Memorandum and Articles of Association of our Company.

For a detailed description of the main provision of the Articles of Association of our Company relating to voting rights, dividend, forfeiture and lien, transfer, transmission and/ or consolidation/ splitting, etc., please refer to section titled “*Main Provisions of the Articles of Association*” beginning on page 228 of this Draft Red Herring Prospectus.

Minimum Application Value, Market Lot and Trading Lot

As per regulations made under and Section 29(1) of the Companies Act, 2013 the Equity Shares to be allotted must be in Dematerialized form i.e., not in the form of physical certificates but be fungible and be represented by the statement issued through electronic mode. Hence, the Equity Shares being issued can be applied for in the dematerialized form only. In this context, two agreements shall be signed among our Company, the respective Depositories and Registrar to the Issue.

Tripartite Agreement dated January 23, 2023 between NSDL, our Company and Registrar to the Issue; and
Tripartite Agreement dated January 20, 2023 between CDSL, our Company and Registrar to the Issue;

The trading of the Equity Shares will happen in the minimum contract size of [●] Equity Shares and the same may be modified by the SME Platform of NSE (NSE EMERGE) from time to time by giving prior notice to investors at large.

Allocation and allotment of Equity Shares through this issue will be done in multiples of [●] Equity Shares and is subject to a minimum allotment of [●] Equity Shares to the successful applicants in terms of the SEBI circular No. CIR/MRD/DSA/06/2012 dated February 21, 2012.

Minimum Number of Allottees

In accordance with Regulation 268 of SEBI (ICDR) Regulations, 2018 the minimum number of allottees in the Issue shall be 50 shareholders. In case the minimum number of prospective allottees is less than 50, no allotment will be made pursuant to this Issue and the monies collected shall be unblocked forthwith.

Jurisdiction

Exclusive jurisdiction for the purpose of this Issue is with the competent courts/ authorities in Ahmedabad, Gujarat.

The Equity Shares have not been and will not be registered under the Securities Act or any state securities laws in the United States, and may not be offered or sold within the United States, except pursuant to an exemption from or in a transaction not subject to, registration requirements of the Securities Act. Accordingly, the Equity Shares are only being offered or sold outside the United States 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.

Joint Holders

Where 2 (two) or more persons are registered as the holders of any Equity Shares, they will be deemed to hold such Equity Shares as joint-holders with benefits of survivorship.

Nomination Facility to Investor

In accordance with Section 72 of the Companies Act, 2013 the sole or first applicant, along with other joint applicant, may nominate any one person in whom, in the event of the death of sole applicant or in case of joint applicant, 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 in accordance with Section 72 of the Companies Act, 2013 be entitled to the same advantages to which he or she would be entitled if he or she were the registered holder of the Equity Share(s). Where the nominee is a minor, the holder(s) may make a nomination to appoint, in the prescribed manner, any person to become entitled to Equity Share(s) in the event of his or her death during the minority. A nomination shall stand rescinded upon a sale 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 Section 72 of the Companies Act, 2013 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 90 (ninety) 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 in the Issue is in dematerialized form, there is no need to make a separate nomination with us. Nominations registered with the respective depository participant of the applicant would prevail. If the investors require changing the nomination, they are requested to inform their respective depository participant.

Issue Program

Event	Indicative Date
Bid/ Issue Opening Date	[●] ¹
Bid/ Issue Closing Date	[●] ²
Finalization of Basis of Allotment with the Designated Stock Exchange	On or about [●]
Initiation of Allotment/ Refunds/ Unblocking of Funds from ASBA Account or UPI Id Linked Bank Account*	On or about [●]
Credit of Equity Shares to Demat Accounts of Allottees	On or about [●]

Event	Indicative Date
Commencement of Trading of The Equity Shares on the Stock Exchange	On or about [●]

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

²Our Company in consultation with the BRLM, consider closing the Bid/Issue Period for QIBs one Working Day prior to the Bid/Issue Closing Date in accordance with the SEBI ICDR Regulations.

*In case of any delay in unblocking of amounts in the ASBA Accounts (including amounts blocked through the UPI Mechanism) exceeding four Working Days from the Bid/ Issue Closing Date, the Bidder shall be compensated at a uniform rate of ₹ 100 per day for the entire duration of delay exceeding four Working Days from the Bid/ Issue Closing Date by the intermediary responsible for causing such delay in unblocking. The BRLM shall, in their sole discretion, identify and fix the liability on such intermediary or entity responsible for such delay in unblocking. For the avoidance of doubt, the provisions of the SEBI circular dated March 16, 2021, as amended pursuant to SEBI circular dated June 2, 2021 shall be deemed to be incorporated in the agreements to be entered into by and between the Company and the relevant intermediaries, to the extent applicable.

The above timetable is indicative and does not constitute any obligation on our Company or the Book Running Lead Manager. Whilst our Company shall ensure that all steps for the completion of the necessary formalities for the listing and the commencement of trading of the Equity Shares on the Stock Exchange are taken within 6 Working Days of the Bid/Issue Closing Date, the timetable may change due to various factors, such as extension of the Bid/Issue Period by our Company, revision of the Price Band or any delays in receiving the final listing and trading approval from the Stock Exchange. The Commencement of trading of the Equity Shares will be entirely at the discretion of the Stock Exchange and in accordance with the applicable laws.

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

On the Bid/ Issue Closing Date, the Bids shall be uploaded until:

- (i) 4.00 P.M. IST in case of Bids by QIBs and Non-Institutional Bidders, and
- (ii) until 5.00 P.M. IST or such extended time as permitted by the Stock Exchange, in case of Bids by Retail Individual Bidders.

On the Bid/ Issue Closing Date, extension of time will be granted by the Stock Exchange only for uploading Bids received from Retail Individual Bidders after taking into account the total number of Bids received and as reported by the BRLM to the Stock Exchange.

The Registrar to the Issue shall submit the details of cancelled/ withdrawn/ deleted applications to the SCSBs on a daily basis within 60 minutes of the Bid closure time from the Bid/ Issue Opening Date till the Bid/ Issue Closing Date by obtaining the same from the Stock Exchanges. The SCSBs shall unblock such applications by the closing hours of the Working Day and submit the confirmation to the BRLM and the RTA on a daily basis.

To avoid duplication, the facility of re-initiation provided to Syndicate Members, if any shall preferably be allowed only once per Bid/batch and as deemed fit by the Stock Exchange, after closure of the time for uploading Bids.

It is clarified that Bids not uploaded on the electronic bidding system or in respect of which the full Bid Amount is not blocked by SCSBs or not blocked under the UPI Mechanism in the relevant ASBA Account, as the case may be, would be rejected.

Due to the limitation of time available for uploading the Bid-Cum-Application Forms on the Bid/ Issue Closing Date, Bidders are advised to submit their applications one (1) day prior to the Bid/ Issue Closing Date and, in any case, not later than 3.00 P.M. (IST) on the Bid/ Issue Closing Date. Any time mentioned in this Draft Red Herring Prospectus is IST. Bidders are cautioned that, in the event a large number of Bid-Cum- Application Forms are received on the Bid/ Issue Closing Date, as is typically experienced in public Issue, some Bid-Cum- Application Forms may not get uploaded due to the lack of sufficient time. Such Bid-Cum- Application Forms that cannot be uploaded will not be considered for allocation under this Issue. Applications will be accepted only on Working Days, i.e., Monday to Friday (excluding any public holidays). Neither our Company nor the BRLM is liable for any failure in uploading the Bid-Cum- Application Forms due to faults in any software/hardware system or otherwise.

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

on a proportionate basis.

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

Our Company in consultation with the BRLM, reserves the right to revise the Price Band during the Bid/ Issue Period. The revision in the Price Band shall not exceed 20% on either side, i.e. the Floor Price can move up or down to the extent of 20% of the Floor Price and the Cap Price will be revised accordingly. The Floor Price shall not be less than the face value of the Equity Shares.

In case of any revision to the Price Band, the Bid/ Issue Period will be extended by at least three additional Working Days following such revision of the Price Band, subject to the Bid/ Issue Period not exceeding a total of 10 Working Days. In cases of force majeure, banking strike or similar circumstances, our Company in consultation with the BRLM, for reasons to be recorded in writing, extend the Bid/ Issue Period for a minimum of three Working Days, subject to the Bid/ Issue Period not exceeding 10 Working Days. Any revision in the Price Band and the revised Bid/ Issue Period, if applicable, will be widely disseminated by notification to the Stock Exchange, by issuing a public notice, and also by indicating the change on the respective websites of the BRLM and the terminals of the Syndicate Members, if any and by intimation to SCSBs, other Designated Intermediaries and the Sponsor Bank, as applicable. In case of revision of Price Band, the Bid Lot shall remain the same.

Minimum Subscription and Underwriting

This Issue is not restricted to any minimum subscription level and is 100% underwritten. As per Section 39 of the Companies Act, 2013, if the stated minimum amount has not been subscribed and the sum payable on application is not received within a period of 30 days from the date of the Prospectus, the application money has to be returned within such period as may be prescribed. If our Company does not receive the 100% subscription of the issue through the Issue Document including devolvement of Underwriters, if any, within sixty (60) days from the date of closure of the issue, our Company shall forthwith refund the entire subscription amount received. If there is a delay beyond eight days after our Company becomes liable to pay the amount, our Company and every officer in default will, on and from the expiry of this period, be jointly and severally liable to repay the money, with interest or other penalty as prescribed under the SEBI Regulations, the Companies Act 2013 and applicable law.

In terms of Regulation 272(2) of SEBI ICDR Regulations, in case the Company fails to obtain listing or trading permission from the stock exchanges where the specified securities are proposed to be listed, it shall refund through verifiable means the entire monies received within four days of receipt of intimation from stock exchange(s) rejecting the application for listing of specified securities, and if any such money is not repaid within four days after the issuer becomes liable to repay it, the issuer and every director of the company who is an officer in default shall, on and from the expiry of the fourth day, be jointly and severally liable to repay that money with interest at the rate of fifteen per cent per annum.

In terms of Regulation 260 of the SEBI (ICDR) Regulations, 2018, the Issue is 100% underwritten. For details of underwriting arrangement, kindly refer the chapter titled “**General Information - Underwriting**” on page 44 of this Draft Red Herring Prospectus.

Further, in accordance with Regulation 267 of the SEBI (ICDR) Regulations, 2018, the minimum application size in terms of number of specified securities shall not be less than Rupees One Lakh per application.

Migration to Main Board

As per the provisions of the Chapter IX of the SEBI (ICDR) Regulation, 2018, our Company may migrate to the main board of NSE from the SME Exchange on a later date subject to the following:

If the Paid-up Capital of the company is likely to increase above ₹ 25 crores by virtue of any further issue of capital by way of rights, preferential issue, bonus issue etc. (which has been approved by a special resolution through postal ballot wherein the votes cast by the shareholders other than the promoter in favour of the proposal amount to at least two times the number of votes cast by shareholders other than promoter shareholders against the proposal and for which the company has obtained in-principal approval from the main board), we shall have to apply to NSE for listing our shares on its Main Board subject to the fulfillment of the eligibility criteria for listing of specified securities laid down by the Main Board.

If the Paid-up Capital of the company is more than ₹ 10 crores but below ₹ 25 crores, we may still apply for migration to the main board if the same has been approved by a special resolution through postal ballot wherein the votes cast by the shareholders other than the promoter in favour of the proposal amount to at least two times the number of votes cast by shareholders other than promoter shareholders against the proposal.

Market Making

The shares offered through this Issue are proposed to be listed on the SME Platform of NSE (NSE EMERGE), wherein the Book Running Lead Manager to this Issue shall ensure compulsory Market Making through the registered Market Makers of the SME Exchange for a minimum period of 3 (three) years from the date of listing on the SME platform of NSE.

For further details of the agreement entered into between the Company, the Book Running Lead Manager and the Market Maker please refer to section titled ***“General Information - Details of the Market Making Arrangements for this Issue”*** on page 44 of this Draft Red Herring Prospectus.

Arrangements for disposal of odd lots

The trading of the Equity Shares will happen in the minimum contract size of [●] shares in terms of the SEBI circular No. CIR/MRD/DSA/06/2012 dated February 21, 2012. However, the Market Maker shall buy the entire shareholding of a shareholder in one lot, where value of such shareholding is less than the minimum contract size allowed for trading on the SME platform of NSE.

As per the extent Guideline of the Government of India, OCBs cannot participate in this Issue

The current provisions of the Foreign Exchange Management (Transfer or Issue of Security by a Person Resident outside India) Regulations, 2000, provides a general permission for the NRIs, FPIs and foreign venture capital investors registered with SEBI to invest in shares of Indian companies by way of subscription in an IPO. However, such investments would be subject to other investment restrictions under the Foreign Exchange Management (Transfer or Issue of Security by a Person Resident outside India) Regulations, 2000, RBI and/or SEBI regulations as may be applicable to such investors.

The Allotment of the Equity Shares to Non-Residents shall be subject to the conditions, if any, as may be prescribed by the Government of India/RBI while granting such approvals.

Allotment of Equity Shares in Dematerialized Form

Pursuant to Section 29 of the Companies Act, 2013, the Equity Shares in the Issue shall be allotted only in dematerialized form. Further, as per the SEBI ICDR Regulations, the trading of the Equity Shares shall only be in dematerialized form on the Stock Exchange.

New Financial Instruments

There are no new financial instruments such as deep discounted bonds, debenture, warrants, secured premium notes, etc. issued by our Company through this Issue.

Application by Eligible NRI's, FPI's, VCF's, AIF's registered with SEBI

It is to be understood that there is no reservation for Eligible NRIs, FPIs or VCF registered with SEBI. Such Eligible NRIs, FPIs or VCF registered with SEBI will be treated on the same basis with other categories for the purpose of Allocation.

Restrictions on transfer and transmission of shares or debentures and on their consolidation or splitting

Except for lock-in of the Pre- Issue Equity Shares and Promoter minimum contribution in the Issue as detailed under section titled ***“Capital Structure”*** beginning on page 54 of this Draft Red Herring Prospectus, and except as provided in the Articles of Association of our Company, there are no restrictions on transfers of Equity Shares. There are no restrictions on transfer and transmission of shares/ debentures and on their consolidation/ splitting except as provided in the Articles of Association. For further details, please refer to section titled ***“Main Provisions of the Articles of Association”*** beginning on page 228 of this Draft Red Herring Prospectus.

Pre-Issue Advertisement

Subject to Section 30 of the Companies Act, 2013 our Company shall, after filing the Red Herring Prospectus/Prospectus with the RoC publish a pre-Issue advertisement, in the form prescribed by the SEBI (ICDR) Regulations, in one widely circulated English language national daily newspaper; one widely circulated Hindi language national daily newspaper and one regional newspaper with wide circulation where the Registered Office of our Company is situated.

Withdrawal of the Issue

Our Company in consultation with the BRLM, reserve the right to not to proceed with the issue after the Bid/ Issue Opening date but before the Allotment. In such an event, our Company would issue a public notice in the newspaper in which the pre-issue advertisements were published, within two days of the Bid/ Issue Closing date or such other time as may be prescribed by SEBI, providing reasons for not proceeding with the issue. The BRLM through, the Registrar of the issue, shall notify the SCSBs to unblock the bank accounts of the ASBA Bidders within one working day from the date of receipt of such notification. Our Company shall also inform the same to the stock exchange on which equity shares are proposed to be listed.

The above information is given for the benefit of the Applicants. The Applicants are advised to make their own enquiries about the limits applicable to them. Our Company and the Book Running Lead Manager do not accept any responsibility for the completeness and accuracy of the information stated hereinabove. Our Company and the Book Running Lead Manager are not liable to inform the investors of any amendments or modifications or changes in applicable laws and regulations, which may occur after the date of this Draft Red Herring Prospectus. Applicants are advised to make their independent investigations and ensure that the number of Equity Shares applied for do not exceed the applicable limits under laws and regulations.

ISSUE STRUCTURE

This Issue is being made in terms of Regulation 229(2) of Chapter IX of SEBI (ICDR) Regulations, 2018, as amended from time to time, whereby, an issuer whose post issue paid up capital is equal to or more than ten Crore rupees, shall issue shares to the public and propose to list the same on the Small and Medium Enterprise Exchange (“**SME Exchange**”, in this case being the NSE EMERGE i.e. SME platform of NSE). For further details regarding the salient features and terms of such an issue please refer chapter titled “**Terms of the Issue**” and “**Issue Procedure**” on page 190 and 200 of this Draft Red Herring Prospectus.

Issue Structure:

Initial Public Issue of upto 27,48,000 Equity Shares of ₹ 10 each (*the “Equity Shares”*) for cash at a price of ₹. [●] per Equity Share (including a Share Premium of ₹ [●] per Equity Share), aggregating up to ₹ [●] Lakhs (*“the Issue”*) by the issuer Company (the “Company”).

The Issue comprises a reservation of upto [●] Equity Shares of ₹ 10 each for subscription by the designated Market Maker (*“the Market Maker Reservation Portion”*) and Net Issue to Public of upto [●] Equity Shares of ₹ 10 each (*“the Net Issue”*). The Issue and the Net Issue will constitute 26.61% and [●] %, respectively of the post Issue paid up equity share capital of the Company. The Issue is being made through the Book Building Process.

Particulars of the Issue ⁽²⁾	Market Maker Reservation Portion	QIBs ⁽¹⁾	Non-Institutional Investors	Retail Individual Investors
Number of Equity Shares available for allocation	Upto [●] Equity Shares	Not more than [●] Equity Shares	Not less than [●] Equity Shares	Not less than [●] Equity Shares
Percentage of Issue Size available for allocation	[●] of the Issue Size	Not more than 50% of the Net Issue being available for allocation to QIB Bidders. However, up to 5% of the Net QIB Portion will be available for allocation proportionately to Mutual Funds only. Mutual Funds participating in the Mutual Fund Portion will also be eligible for allocation in the remaining QIB Portion. The unsubscribed portion in the Mutual Fund Portion will be added to the Net QIB Portion	Not less than 15% of the Net Issue	Not less than 35% of the Net Issue
Basis of Allotment⁽³⁾	Firm Allotment	Proportionate as follows (excluding the Anchor Investor Portion): (a) Up to [●] Equity Shares shall be available for allocation on a proportionate basis to Mutual Funds only; and (b) Up to [●] Equity Shares shall be available for allocation on a proportionate basis to all QIBs, including Mutual Funds receiving allocation as per (a) above. Up to 60% of the QIB Portion (of up to [●] Equity Shares may be allocated on a discretionary basis to Anchor Investors of which one-third shall be available for allocation to Mutual Funds only, subject to valid Bid received from Mutual Funds at	Proportionate basis subject to minimum allotment of [●] Equity Shares and further allotment in multiples of [●] Equity Shares.	Proportionate basis subject to minimum allotment of [●] Equity Shares

Particulars of the Issue ⁽²⁾	Market Maker Reservation Portion	QIBs ⁽¹⁾	Non-Institutional Investors	Retail Individual Investors
		or above the Anchor Investor Allocation Price		
Mode of Allotment	Compulsorily in dematerialized form.			
Minimum Bid Size	[●] Equity Shares	Such number of Equity Shares and in multiples of [●] Equity Shares that the Bid Amount exceeds ₹200,000	Such number of Equity Shares and in multiples of [●] Equity Shares that the Bid Amount exceeds ₹200,000	[●] Equity Shares
Maximum Bid Size	[●] Equity Shares	Such number of Equity Shares in multiples of [●] Equity Shares not exceeding the size of the Net Issue, subject to applicable limits	Such number of Equity Shares in multiples of [●] Equity Shares not exceeding the size of the Net Issue (excluding the QIB portion), subject to applicable limits	[●] Equity Shares
Trading Lot	[●] Equity Shares, However the Market Maker may accept odd lots if any in the market as required under the SEBI (ICDR) Regulations, 2018.	[●] Equity Shares and in multiples thereof	[●] Equity Shares and in multiples thereof	[●] Equity Shares and in multiples thereof
Terms of Payment	Full Bid Amount shall be blocked by the SCSBs in the bank account of the ASBA Bidder (other than Anchor Investors) or by the Sponsor Bank through the UPI Mechanism, that is specified in the ASBA Form at the time of submission of the ASBA Form. In case of Anchor Investors: Full Bid Amount shall be payable by the Anchor Investors at the time of submission of their Bids ⁽⁴⁾			
Mode of Bid	Only through the ASBA process.	ASBA process. Only through the ASBA process. (Except for Anchor investors)	Only through the ASBA process	Through ASBA Process via Banks or by using UPI ID for payment

This Issue is being made in terms of Chapter IX of the SEBI (ICDR) Regulations, 2018, as amended from time to time.

⁽¹⁾ Our Company may, in consultation with the Book Running Lead Managers, allocate up to 60% of the QIB Portion to Anchor Investors on a discretionary basis in accordance with the SEBI ICDR Regulations. One-third of the Anchor Investor Portion shall be reserved for domestic Mutual Funds, subject to valid Bids being received from domestic Mutual Funds at or above the price Anchor Investor Allocation Price.

⁽²⁾ In terms of Rule 19(2) of the SCRR read with Regulation 252 of the SEBI (ICDR) Regulations, 2018 this is an Issue for at least 25% of the post issue paid-up Equity share capital of the Company. This Issue is being made through Book Building Process, wherein allocation to the public shall be as per Regulation 252 of the SEBI (ICDR) Regulations.

⁽³⁾ Subject to valid Bids being received at or above the Issue Price, under subscription, if any, in any category, except in the QIB Portion, would be allowed to be met with spill-over from any other category or combination of categories of Bidders at the discretion of our Company in consultation with the Book Running Lead Managers and the Designated Stock Exchange, subject to applicable laws.

⁽⁴⁾ Full Bid Amount shall be payable by the Anchor Investors at the time of submission of the Anchor Investor Bid-cum- Application Forms provided that any difference between the Anchor Investor Allocation Price and the Anchor Investor Issue Price shall be payable by the Anchor Investor Pay-In Date as indicated in the CAN.

The Bids by FPIs with certain structures as described under “Issue Procedure - Bids by FPIs” on pages 200 and having same PAN may be collated and identified as a single Bid in the Bidding process. The Equity Shares Allocated and Allotted to such successful Bidders (with same PAN) may be proportionately distributed.

If the Bid is submitted in joint names, the Bid cum Application Form should contain only the name of the first Bidder whose name should also appear as the first holder of the depository account held in joint names. The signature of only the first Bidder would be required in the Bid cum Application Form and such first Bidder would be deemed to have signed on behalf of the joint holders. Bidders will be required to confirm and will be deemed to have represented to our Company, the Underwriters, their respective directors, officers, agents, affiliates and representatives that they are eligible under applicable law, rules, regulations, guidelines and approvals to acquire the Equity Shares.

Withdrawal of the Issue

In accordance with SEBI (ICDR) Regulations, the Company, in consultation with the Book Running Lead Manager, reserves the right not to proceed with the Issue at any time before the Bid/Issue Opening Date, without assigning any reason thereof.

In case, the Company wishes to withdraw the Issue after Bid/Issue Opening but before allotment, the Company will give public notice giving reasons for withdrawal of Issue. The public notice will appear in two widely circulated national newspapers (*one each in English and Hindi*) and one in regional newspaper.

The Book Running Lead Manager, through the Registrar to the Issue, will instruct the SCSBs, to unblock the ASBA Accounts within one Working Day from the day of receipt of such instruction. The notice of withdrawal will be issued in the same newspapers where the pre-Issue advertisements have appeared and the Stock Exchange will also be informed promptly.

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

Notwithstanding the foregoing, the Issue is subject to obtaining (i) the final listing and trading approvals of the Stock Exchange, which our Company will apply for only after Allotment; and (ii) filing of the Red Herring Prospectus/ Prospectus with ROC.

Issue Program

Event	Indicative Dates
Bid/ Issue Opening Date	[●] ¹
Bid/ Issue Closing Date	[●] ²
Finalization of Basis of Allotment with the Designated Stock Exchange	[●]
Initiation of Allotment/ Refunds/ Unblocking of Funds from ASBA Account or UPI ID linked bank account	[●]
Credit of Equity Shares to Demat accounts of Allottees	[●]
Commencement of trading of the Equity Shares on the Stock Exchange	[●]

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

²Our Company in consultation with the BRLM, consider closing the Bid/Issue Period for QIBs one Working Day prior to the Bid/Issue Closing Date in accordance with the SEBI ICDR Regulations.

Applications and any revisions to the same will be accepted only between 10.00 A.M. to 5.00 P.M. (Indian Standard Time) during the Issue Period at the Application Centers mentioned in the Bid-Cum Application Form.

Standardization of cut-off time for uploading of applications on the Bid/ Issue Closing Date:

- A standard cut-off time of 3.00 P.M. for acceptance of applications.
- A standard cut-off time of 4.00 P.M. for uploading of applications received from other than retail individual applicants.
- A standard cut-off time of 5.00 P.M. for uploading of applications received from only retail individual applicants, which may be extended up to such time as deemed fit by NSE after taking into account the total number of applications received up to the closure of timings and reported by BRLM to NSE within half an hour of such closure.

It is clarified that Applications not uploaded would be rejected. In case of discrepancy in the data entered in the electronic form vis-à-vis the data contained in the physical Bid-Cum Application form, for a particular applicant, the details as per physical Bid-Cum application form of that Applicant may be taken as the final data for the purpose of allotment.

Bids will be accepted only on Working Days, i.e., Monday to Friday (excluding bank holidays).

ISSUE PROCEDURE

All Bidders should review the General Information Document for Investing in Public Issues prepared and issued in accordance with the circular (SEBI/HO/CFD/DIL1/CIR/P/2020/37) dated March 17, 2020 notified by SEBI and updated pursuant to the circular (CIR/CFD/POLICYCELL/11/2015) dated November 10, 2015 as amended and modified by the circular (SEBI/HO/CFD/DIL1/CIR/P/2016/26) dated January 21, 2016, and SEBI Circular bearing number (SEBI/HO/CFD/DIL2/CIR/P/2018/22) dated February 15, 2018 and Circular (SEBI/HO/CFD/DIL2/CIR/P/2018/138) dated November 01, 2018, notified by SEBI ("General Information Document") and SEBI Circular No. SEBI/HO/CFD/DCR2/CIR/P/2019/133 dated November 08, 2019, included below under Section "PART B – General Information Document", which highlights the key rules, processes and procedures applicable to public issues in general in accordance with the provisions of the Companies Act, 2013, the Securities Contracts (Regulation) Act, 1956, the Securities Contracts (Regulation) Rules, 1957 and the ICDR Regulations. The General Information Document is available on the websites of the Stock Exchanges and the Book Running Lead Manager. Please refer to the relevant portions of the General Information Document which are applicable to this Issue.

All Designated Intermediaries in relation to the Issue should ensure compliance with the SEBI circular (CIR/CFD/POLICYCELL/11/2015) dated November 10, 2015, as amended and modified by the SEBI circular (SEBI/HO/CFD/DIL1/CIR/P/2016/26) dated January 21, 2016 and SEBI circular (SEBI/HO/CFD/DIL2/CIR/P/2018/22) dated February 15, 2018 and (SEBI/HO/CFD/DIL2/CIR/P/2018/138) dated November 1, 2018, in relation to clarifications on streamlining the process of public issue of equity shares and convertibles as amended and modified by the SEBI circular no. SEBI/HO/CFD/DIL2/CIR/P/2019/50 dated April 3, 2019 circular no. SEBI/HO/CFD/DIL2/CIR/P/2019/76 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 08, 2019.

Additionally, all Bidders may refer to the General Information Document for information, in addition to what is stated herein, in relation to (i) category of Bidders eligible to participate in the Issue; (ii) maximum and minimum Application size; (iii) price discovery and allocation; (iv) payment instructions for Bidders applying through ASBA process and Retail Individual Investors applying through the United Payments Interface channel; (v) issuance of Confirmation of Allocation Note ("CAN") and Allotment in the Issue; (vi) general instructions (limited to instructions for completing the Bid Cum Application Form); (vii) Designated Date; (viii) disposal of Applications; (ix) submission of Bid Cum Application Form; (x) other instructions (limited to joint Applications in cases of individual, multiple Applications and instances when an Application would be rejected on technical grounds); (xi) applicable provisions of Companies Act, 2013 relating to punishment for fictitious Applications; (xii) mode of making refunds; and (xiii) interest in case of delay in Allotment or refund.

With effect from July 1, 2019, with respect to Applications by RIIs 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 Applications 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 pursuant to SEBI Circular SEBI/HO/CFD/DCR2/CIR/P/2019/133 dated November 8, 2019 UPI Phase II was extended till March 31, 2020. Subsequently, the final reduced timeline will be made effective using the UPI Mechanism for applications by RIBs ("UPI Phase III"), as may be prescribed by SEBI

Please note that the information stated/covered in this section may not be complete and/or accurate and as such would be subject to modification/change. Our Company and Book Running Lead Manager do not accept any responsibility for the completeness and accuracy of the information stated in this section and the General Information Document. Our Company and Book Running Lead Manager would not be able to include any amendment, modification or change in applicable law, which may occur after the date of the Draft Red Herring Prospectus. Bidders are advised to make their independent investigations and ensure that their Application do not exceed the investment limits or maximum number of Equity Shares that can be held by them under applicable law or as specified in this Draft Red Herring Prospectus.

This section applies to all the Bidders, please note that all the Bidders are required to make payment of the Full Application Amount along with the Bid Cum Application Form.

Phased implementation of Unified Payments Interface

SEBI has issued a circular bearing number SEBI/HO/CFD/DIL2/CIR/P/2018/138 dated November 1, 2018 and circular no. SEBI/HO/CFD/DIL2/CIR/P/2019/50 dated April 3, 2019 circular no. SEBI/HO/CFD/DIL2/CIR/P/2019/76 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 08, 2019 (collectively the "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 RIBs 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 until March 31, 2019 or floating of five main board public issues, whichever is later. Subsequently, the timeline for implementation of Phase I was extended till June 30, 2019. Under this phase, a Retail Individual Applicant had the option to submit the Application Form with any of the intermediary and use his / her UPI ID for the purpose of blocking of funds. The time duration from public issue closure to listing continued to be six Working Days.

Phase II: This phase has become applicable from July 1, 2019 and was to initially continue for a period of three months or floating of five main board public issues, whichever is later. Subsequently, it was decided to extend the timeline for implementation of Phase II until March 31, 2020. Further, as per SEBI circular SEBI/HO/CFD/DIL2/CIR/P/2020/50 dated March 30, 2020, the current Phase II of Unified Payments Interface with Application Supported by Blocked Amount is continued till further notice. Under this phase, submission of the ASBA Form by RIIs through Designated Intermediaries (other than SCSBs) to SCSBs for blocking of funds will be discontinued and will be replaced by the UPI payment mechanism. However, the time duration from public issue closure to listing continues to be six Working Days during this phase.

Phase III: The commencement period of Phase III is yet to be notified. In this phase, the time duration from public issue closure to listing is proposed to be reduced to 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 will be required to appoint one of the SCSBs as a sponsor bank to act as a conduit between the Stock Exchanges and NPCI in order to facilitate collection of requests and / or payment instructions of the Retail Individual Applicants into the UPI mechanism.

For further details, refer to the General Information Document available on the websites of the Stock Exchanges and the Book Running Lead Manager.

PART A

Book Building Procedure

In terms of Rule 19(2)(b) of the Securities Contracts (Regulation) Rules, 1957, as amended (the “SCRR”) read with Regulation 252 of SEBI ICDR Regulations, 2018, the Issue is being made for at least 25% of the post-Issue paid-up Equity Share capital of our Company. The Issue is being made under Regulation 229(2) of Chapter IX of SEBI (Issue of Capital and Disclosure Requirements) Regulations, 2018 via book building process wherein not more than 50% of the Issue shall be allocated on a proportionate basis to QIBs, provided that our Company and may, in consultation with the BRLM, allocate up to 60% of the QIB Portion to Anchor Investors on a discretionary basis in accordance with the SEBI ICDR Regulations, of which one-third shall be reserved for domestic Mutual Funds, subject to valid Bids being received from domestic Mutual Funds at or above the Anchor Investor Allocation Price. In the event of under-subscription, or non-allocation in the Anchor Investor Portion, the balance Equity Shares shall be added to the QIB Portion. Further, 5% of the QIB Portion (excluding the Anchor Investor Portion) shall be available for allocation on a proportionate basis only to Mutual Funds, and the remainder of the QIB Portion shall be available for allocation on a proportionate basis to all QIBs (other than Anchor Investors), including Mutual Funds, subject to valid Bids being received at or above the Issue Price. Further, not less than 15% of the Issue shall be available for allocation on a proportionate basis to Non Institutional Investors and not less than 35% of the Issue shall be available for allocation to Retail Individual Investors in accordance with the SEBI ICDR Regulations, subject to valid Bids being received at or above the Issue Price.

Subject to valid Bids being received at or above the Issue Price, under-subscription, if any, in any category, except the QIB Portion, would be allowed to be met with spill-over from any other category or a combination of categories at the discretion of our Company in consultation with the BRLM, and the Designated Stock Exchange. However, under-subscription, if any, in the QIB Portion will not be allowed to be met with spillover from other categories or a combination of categories.

The Equity Shares, on Allotment, shall be traded only in the dematerialised segment of the Stock Exchanges.

Investors should note that the Equity Shares will be Allotted to all successful Bidders only in dematerialized form. The Bid cum Application Forms which do not have the details of the Bidders’ depository account, including DP ID, Client ID, PAN and UPI ID, as applicable, shall be treated as incomplete and will be rejected. Bidders will not have the option of being Allotted Equity Shares in physical form. However, they may get the Equity Shares rematerialized subsequent to Allotment of the Equity Shares in the Offer, subject to applicable laws.

Bid cum Application Form

Copies of the Bid cum Application Form (other than for Anchor Investors) and the abridged prospectus will be available at the offices of the BRLM, the Designated Intermediaries at Bidding Centres, and Registered Office of our Company. An electronic copy of the Bid cum Application Form will also be available for download on the websites of the NSE, at least one day prior to the Bid/Issue Opening Date.

Copies of the Anchor Investor Application Form will be available at the offices of the BRLM.

All Bidders (other than Anchor Investors) shall mandatorily participate in the Issue only through the ASBA process. ASBA Bidders must provide either (i) the bank account details or authorisation to block funds in the ASBA Form, or (ii) the UPI ID, as applicable, in the relevant space provided in the ASBA Form. The ASBA Forms that do not contain such details are liable to be rejected. Applications made by the RIIs using third party bank account or using third party linked bank account UPI ID are liable for rejection. Anchor Investors are not permitted to participate in the Issue through the ASBA process. ASBA Bidders shall ensure that the Bids are made on ASBA Forms bearing the stamp of the relevant Designated Intermediary, submitted at the relevant Bidding Centres only (except in case of electronic ASBA Forms) and the ASBA Forms not bearing such specified stamp are liable to be rejected. Since the Offer is made under Phase II of the UPI Circulars, ASBA Bidders may submit the ASBA Form in the manner below:

- i. RIIs (other than the RIIs using UPI Mechanism) may submit their ASBA Forms with SCSBs (physically or online, as applicable), or online using the facility of linked online trading, demat and bank account (3 in 1 type accounts), provided by certain brokers.
- ii. RIIs using the UPI Mechanism, may submit their ASBA Forms with the Syndicate, sub-syndicate members, Registered Brokers, RTAs or CDPs, or online using the facility of linked online trading, demat and bank account (3 in 1 type accounts), provided by certain brokers.
- iii. QIBs and NIBs may submit their ASBA Forms with SCSBs, Syndicate, sub-syndicate members, Registered Brokers, RTAs or CDPs.

Anchor Investors are not permitted to participate in the Offer through the ASBA process.

For Anchor Investors, the Anchor Investor Application Form will be available at the office of the BRLM. ASBA Bidders are also required to ensure that the ASBA Account has sufficient credit balance as an amount equivalent to the full Bid Amount which can be blocked by the SCSB.

The prescribed colour of the Bid cum Application Form for various categories is as follows:

Category	Colour*
Anchor Investor**	[•]
Indian Public / eligible NRI's applying on a non-repatriation basis (ASBA)	[•]
Non-Residents including eligible NRI's, FPI's, FIIs, FVCIs, etc. applying on a repatriation basis (ASBA)	[•]

*Excluding Electronic Bid cum Application Form

** Bid cum application for Anchor Investor shall be made available at the Office of the BRLM.

Designated Intermediaries (other than SCSBs) after accepting Bid Cum Application Form submitted by RIIs (without using UPI for payment), NIIs and QIBs shall capture and upload the relevant details in the electronic bidding system of stock exchange(s) and shall submit/deliver the Bid Cum Application Forms to respective SCSBs where the Bidders has a bank account and shall not submit it to any non-SCSB Bank.

Further, for applications submitted to designated intermediaries (other than SCSBs), with use of UPI for payment, after accepting the Bid Cum Application Form, respective intermediary shall capture and upload the relevant application details, including UPI ID, in the electronic bidding system of stock exchange(s).

Bidders shall only use the specified Bid Cum Application Form for making an bid in terms of the Draft Red Herring Prospectus.

The Bid Cum Application Form shall contain information about the Bidder and the price and the number of Equity Shares that the Bidders wish to apply for Bid Cum Application Forms downloaded and printed from the websites of the Stock Exchange shall bear a system generated unique application number. Bidders are required to ensure that the ASBA Account has sufficient credit balance as an amount equivalent to the full Application Amount can be blocked by the SCSB or Sponsor Bank at the time of submitting the Application.

An Investor, intending to subscribe to this Issue, shall submit a completed Bid Cum Application Form to any of the following intermediaries (Collectively called – Designated Intermediaries”)

Sr. No.	Designated Intermediaries
1.	An SCSB, with whom the bank account to be blocked, is maintained
2.	A syndicate member (or sub-syndicate member)
3.	A stock broker registered with a recognized stock exchange (and whose name is mentioned on the website of the stock exchange as eligible for this activity) ('broker')
4.	A depository participant ('DP') (whose name is mentioned on the website of the stock exchange as eligible for this activity)
5.	A registrar to an issue and share transfer agent ('RTA') (whose name is mentioned on the website of the stock exchange as eligible for this activity)

Retails investors submitting application with any of the entities at (ii) to (v) above (hereinafter referred as "Intermediaries"), and intending to use UPI, shall also enter their UPI ID in the Bid Cum Application Form.

The aforesaid intermediary shall, at the time of receipt of application, give an acknowledgement to investor, by giving the counter foil or specifying the application number to the investor, as a proof of having accepted the Bid Cum Application Form, in physical or electronic mode, respectively.

The upload of the details in the electronic bidding system of stock exchange will be done by:

For Applications submitted by Investors to SCSB	After accepting the form, SCSB shall capture and upload the relevant details in the electronic bidding system as specified by the stock exchange and may begin blocking funds available in the bank account specified in the form, to the extent of the application money specified.
For applications submitted by investors to intermediaries other than SCSBs	After accepting the Bid Cum Application Form, respective Intermediary shall capture and upload the relevant details in the electronic bidding system of the stock exchange. Post uploading, they shall forward a schedule as per prescribed format along with the Bid Cum Application Forms to designated branches of the respective SCSBs for blocking of funds within one day of closure of Issue.
For applications submitted by investors to intermediaries other than SCSBs with use of UPI for payment	After accepting the Bid Cum Application Form, respective intermediary shall capture and upload the relevant application details, including UPI ID, in the electronic bidding system of stock exchange. Stock exchange shall share application details including the UPI ID with sponsor bank on a continuous basis, to enable sponsor bank to initiate mandate request on investors for blocking of funds. Sponsor bank shall initiate request for blocking of funds through NPCI to investor. Investor to accept mandate request for blocking of funds, on his/her mobile application, associated with UPI ID linked bank account.

Stock exchange shall validate the electronic bid details with depository's records for DP ID/Client ID and PAN, on a real-time basis and bring the inconsistencies to the notice of intermediaries concerned, for rectification and re-submission within the time specified by stock exchange.

Stock exchange shall allow modification of selected fields viz. DP ID/Client ID or Pan ID (Either DP ID/Client ID or Pan ID can be modified but not BOTH), Bank code and Location code, in the bid details already uploaded.

Upon completion and submission of the Bid Cum Application Form to Application Collecting intermediaries, the Bidders are deemed to have authorized our Company to make the necessary changes in the Draft Red Herring Prospectus, without prior or subsequent notice of such changes to the Bidders.

Availability of Draft Red Herring Prospectus and Bid Cum Application Forms

Copies of the Bid cum Application Form and the abridged prospectus will be available at the offices of the BRLM, the Designated Intermediaries at Bidding Centres, and Registered Office of our Company. An electronic copy of the Bid cum Application Form will also be available for download on the websites of SCSBs (via Internet Banking) and NSE (www.nseindia.com) at least one day prior to the Bid/Issue Opening Date.

Bid cum application for Anchor Investor shall be made available at the Office of the BRLM.

Who can Bid?

Each Bidder should check whether it is eligible to apply under applicable law, rules, regulations, guidelines and policies. Furthermore, certain categories of Bidders, such as NRIs, FPIs and FVCIs may not be allowed to apply in the Issue or to hold Equity Shares, in excess of certain limits specified under applicable law. Bidders are requested to refer to the DRHP for more details.

Subject to the above, an illustrative list of Bidders is as follows:

- a) Indian nationals' resident in India who are not incompetent to contract under the Indian Contract Act, 1872, as amended, in single or as a joint application and minors having valid Demat account as per Demographic Details provided by the Depositories. Furthermore, based on the information provided by the Depositories, our Company shall have the right to accept the Applications belonging to an account for the benefit of minor (under guardianship);
- b) Hindu Undivided Families or HUFs, in the individual name of the Karta. The Bidder should specify that the application is being made in the name of the HUF in the Bid Cum Application Form as follows: -Name of Sole or First Bidder: XYZ Hindu Undivided Family applying through XYZ, where XYZ is the name of the Karta. Applications by HUFs would be considered at par with those from individuals;
- c) Companies, corporate bodies and societies registered under the applicable laws in India and authorized to invest in the Equity Shares under their respective constitutional and charter documents;
- d) Mutual Funds registered with SEBI;
- e) Eligible NRIs on a repatriation basis or on a non-repatriation basis, subject to applicable laws. NRIs other than Eligible NRIs are not eligible to participate in this Issue;
- f) Indian Financial Institutions, scheduled commercial banks, regional rural banks, co-operative banks (subject to RBI permission, and the SEBI Regulations and other laws, as applicable);
- g) FPIs other than Category III FPI; VCFs and FVCIs registered with SEBI;
- h) Limited Liability Partnerships (LLPs) registered in India and authorized to invest in equity shares;
- i) Sub-accounts of FIIs registered with SEBI, which are foreign corporate or foreign individuals only under the Non-Institutional Bidder 's category;
- j) Venture Capital Funds and Alternative Investment Fund (I) registered with SEBI; State Industrial Development Corporations;
- k) Foreign Venture Capital Investors registered with the SEBI;
- l) Trusts/societies registered under the Societies Registration Act, 1860, as amended, or under any other law relating to Trusts and who are authorized under their constitution to hold and invest in equity shares;
- m) Scientific and/or Industrial Research Organizations authorized to invest in equity shares;
- n) Insurance Companies registered with Insurance Regulatory and Development Authority, India;
- o) Provident Funds with minimum corpus of ₹ 25 Crores and who are authorized under their constitution to hold and invest in equity shares;
- p) Pension Funds and Pension Funds with minimum corpus of ₹ 25 Crores and who are authorized under their constitution to hold and invest in equity shares;
- q) National Investment Fund set up by Resolution no. F. No. 2/3/2005-DDII dated November 23, 2005 of Government of India published in the Gazette of India;
- r) Multilateral and bilateral development financial institution;
- s) Eligible QFIs;
- t) Insurance funds set up and managed by army, navy or air force of the Union of India;
- u) Insurance funds set up and managed by the Department of Posts, India;
- v) Any other person eligible to apply in this Issue, under the laws, rules, regulations, guidelines and policies applicable to them.

Applications not to be made by:

1. Minors (except through their Guardians)
2. Partnership firms or their nominations
3. Foreign Nationals (except NRIs)
4. Overseas Corporate Bodies

As per the existing regulations, OCBs are not eligible to participate in this Issue. The RBI has however clarified in its circular, A.P. (DIR Series) Circular No. 44, dated December 8, 2003 that OCBs which are incorporated and are not under the adverse notice of the RBI are permitted to undertake fresh investments as 138 incorporated non-resident entities in terms of Regulation 5(1) of RBI Notification No.20/2000-RB dated May 3, 2000 under FDI Scheme with the prior approval of Government if the investment is through Government Route and with the prior approval of RBI if the investment is through Automatic Route on case by case basis. OCBs may invest in this Issue provided it obtains a prior approval from the RBI. On submission of such approval along with the Bid Cum Application Form, the OCB shall be eligible to be considered for share allocation.

MAXIMUM AND MINIMUM APPLICATION SIZE

1. For Retail Individual Bidders

The Application must be for a minimum of [●] Equity Shares and in multiples of [●] Equity Shares thereafter, so as to ensure that the Application Price payable by the Bidder does not exceed ₹ 2,00,000. In case of revision of Applications, the Retail Individual Bidders have to ensure that the Application Price does not exceed ₹ 2,00,000.

2. For Other than Retail Individual Bidders (Non-Institutional Applicants and QIBs):

The Application must be for a minimum of such number of Equity Shares that the application Amount exceeds ₹ 2,00,000 and in multiples of [●] Equity Shares thereafter. An application cannot be submitted for more than the Net Issue Size. However, the maximum application by a QIB investor should not exceed the investment limits prescribed for them by applicable laws. Under existing SEBI Regulations, a QIB Bidder cannot withdraw its application after the Issue Closing Date and is required to pay 100% QIB Margin upon submission of Application.

In case of revision in Applications, the Non-Institutional Bidders, who are individuals, have to ensure that the Application Amount is greater than ₹ 2,00,000 for being considered for allocation in the Non-Institutional Portion.

Bidders are advised to ensure that any single Application from them does not exceed the investment limits or maximum number of Equity Shares that can be held by them under applicable law or regulation or as specified in this Draft Red Herring Prospectus.

The above information is given for the benefit of the Bidders. The Company and the BRLMs are not liable for any amendments or modification or changes in applicable laws or regulations, which may occur after the date of this Draft Red Herring Prospectus. Bidders are advised to make their independent investigations and ensure that the number of Equity Shares applied for do not exceed the applicable limits under laws or regulations.

METHOD OF BIDDING PROCESS

Our Company in consultation with the BRLM will decide the Price Band and the minimum Bid lot size for the Issue and the same shall be advertised in all editions of the English national newspaper [●], all editions of Hindi national newspaper [●] and Ludhiana Edition of Regional newspaper [●] where the registered office of the company is situated, each with wide circulation at least two Working Days prior to the Bid/ Issue Opening Date. The BRLM and the SCSBs shall accept Bids from the Bidders during the Bid/ Issue Period.

- a) The Bid / Issue Period shall be for a minimum of three Working Days and shall not exceed 10 Working Days. The Bid/ Issue Period maybe extended, if required, by an additional three Working Days, subject to the total Bid/ Issue Period not exceeding 10 Working Days. Any revision in the Price Band and the revised Bid/ Issue Period, if applicable, will be published in all editions of the English national newspaper [●], all editions of Hindi national newspaper [●] and Ludhiana Edition of Regional newspaper [●] where the registered office of the company is situated, each with wide circulation and also by indicating the change on the websites of the Book Running Lead Manager.
- b) During the Bid/ Issue Period, Retail Individual Bidders, should approach the BRLM or their authorized agents to register their Bids. The BRLM shall accept Bids from Anchor Investors and ASBA Bidders in Specified Cities and it shall have the right to vet the Bids during the Bid/ Issue Period in accordance with the terms of the Red Herring Prospectus. ASBA Bidders should approach the Designated Branches or the BRLM (for the Bids to be submitted in the Specified Cities) to register their Bids.
- c) Each Bid cum Application Form will give the Bidder the choice to Bid for up to three optional prices (for details refer to the paragraph titled “Bids at Different Price Levels and Revision of Bids” below) within the Price Band and specify the demand (i.e., the number of Equity Shares Bid for) in each option. The price and demand options submitted by the Bidder in the Bid cum Application Form will be treated as optional demands from the Bidder and will not be cumulated. After determination of the Issue Price, the maximum number of Equity Shares Bid for by a Bidder/Applicant at or above the Issue Price will be considered for allocation/Allotment and the rest of the Bid(s), irrespective of the Bid Amount, will become automatically invalid.
- d) The Bidder/ Applicant cannot Bid through another Bid cum Application Form after Bids through one Bid cum Application Form have been submitted to a BRLM or the SCSBs. Submission of a second Bid cum Application Form to either the same or to another BRLM or SCSB will be treated as multiple Bid and is liable to be rejected either before entering the Bid into the electronic bidding system, or at any point of time prior to the allocation or Allotment of Equity Shares in this Issue. However, the Bidder can revise the Bid through the Revision Form, the procedure for which is detailed under the paragraph “Buildup of the Book and Revision of Bids”.
- e) Except in relation to the Bids received from the Anchor Investors, the BRLM/the SCSBs will enter each Bid option into the electronic bidding system as a separate Bid and generate a Transaction Registration Slip, (“TRS”), for each price and demand option and give the same to the Bidder. Therefore, a Bidder can receive up to three TRSs for each Bid cum Application Form

- f) The BRLM shall accept the Bids from the Anchor Investors during the Anchor Investor Bid/ Issue Period i.e. one working day prior to the Bid/ Issue Opening Date. Bids by QIBs under the Anchor Investor Portion and the QIB Portion shall not be considered as multiple Bids.
- g) Along with the Bid cum Application Form, Anchor Investors will make payment in the manner described in “Escrow Mechanism - Terms of payment and payment into the Escrow Accounts” in the section “**Issue Procedure**” beginning on page 200 of this Draft Red Herring Prospectus
- h) Upon receipt of the Bid cum Application Form, submitted whether in physical or electronic mode, the Designated Branch of the SCSB shall verify if sufficient funds equal to the Bid Amount are available in the ASBA Account, as mentioned in the Bid cum Application Form prior to uploading such Bids with the Stock Exchange.
- i) If sufficient funds are not available in the ASBA Account, the Designated Branch of the SCSB shall reject such Bids and shall not upload such Bids with the Stock Exchange.
- j) If sufficient funds are available in the ASBA Account, the SCSB shall block an amount equivalent to the Bid Amount mentioned in the Bid cum Application Form and will enter each Bid option into the electronic bidding system as a separate Bid and generate a TRS for each price and demand option. The TRS shall be furnished to the ASBA Bidder on request.
- k) The Bid Amount shall remain blocked in the aforesaid ASBA Account until finalisation of the Basis of Allotment and consequent transfer of the Bid Amount against the Allotted Equity Shares to the Public Issue Account, or until withdrawal/failure of the Issue or until withdrawal/rejection of the Bid cum Application Form, as the case may be. Once the Basis of Allotment is finalized, the Registrar to the Issue shall send an appropriate request to the SCSB for unblocking the relevant ASBA Accounts and for transferring the amount allocable to the successful Bidders to the Public Issue Account. In case of withdrawal/failure of the Issue, the blocked amount shall be unblocked on receipt of such information from the Registrar to the Issue.

BIDS AT DIFFERENT PRICE LEVELS AND REVISION OF BIDS

- a. Our Company in consultation with the BRLM, and without the prior approval of, or intimation, to the Bidders, reserves the right to revise the Price Band during the Bid/ Issue Period, provided that the Cap Price shall be less than or equal to 120% of the Floor Price and the Floor Price shall not be less than the face value of the Equity Shares. The revision in Price Band shall not exceed 20% on the either side i.e. the floor price can move up or down to the extent of 20% of the floor price disclosed. If the revised price band decided, falls within two different price bands than the minimum application lot size shall be decided based on the price band in which the higher price falls into.
- b. Our Company in consultation with the BRLM, will finalize the Issue Price within the Price Band, without the prior approval of, or intimation, to the Bidders.
- c. The Bidders can Bid at any price within the Price Band. The Bidder has to Bid for the desired number of Equity Shares at a specific price. Retail Individual Bidders may Bid at the Cut-off Price. However, bidding at the Cut-off Price is prohibited for QIB and Non-Institutional Bidders and such Bids from QIB and Non-Institutional Bidders shall be rejected.
- d. Retail Individual Bidders, who Bid at Cut-off Price agree that they shall purchase the Equity Shares at any price within the Price Band. Retail Individual Bidders shall submit the Bid cum Application Form along with a cheque/demand draft for the Bid Amount based on the Cap Price with the Syndicate. In case of ASBA Bidders (excluding Non-Institutional Bidders and QIB Bidders) bidding at Cut-off Price, the ASBA Bidders shall instruct the SCSBs to block an amount based on the Cap Price.
- e. The price of the specified securities offered to an anchor investor shall not be lower than the price offered to other applicants.

Participation by Associates /Affiliates of BRLM and the Syndicate Members

The BRLM and the Syndicate Members, if any, shall not be allowed to purchase in this Issue in any manner, except towards fulfilling their underwriting obligations. However, the associates and affiliates of the BRLM and the Syndicate Members, if any, may subscribe the Equity Shares in the Issue, either in the QIB Category or in the Non-Institutional Category as may be applicable to such Bidders, where the allocation is on a proportionate basis and such subscription may be on their own account or on behalf of their clients.

Neither the BRLM nor any persons related to the BRLM (other than Mutual Funds sponsored by entities related to the BRLM), Promoters and Promoter Group can apply in the Issue under the Anchor Investor Portion.

Option to Subscribe in the Issue

- a. As per Section 29(1) of the Companies Act 2013, allotment of Equity Shares shall be made in dematerialized form only. Investors will not have the option of getting allotment of specified securities in physical form.
- b. The Equity Shares, on allotment, shall be traded on the Stock Exchange in demat segment only.
- c. A single application from any investor shall not exceed the investment limit/minimum number of Equity Shares that can be held by him/her/it under the relevant regulations/statutory guidelines and applicable law.

Information for the Bidders

1. Our Company and the Book Running Lead Manager shall declare the Bid/ Issue Opening Date and Bid/ Issue Closing Date in the Red Herring Prospectus/Prospectus to be registered with the RoC and also publish the same in two national newspapers (one each in English and Hindi) and in a regional newspaper with wide circulation. This advertisement shall be in prescribed format.
2. Our Company will file the Red Herring Prospectus with the RoC at least 3 (three) days before the Bid/ Issue Opening Date.
3. Copies of the Bid Cum Application Form along with Abridge Prospectus and copies of the Draft Red Herring Prospectus/Red Herring Prospectus/Prospectus will be available with the, the Book Running Lead Manager, the Registrar to the Issue, and at the Registered Office of our Company. Electronic Bid Cum Application Forms will also be available on the websites of the Stock Exchange.
4. Any Bidder who would like to obtain the Draft Red Herring Prospectus/Red Herring Prospectus/Prospectus and/ or the Bid Cum Application Form can obtain the same from our Registered Office.
5. Bidders who are interested in subscribing for the Equity Shares should approach Designated Intermediaries to register their applications.
6. Bid Cum Application Forms submitted directly to the SCSBs should bear the stamp of the SCSBs and/or the Designated Branch, or the respective Designated Intermediaries. Bid Cum Application Form submitted by Applicants whose beneficiary account is inactive shall be rejected.
7. The Bid Cum Application Form can be submitted either in physical or electronic mode, to the SCSBs with whom the ASBA Account is maintained, or other Designated Intermediaries (Other than SCSBs). SCSBs may provide the electronic mode of collecting either through an internet enabled collecting and banking facility or such other secured, electronically enabled mechanism for applying and blocking funds in the ASBA Account. The Retail Individual Applicants has to apply only through UPI Channel, they have to provide the UPI ID and validate the blocking of the funds and such Bid Cum Application Forms that do not contain such details are liable to be rejected.
8. Bidders applying directly through the SCSBs should ensure that the Bid Cum Application Form is submitted to a Designated Branch of SCSB, where the ASBA Account is maintained. Applications submitted directly to the SCSB's or other Designated Intermediaries (Other than SCSBs), the relevant SCSB, shall block an amount in the ASBA Account equal to the Application Amount specified in the Bid Cum Application Form, before entering the ASBA application into the electronic system.
9. Except for applications by or on behalf of the Central or State Government and the Officials appointed by the courts and by investors residing in the State of Sikkim, the Bidders, or in the case of application in joint names, the first Bidder (the first name under which the beneficiary account is held), should mention his/her PAN allotted under the Income Tax Act. In accordance with the SEBI Regulations, the PAN would be the sole identification number for participating transacting in the securities market, irrespective of the amount of transaction. Any Bid Cum Application Form without PAN is liable to be rejected. The demat accounts of Bidders for whom PAN details have not been verified, excluding person resident in the State of Sikkim or persons who may be exempted from specifying their PAN for transacting in the securities market, shall be "suspended for credit" and no credit of Equity Shares pursuant to the Issue will be made into the accounts of such Bidders.
10. The Bidders may note that in case the PAN, the DP ID and Client ID mentioned in the Bid Cum Application Form and entered into the electronic collecting system of the Stock Exchange Designated Intermediaries do not match with PAN, the DP ID and Client ID available in the Depository database, the Bid Cum Application Form is liable to be rejected.

BIDS BY ANCHOR INVESTORS:

Our Company in consultation with the BRLM, may consider participation by Anchor Investors in the Issue for up to 60% of the QIB Portion in accordance with the SEBI Regulations. Only QIBs as defined in Regulation 2(1)(ss) of the SEBI Regulations and

not otherwise excluded pursuant to Schedule XIII of the SEBI Regulations are eligible to invest. The QIB Portion will be reduced in proportion to allocation under the Anchor Investor Portion. In the event of undersubscription in the Anchor Investor Portion, the balance Equity Shares will be added to the QIB Portion. In accordance with the SEBI Regulations, the key terms for participation in the Anchor Investor Portion are provided below.

- 1) Anchor Investor Bid cum Application Forms will be made available for the Anchor Investors at the offices of the BRLM.
- 2) The Bid must be for a minimum of such number of Equity Shares so that the Bid Amount is at least ₹ 200.00 lakhs. A Bid cannot be submitted for over 60% of the QIB Portion. In case of a Mutual Fund, separate Bids by individual schemes of a Mutual Fund will be aggregated to determine the minimum application size of ₹ 200.00 lakhs
- 3) One-third of the Anchor Investor Portion will be reserved for allocation to domestic Mutual Funds.
- 4) Bidding for Anchor Investors will open one Working Day before the Bid/ Issue Opening Date and be completed on the same day.
- 5) Our Company in consultation with the BRLM, will finalize allocation to the Anchor Investors on a discretionary basis, provided that the minimum and maximum number of Allottees in the Anchor Investor Portion will be, as mentioned below:
 - where allocation in the Anchor Investor Portion is up to ₹ 200.00 Lakhs, maximum of 2 (two) Anchor Investors.
 - where the allocation under the Anchor Investor Portion is more than ₹ 200.00 Lakhs but upto ₹ 2500.00 Lakhs, minimum of 2 (two) and maximum of 15 (fifteen) Anchor Investors, subject to a minimum Allotment of ₹ 100.00 Lakhs per Anchor Investor; and
 - where the allocation under the Anchor Investor portion is more than ₹ 2500.00 Lakhs: (i) minimum of 5 (five) and maximum of 15 (fifteen) Anchor Investors for allocation upto ₹ 2500.00 Lakhs; and (ii) an additional 10 Anchor Investors for every additional allocation of ₹ 2500.00 Lakhs or part thereof in the Anchor Investor Portion; subject to a minimum Allotment of ₹ 100.00 Lakhs per Anchor Investor.
- 6) Allocation to Anchor Investors will be completed on the Anchor Investor Bid/ Issue Period. The number of Equity Shares allocated to Anchor Investors and the price at which the allocation is made will be made available in the public domain by the BRLM before the Bid/Issue Opening Date, through intimation to the Stock Exchange.
- 7) Anchor Investors cannot withdraw or lower the size of their Bids at any stage after submission of the Bid.
- 8) If the Issue Price is greater than the Anchor Investor Allocation Price, the additional amount being the difference between the Issue Price and the Anchor Investor Allocation Price will be payable by the Anchor Investors within 2 (two) Working Days from the Bid/ Issue Closing Date. If the Issue Price is lower than the Anchor Investor Allocation Price, Allotment to successful Anchor Investors will be at the higher price, i.e., the Anchor Investor Issue Price.
- 9) At the end of each day of the bidding period, the demand including allocation made to anchor investors, shall be shown graphically on the bidding terminals of syndicate members and website of stock exchange offering electronically linked transparent bidding facility, for information of public.
- 10) 50% of the Equity Shares Allotted to Anchor Investors in the Anchor Investor Portion shall be locked in for a period of 90 days from the date of Allotment, while the remaining 50% of the Equity Shares Allotted to Anchor Investors in the Anchor Investor Portion shall be locked in for a period of 30 days from the date of Allotment.
- 11) The BRLM, our Promoters, Promoter Group or any person related to them (except for Mutual Funds sponsored by entities related to the BRLM) will not participate in the Anchor Investor Portion. The parameters for selection of Anchor Investors will be clearly identified by the BRLM and made available as part of the records of the BRLM for inspection by SEBI.
- 12) Bids made by QIBs under both the Anchor Investor Portion and the QIB Portion will not be considered multiple Bids.
- 13) Anchor Investors are not permitted to Bid in the Issue through the ASBA process.

BIDS BY ELIGIBLE NRIS:

Eligible NRIs may obtain copies of Bid cum Application Form from the offices of the BRLM and the Designated Intermediaries. Eligible NRI Bidders bidding on a repatriation basis by using the Non- Resident Forms should authorize their SCSB to block their Non-Resident External ("NRE") accounts, or Foreign Currency Non-Resident ("FCNR") ASBA Accounts, and eligible NRI Bidders bidding on a non-repatriation basis by using Resident Forms should authorize their SCSB to block their Non- Resident Ordinary ("NRO") accounts for the full Bid Amount, at the time of the submission of the Bid cum Application Form.

Eligible NRIs bidding on non-repatriation basis are advised to use the Bid cum Application Form for residents (white in colour).

Eligible NRIs bidding on a repatriation basis are advised to use the Bid cum Application Form meant for Non-Residents (blue in colour).

BIDS BY FPI INCLUDING FII'S:

In terms of the SEBI FPI Regulations, any qualified foreign investor or FII who holds a valid certificate of registration from SEBI shall be deemed to be an FPI until the expiry of the block of three years for which fees have been paid as per the SEBI FII Regulations. An FII or a sub-account may participate in this Issue, in accordance with Schedule 2 of the FEMA Regulations, until the expiry of its registration with SEBI as an FII or a sub-account. An FII shall not be eligible to invest as an FII after registering as an FPI under the SEBI FPI Regulations.

In case of Bids made by FPIs, a certified copy of the certificate of registration issued by the designated depository participant under the FPI Regulations is required to be attached to the Bid cum Application Form, failing which our Company reserves the right to reject any Bid without assigning any reason. An FII or subaccount may, subject to payment of conversion fees under the SEBI FPI Regulations, participate in the Issue, until the expiry of its registration as a FII or sub-account, or until it obtains a certificate of registration as FPI, whichever is earlier. Further, in case of Bids made by SEBI-registered FIIs or sub-accounts, which are not registered as FPIs, a certified copy of the certificate of registration as an FII issued by SEBI is required to be attached to the Bid cum Application Form, failing which our Company reserves the right to reject any Bid without assigning any reason.

In terms of the SEBI FPI Regulations, the Issue of Equity Shares to a single FPI or an investor group (which means the same set of ultimate beneficial owner(s) investing through multiple entities) must be below 10% of our post-Issue Equity Share capital. Further, in terms of the FEMA Regulations, the total holding by each FPI shall be below 10% of the total paid-up Equity Share capital of our Company and the total holdings of all FPIs put together shall not exceed 24% of the paid-up Equity Share capital of our Company. The aggregate limit of 24% may be increased up to the sectorial cap by way of a resolution passed by the Board of Directors followed by a special resolution passed by the Shareholders of our Company and subject to prior intimation to RBI. In terms of the FEMA Regulations, for calculating the aggregate holding of FPIs in a company, holding of all registered FPIs as well as holding of FIIs (being deemed FPIs) shall be included. The existing individual and aggregate investment limits an FII or sub account in our Company is 10% and 24% of the total paid-up Equity Share capital of our Company, respectively.

FPIs are permitted to participate in the Issue subject to compliance with conditions and restrictions which may be specified by the Government from time to time.

Subject to compliance with all applicable Indian laws, rules, regulations, guidelines and approvals in terms of Regulation 22 of the SEBI FPI Regulations, an FPI, other than Category III foreign portfolio and unregulated broad based funds, which are classified as Category II foreign portfolio investor by virtue of their investment manager being appropriately regulated, may issue or otherwise deal in offshore derivative instruments (as defined under the SEBI FPI Regulations as any instrument, by whatever name called, which is issued overseas by an FPI against securities held by it that are listed or proposed to be listed on any recognized stock exchange in India, as its underlying) directly or indirectly, only in the event (i) such offshore derivative instruments are issued only to persons who are regulated by an appropriate regulatory authority; and (ii) such offshore derivative instruments are issued after compliance with know your client norms. An FPI is also required to ensure that no further issue or transfer of any offshore derivative instrument is made by or on behalf of it to any persons that are not regulated by an appropriate foreign regulatory authority.

FPIs who wish to participate in the Issue are advised to use the Bid cum Application Form for Non- Residents (blue in colour).

BIDS BY SEBI REGISTERED VCF'S, AIF'S AND FVCI'S:

The SEBI FVCI Regulations and the SEBI AIF Regulations inter-alia prescribe the investment restrictions on the VCFs, FVCIs and AIFs registered with SEBI. Further, the SEBI AIF Regulations prescribe, among others, the investment restrictions on AIF's.

The holding by any individual VCF registered with SEBI in one venture capital undertaking should not exceed 25% of the corpus of the VCF. Further, VCFs and FVCIs can invest only up to 33.33% of the investible funds by way of subscription to an initial public offering.

The category I and II AIFs cannot invest more than 25% of the corpus in one Investee Company. A category III AIF cannot invest more than 10% of the corpus in one Investee Company. A venture capital fund registered as a category I AIF, as defined in the SEBI AIF Regulations, cannot invest more than 1/3rd of its corpus by way of subscription to an initial public offering of a venture capital undertaking. Additionally, the VCFs which have not re-registered as an AIF under the SEBI AIF Regulations shall continue to be regulated by the VCF Regulation until the existing fund or scheme managed by the fund is wound up and such funds shall not launch any new scheme after the notification of the SEBI AIF Regulations.

All FIIs and FVCIs should note that refunds, dividends and other distributions, if any, will be payable in Indian Rupees only and net of Bank charges and commission.

Our Company or the BRLM will not be responsible for loss, if any, incurred by the Bidder on account of conversion of foreign currency.

There is no reservation for Eligible NRIs, FPIs and FVCIs and all Bidders will be treated on the same basis with other categories for the purpose of allocation.

BIDS BY HUFs:

Hindu Undivided Families or HUFs, in the individual name of the Karta. The Bidder should specify that the Application is being made in the name of the HUF in the Bid cum Application Form as follows: "Name of sole or first Applicant: XYZ Hindu Undivided Family applying through XYZ, where XYZ is the name of the Karta". Bid cum Applications by HUFs may be considered at par with Bid cum Applications from individuals.

BIDS BY MUTUAL FUNDS:

No Mutual Fund scheme shall invest more than 10% of its net asset value in equity shares or equity related instruments of any single company provided that the limit of 10% shall not be applicable for investments in index funds or sector or industry specific funds. No Mutual Fund under all its schemes should own more than 10% of any company's paid-up share capital carrying voting rights.

With respect to Bids by Mutual Funds, a certified copy of their SEBI registration certificate must be lodged with the Bid cum Application Form. Failing this, our Company reserves the right to accept or reject any Bid cum Application in whole or in part, in either case, without assigning any reason thereof.

In case of a mutual fund, a separate Bid cum Application can be made in respect of each scheme of the mutual fund registered with SEBI and such Applications in respect of more than one scheme of the mutual fund will not be treated as multiple applications provided that the Bids clearly indicate the scheme concerned for which the Bids has been made.

The Bids made by the asset management companies or custodians of Mutual Funds shall specifically state the names of the concerned schemes for which the Applications are made.

BIDS BY SYSTEMATICALLY IMPORTANT NON BANKING FINANCIAL COMPANIES:

In case of Applications made by Systemically Important Non-Banking Financial Companies, a certified copy of the certificate of registration issued by the RBI, a certified copy of its last audited financial statements on a standalone basis and a net worth certificate from its statutory auditor(s), must be attached to the Bid cum Application Form. Failing this, our Company reserve the right to reject any Application, without assigning any reason thereof. Systemically Important Non-Banking Financial Companies participating in the Issue shall comply with all applicable legislations, regulations, directions, guidelines and circulars issued by RBI from time to time.

BIDS BY LIMITED LIABILITY PARTNERSHIPS:

In case of Bids made by limited liability partnerships registered under the Limited Liability Partnership Act, 2008, a certified copy of certificate of registration issued under the Limited Liability Partnership Act, 2008, must be attached to the Bid cum Application Form. Failing this, our Company reserves the right to reject any bid without assigning any reason thereof. Limited liability partnerships can participate in the Issue only through the ASBA process.

BIDS BY INSURANCE COMPANIES:

In case of Bids made by insurance companies registered with the IRDA, a certified copy of certificate of registration issued by IRDA must be attached to the Bid cum Application Form. Failing this, our Company reserves the right to reject any Bid by Insurance Companies without assigning any reason thereof. The exposure norms for insurers, prescribed under the Insurance Regulatory and Development Authority (Investment) Regulations, 2000, as amended, are broadly set forth below:

- 1) equity shares of a company: the least of 10% of the investee company's subscribed capital (face value) or 10% of the respective fund in case of life insurer or 10% of investment assets in case of general insurer or reinsurer;
- 2) the entire group of the investee company: not more than 15% of the respective fund in case of a life insurer or 15% of investment assets in case of a general insurer or reinsurer or 15% of the investment assets in all companies belonging to the group, whichever is lower; and
- 3) the industry sector in which the investee company belong to: not more than 15% of the fund of a life insurer or a general

insurer or a reinsurer or 15% of the investment asset, whichever is lower.

The maximum exposure limit, in the case of an investment in equity shares, cannot exceed the lower of an amount of 10% of the investment assets of a life insurer or general insurer and the amount calculated under (1), (2) and (3) above, as the case may be. Insurance companies participating in this Issue shall comply with all applicable regulations, guidelines and circulars issued by IRDAI from time to time.

BIDS UNDER POWER OF ATTORNEY:

In case of Bids made pursuant to a power of attorney or by limited companies, corporate bodies, registered societies, FIIs, Mutual Funds, insurance companies and provident funds with a minimum corpus of ₹ 2500 Lakhs (subject to applicable law) and pension funds with a minimum corpus of ₹2500 Lakhs, a certified copy of the power of attorney or the relevant resolution or authority, as the case may be, along with a certified copy of the memorandum of association and articles of association and/or bye laws must be lodged along with the Bid cum Application Form. Failing this, our Company reserves the right to accept or reject any Bid in whole or in part, in either case, without assigning any reasons thereof. In addition to the above, certain additional documents are required to be submitted by the following entities:

- a) With respect to Bids by FIIs and Mutual Funds, a certified copy of their SEBI registration certificate must be lodged along with the Bid cum Application Form.
- b) With respect to Bids by insurance companies registered with the Insurance Regulatory and Development Authority, in addition to the above, a certified copy of the certificate of registration issued by the Insurance Regulatory and Development Authority must be lodged along with the Bid cum Application Form.
- c) With respect to Bids made by provident funds with a minimum corpus of ₹ 2500 Lakhs (subject to applicable law) and pension funds with a minimum corpus of ₹ 2500 Lakhs, a certified copy of a certificate from a chartered accountant certifying the corpus of the provident fund/pension fund must be lodged along with the Bid cum Application Form.
- d) With respect to Bids made by limited liability partnerships registered under the Limited Liability Partnership Act, 2008, a certified copy of certificate of registration issued under the Limited Liability Partnership Act, 2008, must be attached to the Bid cum Application Form
- e) Our Company in consultation with the BRLM in their absolute discretion, reserves the right to relax the above condition of simultaneous lodging of the power of attorney along with the Bid cum Application form, subject to such terms and conditions that our Company and the BRLM may deem fit.

The above information is given for the benefit of the Bidders. Our Company, the BRLM and the Syndicate Members are not liable for any amendments or modification or changes in applicable laws or regulations, which may occur after the date of the Draft Red Herring Prospectus. Bidders are advised to make their independent investigations and Bidders are advised to ensure that any single Bid from them does not exceed the applicable investment limits or maximum number of Equity Shares that can be held by them under applicable law or regulation or as specified in the Draft Red Herring Prospectus.

BIDS BY PROVIDENT FUNDS / PENSION FUNDS:

In case of Bids made by provident funds with minimum corpus of ₹ 25 Crore (subject to applicable law) and pension funds with minimum corpus of ₹ 25 Crore, a certified copy of certificate from a chartered accountant certifying the corpus of the provident fund/ pension fund must be lodged along with the Bid cum Application Form. Failing this, the Company reserves the right to accept or reject any bid in whole or in part, in either case, without assigning any reason thereof.

BIDS BY BANKING COMPANY:

In case of Bids made by banking companies registered with RBI, certified copies of: (i) the certificate of registration issued by RBI, and (ii) the approval of such banking company's investment committee are required to be attached to the Bid cum Application Form, failing which our Company reserves the right to reject any Bid by a banking company without assigning any reason.

The investment limit for banking companies in non-financial services companies as per the Banking Regulation Act, 1949, as amended (the "Banking Regulation Act"), and the Reserve Bank of India (Financial Services provided by Banks) Directions, 2016, is 10% of the paid-up share capital of the investee company not being its subsidiary engaged in non-financial services or 10% of the banks' own paid-up share capital and reserves, whichever is lower. However, a banking company would be permitted to invest in excess of 10% but not exceeding 30% of the paidup share capital of such investee company if (i) the investee company is engaged in non-financial activities permitted for banks in terms of Section 6(1) of the Banking Regulation Act, or (ii) the additional acquisition is through restructuring of debt / corporate debt restructuring / strategic debt restructuring, or to protect the banks' interest on loans / investments made to a company. The bank is required to submit a time bound action plan for disposal of such shares within a specified period to RBI. A banking company would require a prior approval of RBI to make (i) investment in a subsidiary and a financial services company that is not a subsidiary (with certain exception prescribed), and (ii) investment in a nonfinancial services company in excess of 10% of such investee company's paid up share capital as stated in 5(a)(v)(c)(i) of the Reserve Bank

of India (Financial Services provided by Banks) Directions, 2016.

BIDS BY SCSB'S:

SCSBs participating in the Issue are required to comply with the terms of the SEBI circulars dated September 13, 2012 and January 2, 2013. Such SCSBs are required to ensure that for making Bid cum Applications on their own account using ASBA, they should have a separate account in their own name with any other SEBI registered SCSBs. Further, such account shall be used solely for the purpose of making Bid cum application in public issues and clear demarcated funds should be available in such account for such Bid cum applications.

ISSUANCE OF A CONFIRMATION NOTE ("CAN") AND ALLOTMENT IN THE ISSUE:

1. Upon approval of the basis of allotment by the Designated Stock Exchange, the BRLM or Registrar to the Issue shall send to the SCSBs a list of their Bidders who have been allocated Equity Shares in the Issue.
2. The Registrar will then dispatch a CAN to their Bidders who have been allocated Equity Shares in the Issue. The dispatch of a CAN shall be deemed a valid, binding and irrevocable contract for the Bidder

Issue Procedure for Application Supported by Blocked Account (ASBA) Bidders

In accordance with the SEBI Circular No. CIR/CFD/POLICYCELL/11/2015 dated November 10, 2015 all the Bidders have to compulsorily apply through the ASBA Process. Our Company and the Book Running Lead Manager are not liable for any amendments, modifications, or changes in applicable laws or regulations, which may occur after the date of this Draft Red Herring Prospectus. ASBA Bidders are advised to make their independent investigations and to ensure that the ASBA Bid Cum Application Form is correctly filled up, as described in this section.

The lists of banks that have been notified by SEBI to act as SCSB (Self Certified Syndicate Banks) for the ASBA Process are provided on <https://www.sebi.gov.in/sebiweb/other/OtherAction.do?doRecognised=yes>. For details on designated branches of SCSB collecting the Bid Cum Application Form, please refer the above-mentioned SEBI link.

Terms of payment

The entire Issue price of ₹ [●] per share is payable on application. In case of allotment of lesser number of Equity Shares than the number applied, the Registrar shall instruct the SCSBs to unblock the excess amount paid on Application to the Bidders.

SCSBs will transfer the amount as per the instruction of the Registrar to the Public Issue Account, the balance amount after transfer will be unblocked by the SCSBs.

The Bidders should note that the arrangement with Bankers to the Issue or the Registrar is not prescribed by SEBI and has been established as an arrangement between our Company, Banker to the Issue and the Registrar to the Issue to facilitate collections from the Bidders.

Payment mechanism

The Bidders shall specify the bank account number in their Bid Cum Application Form and the SCSBs shall block an amount equivalent to the Application Amount in the bank account specified in the Bid Cum Application Form. The SCSB shall keep the Application Amount in the relevant bank account blocked until withdrawal/ rejection of the Application or receipt of instructions from the Registrar to unblock the Application Amount. However, Non-Retail Bidders shall neither withdraw nor lower the size of their applications at any stage. In the event of withdrawal or rejection of the Bid Cum Application Form or for unsuccessful Bid Cum Application Forms, the Registrar to the Issue shall give instructions to the SCSBs to unblock the application money in the relevant bank account within one day of receipt of such instruction. The Application Amount shall remain blocked in the ASBA Account until finalization of the Basis of Allotment in the Issue and consequent transfer of the Application Amount to the Public Issue Account, or until withdrawal/ failure of the Issue or until rejection of the Application by the ASBA Bidder, as the case may be.

Please note that, in terms of SEBI Circular No. CIR/CFD/POLICYCELL/11/2015 dated November 10, 2015 and the SEBI (Issue of Capital and Disclosure Requirements) Regulations, 2018, all the investors applying in a public Issue shall use only Application Supported by Blocked Amount (ASBA) process for application providing details of the bank account which will be blocked by the Self-Certified Syndicate Banks (SCSBs) for the same. Further, pursuant to SEBI Circular No. SEBI/HO/CFD/DIL2/CIR/P/2018/138 dated November 01, 2018, Retail Individual Investors applying in public Issue have to use UPI as a payment mechanism with Application Supported by Blocked Amount for making application.

Payment into Escrow Account for Anchor Investors

All the investors other than Anchor Investors are required to bid through ASBA Mode. Anchor Investors are requested to note the following:

Our Company in consultation with the Book Running Lead Manager, in its absolute discretion, will decide the list of Anchor Investors to whom the CAN will be sent, pursuant to which the details of the Equity Shares allocated to them in their respective names will be notified to such Anchor Investors. For Anchor Investors, the payment instruments for payment into the Escrow Account should be drawn in favour of:

- a. In case of resident Anchor Investors: - “Khanna Feed Limited IPO – Anchor Account- R”
- b. In case of Non-Resident Anchor Investors: - “Khanna Feed Limited IPO – Anchor Account- NR”
- c. Bidders should note that the escrow mechanism is not prescribed by SEBI and has been established as an arrangement between our Company, the Syndicate, the Escrow Collection Bank and the Registrar to the Issue to facilitate collections from the Anchor Investors.

Electronic Registration of Applications

1. The Designated Intermediaries will register the applications using the on-line facilities of the Stock Exchange.
2. The Designated Intermediaries will undertake modification of selected fields in the application details already uploaded before 5.00 p.m. of the Issue Closing Date.
3. The Designated Intermediaries shall be responsible for any acts, mistakes or errors or omissions and commissions in relation to,
 - a) the applications accepted by them,
 - b) the applications uploaded by them
 - c) the applications accepted but not uploaded by them or
 - d) With respect to applications by Bidders, applications accepted and uploaded by any Designated Intermediary other than SCSBs, the Bid Cum Application Form along with relevant schedules shall be sent to the SCSBs or the Designated Branch of the relevant SCSBs for blocking of funds and they will be responsible for blocking the necessary amounts in the ASBA Accounts. In case of Application accepted and Uploaded by SCSBs, the SCSBs or the Designated Branch of the relevant SCSBs will be responsible for blocking the necessary amounts in the ASBA Accounts.
4. Neither the Book Running Lead Manager nor our Company nor the Registrar to the Issue, shall be responsible for any acts, mistakes or errors or omission and commissions in relation to,
 - (i) The applications accepted by any Designated Intermediaries
 - (ii) The applications uploaded by any Designated Intermediaries or
 - (iii) The applications accepted but not uploaded by any Designated Intermediaries
5. The Stock Exchange will offer an electronic facility for registering applications for the Issue. This facility will be available at the terminals of Designated Intermediaries and their authorized agents during the Issue Period. The Designated Branches or agents of Designated Intermediaries can also set up facilities for off-line electronic registration of applications subject to the condition that they will subsequently upload the off-line data file into the online facilities on a regular basis. On the Issue Closing Date, the Designated Intermediaries shall upload the applications till such time as may be permitted by the Stock Exchange. This information will be available with the Book Running Lead Manager on a regular basis.
6. With respect to applications by Bidders, at the time of registering such applications, the Syndicate Bakers, DPs and RTAs shall forward a Schedule as per format given below along with the Bid Cum Application Forms to Designated Branches of the SCSBs for blocking of funds:

S. No.	Details*
1.	Symbol
2.	Intermediary Code
3.	Location Code
4.	Application No.
5.	Category
6.	PAN
7.	DP ID
8.	Client ID
9.	Quantity

10.	Amount
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**Stock Exchanges shall uniformly prescribe character length for each of the above-mentioned fields*

7. With respect to applications by Bidders, at the time of registering such applications, the Designated Intermediaries shall enter the following information pertaining to the Bidders into in the on-line system:
 - Name of the Bidder;
 - IPO Name;
 - Bid Cum Application Form Number;
 - Investor Category;
 - PAN (of First Bidder, if more than one Bidder);
 - DP ID of the demat account of the Bidder;
 - Client Identification Number of the demat account of the Bidder;
 - Number of Equity Shares Applied for;
 - Bank Account details;
 - Locations of the Banker to the Issue or Designated Branch, as applicable, and bank code of the SCSB branch where the ASBA Account is maintained; and
 - Bank account number.
8. In case of submission of the Application by a Bidder through the Electronic Mode, the Bidder shall complete the above-mentioned details and mention the bank account number, except the Electronic ASBA Bid Cum Application Form number which shall be system generated.
9. The aforesaid Designated Intermediaries shall, at the time of receipt of application, give an acknowledgment to the investor, by giving the counter foil or specifying the application number to the investor, as a proof of having accepted the Bid Cum Application Form in physical as well as electronic mode. The registration of the Application by the Designated Intermediaries does not guarantee that the Equity Shares shall be allocated / allotted either by our Company.
10. Such acknowledgment will be non-negotiable and by itself will not create any obligation of any kind.
11. In case of Non-Retail Bidders and Retail Individual Bidders, applications would not be rejected except on the technical grounds as mentioned in the Draft Red Herring Prospectus. The Designated Intermediaries shall have no right to reject applications, except on technical grounds.
12. The permission given by the Stock Exchanges to use their network and software of the Online IPO system should not in any way be deemed or construed to mean that the compliance with various statutory and other requirements by our Company and/or the Book Running Lead Manager are cleared or approved by the Stock Exchanges; nor does it in any manner warrant, certify or endorse the correctness or completeness of any of the compliance with the statutory and other requirements nor does it take any responsibility for the financial or other soundness of our company; our Promoter, our management or any scheme or project of our Company; nor does it in any manner warrant, certify or endorse the correctness or completeness of any of the contents of this Draft Red Herring Prospectus, nor does it warrant that the Equity Shares will be listed or will continue to be listed on the Stock Exchanges.
13. The Designated Intermediaries will be given time till 5.00 p.m. on the Bid/Issue Closing Date to verify the DP ID and Client ID uploaded in the online IPO system during the Issue Period, after which the Registrar to the Issue will receive this data from the Stock Exchange and will validate the electronic application details with Depository's records. In case no corresponding record is available with Depositories, which matches the three parameters, namely DP ID, Client ID and PAN, then such applications are liable to be rejected.
14. The SCSBs shall be given one day after the Bid/Issue Closing Date to send confirmation of Funds blocked (Final certificate) to the Registrar to the Issue.
15. The details uploaded in the online IPO system shall be considered as final and Allotment will be based on such details for applications.

Build of the Book

- a) Bids received from various Bidders through the Designated Intermediaries may be electronically uploaded on the Bidding Platform of the Stock Exchange on a regular basis. The book gets built up at various price levels. This information may be available with the BRLM at the end of the Bid/ Issue Period.

- b) Based on the aggregate demand and price for Bids registered on the Stock Exchange Platform, a graphical representation of consolidated demand and price as available on the websites of the Stock Exchange may be made available at the Bidding centres during the Bid/ Issue Period.

Withdrawal of Bids

- a) RIIs can withdraw their Bids until Bid/ Issue Closing Date. In case a RII wishes to withdraw the Bid during the Bid/ Issue Period, the same can be done by submitting a request for the same to the concerned Designated Intermediary who shall do the requisite, including unblocking of the funds by the SCSB in the ASBA Account.
- b) The Registrar to the Issue shall give instruction to the SCSB for unblocking the ASBA Account on the Designated Date. QIBs and NIIs can neither withdraw nor lower the size of their Bids at any stage.

Price Discovery and Allocation

- a) Based on the demand generated at various price levels, our Company in consultation with the BRLM, shall finalise the Issue Price and the Anchor Investor Issue Price.
- b) The SEBI ICDR Regulations, 2018 specify the allocation or Allotment that may be made to various categories of Bidders in an Issue depending on compliance with the eligibility conditions. Certain details pertaining to the percentage of Issue size available for allocation to each category is disclosed overleaf of the Bid cum Application Form and in the RHP. For details in relation to allocation, the Bidder may refer to the RHP.
- c) Under-subscription in any category (except QIB Category) is allowed to be met with spillover from any other category or combination of categories at the discretion of the Issuer and the in consultation with the BRLM and the Designated Stock Exchange and in accordance with the SEBI ICDR Regulations. Unsubscribed portion in QIB Category is not available for subscription to other categories.
- d) In case of under subscription in the Issue, spill-over to the extent of such under-subscription may be permitted from the Reserved Portion to the Issue. For allocation in the event of an under-subscription applicable to the Issuer, Bidders may refer to the Draft Red Herring Prospectus.
- e) In case if the Retail Individual Investor category is entitled to more than the allocated portion on proportionate basis, the category shall be allotted that higher percentage.
- f) Allocation to Anchor Investors shall be at the discretion of our Company and in consultation with the BRLM, subject to compliance with the SEBI Regulations.

Illustration of the Book Building and Price Discovery Process: Bidders should note that this example is solely for illustrative purposes and is not specific to the Issue; it also excludes Bidding by Anchor Investors. Bidders can bid at any price within the Price Band. For instance, assume a Price Band of ₹20 to ₹ 24 per share, Issue size of 3,000 Equity Shares and receipt of five Bids from Bidders, details of which are shown in the table below. The illustrative book given below shows the demand for the Equity Shares of the Issuer at various prices and is collated from Bids received from various investors.

Bid Quantity	Bid Amount (₹)	Cumulative Quantity	Subscription
500	24	500	16.67%
1,000	23	1,500	50.00%
1,500	22	3,000	100.00%
2,000	21	5,000	166.67%
2,500	20	7,500	250.00%

The price discovery is a function of demand at various prices. The highest price at which the Issuer is able to Issue the desired number of Equity Shares is the price at which the book cuts off, i.e., ₹ 22.00 in the above example. The Issuer, in consultation with the BRLM, may finalise the Issue Price at or below such Cut-Off Price, i.e., at or below ₹ 22.00. All Bids at or above this Issue Price and cut-off Bids are valid Bids and are considered for allocation in the respective categories.

Signing of Underwriting Agreement and Filing of Red Herring Prospectus/ Prospectus with RoC

- 1) Our company has entered into an Underwriting Agreement dated [●]
- 2) A copy of Red Herring Prospectus will be filed with the RoC and copy of Prospectus will be filed with RoC in terms of Section 32 of Companies Act, 2013 and Section 26 of Companies Act, 2013.

Pre-Issue Advertisement

Subject to Section 30 of the Companies Act 2013, our Company shall, after filing the Red Herring Prospectus with the ROC, publish a pre-Issue advertisement, in the form prescribed by the SEBI Regulations, in (i) English National Newspaper; (ii) Hindi National Newspaper and (iii) Regional Newspaper each with wide circulation. In the pre-Issue advertisement, we shall state the Bid Opening Date and the Bid/Issue Closing Date and the floor price or price band along with necessary details subject to regulation 250 of SEBI ICRD Regulations. This advertisement, subject to the provisions of section 30 of the Companies Act, 2013, shall be in the format prescribed in Part A of Schedule X of the SEBI Regulations.

ADVERTISEMENT REGARDING ISSUE PRICE AND PROSPECTUS:

Our Company will issue a statutory advertisement after the filing of the Red Herring Prospectus/ Prospectus with the RoC. This advertisement, in addition to the information that has to be set out in the statutory advertisement, shall indicate the final derived Issue Price. Any material updates between the date of the Red Herring Prospectus and the date of Prospectus will be included in such statutory advertisement.

GENERAL INSTRUCTIONS:

Please note that the NIIs are not permitted to withdraw their bids or lower the size of Bids in terms of quantity of Equity Shares or Bid Amount) at any stage. Retail Individual Investor can revise their Bids during the Bid/Issue period and withdraw their Bids until Bid/issue Closing date.

Anchor investors are not allowed to withdraw their Bids after Anchor Investors bidding date.

Do's:

1. Check if you are eligible to apply as per the terms of the Draft Red Herring Prospectus and under applicable law, rules, regulations, guidelines and approvals;
2. Ensure that you have Bid within the Price Band;
3. Read all the instructions carefully and complete the Bid cum Application Form in the prescribed form;
4. Ensure that the details about the PAN, DP ID, Client ID, UPI ID are correct and the Bidders depository account is active, as Allotment of the Equity Shares will be in the dematerialized form only;
5. Ensure that your Bid cum Application Form bearing the stamp of a Designated Intermediary is submitted to the Designated Intermediary at the Bidding Centre;
6. If the first applicant is not the account holder, ensure that the Bid cum Application Form is signed by the account holder. Ensure that you have mentioned the correct bank account number in the Bid cum Application Form;
7. In case of Joint bids, ensure the first bidder is the ASBA Account holder (or the UPI linked bank account holder, as the case may be) and the signature of the first bidder is included in the Bid cum Application Form;
8. QIBs, Non-Institutional Bidders and the Retail Bidders should submit their Bids through the ASBA process only. However, pursuant to SEBI circular dated November 01, 2018, RII may submit their bid by using UPI mechanism for payment.
9. Ensure that the name(s) given in the Bid cum Application Form is/are exactly the same as the name(s) in which the beneficiary account is held with the Depository Participant. In case of joint Bids, the Bid cum Application Form should contain only the name of the First Bidder whose name should also appear as the first holder of the beneficiary account held in joint names;
10. Ensure that you request for and receive a stamped acknowledgement of the Bid cum Application Form for all your Bid options;
11. Ensure that you have funds equal to the Bid Amount in the Bank Account maintained with the SCSB before submitting the Bid cum Application Form under the ASBA process or application forms submitted by RIIs using UPI mechanism for payment, to the respective member of the Syndicate (in the Specified Locations), the SCSBs, the Registered Broker (at the Broker Centers), the RTA (at the Designated RTA Locations) or CDP (at the Designated CDP Locations);
12. Submit revised Bids to the same Designated Intermediary, through whom the original Bid was placed and obtain a revised acknowledgment;
13. Except for Bids (i) on behalf of the Central or State Governments and the officials appointed by the courts, who, in terms of a SEBI circular dated June 30, 2008, may be exempt from specifying their PAN for transacting in the securities market, and (ii) Bids by persons resident in the state of Sikkim, who, in terms of a SEBI circular dated July 20, 2006, may be exempted from specifying their PAN for transacting in the securities market, all Bidders should mention their PAN allotted under the IT Act. The exemption for the Central or the State Government and officials appointed by the courts and for investors residing in the State of Sikkim is subject to (a) the Demographic Details received from the respective depositories confirming the exemption granted to the beneficiary owner by a suitable description in the PAN field and the beneficiary account remaining in "active status"; and (b) in the case of residents of Sikkim, the address as per the Demographic Details evidencing the same. All other applications in which PAN is not mentioned will be rejected;
14. Ensure that the Demographic Details are updated, true and correct in all respects;

15. Ensure that the signature of the First Bidder in case of joint Bids, is included in the Bid cum Application Forms;
16. Ensure that thumb impressions and signatures other than in the languages specified in the Eighth Schedule to the Constitution of India are attested by a Magistrate or a Notary Public or a Special Executive Magistrate under official seal;
17. Ensure that the category and the investor status is indicated;
18. Ensure that in case of Bids under power of attorney or by limited companies, corporate, trust etc., relevant documents are submitted;
19. Ensure that Bids submitted by any person outside India should be in compliance with applicable foreign and Indian laws;
20. Bidders should note that in case the DP ID, Client ID and the PAN mentioned in their Bid cum Application Form and entered into the online IPO system of the Stock Exchange by the relevant Designated Intermediary, as the case may be, do not match with the DP ID, Client ID and PAN available in the Depository database, then such Bids are liable to be rejected. Where the Bid cum Application Form is submitted in joint names, ensure that the beneficiary account is also held in the same joint names and such names are in the same sequence in which they appear in the Bid cum Application Form;
21. Ensure that the Bid cum Application Forms are delivered by the Bidders within the time prescribed as per the Bid cum Application Form and the Red Herring Prospectus;
22. Ensure that you have mentioned the correct ASBA Account number or UPI ID in the Bid cum Application Form;
23. Ensure that you have mentioned the details of your own bank account for blocking of fund or your own bank account linked UPI ID to make application in the Public Issue;
24. Ensure that on receipt of the mandate request from sponsor bank, you have taken necessary step in timely manner for blocking of fund on your account through UPI ID using UPI application;
25. Ensure that you have correctly signed the authorization / undertaking box in the Bid cum Application Form, or have otherwise provided an authorization to the SCSB via the electronic mode, for blocking funds in the ASBA Account equivalent to the Bid Amount mentioned in the Bid cum Application Form at the time of submission of the Bid;
26. Ensure that you receive an acknowledgement from the concerned Designated Intermediary, for the submission of your Bid cum Application Form; and
27. The Bid cum Application Form is liable to be rejected if the above instructions, as applicable, are not complied with.

The Bid cum Application Form is liable to be rejected if the above instructions, as applicable, are not complied with.

Don'ts:

1. Do not Bid for lower than the minimum Bid size;
2. Do not Bid / revise Bid Amount to less than the Floor Price or higher than the Cap Price;
3. Do not pay the Bid Amount in cash, by money order, cheques or demand drafts or by postal order or by stock invest;
4. Do not send Bid cum Application Forms by post; instead submit the same to the Designated Intermediary only;
5. Do not submit the Bid cum Application Forms to any non-SCSB bank or our Company;
6. Do not Bid on a Bid cum Application Form that does not have the stamp of the relevant Designated Intermediary;
7. Do not Bid at Cut-off Price (for Bids by QIBs and Non-Institutional Bidders);
8. Do not instruct your respective Banks to release the funds blocked in the ASBA Account under the ASBA process;
9. Do not Bid for a Bid Amount exceed ₹ 2,00,000/- (for Applications by Retail Individual Bidders);
10. Do not fill up the Bid cum Application Form such that the Equity Shares Application exceeds the Issue size and / or investment limit or maximum number of the Equity Shares that can be held under the applicable laws or regulations or maximum amount permissible under the applicable regulations or under the terms of the Red Herring Prospectus;
11. Do not submit the General Index Register number instead of the PAN;
12. Do not submit the Bid without ensuring that funds equivalent to the entire Bid Amount are blocked in the relevant ASBA Account;
13. Do not submit Bids on plain paper or on incomplete or illegible Bid cum Application Forms or on Bid cum Application Forms in a colour prescribed for another category of Applicant;
14. Do not submit a Bid in case you are not eligible to acquire Equity Shares under applicable law or your relevant constitutional documents or otherwise;
15. Do not Bid if you are not competent to contract under the Indian Contract Act, 1872 (other than minors having valid depository accounts as per Demographic Details provided by the depository);
16. Do not submit a Bid by using details of the third party's bank account or UPI ID which is linked with bank account of the third party. Kindly note that Bids made using third party bank account or using third party linked bank account UPI ID are liable for rejection.

The Bid cum Application Form is liable to be rejected if the above instructions, as applicable, are not complied with.

Other instructions for the Bidders

Joint Bids

In the case of Joint Bids, the Bids should be made in the name of the Bidders whose name appears first in the Depository account. The name so entered should be the same as it appears in the Depository records. The signature of only such first Bidders would be required in the Bid cum Application Form/Application Form and such first Bidder would be deemed to have signed on behalf of the joint holders. All payments may be made out in favour of the Bidder whose name appears in the Bid cum Application Form or the Revision Form and all communications may be addressed to such Bidder and may be dispatched to his or her address as per the Demographic Details received from the Depositories.

Multiple Bids

Bidder should submit only one Bid cum Application Form. Bidder shall have the option to make a maximum of Bids at three different price levels in the Bid cum Application Form and such options are not considered as multiple Bids. Submission of a second Bid cum Application Form to either the same or to another member of the Syndicate, SCSB or Registered Broker and duplicate copies of Bid cum Application Forms bearing the same application number shall be treated as multiple Bids and are liable to be rejected.

Investor Grievance

In case of any pre-issue or post issue related problems regarding demat credit/ refund orders/ unblocking etc. the Investors can contact the Compliance Officer of our Company.

Nomination Facility to Bidders

Nomination facility is available in accordance with the provisions of Section 72 of the Companies Act, 2013. In case of allotment of the Equity Shares in dematerialized form, there is no need to make a separate nomination as the nomination registered with the Depository may prevail. For changing nominations, the Bidders should inform their respective DP.

Submission of Bids

- a) During the Bid/Issue Period, Bidders may approach any of the Designated Intermediaries to register their Bids.
- b) In case of Bidders (excluding NIIs and QIBs) Bidding at cut-off price, the Bidders may instruct the SCSBs to block Bid Amount based on the Cap Price less Discount (if applicable).
- c) For details of the timing on acceptance and upload of Bids in the Stock Exchange platform Bidders are requested to refer to the DRHP.

GROUND OF TECHNICAL REJECTIONS

Bidders are advised to note that Bids are liable to be rejected inter alia on the following technical grounds:

- Amount blocked does not tally with the amount payable for the Equity Shares applied for;
- In case of partnership firms, Equity Shares may be registered in the names of the individual partners and no firm as such shall be entitled to apply;
- Bid by persons not competent to contract under the Indian Contract Act, 1872 including minors, insane persons;
- PAN not mentioned in the Bid cum Application Form;
- Bids at a price less than the Floor Price and Bids at a price more than the Cap Price;
- GIR number furnished instead of PAN;
- Bid for lower number of Equity Shares than specified for that category of investors;
- Bids at Cut-off Price by NIIs and QIBs;
- Bids for number of Equity Shares which are not in multiples of Equity Shares as specified in the DRHP;
- The amounts mentioned in the Bid cum Application Form/Application Form does not tally with the amount payable for the value of the Equity Shares Bid/Applied for;
- Bids for lower number of Equity Shares than the minimum specified for that category of investors;
- Category not ticked;
- Multiple Bids as defined in the DRHP;
- In case of Bids under power of attorney or by limited companies, corporate, trust etc., where relevant documents are not submitted;
- Bid accompanied by Stock invest/ money order/ postal order/ cash/ cheque/ demand draft/ pay order;
- Signature of sole Bidder is missing;
- Bid cum Application Forms not delivered by the Bidder within the time prescribed as per the Bid cum Application Forms, Bid/Issue Opening Date advertisement and the DRHP and as per the instructions in the DRHP and the Bid cum Application Forms;

- In case no corresponding record is available with the Depositories that matches three parameters namely, names of the Bidders (including the order of names of joint holders), the Depository Participant's identity (DP ID) and the beneficiary's account number;
- Bids for amounts greater than the maximum permissible amounts prescribed by the regulations;
- Bid by OCBs;
- Bids by US persons other than in reliance on Regulation S or "qualified institutional buyers" as defined in Rule 144A under the Securities Act;
- Inadequate funds in the bank account to block the Bid Amount specified in the Bid cum Application Form/Application Form at the time of blocking such Bid Amount in the bank account;
- Bids not uploaded on the terminals of the Stock Exchanges;
- Where no confirmation is received from SCSB for blocking of funds;
- Bids by SCSBs wherein a separate account in its own name held with any other SCSB is not mentioned as the ASBA Account in the Bid cum Application Form/Application Form. Bids not duly signed by the sole/First Bidder;
- Bids by any persons outside India if not in compliance with applicable foreign and Indian laws;
- Bids that do not comply with the securities laws of their respective jurisdictions are liable to be rejected;
- Bids by persons prohibited from buying, selling or dealing in the shares directly or indirectly by SEBI or any other regulatory authority;
- Bids by persons who are not eligible to acquire Equity Shares of the Company in terms of all applicable laws, rules, regulations, guidelines, and approvals; and
- Details of ASBA Account not provided in the Bid cum Application form.

For details of instructions in relation to the Bid cum Application Form, Bidders may refer to the relevant section the GID.

BIDDERS SHOULD NOTE THAT IN CASE THE PAN, THE DP ID AND CLIENT ID MENTIONED IN THE BID CUM APPLICATION FORM AND ENTERED INTO THE ELECTRONIC APPLICATION SYSTEM OF THE STOCK EXCHANGES BY THE BIDS COLLECTING INTERMEDIARIES DO NOT MATCH WITH PAN, THE DP ID AND CLIENT ID AVAILABLE IN THE DEPOSITORY DATABASE, THE BID CUM APPLICATION FORM IS LIABLE TO BE REJECTED.

BASIS OF ALLOCATION

- The SEBI (ICDR) Regulations specify the allocation or Allotment that may be made to various categories of Bidders in an Issue depending on compliance with the eligibility conditions. Certain details pertaining to the percentage of Issue size available for allocation to each category is disclosed overleaf of the Bid cum Application Form and in the DRHP. For details in relation to allocation, the Bidder may refer to the RHP.
- Under-subscription in any category (except QIB Category) is allowed to be met with spill over from any other category or combination of categories at the discretion of the Issuer and in consultation with the BRLM and the Designated Stock Exchange and in accordance with the SEBI (ICDR) Regulations, Unsubscribed portion in QIB Category is not available for subscription to other categories.
- In case of under subscription in the issue, spill-over to the extent of such under- subscription may be permitted from the Reserved Portion to the Issue. For allocation in the event of an under-subscription applicable to the Issuer, Bidders may refer to the RHP.

ALLOTMENT PROCEDURE AND BASIS OF ALLOTMENT

The Allotment of Equity Shares to Bidders other than Retail Individual Investors and Anchor Investors may be on proportionate basis. For Basis of Allotment to Anchor Investors, Bidders may refer to DRHP. No Retail Individual Investor will be Allotted less than the minimum Bid Lot subject to availability of shares in Retail Individual Investor Category and the remaining available shares, if any will be Allotted on a proportionate basis. The Issuer is required to receive a minimum subscription of 90% of the Issue. However, in case the Issue is in the nature of Offer for Sale only, then minimum subscription may not be applicable.

BASIS OF ALLOTMENT

a. For Retail Individual Bidders

Bids received from the Retail Individual Bidders at or above the Issue Price shall be grouped together to determine the total demand under this category. The Allotment to all the successful Retail Individual Bidders will be made at the Issue Price.

The Issue size less Allotment to Non-Institutional and QIB Bidders shall be available for Allotment to Retail Individual Bidders

who have Bid in the Issue at a price that is equal to or greater than the Issue Price. If the aggregate demand in this category is less than or equal to [●] Equity Shares at or above the Issue Price, full Allotment shall be made to the Retail Individual Bidders to the extent of their valid Bids.

If the aggregate demand in this category is greater than [●] Equity Shares at or above the Issue Price, the Allotment shall be made on a proportionate basis up to a minimum of [●] Equity Shares and in multiples of [●] Equity Shares thereafter. For the method of proportionate Basis of Allotment, refer below.

b. For Non-Institutional Bidders

Bids received from Non-Institutional Bidders at or above the Issue Price shall be grouped together to determine the total demand under this category. The Allotment to all successful Non- Institutional Bidders will be made at the Issue Price.

The Issue size less Allotment to QIBs and Retail shall be available for Allotment to Non- Institutional Bidders who have Bid in the Issue at a price that is equal to or greater than the Issue Price. If the aggregate demand in this category is less than or equal to [●] Equity Shares at or above the Issue Price, full Allotment shall be made to Non-Institutional Bidders to the extent of their demand.

In case the aggregate demand in this category is greater than [●] Equity Shares at or above the Issue Price, Allotment shall be made on a proportionate basis up to a minimum of [●] Equity Shares and in multiples of [●] Equity Shares thereafter. For the method of proportionate Basis of Allotment refer below.

c. For QIBs

For the Basis of Allotment to Anchor Investors, Bidders/Applicants may refer to the SEBI ICDR Regulations or RHP / Prospectus. Bids received from QIBs Bidding in the QIB Category (net of Anchor Portion) at or above the Issue Price may be grouped together to determine the total demand under this category. The QIB Category may be available for Allotment to QIBs who have Bid at a price that is equal to or greater than the Issue Price. Allotment may be undertaken in the following manner: Allotment shall be undertaken in the following manner:

a) In the first instance allocation to Mutual Funds for [●]% of the QIB Portion shall be determined as follows:

- In the event that Bids by Mutual Fund exceeds [●]% of the QIB Portion, allocation to Mutual Funds shall be done on a proportionate basis for [●]% of the QIB Portion.
- In the event that the aggregate demand from Mutual Funds is less than [●]% of the QIB Portion then all Mutual Funds shall get full Allotment to the extent of valid Bids received above the Issue Price.
- Equity Shares remaining unsubscribed, if any, not allocated to Mutual Funds shall be available for Allotment to all QIB Bidders as set out in (b) below;

b) In the second instance Allotment to all QIBs shall be determined as follows:

- In the event that the oversubscription in the QIB Portion, all QIB Bidders who have submitted Bids above the Issue Price shall be allotted Equity Shares on a proportionate basis, upto a minimum of [●] Equity Shares and in multiples of [●] Equity Shares thereafter for [●]% of the QIB Portion.
- Mutual Funds, who have received allocation as per (a) above, for less than the number of Equity Shares Bid for by them, are eligible to receive Equity Shares on a proportionate basis, upto a minimum of [●] Equity Shares and in multiples of [●] Equity Shares thereafter, along with other QIB Bidders.
- Under-subscription below [●]% of the QIB Portion, if any, from Mutual Funds, would be included for allocation to the remaining QIB Bidders on a proportionate basis. The aggregate Allotment to QIB Bidders shall not be more than [●] Equity Shares.

d. ALLOTMENT TO ANCHOR INVESTOR (IF APPLICABLE)

a) Allocation of Equity Shares to Anchor Investors at the Anchor Investor Allocation Price will be at the discretion of the Issuer, in consultation with the BRLM, subject to compliance with the following requirements:

- i) not more than 60% of the QIB Portion will be allocated to Anchor Investors;

- ii) one-third of the Anchor Investor Portion shall be reserved for domestic Mutual Funds, subject to valid Bids being received from domestic Mutual Funds at or above the price at which allocation is being done to other Anchor Investors; and
- iii) allocation to Anchor Investors shall be on a discretionary basis and subject to:
 - a maximum number of two Anchor Investors for allocation up to ₹ 2 crores;
a minimum number of two Anchor Investors and maximum number of 15 Anchor Investors for allocation of more than ₹ 2 crores and up to ₹ 25 crores subject to minimum allotment of ₹ 1 crores per such Anchor Investor; and
 - in case of allocation above twenty five crore rupees; a minimum of 5 such investors and a maximum of 15 such investors for allocation up to twenty five crore rupees and an additional 10 such investors for every additional twenty five crore rupees or part thereof, shall be permitted, subject to a minimum allotment of one crore rupees per such investor.
- b) A physical book is prepared by the Registrar on the basis of the Anchor Investor Application Forms received from Anchor Investors. Based on the physical book and at the discretion of the Issuer, in consultation with the BRLM, selected Anchor Investors will be sent a CAN and if required, a revised CAN.
- c) **In the event that the Issue Price is higher than the Anchor Investor Allocation Price:**

Anchor Investors will be sent a revised CAN within one day of the Pricing Date indicating the number of Equity Shares allocated to such Anchor Investor and the pay-in date for payment of the balance amount. Anchor Investors are then required to pay any additional amounts, being the difference between the Issue Price and the Anchor Investor Allocation Price, as indicated in the revised CAN within the pay-in date referred to in the revised CAN. Thereafter, the Allotment Advice will be issued to such Anchor Investors

- d) **In the event the Issue Price is lower than the Anchor Investor Allocation Price:**

Anchor Investors who have been Allotted Equity Shares will directly receive Allotment Advice.

- e) **Basis of Allotment for QIBs (other than Anchor Investors) and NIIs in case of Over Subscribed Issue:**

In the event of the Issue being Over-Subscribed, the Issuer may finalise the Basis of Allotment in consultation with the NSE Emerge (The Designated Stock Exchange). The allocation may be made in marketable lots on proportionate basis as set forth hereunder:

- a) The total number of Shares to be allocated to each category as a whole shall be arrived at on a proportionate basis i.e. the total number of Shares applied for in that category multiplied by the inverse of the oversubscription ratio (number of Bidders in the category multiplied by number of Shares applied for).
- b) The number of Shares to be allocated to the successful Bidders will be arrived at on a proportionate basis in marketable lots (i.e. Total number of Shares applied for into the inverse of the over subscription ratio).
- c) For Bids where the proportionate allotment works out to less than [●] equity shares the allotment will be made as follows:
 - Each successful Bidder shall be allotted [●] equity shares; and
 - The successful Bidder out of the total bidders for that category shall be determined by draw of lots in such a manner that the total number of Shares allotted in that category is equal to the number of Shares worked out as per (b) above.
- d) If the proportionate allotment to a Bidder works out to a number that is not a multiple of [●] equity shares, the Bidder would be allotted Shares by rounding off to the nearest multiple of [●] equity shares subject to a minimum allotment of [●] equity shares.
- e) If the Shares allotted on a proportionate basis to any category is more than the Shares allotted to the Bidders in that category, the balance available Shares or allocation shall be first adjusted against any category, where the allotted Shares are not sufficient for proportionate allotment to the successful Bidder in that category, the balance Shares, if any, remaining after such adjustment will be added to the category comprising Bidder applying for the minimum

number of Shares. If as a result of the process of rounding off to the nearest multiple of [●] Equity Shares, results in the actual allotment being higher than the shares offered, the final allotment may be higher at the sole discretion of the Board of Directors, up to 110% of the size of the Issue specified under the Capital Structure mentioned in this DRHP.

Retail Individual Investor' means an investor who applies for shares of value of not more than ₹ 2,00,000/-. Investors may note that in case of over subscription allotment shall be on proportionate basis and will be finalized in consultation with NSE.

The Executive Director/ Managing Director of NSE - the Designated Stock Exchange in addition to Book Running Lead Manager and Registrar to the Public Issue shall be responsible to ensure that the basis of allotment is finalized in a fair and proper manner in accordance with the SEBI (ICDR) Regulations.

Issuance of Allotment Advice

- 1) Upon approval of the Basis of Allotment by the Designated Stock Exchange.
- 2) On the basis of approved Basis of Allotment, the Issuer shall pass necessary corporate action to facilitate the allotment and credit of equity shares. Bidders are advised to instruct their Depository Participants to accept the Equity Shares that may be allotted to them pursuant to the issue.

The Book Running Lead Manager or the Registrar to the Issue will dispatch an Allotment Advice to their Bidders who have been allocated Equity Shares in the Issue. The dispatch of Allotment Advice shall be deemed a valid, binding and irrevocable contract for the Allotment to such Bidder.

- 3) Issuer will make the allotment of the Equity Shares and initiate corporate action for credit of shares to the successful Bidders Depository Account within 4 working days of the Issue Closing date. The Issuer also ensures the credit of shares to the successful Bidders Depository Account is completed within one working Day from the date of allotment, after the funds are transferred from ASBA Public Issue Account to Public Issue account of the issuer.

Designated Date:

On the Designated date, the SCSBs shall transfers the funds represented by allocations of the Equity Shares into Public Issue Account with the Bankers to the Issue.

The Company will issue and dispatch letters of allotment/ or letters of regret along with refund order or credit the allotted securities to the respective beneficiary accounts, if any within a period of 4 working days of the Bid/Issue Closing Date. The Company will intimate the details of allotment of securities to Depository immediately on allotment of securities under relevant provisions of the Companies Act, 2013 or other applicable provisions, if any

Instructions for Completing the Bid Cum Application Form

The Applications should be submitted on the prescribed Bid Cum Application Form and in BLOCK LETTERS in ENGLISH only in accordance with the instructions contained herein and in the Bid Cum Application Form. Applications not so made are liable to be rejected. Applications made using a third-party bank account or using third party UPI ID linked bank account are liable to be rejected. Bid Cum Application Forms should bear the stamp of the Designated Intermediaries. ASBA Bid Cum Application Forms, which do not bear the stamp of the Designated Intermediaries, will be rejected.

SEBI, vide Circular No.CIR/CFD/14/2012 dated October 04, 2012 has introduced an additional mechanism for investors to submit Bid Cum Application Forms in public issues using the stock broker (broker) network of Stock Exchanges, who may not be syndicate members in an issue with effect from January 01, 2013. The list of Broker Centre is available on the websites of BSE i.e. www.bseindia.com and NSE i.e. www.nseindia.com. With a view to broad base the reach of Investors by substantial, enhancing the points for submission of applications, SEBI vide Circular No. CIR/CFD/POLICY CELL/11/2015 dated November 10, 2015 has permitted Registrar to the Issue and Share Transfer Agent and Depository Participants registered with SEBI to accept the Bid Cum Application Forms in Public Issue with effect front January 01, 2016. The List of ETA and DPs centres for collecting the application shall be disclosed is available on the websites of BSE i.e. www.bseindia.com and NSE i.e. www.nseindia.com.

Bidder's Depository Account and Bank Details

Please note that, providing bank account details, PAN No's, Client ID and DP ID in the space provided in the Bid Cum Application Form is mandatory and applications that do not contain such details are liable to be rejected.

Bidders should note that on the basis of name of the Bidders, Depository Participant's name, Depository Participant Identification number and Beneficiary Account Number provided by them in the Bid Cum Application Form as entered into the Stock Exchange online system, the Registrar to the Issue will obtain from the Depository the demographic details including address, Bidders bank account details, MICR code and occupation (hereinafter referred to as 'Demographic Details'). These Demographic Details would be used for all correspondence with the Bidders including mailing of the Allotment Advice. The Demographic Details given by Bidders in the Bid Cum Application Form would not be used for any other purpose by the Registrar to the Issue.

By signing the Bid Cum Application Form, the Bidder would be deemed to have authorized the depositories to provide, upon request, to the Registrar to the Issue, the required Demographic Details as available on its records.

Submission of Bid Cum Application Form

All Bid Cum Application Forms duly completed shall be submitted to the Designated Intermediaries. The aforesaid intermediaries shall, at the time of receipt of application, give an acknowledgement to investor, by giving the counter foil or specifying the application number to the investor, as a proof of having accepted the Bid Cum Application Form, in physical or electronic mode, respectively.

Communications

All future communications in connection with Applications made in this Issue should be addressed to the Registrar to the Issue quoting the full name of the sole or First Bidder, Bid Cum Application Form number, Bidders Depository Account Details, number of Equity Shares applied for, date of Bid Cum Application Form, name and address of the Designated Intermediary where the Application was submitted thereof and a copy of the acknowledgement slip.

Investors can contact the Compliance Officer or the Registrar to the Issue in case of any pre-Issue or post Issue related problems such as non-receipt of letters of allotment, credit of allotted shares in the respective beneficiary accounts, etc.

Disposal of Application and Application Moneys and Interest in Case of Delay

The Company shall ensure the dispatch of Allotment advice, and give benefit to the beneficiary account with Depository Participants and submit the documents pertaining to the Allotment to the Stock Exchange within 2 (two) working days of date of Allotment of Equity Shares.

The Company shall use best efforts to ensure that all steps for completion of the necessary formalities for listing and commencement of trading at NSE Emerge where the Equity Shares are proposed to be listed are taken within 6 (Six) working days from Issue Closing Date.

In accordance with the Companies Act, the requirements of the Stock Exchange and the SEBI Regulations, the Company further undertakes that:

1. Allotment and Listing of Equity Shares shall be made within 6 (Six) days of the Issue Closing Date;
2. Giving of Instructions for refund by unblocking of amount via ASBA not later than 4(four) working days of the Issue Closing Date, would be ensured; and
3. If such money is not repaid within prescribed time from the date our Company becomes liable to repay it, then our Company and every officer in default shall, on and from expiry of prescribed time, be liable to repay such application money, with interest as prescribed under SEBI (ICDR) Regulations, the Companies Act, 2013 and applicable law. Further, in accordance with Section 40 of the Companies Act, 2013, the Company and each officer in default may be punishable with fine and/or imprisonment in such a case.

Right to Reject Applications

In case of QIB Bidders, the Company in consultation with the BRLM may reject Applications provided that the reasons for rejecting the same shall be provided to such Bidder in writing. In case of Non-Institutional Bidders, Retail Individual Bidders who applied, the Company has a right to reject Applications based on technical grounds.

Impersonation

Attention of the Bidders is specifically drawn to the provisions of sub-section (1) of Section 38 of the Companies Act, 2013 which is reproduced below:

“Any person who-

- (a) Makes or abets making of an application in a fictitious name to a company for acquiring, or subscribing for, its securities; or
- (b) Makes or abets making of multiple applications to a company in different names or in different combinations of his name or surname for acquiring or subscribing for its securities; or
- (c) Otherwise induces directly or indirectly a company to allot, or register any transfer of, securities to him, or to any other person in a fictitious name, shall be liable for action under Section 447.”

Undertakings by Our Company

We undertake as follows:

1. That the complaints received in respect of the Issue shall be attended expeditiously and satisfactorily;
2. That all steps will be taken for the completion of the necessary formalities for listing and commencement of trading on Stock Exchange where the Equity Shares are proposed to be listed within six working days from Issue Closure date.
3. That the funds required for making refunds as per the modes disclosed or dispatch of allotment advice by registered post or speed post shall be made available to the Registrar and Share Transfer Agent to the Issue by our Company;
4. Where refunds (to the extent applicable) are made through electronic transfer of funds, a suitable communication shall be sent to the applicant within six Working Days from the Issue Closing Date, giving details of the bank where refunds shall be credited along with amount and expected date of electronic credit of refund;
5. That our Promoter 's contribution in full has already been brought in;
6. That no further Issue of Equity Shares shall be made till the Equity Shares Issued through the Prospectus are listed or until the Application monies are refunded on account of non-listing, under-subscription etc.;
7. That adequate arrangement shall be made to collect all Applications Supported by Blocked Amount while finalizing the Basis of Allotment;
8. If our Company does not proceed with the Issue after the Bid/Issue Opening Date but before allotment, then the reason thereof shall be given as a public notice to be issued by our Company within two days of the Bid/Issue Closing Date. The public notice shall be issued in the same newspapers where the Pre-Issue advertisements were published. The stock exchange on which the Equity Shares are proposed to be listed shall also be informed promptly;
9. If our Company withdraws the Issue after the Bid/Issue Closing Date, our Company shall be required to file a fresh Draft Red Herring Prospectus with the Stock exchange/RoC/SEBI, in the event our Company subsequently decides to proceed with the Issue;
10. If allotment is not made within the prescribed time period under applicable law, the entire subscription amount received will be refunded/ unblocked within the time prescribed under applicable law. If there is delay beyond the prescribed time, our Company shall pay interest prescribed under the Companies Act, 2013, the SEBI Regulations and applicable law for the delayed period.

Utilization of Issue Proceeds

The Board of Directors of our Company certifies that:

- 1) All monies received out of the Issue shall be credited/ transferred to a separate bank account other than the bank account referred to in sub section (3) of Section 40 of the Companies Act 2013;
- 2) Details of all monies utilized out of the Issue referred above shall be disclosed and continue to be disclosed till the time any part of the issue proceeds remains unutilized, under an appropriate head in our balance sheet of our company indicating the purpose for which such monies have been utilized;
- 3) Details of all unutilized monies out of the Issue, if any shall be disclosed under the appropriate separate head in the balance sheet of our company indicating the form in which such unutilized monies have been invested and
- 4) Our Company shall comply with the requirements of SEBI Listing Regulations, 2015 in relation to the disclosure and monitoring of the utilization of the proceeds of the Issue.
- 5) Our Company shall not have recourse to the Issue Proceeds until the approval for listing and trading of the Equity Shares from the Stock Exchange where listing is sought has been received.

- 6) The Book Running Lead Manager undertakes that the complaints or comments received in respect of the Issue shall be attended by our Company expeditiously and satisfactorily.

Equity Shares in Dematerialized Form with NSDL or CDSL

To enable all shareholders of our Company to have their shareholding in electronic form, the Company has signed the following tripartite agreements with the Depositories and the Registrar and Share Transfer Agent:

- Tripartite Agreement dated January 23, 2023 between NSDL, the Company and the Registrar to the Issue;
- Tripartite Agreement dated January 20, 2023 between CDSL, the Company and the Registrar to the Issue;
- The Company's equity shares bear an ISIN INE07AJ01015.

RESTRICTIONS ON FOREIGN OWNERSHIP OF INDIAN SECURITIES

Foreign investment in Indian securities is regulated through the Industrial Policy, 1991 of the Government of India and Foreign Exchange Management Act, 1999 ("FEMA"). While the Industrial Policy, 1991 prescribes the limits and the conditions subject to which foreign investment can be made in different sectors of the Indian economy, FEMA regulates the precise manner in which such investment may be made. Under the Industrial Policy, unless specifically restricted, foreign investment is freely permitted in all sectors of Indian economy up to any extent and without any prior approvals, but the foreign investor is required to follow certain prescribed procedures for making such investment. The government bodies responsible for granting foreign investment approvals are the Reserve Bank of India ("RBI") and Department of Industrial Policy and Promotion, Ministry of Commerce and Industry, Government of India ("DIPP").

The Government of India has from time to time made policy pronouncements on FDI through press notes and press releases. The DPIIT issued the Consolidated Foreign Direct Investment Policy notified by the DPIIT File No. 5(2)/2020-FDI Policy dated October 15, 2020, with effect from October 15, 2020 (the "FDI Policy"), which consolidates and supersedes all previous press notes, press releases and clarifications on FDI issued by the DPIIT or the DPIIT that were in force and effect prior to October 15, 2020. The Government of India proposes to update the consolidated circular on FDI Policy once every year and therefore, the FDI Policy will be valid until the DPIIT issues an updated circular.

In terms of the FEMA NDI Rules, a person resident outside India may make investments into India, subject to certain terms and conditions, and provided that an entity of a country, which shares land border with India or the beneficial owner of an investment into India who is situated in or is a citizen of any such country, shall invest only with government approval.

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 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.

Further, in accordance with Press Note No. 3 (2020 Series), dated April 17, 2020 issued by the DPIIT and the Foreign Exchange Management (Non-debt Instruments) Amendment Rules, 2020 which came into effect from April 22, 2020, any investment, subscription, purchase or sale of equity instruments by entities of a country which shares land border with India or where the beneficial owner of an investment into India is situated in or is a citizen of any such country ("Restricted Investors"), will require prior approval of the Government, as prescribed in the Consolidated FDI Policy and the FEMA Rules. Further, in the event of transfer of ownership of any existing or future foreign direct investment in an entity in India, directly or indirectly, resulting in the beneficial ownership falling within the aforesaid restriction/ purview, such subsequent change in the beneficial ownership will also require approval of the Government. Furthermore, on April 22, 2020, the Ministry of Finance, Government of India has also made a similar amendment to the FEMA Rules. Pursuant to the Foreign Exchange Management (Non-debt Instruments) (Fourth Amendment) Rules, 2020, a multilateral bank or fund, of which India is a member, shall not be treated as an entity of a particular country nor shall any country be treated as the beneficial owner of the investments of such bank or fund in India. Each Bidder should seek independent legal advice about its ability to participate in the Offer. In the event such prior approval of the Government of India is required, and such approval has been obtained, the Bidder shall intimate our Company and the Registrar to the Offer in writing about such approval along with a copy thereof within the Issue Period.

As per the existing policy of the Government of India, OCBs cannot participate in this Issue and in accordance with the extant FDI guidelines on sectoral caps, pricing guidelines etc. as amended by Reserve bank of India, from time to time. Investors are advised to confirm their eligibility under the relevant laws before investing and / or subsequent purchase or sale transaction in the Equity Shares of our Company. Investors will not offer, sell, pledge or transfer the Equity Shares of our Company to any person who is not eligible under applicable laws, rules, regulations, guidelines. Our Company, the Underwriters and their respective directors, officers, agents, affiliates and representatives, as applicable, accept no responsibility or liability for advising any investor on whether such investor is eligible to acquire Equity Shares of our Company.

Investment conditions/ restrictions for overseas entities

Under the current FDI Policy 2020, the maximum amount of Investment (sectoral cap) by foreign investor in an issuing entity is composite unless it is explicitly provided otherwise including all types of foreign investments, direct and indirect, regardless of whether it has been made for FDI, FPI, NRI/OCI, LLPs, FVCI, Investment Vehicles and DRs under Foreign Exchange Management. (Non-debt Instruments) Rules, 2019. Any equity holding by a person resident outside India resulting from conversion of any debt instrument under any arrangement shall be reckoned as foreign investment under the composite cap.

Portfolio Investment upto aggregate foreign investment level of 49% or sectoral/ statutory cap, whichever is lower, will not be subject to either Government approval or compliance of sectoral conditions, if such investment does not result in transfer of ownership and/or control of Indian entities from resident Indian citizens to non-resident entities. Other foreign investments will be subject to conditions of Government approval and compliance of sectoral conditions as per FDI Policy. The total foreign investment,

direct and indirect, in the issuing entity will not exceed the sectoral/statutory cap.

Investment by FPIs under Portfolio Investment Scheme (PIS)

With regards to purchase/sale of capital instruments of an Indian company by an FPI under PIS the total holding by each FPI or an investor group as referred in SEBI (FPI) Regulations, 2014 shall not exceed 10% of the total paid-up equity capital on a fully diluted basis or less than 10% of the paid-up value of each series of debentures or preference shares or share warrants issued by an Indian company and the total holdings of all FPIs put together shall not exceed 24% of paid-up equity capital on fully diluted basis or paid-up value of each series of debentures or preference shares or share warrants. The said limit of 10% and 24% will be called the individual and aggregate limit, respectively. However, this limit of 24 % may be increased up to sectoral cap/statutory ceiling, as applicable, by the Indian company concerned by passing a resolution by its Board of Directors followed by passing of a special resolution to that effect by its general body.

Investment by NRI or OCI on repatriation basis

The purchase/ sale of equity shares, debentures, preference shares and share warrants issued by an Indian company (hereinafter referred to as “Capital Instruments”) of a listed Indian company on a recognised stock exchange in India by Non-Resident Indian (NRI) or Overseas Citizen of India (OCI) on repatriation basis is allowed subject to certain conditions under Foreign Exchange Management (Non-debt Instruments) Rules, 2019.

The total holding by any individual NRI or OCI shall not exceed 5% of the total paid-up equity capital on a fully diluted basis or should not exceed 5% of the paid-up value of each series of debentures or preference shares or share warrants issued by an Indian company and the total holdings of all NRIs and OCIs put together shall not exceed 10% of the total paid-up equity capital on a fully diluted basis or shall not exceed 10% of the paid-up value of each series of debentures or preference shares or share warrants; provided that the aggregate ceiling of 10% may be raised to 24% if a special resolution to that effect is passed by the general body of the Indian company.

Investment by NRI or OCI on non-repatriation basis

As per current FDI Policy 2020, Foreign Exchange Management (Non-debt Instruments) Rules, 2019, Purchase/ sale of Capital Instruments or convertible notes or units or contribution to the capital of an LLP by a NRI or OCI on non- repatriation basis – will be deemed to be domestic investment at par with the investment made by residents. This is further subject to remittance channel restrictions.

The Equity Shares have not been and will not be registered under the U.S. Securities Act of 1933, as amended (“US Securities Act”) or any other state securities laws in the United States of America and may not be sold or offered within the United States of America, or to, or for the account or benefit of “US Persons” as defined in Regulation S of the U.S. Securities Act, except pursuant to exemption from, or in a transaction not subject to, the registration requirements of US Securities Act and applicable state securities laws.

Accordingly, the equity shares are being offered and sold only outside the United States of America in an offshore transaction in reliance upon Regulation S under the US Securities Act and the applicable laws of the jurisdiction where those offers and sale occur.

Further, no offer to the public (as defined under Directive 2000/371/EC, together with any amendments) and implementing measures thereto, (the “Prospectus Directive”) has been or will be made in respect of the Issue in any member State of the European Economic Area which has implemented the Prospectus Directive except for any such offer made under exemptions available under the Prospectus Directive, provided that no such offer shall result in a requirement to publish or supplement a prospectus pursuant to the Prospectus Directive, in respect of the Issue.

Any forwarding, distribution or reproduction of this document in whole or in part may be unauthorized. Failure to comply with this directive may result in a violation of the Securities Act or the applicable laws of other jurisdictions. Any investment decision should be made on the basis of the final terms and conditions and the information contained in this Draft Red Herring Prospectus.

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 Application may not be made by persons in any such jurisdiction, except in compliance with the applicable laws of such jurisdiction.

The above information is given for the benefit of the Applicants. Our Company and the Book Running Lead Manager are not liable for any amendments or modification or changes in applicable laws or regulations, which may occur after the date of this Draft Red Herring Prospectus. Applicants are advised to make their independent investigations and ensure that the Applications are not in violation of laws or regulations applicable to them and do not exceed the applicable limits under the laws and regulations.

SECTION IX - MAIN PROVISIONS OF THE ARTICLES OF ASSOCIATION OF OUR COMPANY

The following regulations comprised in the Articles of Association were adopted pursuant to the member's special resolution passed at the Extra Ordinary General Meeting held on March 23, 2023. In substitution for, and to the entire exclusion of, the earlier regulation comprised in the extant Articles of Association of the Company.

Pursuant to Schedule I of the Companies Act, and the SEBI ICDR Regulations, the Main provisions of the Articles of Association relating to voting rights, dividend, lien, forfeiture, restrictions on transfer and Transmission of equity shares or debentures, their consolidation or splitting are as provided below. Each provision below is numbered as per the corresponding article number in the articles of association and defined terms herein have the meaning given to them in the Articles of Association.

INTERPRETATION

- I 1. In these regulations-
 - a. "the Act" means the Companies Act, 2013,
 - b. "the seal" means the common seal of the company.
 - c. "Company" is a Public Limited company within the meaning of Sections 2(71) of the Companies Act, 2013.
2. Unless the context otherwise requires, words or expressions contained in these regulations shall bear the same meaning as in the Act or any statutory modification thereof in force at the date at which these regulations become binding on the company.

SHARE CAPITAL AND VARIATION OF RIGHTS

- II. 1. Subject to the provisions of the Act and these Articles, the shares in the capital of the company shall be under the control of the Directors who may issue, allot or otherwise dispose of the same or any of them to such persons, in such proportion and on such terms and conditions and either at a premium or at par and at such time as they may from time to time think fit.
2.
 - i. Every person whose name is entered as a member in the register of members shall be entitled to receive within two months after incorporation, in case of subscribers to the memorandum or after allotment or within one month after the application for the registration of transfer or transmission or within such other period as the conditions of issue shall be provided,-
 - a. one certificate for all his shares without payment of any charges; or
 - b. several certificates, each for one or more of his shares, upon payment of twenty rupees for each certificate after the first.
 - ii. Every certificate shall be under the seal and shall specify the shares to which it relates and the amount paid - up thereon.
 - iii. In respect of any share or shares held jointly by several persons, the company shall not be bound to issue more than one certificate, and delivery of a certificate for a share to one of several joint holders shall be sufficient delivery to all such holders.
3.
 - i. If any share certificate be worn out, defaced, mutilated or torn or if there be no further space on the back for endorsement of transfer, then upon production and surrender thereof to the company, a new certificate may be issued in lieu thereof, and if any certificate is lost or destroyed then upon proof thereof to the satisfaction of the company and on execution of such indemnity as the company deem adequate, a new certificate in lieu thereof shall be given. Every certificate under this Article shall be issued on payment of twenty rupees for each certificate.
 - ii. The provisions of Articles (2) and (3) shall mutatis mutandis apply to debentures of the company.
4. Except as required by law, no person shall be recognised by the company as holding any share upon any trust, and the company shall not be bound by, or be compelled in any way to recognise (even when having notice thereof) any equitable, contingent, future or partial interest in any share, or any interest in any fractional part of a share, or (except only as by these regulations or by law otherwise provided) any other rights in respect of any share except an absolute right to the entirety thereof in the registered holder.
5.
 - i. The company may exercise the powers of paying commissions conferred by sub-section (6) of section 40, provided that the rate per cent or the amount of the commission paid or agreed to be paid shall be disclosed in the manner required by that section and rules made thereunder.

- ii. The rate or amount of the commission shall not exceed the rate or amount prescribed in rules made under sub-section (6) of section 40.
- iii. The commission may be satisfied by the payment of cash or the allotment of fully or partly paid shares or partly in the one way and partly in the other.
- 6. i. If at any time the share capital is divided into different classes of shares, the rights attached to any class (unless otherwise provided by the terms of issue of the shares of that class) may, subject to the provisions of section 48, and whether or not the company is being wound up, be varied with the consent in writing of the holders of three-fourths of the issued shares of that class, or with the sanction of a special resolution passed at a separate meeting of the holders of the shares of that class.
- ii. To every such separate meeting, the provisions of these regulations relating to general meetings shall mutatis mutandis apply, but so that the necessary quorum shall be at least two persons holding at least one-third of the issued shares of the class in question.
- 7. The rights conferred upon the holders of the shares of any class issued with preferred or other rights shall not, unless otherwise expressly provided by the terms of issue of the shares of that class, be deemed to be varied by the creation or issue of further shares ranking pari-passu therewith.
- 8. Subject to the provisions of section 55, any preference shares may, with the sanction of an ordinary resolution, be issued on the terms that they are to be redeemed on such terms and in such manner as the company before the issue of the shares may, by special resolution, determine.

LIEN

- 9. i. The company shall have a first and paramount lien
 - a. on every share (not being a fully paid share), for all monies (whether presently payable or not) called, or payable at a fixed time, in respect of that share; and
 - b. on all shares (not being fully paid shares) standing registered in the name of a single person, for all monies presently payable by him or his estate to the company:
Provided that the Board of directors may at any time declare any share to be wholly or in part exempt from the provisions of this clause.
- ii. The company's lien, if any, on a share shall extend to all dividends payable and bonuses declared from time to time in respect of such shares.
- iii. That fully paid shares shall be free from all lien and that in the case of partly paid shares the Issuer's lien shall be restricted to moneys called or payable at a fixed time in respect of such shares.
- 10. The company may sell, in such manner as the Board thinks fit, any shares on which the company has a lien: Provided that no sale shall be made-
 - a. unless a sum in respect of which the lien exists is presently payable; or
 - b. until the expiration of fourteen days after a notice in writing stating and demanding payment of such part of the amount in respect of which the lien exists as is presently payable, has been given to the registered holder for the time being of the share or the person entitled thereto by reason of his death or insolvency.
- 11. i. To give effect to any such sale, the Board may authorise some person to transfer the shares sold to the purchaser thereof
- ii. The purchaser shall be registered as the holder of the shares comprised in any such transfer.
- iii. The purchaser shall not be bound to see to the application of the purchase money, nor shall his title to the shares be affected by any irregularity or invalidity in the proceedings in reference to the sale.
- 12. i. The proceeds of the sale shall be received by the company and applied in payment of such part of the amount in respect of which the lien exists as is presently payable.
- ii. The residue, if any, shall, subject to a like lien for sums not presently payable as existed upon the shares before the sale, be paid to the person entitled to the shares at the date of the sale.

CALLS ON SHARES

13. i. The Board may, from time to time, make calls upon the members in respect of any monies unpaid on their shares (whether on account of the nominal value of the shares or by way of premium) and not by the conditions of allotment thereof made payable at fixed times:
- Provided that no call shall exceed one-fourth of the nominal value of the share or be payable at less than one month from the date fixed for the payment of the last preceding call.
- ii. Each member shall, subject to receiving at least fourteen days' notice specifying the time or times and place of payment, pay to the company, at the time or times and place so specified, the amount called on his shares.
- iii. A call may be revoked or postponed at the discretion of the Board.
- iv. That any amount paid up in advance of calls on any share may carry interest but shall not in respect thereof confer a right to dividend or to participate in profits
14. A call shall be deemed to have been made at the time when the resolution of the Board authorizing the call was passed and may be required to be paid by installments.
15. The joint holders of a share shall be jointly and severally liable to pay all calls in respect thereof.
16. If a sum called in respect of a share is not paid before or on the day appointed for payment thereof, the person from whom the sum is due shall pay interest thereon from the day appointed for payment thereof to the time of actual payment at ten per cent per annum or at such lower rate, if any, as the Board may determine.

The Board shall be at liberty to waive payment of any such interest wholly or in part.

17. i. Any sum which by the terms of issue of a share becomes payable on allotment or at any fixed date, whether on account of the nominal value of the share or by way of premium, shall, for the purposes of these regulations, be deemed to be a call duly made and payable on the date on which by the terms of issue such sum becomes payable.
- ii. In case of non-payment of such sum, all the relevant provisions of these regulations as to payment of interest and expenses, forfeiture or otherwise shall apply as if such sum had become payable by virtue of a call duly made and notified.
18. The Board -
- a. may, if it thinks fit, receive from any member willing to advance the same, all or any part of the monies uncalled and unpaid upon any shares held by him and
- b. upon all or any of the monies so advanced, may (until the same would, but for such advance, become presently payable) pay interest at such rate not exceeding, unless the company in general meeting shall otherwise direct, twelve per cent per annum, as may be agreed upon between the Board and the member paying the sum in advance.

TRANSFER OF SHARES

19. i. The instrument of transfer of any share in the company shall be executed by or on behalf of both the transferor and transferee.
- ii. The transferor shall be deemed to remain a holder of the share until the name of the transferee is entered in the register of members in respect thereof.
- iii. That a common form of transfer shall be used
20. i. The Board may, subject to the right of appeal conferred by section 58 decline to register—
- ii. the transfer of a share, not being a fully paid share, to a person of whom they do not approve; or
- iii. any transfer of shares on which the company has a lien.
21. The Board may decline to recognise any instrument of transfer unless—
- a. the instrument of transfer is in the form as prescribed in rules made under sub-section (1) of section 56;

- b. the instrument of transfer is accompanied by the certificate of the shares to which it relates, and such other evidence as the Board may reasonably require to show the right of the transferor to make the transfer; and
- c. the instrument of transfer is in respect of only one class of shares.

That registration of transfer shall not be refused on the ground of the transferor being either alone or jointly with any other person or persons indebted to the Issuer on any account whatsoever

22. On giving not less than seven days' previous notice in accordance with section 91 and rules made thereunder, the registration of transfers may be suspended at such times and for such periods as the Board may from time to time determine:

Provided that such registration shall not be suspended for more than thirty days at any one time or for more than forty-five days in the aggregate in any year.

TRANSMISSION OF SHARES

- 23.
 - i. On the death of a member, the survivor or survivors where the member was a joint holder, and his nominee or nominees or legal representatives where he was a sole holder, shall be the only persons recognised by the company as having any title to his interest in the shares
 - ii. Nothing in clause (i) shall release the estate of a deceased joint holder from any liability in respect of any share which had been jointly held by him with other persons.
 - iii. That a common form of transmission shall be used
- 24.
 - i. Any person becoming entitled to a share in consequence of the death or insolvency of a member may, upon such evidence being produced as may from time to time properly be required by the Board and subject as hereinafter provided, elect, either-
 - a. to be registered himself as holder of the share; or
 - b. to make such transfer of the share as the deceased or insolvent member could have made.
 - ii. The Board shall, in either case, have the same right to decline or suspend registration as it would have had, if the deceased or insolvent member had transferred the share before his death or insolvency.
- 25.
 - i. If the person so becoming entitled shall elect to be registered as holder of the share himself, he shall deliver or send to the company a notice in writing signed by him stating that he so elects.
 - ii. If the person aforesaid shall elect to transfer the share, he shall testify his election by executing a transfer of the share.
 - iii. All the limitations, restrictions and provisions of these regulations relating to the right to transfer and the registration of transfers of shares shall be applicable to any such notice or transfer as aforesaid as if the death or insolvency of the member had not occurred and the notice or transfer were a transfer signed by that member.
- 26. A person becoming entitled to a share by reason of the death or insolvency of the holder shall be entitled to the same dividends and other advantages to which he would be entitled if he were the registered holder of the share, except that he shall not, before being registered as a member in respect of the share, be entitled in respect of it to exercise any right conferred by membership in relation to meetings of the company:

Provided that the Board may, at any time, give notice requiring any such person to elect either to be registered himself or to transfer the share, and if the notice is not complied with within ninety days, the Board may thereafter withhold payment of all dividends, bonuses or other monies payable in respect of the share, until the requirements of the notice have been complied with.

FORFEITURE OF SHARES

- 27. If a member fails to pay any call, or installment of a call, on the day appointed for payment thereof, the Board may, at any time thereafter during such time as any part of the call or installment remains unpaid, serve a notice on him requiring payment of so much of the call or installment as is unpaid, together with any interest which may have accrued.
- 28. The notice aforesaid shall-

- a. name a further day (not being earlier than the expiry of fourteen days from the date of service of the notice) on or before which the payment required by the notice is to be made; and
 - b. state that, in the event of non-payment on or before the day so named, the shares in respect of which the call was made shall be liable to be forfeited.
29. If the requirements of any such notice as aforesaid are not complied with, any share in respect of which the notice has been given may, at any time thereafter, before the payment required by the notice has been made, be forfeited by a resolution of the Board to that effect.
30. i. A forfeited share may be sold or otherwise disposed of on such terms and in such manner as the Board thinks fit.
- ii. At any time before a sale or disposal as aforesaid, the Board may cancel the forfeiture on such terms as it thinks fit.
31. i. A person whose shares have been forfeited shall cease to be a member in respect of the forfeited shares, but shall, notwithstanding the forfeiture, remain liable to pay to the company all monies which, at the date of forfeiture, were presently payable by him to the company in respect of the shares.
- ii. The liability of such person shall cease if and when the company shall have received payment in full of all such monies in respect of the shares.
32. i. A duly verified declaration in writing that the declarant is a director, the manager or the secretary, of the company, and that a share in the company has been duly forfeited on a date stated in the declaration, shall be conclusive evidence of the facts therein stated as against all persons claiming to be entitled to the share;
- ii. The company may receive the consideration, if any, given for the share on any sale or disposal thereof and may execute a transfer of the share in favour of the person to whom the share is sold or disposed of;
- iii. The transferee shall thereupon be registered as the holder of the share; and
- iv. The transferee shall not be bound to see to the application of the purchase money, if any, nor shall his title to the share be affected by any irregularity or invalidity in the proceedings in reference to the forfeiture, sale or disposal of the share.
33. The provisions of these regulations as to forfeiture shall apply in the case of non-payment of any sum which, by the terms of issue of a share, becomes payable at a fixed time, whether on account of the nominal value of the share or by way of premium, as if the same had been payable by virtue of a call duly made and notified.

ALTERATION OF CAPITAL

34. The company may, from time to time, by ordinary resolution increase the share capital by such sum, to be divided into shares of such amount, as may be specified in the resolution.
35. Subject to the provisions of section 61, the company may, by ordinary resolution-
- i. consolidate and divide all or any of its share capital into shares of larger amount than its existing shares;
 - ii. convert all or any of its fully paid-up shares into stock, and reconvert that stock into fully paid-up shares of any denomination;
 - iii. sub-divide its existing shares or any of them into shares of smaller amount than is fixed by the memorandum; and
 - iv. cancel any shares which, at the date of the passing of the resolution, have not been taken or agreed to be taken by any person.
 - v. Permission for sub-division/ consolidation of share certificates
36. Where shares are converted into stock,—
- the holders of stock may transfer the same or any part thereof in the same manner as, and subject to the same regulations under which, the shares from which the stock arose might before the conversion have been transferred, or as near thereto as circumstances admit:

- Provided that the Board may, from time to time, fix the minimum amount of stock transferable, so, however, that such minimum shall not exceed the nominal amount of the shares from which the stock arose.
 - the holders of stock shall, according to the amount of stock held by them, have the same rights, privileges and advantages as regards dividends, voting at meetings of the company, and other matters, as if they held the shares from which the stock arose; but no such privilege or advantage (except participation in the dividends and profits of the company and in the assets on winding up) shall be conferred by an amount of stock which would not, if existing in shares, have conferred that privilege or advantage.
 - such of the regulations of the company as are applicable to paid-up shares shall apply to stock and the words “share” and “shareholder” in those regulations shall include “stock” and “stock-holder” respectively.
37. The company may, by special resolution, reduce in any manner and with, and subject to, any incident authorized and consent required by law-
- its share capital;
 - any capital redemption reserve account; or
 - any share premium account.

CAPITALISATION OF PROFITS

38. The company in general meeting may, upon the recommendation of the Board, resolve-
- i. that it is desirable to capitalize any part of the amount for the time being standing to the credit of any of the company's reserve accounts, or to the credit of the, profit and loss account, or otherwise available for distribution; and
 - ii. that such sum be accordingly set free for distribution in the manner specified in clause (ii) amongst the members who would have been entitled thereto, if distributed by way of dividend and in the same proportions.
 - iii. The sum aforesaid shall not be paid in cash but shall be applied, subject to the provision contained in clause (iii), either in or towards-
 - a. paying up any amounts for the time being unpaid on any shares held by such members respectively;
 - b. paying up in full, unissued shares of the company to be allotted and distributed, credited as fully paid-up, to and amongst such members in the proportions aforesaid;
 - c. partly in the way specified in sub-clause (A) and partly in that specified in sub-clause (B);
 - iv. A securities premium account and a capital redemption reserve account may, for the purposes of this regulation, be applied in the paying up of unissued shares to be issued to members of the company as fully paid bonus shares;
 - v. The Board shall give effect to the resolution passed by the company in pursuance of this regulation.
39. i. 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 capitalised thereby, and all
 - b. allotments and issues of fully paid shares if any; and
 - c. generally do all acts and things required to give effect thereto.
- ii. The Board shall have power-
- a. to make such provisions, by the issue of fractional certificates or by payment in cash or otherwise as it thinks fit, for the case of shares becoming distributable in fractions; and
 - b. to authorise any person to enter, on behalf of all the members entitled thereto, into an agreement with the company providing for the allotment to them respectively, credited as fully paid-up, of any further shares to which they may be entitled upon such capitalisation, or as the case may require, for the payment by the company on their behalf, by the application thereto of their respective proportions of profits resolved to be capitalised, of the amount or any part of the amounts remaining unpaid on their existing shares;
- iii. Any agreement made under such authority shall be effective and binding on such members

BUY-BACK OF SHARES

40. Notwithstanding anything contained in these articles but subject to the provisions of sections 68 to 70 and any other applicable provision of the Act or any other law for the time being in force, the company may purchase its own shares or other specified securities.

GENERAL MEETINGS

41. All general meetings other than annual general meeting shall be called extraordinary general meeting.
42. i. The Board may, whenever it thinks fit, call an extraordinary general meeting.
- ii. If at any time directors capable of acting who are sufficient in number to form a quorum are not within India, any director or any two members of the company may call an extraordinary general meeting in the same manner, as nearly as possible, as that in which such a meeting may be called by the Board.

PROCEEDINGS AT GENERAL MEETINGS

43. i. No business shall be transacted at any general meeting unless a quorum of members is present at the time when the meeting proceeds to business.
- ii. Save as otherwise provided herein, the quorum for the general meetings shall be as provided in section 103.
44. The chairperson, if any, of the Board shall preside as Chairperson at every general meeting of the company.
45. If there is no such Chairperson, or if he is not present within fifteen minutes after the time appointed for holding the meeting or is unwilling to act as chairperson of the meeting, the directors present shall elect one of their members to be Chairperson of the meeting.
46. If at any meeting no director is willing to act as Chairperson or if no director is present within fifteen minutes after the time appointed for holding the meeting, the members present shall choose one of their members to be Chairperson of the meeting.

ADJOURNMENT OF MEETING

47. i. The Chairperson may, with the consent of any meeting at which a quorum is present, and shall, if so directed by the meeting, adjourn the meeting from time to time and from place to place.
- ii. No business shall be transacted at any adjourned meeting other than the business left unfinished at the meeting from which the adjournment took place.
- iii. When a meeting is adjourned for thirty days or more, notice of the adjourned meeting shall be given as in the case of an original meeting.
- iv. Save as aforesaid, and as provided in section 103 of the Act, it shall not be necessary to give any notice of an adjournment or of the business to be transacted at an adjourned meeting.

VOTING RIGHTS

48. Subject to any rights or restrictions for the time being attached to any class or classes of shares,
- i. on a show of hands, every member present in person shall have one vote;
- ii. and on a poll, the voting rights of members shall be in proportion to his share in the paid-up equity share capital of the company.
- iii. That option or right to call of shares shall not be given to any person except with the sanction of the Issuer in general meetings
49. A member may exercise his vote at a meeting by electronic means in accordance with section 108 and shall vote only once.
50. i. In the case of joint holders, the vote of the senior who tenders a vote, whether in person or by proxy, shall be accepted to the exclusion of the votes of the other joint holders.
- ii. For this purpose, seniority shall be determined by the order in which the names stand in the register of members.

51. A member of unsound mind, or in respect of whom an order has been made by any court having jurisdiction in lunacy, may vote, whether on a show of hands or on a poll, by his committee or other legal guardian, and any such committee or guardian may, on a poll, vote by proxy.
52. Any business other than that upon which a poll has been demanded maybe proceeded with, pending the taking of the poll.
53. No member shall be entitled to vote at any general meeting unless all calls or other sums presently payable by him in respect of shares in the company have been paid
54.
 - i. No objection shall be raised to the qualification of any voter except at the meeting or adjourned meeting at which the vote objected to is given or tendered, and every vote not disallowed at such meeting shall be valid for all purposes.
 - ii. Any such objection made in due time shall be referred to the Chairperson of the meeting, whose decision shall be final and conclusive.

PROXY

55. The instrument appointing a proxy and the power-of-attorney or other authority, if any, under which it is signed or a notarised copy of that power or authority, shall be deposited at the registered office of the company not less than 48 hours before the time for holding the meeting or adjourned meeting at which the person named in the instrument proposes to vote, or, in the case of a poll, not less than 24 hours before the time appointed for the taking of the poll; and in default the instrument of proxy shall not be treated as valid.
56. An instrument appointing a proxy shall be in the form as prescribed in the rules made under section 105
57. A vote given in accordance with the terms of an instrument of proxy shall be valid, notwithstanding the previous death or insanity of the principal or the revocation of the proxy or of the authority under which the proxy was executed, or the transfer of the shares in respect of which the proxy is given:

Provided that no intimation in writing of such death, insanity, revocation or transfer shall have been received by the company at its office before the commencement of the meeting or adjourned meeting at which the proxy is used.

BOARD OF DIRECTORS

58. The number of the directors and the names of the first directors shall be determined in writing by the subscribers of the memorandum or a majority of them. .At the Time of Adoption of These Articles The following are the Directors of the Company:
 1. Vinayak Kedia
 2. Jatinder Paul Sehgal
 3. Paramvir Singh Mander
59. The remuneration of the directors shall, in so far as it consists of a monthly payment, be deemed to accrue from day-to-day.

In addition to the remuneration payable to them in pursuance of the Act, the directors may be paid all travelling, hotel and other expenses properly incurred by them-

- in attending and returning from meetings of the Board of Directors or any committee thereof or general meetings of the company; or
- in connection with the business of the company.

60. The Board may pay all expenses incurred in getting up and registering the company.
61. The company may exercise the powers conferred on it by section 88 with regard to the keeping of a foreign register; and the Board may (subject to the provisions of that section) make and vary such regulations as it may think fit respecting the keeping of any such register.
62. All cheques, promissory notes, drafts, hundis, bills of exchange and other negotiable instruments, and all receipts for monies paid to the company, shall be signed, drawn, accepted, endorsed, or otherwise executed, as the case may be, by such person and in such manner as the Board shall from time to time by resolution determine.

63. Every director present at any meeting of the Board or of a committee thereof shall sign his name in a book to be kept for that purpose.
64. i. Subject to the provisions of section 149, the Board shall have power at any time, and from time to time, to appoint a person as an additional director, provided the number of the directors and additional directors together shall not at any time exceed the maximum strength fixed for the Board by the articles.
- ii. Such person shall hold office only up to the date of the next annual general meeting of the company but shall be eligible for appointment by the company as a director at that meeting subject to the provisions of the Act.

PROCEEDINGS OF THE BOARD

65. The Board of Directors may meet for the conduct of business, adjourn and otherwise regulate its meetings, as it thinks fit.
- A director may, and the manager or secretary on the requisition of a director shall, at any time, summon a meeting of the Board.
66. i. Save as otherwise expressly provided in the Act, questions arising at any meeting of the Board shall be decided by a majority of votes.
- ii. In case of an equality of votes, the Chairperson of the Board, if any, shall have a second or casting vote.
67. The continuing directors may act notwithstanding any vacancy in the Board; but, if and so long as their number is reduced below the quorum fixed by the Act for a meeting of the Board, the continuing directors or director may act for the purpose of increasing the number of directors to that fixed for the quorum, or of summoning a general meeting of the company, but for no other purpose.
68. i. The Board may elect a Chairperson of its meetings and determine the period for which he is to hold office.
- ii. If no such Chairperson is elected, or if at any meeting the Chairperson is not present within five minutes after the time appointed for holding the meeting, the directors present may choose one of their number to be Chairperson of the meeting.
69. i. The Board may, subject to the provisions of the Act, delegate any of its powers to committees consisting of such member or members of its body as it thinks fit.
- ii. Any committee so formed shall, in the exercise of the powers so delegated, conform to any regulations that may be imposed on it by the Board.
70. i. A committee may elect a Chairperson of its meetings.
- ii. If no such Chairperson is elected, or if at any meeting the 72 Chairperson is not present within five minutes after the time appointed for holding the meeting, the members present may choose one of their members to be Chairperson of the meeting.
71. i. A committee may meet and adjourn as it thinks fit.
- ii. Questions arising at any meeting of a committee shall be determined by a majority of votes of the members present, and in case of an equality of votes, the Chairperson shall have a second or casting vote.
72. All acts done in any meeting of the Board or of a committee thereof or by any person acting as a director, shall, notwithstanding that it may be afterwards discovered that there was some defect in the appointment of any one or more of such directors or of any person acting as aforesaid, or that they or any of them were disqualified, be as valid as if every such director or such person had been duly appointed and was qualified to be a director.
73. Save as otherwise expressly provided in the Act, a resolution in writing, signed by all the members of the Board or of a committee thereof, for the time being entitled to receive notice of a meeting of the Board or committee, shall be valid and effective as if it had been passed at a meeting of the Board or committee, duly convened and held.

CHIEF EXECUTIVE OFFICER, MANAGER, COMPANY SECRETARY OR CHIEF FINANCIAL OFFICER

74. Subject to the provisions of the Act,

- i. A chief executive officer, manager, company secretary or chief financial officer may be appointed by the Board for such term, at such remuneration and upon such conditions as it may think fit; and any chief executive officer, manager, company secretary or chief financial officer so appointed may be removed by means of a resolution of the Board;
 - ii. A director may be appointed as chief executive officer, manager, company secretary or chief financial officer
75. A provision of the Act or these regulations requiring or authorising a thing to be done by or to a director and chief executive officer, manager, company secretary or chief financial officer shall not be satisfied by its being done by or to the same person acting both as director and as, or in place of, chief executive officer, manager, company secretary or chief financial officer.

THE SEAL

76. i. The Board shall provide for the safe custody of the seal.
- ii. The seal of the company shall not be affixed to any instrument except by the authority of a resolution of the Board or of a committee of the Board authorised by it in that behalf, and except in the presence of at least two directors and of the secretary or such other person as the Board may appoint for the purpose; and those two directors and the secretary or other person aforesaid shall sign every instrument to which the seal of the company is so affixed in their presence.

DIVIDENDS AND RESERVE

77. The company in general meeting may declare dividends, but no dividend shall exceed the amount recommended by the Board.
78. Subject to the provisions of section 123, the Board may from time to time pay to the members such interim dividends as appear to it to be justified by the profits of the company.
79. i. The Board may, before recommending any dividend, set aside out of the profits of the company such sums as it thinks fit as a reserve or reserves which shall, at the discretion of the Board, be applicable for any purpose to which the profits of the company may be properly applied, including provision for meeting contingencies or for equalizing dividends; and pending such application, may, at the like discretion, either be employed in the business of the company or be invested in such investments (other than shares of the company) as the Board may, from time to time, think fit.
- ii. The Board may also carry forward any profits which it may consider necessary not to divide, without setting them aside as a reserve.
80. i. 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.
- ii. No amount paid or credited as paid on a share in advance of calls shall be treated for the purposes of this regulation as paid on the share.
- iii. All dividends shall be apportioned and paid proportionately to the amounts paid or credited as paid on the shares during any portion or portions of the period in respect of which the dividend is paid; but if any share is issued on terms providing that it shall rank for dividend as from a particular date such share shall rank for dividend accordingly. That there shall be no forfeiture of unclaimed dividends before the claim becomes barred by law.
81. The Board may deduct from any dividend payable to any member all sums of money, if any, presently payable by him to the company on account of calls or otherwise in relation to the shares of the company.
82. i. Any dividend, interest or other monies payable in cash in respect of shares may be paid by cheque or warrant sent through the post directed to the registered address of the holder or, in the case of joint holders, to the registered address of that one of the joint holders who is first named on the register of members, or to such person and to such address as the holder or joint holders may in writing direct.
- ii. Every such cheque or warrant shall be made payable to the order of the person to whom it is sent.

83. Any one of two or more joint holders of a share may give effective receipts for any dividends, bonuses or other monies payable in respect of such share.
84. Notice of any dividend that may have been declared shall be given to the persons entitled to share therein in the manner mentioned in the Act.
85. No dividend shall bear interest against the company.

ACCOUNTS

86. i. The Board shall from time to time determine whether and to what extent and at what times and places and under what conditions or regulations, the accounts and books of the company, or any of them, shall be open to the inspection of members not being directors.
- ii. No member (not being a director) shall have any right of inspecting any account or book or document of the company except as conferred by law or authorised by the Board or by the company in general meeting.

WINDING UP

87. Subject to the provisions of Chapter XX of the Act and rules made thereunder-
- i. If the company shall be wound up, the liquidator may, with the sanction of a special resolution of the company and any other sanction required by the Act, divide amongst the members, in specie or kind, the whole or any part of the assets of the company, whether they shall consist of property of the same kind or not.
- ii. For the purpose aforesaid, the liquidator may set such value as he deems fair upon any property to be divided as aforesaid and may determine how such division shall be carried out as between the members or different classes of members.
- iii. The liquidator may, with the like sanction, vest the whole or any part of such assets in trustees upon such trusts for the benefit of the contributories if he considers necessary, but so that no member shall be compelled to accept any shares or other securities whereon there is any liability.

INDEMNITY

88. 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.

OTHER INFORMATION

MATERIAL CONTRACTS AND DOCUMENTS FOR INSPECTION

The following contracts (not being contracts entered into in the ordinary course of business carried on by the Company or entered into more than two years before the date of the Draft Red Herring Prospectus) which are or may be deemed material have been entered or to be entered into by the Company will be attached to the copy of the Red Herring Prospectus/Prospectus, delivered to the Registrar of Companies, for filing. Copies of the abovementioned contracts and also the documents for inspection referred to hereunder, may be inspected at the registered office between 10 A.M. and 5 P.M. on all Working Days from the date of this Draft Red Herring Prospectus until the Issue Closing Date.

Material Contracts

1. Issue Agreement dated June 13, 2023 between our Company and the Book Running Lead Manager to the Issue.
2. Registrar Agreement dated June 13, 2023 executed between our Company and the Registrar to the Issue.
3. Banker to the issue and sponsor bank agreement dated [●] entered into between our Company, the Registrar to the Issue, the BRLM and the Banker(s) to the Issue.
4. Syndicate Agreement dated [●] among our Company, the Book Running Lead Manager and Syndicate Member.
5. Market Making Agreement dated [●] between our Company, Book Running Lead Manager and Market Maker.
6. Underwriting agreement dated [●] entered into between our Company and the Underwriters.
7. Tripartite Agreement dated January 20, 2023 among CDSL, the Company and the Registrar to the Issue.
8. Tripartite Agreement dated January 23, 2023 among NSDL, the Company and the Registrar to the Issue.

Material Documents

1. Certified copies of the Memorandum of Association and Articles of Association as amended from time to time.
2. Certificate of Incorporation dated March 08, 2006 issued by the Registrar of Companies, Punjab, H.P. and Chandigarh (RoC).
3. Fresh Certificate of Incorporation dated November 06, 2015 issued by the Registrar of Companies, Chandigarh consequent Upon change of name of our Company from “Shubham Infrastructure Developers Private Limited” to “Tara Feed Private Limited”.
4. Fresh Certificate of Incorporation dated December 01, 2015 issued by the Registrar of Companies, Chandigarh consequent upon Conversion of the Company to Public Company.
5. Fresh Certificate of Incorporation dated November 06, 2015 issued by the Registrar of Companies, Chandigarh consequent Upon change of name of our Company from “Tara Feed Limited” to “Khanna Feed Limited”.
6. Resolution of the Board of Directors dated February 23, 2023, in relation to the Issue and other related matters.
7. Copy of Shareholder’s Resolution dated March 23, 2023 authorizing the Issue and other related matters.
8. Copies of Audited Financial Statements of our Company for financial years ended March 31 2023, March 31, 2022 and March 31, 2021.
9. Peer reviewed Auditors Report dated July 28, 2023 on the Restated Financial Statements for financial years ended March 31 2023, March 31, 2022 and March 31, 2021.
10. Copy of the Statement of Special Tax Benefits dated July 28, 2023 from M/s. Jasminder Singh & Associates.
11. Consents of the Book Running Lead Manager, Legal Advisor to the Issue, Registrar to the Issue, Market Maker, Underwriter, Banker to the Issue/ Sponsor Bank, Refund Banks, Public Offer Account Bank, Syndicate Member, Statutory Auditors of the Company, Bankers to our Company, Promoters, Directors, Company Secretary and Compliance Officer and Chief Financial Officer, to act in their respective capacities;.
12. Certificate on KPI’s issued by the Statutory auditor of our Company dated July 29, 2023.
13. Board Resolution dated August 14, 2023 for approval of Draft Red Herring Prospectus, dated [●] for approval of Red Herring Prospectus & dated [●] for approval of Prospectus.
14. Due Diligence Certificate from Book Running Lead Manager dated August 14, 2023.
15. Approval from NSE vide letter dated [●] to use the name of NSE in the Draft Red Herring Prospectus /Red Herring Prospectus/Prospectus for listing of Equity Shares on the NSE EMERGE (SME Platform) of the NSE.

DECLARATION

I certify and declare that all relevant provisions of the Companies Act, 2013 and the rules, regulations and guidelines issued by the Government of India, or the regulations or guidelines issued by the Government of India or the regulations or guidelines issued by SEBI, established under section 3 of the Securities and Exchange Board of India Act, 1992, as the case may be, have been complied with and no statement made in this Draft Red Herring Prospectus is contrary to the provisions of the Companies Act, the Securities Contracts (Regulation) Act, 1956, as amended, the Securities and Exchange Board of India Act, 1992, as amended or the rules, regulations or guidelines issued thereunder, as the case may be. I further certify that all the statements in this Draft Red Herring Prospectus are true and correct.

SIGNED BY THE BOARD OF DIRECTORS OF OUR COMPANY:

Name and Designation	Signature
Paramvir Singh Mander Chairman & Managing Director DIN: 07447147	

Date: August 14, 2023
Place: Ludhiana Punjab

DECLARATION

I certify and declare that all relevant provisions of the Companies Act, 2013 and the rules, regulations and guidelines issued by the Government of India, or the regulations or guidelines issued by the Government of India or the regulations or guidelines issued by SEBI, established under section 3 of the Securities and Exchange Board of India Act, 1992, as the case may be, have been complied with and no statement made in this Draft Red Herring Prospectus is contrary to the provisions of the Companies Act, the Securities Contracts (Regulation) Act, 1956, as amended, the Securities and Exchange Board of India Act, 1992, as amended or the rules, regulations or guidelines issued thereunder, as the case may be. I further certify that all the statements in this Draft Red Herring Prospectus are true and correct.

SIGNED BY THE BOARD OF DIRECTORS OF OUR COMPANY:

Name and Designation	Signature
Jatinder Paul Sehgal Non-Executive Director DIN: 07298205	

Date: August 14, 2023
Place: Ludhiana Punjab

DECLARATION

I certify and declare that all relevant provisions of the Companies Act, 2013 and the rules, regulations and guidelines issued by the Government of India, or the regulations or guidelines issued by the Government of India or the regulations or guidelines issued by SEBI, established under section 3 of the Securities and Exchange Board of India Act, 1992, as the case may be, have been complied with and no statement made in this Draft Red Herring Prospectus is contrary to the provisions of the Companies Act, the Securities Contracts (Regulation) Act, 1956, as amended, the Securities and Exchange Board of India Act, 1992, as amended or the rules, regulations or guidelines issued thereunder, as the case may be. I further certify that all the statements in this Draft Red Herring Prospectus are true and correct.

SIGNED BY THE BOARD OF DIRECTORS OF OUR COMPANY:

Name and Designation	Signature
Vinayak Kedia Non-Executive Director DIN: 00775106	

Date: August 14, 2023
Place: Ludhiana Punjab

DECLARATION

I certify and declare that all relevant provisions of the Companies Act, 2013 and the rules, regulations and guidelines issued by the Government of India, or the regulations or guidelines issued by the Government of India or the regulations or guidelines issued by SEBI, established under section 3 of the Securities and Exchange Board of India Act, 1992, as the case may be, have been complied with and no statement made in this Draft Red Herring Prospectus is contrary to the provisions of the Companies Act, the Securities Contracts (Regulation) Act, 1956, as amended, the Securities and Exchange Board of India Act, 1992, as amended or the rules, regulations or guidelines issued thereunder, as the case may be. I further certify that all the statements in this Draft Red Herring Prospectus are true and correct.

SIGNED BY THE BOARD OF DIRECTORS OF OUR COMPANY:

Name and Designation	Signature
Rupinder Kaur Pandher Independent Director DIN: 10049252	

Date: August 14, 2023
Place: Ludhiana Punjab

DECLARATION

I certify and declare that all relevant provisions of the Companies Act, 2013 and the rules, regulations and guidelines issued by the Government of India, or the regulations or guidelines issued by the Government of India or the regulations or guidelines issued by SEBI, established under section 3 of the Securities and Exchange Board of India Act, 1992, as the case may be, have been complied with and no statement made in this Draft Red Herring Prospectus is contrary to the provisions of the Companies Act, the Securities Contracts (Regulation) Act, 1956, as amended, the Securities and Exchange Board of India Act, 1992, as amended or the rules, regulations or guidelines issued thereunder, as the case may be. I further certify that all the statements in this Draft Red Herring Prospectus are true and correct.

SIGNED BY THE BOARD OF DIRECTORS OF OUR COMPANY:

Name and Designation	Signature
Man Singh Tandon Independent Director DIN: 10049263	

Date: August 14, 2023
Place: Ludhiana Punjab

DECLARATION

I certify and declare that all relevant provisions of the Companies Act, 2013 and the rules, regulations and guidelines issued by the Government of India, or the regulations or guidelines issued by the Government of India or the regulations or guidelines issued by SEBI, established under section 3 of the Securities and Exchange Board of India Act, 1992, as the case may be, have been complied with and no statement made in this Draft Red Herring Prospectus is contrary to the provisions of the Companies Act, the Securities Contracts (Regulation) Act, 1956, as amended, the Securities and Exchange Board of India Act, 1992, as amended or the rules, regulations or guidelines issued thereunder, as the case may be. I further certify that all the statements in this Draft Red Herring Prospectus are true and correct.

SIGNED BY THE CHIEF FINANCIAL OFFICER OF OUR COMPANY:

Name and Designation	Signature
Mohd Parvez Chief Financial Officer	

Date: August 14, 2023
Place: Ludhiana Punjab

DECLARATION

I certify and declare that all relevant provisions of the Companies Act, 2013 and the rules, regulations and guidelines issued by the Government of India, or the regulations or guidelines issued by the Government of India or the regulations or guidelines issued by SEBI, established under section 3 of the Securities and Exchange Board of India Act, 1992, as the case may be, have been complied with and no statement made in this Draft Red Herring Prospectus is contrary to the provisions of the Companies Act, the Securities Contracts (Regulation) Act, 1956, as amended, the Securities and Exchange Board of India Act, 1992, as amended or the rules, regulations or guidelines issued thereunder, as the case may be. I further certify that all the statements in this Draft Red Herring Prospectus are true and correct.

SIGNED BY THE COMPANY SECRETARY & COMPLIANCE OFFICER OF OUR COMPANY:

Name and Designation	Signature
Simranjit Kaur Company Secretary & Compliance Officer	

Date: August 14, 2023
Place: Ludhiana Punjab