



DRAFT PROSPECTUS

TUESDAY, MAY 16, 2023

Please read Section 26 of the Companies Act

FIXED PRICE ISSUE

HUNGER CHOICE LIMITED

Corporate Identification Number: U15100GJ2019PLC109681

| REGISTERED OFFICE AND CORPORATE OFFICE | CONTACT PERSON | EMAIL ADDRESS | CONTACT NUMBER | WEBSITE |
|--|---|-----------------------|----------------|----------------------|
| B-413, Empire Business Hub Opp. Shakti Farma, Science City Road, Sola Ahmedabad - 380060 Gujarat, India. | Mr. Sarfraz Taherbhai Mulla, Company Secretary and Compliance Officer | info@hungerchoice.com | +91-7575003868 | www.hungerschoice.in |

PROMOTERS OF OUR COMPANY

Mr. Maulik Khara and Mr. Nilesh R Prajapati

DETAILS OF ISSUE TO PUBLIC

| Type | Fresh Issue of Equity Shares | Fresh Issue Size (by ₹ in Lakhs) | Offer for Sale (by no. of shares or by amount in ₹) | Total Size (by ₹ in Lakhs) | Eligibility & Share Reservation among NII & RII |
|-------------|------------------------------|----------------------------------|---|----------------------------|---|
| Fresh Issue | Up to 12,50,000 | Up to ₹[●] Lakhs | Not Applicable, as this is a Fresh Issue of Equity Shares | Up to ₹[●] Lakhs | The Issue is being made pursuant to Regulation 229(1) of SEBI (ICDR) Regulations as the Company's post issue paid-up capital is proposed to be less than ₹100.00 Lakhs. For details in relation to share reservation among NIIs and RIIs, see 'Issue Structure' on page 172 of this Draft Prospectus. |

DETAILS OF OFFER FOR SALE BY THE PROMOTERS/ PROMOTER GROUP/ OTHER SELLING SHAREHOLDERS

Not Applicable, as this is a Fresh Issue of Equity Shares

RISKS IN RELATION TO THE FIRST ISSUE

This being the first public issue of our Company, there has been no formal market for the Equity Shares. The face value of the Equity Shares is ₹10.00/- (Rupees Ten Only) each and the Issue Price is [●] times of the face value of the Equity Shares. The Issue Price (to be determined and justified by our Company in consultation with the Lead Manager as stated in 'Basis for Issue Price' on page 71 of this Draft Prospectus) should not be taken to be indicative of the market price of the Equity Shares after the Equity Shares are listed. No assurance can be given regarding an active or sustained trading in the Equity Shares or regarding the price at which the Equity Shares will be traded after listing.

GENERAL RISK

Investments in Equity and equity related securities involve a degree of risk and investors should not invest any funds in this issue unless they can afford to take the risk of losing their entire investment. Investors are advised to read the risk factors carefully before taking an investment decision in 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 SEBI, nor does SEBI guarantee the accuracy or adequacy of the Draft Prospectus. Specific attention of the investors is invited to the section 'Risk Factors' beginning on page 22 of this Draft Prospectus.

ISSUER'S ABSOLUTE RESPONSIBILITY

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

LISTING

The Equity Shares of our Company offered through this Draft Prospectus are proposed to be listed on the SME Platform of BSE Limited in terms of the Chapter IX of the SEBI (ICDR) Regulations. Our Company has received an approval letter dated [●] from BSE Limited for using its name in the Draft Prospectus for listing of our Equity Shares on the SME Platform of BSE Limited. For the purpose of this Issue, SME Platform of BSE Limited shall be the Designated Stock Exchange.

LEAD MANAGER TO THE ISSUE



SWARAJ SHARES AND SECURITIES PRIVATE LIMITED
Principal Place of Business: 304, A Wing, 215 Atrium Near Courtyard Marriot, Andheri Kurla Road, Andheri East, Mumbai – 400093, Maharashtra, India
Contact Number: +91-22-6964-9999
Email Address: compliance@swarajshares.com
Investor Grievance Email ID: investor_relations@swarajshares.com
Contact Person: Pankita Patel/ Tanmoy Banerjee
Website: www.swarajshares.com
SEBI Registration Number: INM00012980
CIN: U51101WB2000PTC092621

REGISTRAR TO THE ISSUE

**Bigshare Services Pvt. Ltd.**

BIGSHARE SERVICES PRIVATE LIMITED
Office No S6-2, 6th Floor, Pinnacle Business Park, Next to Ahura Centre, Mahakali Caves Road, Andheri East, Mumbai – 400093, Maharashtra, India
Contact Number: +91-22-62638200
Email Address: ipo@bigshareonline.com
Investor Grievance Email ID: investor@bigshareonline.com
Contact Person: Mr. Vinayak Morbale
Website: www.bigshareonline.com
SEBI Registration Number: INR000001385
CIN: U99999MH1994PTC076534

ISSUE PROGRAMME

ISSUE OPENS ON

[●]

ISSUE CLOSES ON

[●] *

*UPI mandate end time and date was at 5.00 p.m. on the Bid/ Offer Closing Date.



HUNGER'S Choice

HUNGER CHOICE LIMITED
Corporate Identification Number: U15100GJ2019PLC109681

Our Company was originally incorporated on August 27, 2019, as a private limited Company under the name and style of Hunger Choice Private Limited under the provisions of Companies Act, 2013. Pursuant to shareholders' resolution passed at Extra Ordinary General Meeting held on March 02, 2022, our Company was converted into a Public Limited Company with the deletion of the word private was deleted of the Company was changed to 'Hunger Choice Limited' and a fresh Certificate of Incorporation dated March 04, 2022, issued by Registrar of Companies, Ahmedabad. The Corporate Identification Number of our Company is U15100GJ2019PLC109681. For details of incorporation, change of name and registered office of our Company, please refer to chapter titled 'General Information' and 'History and Certain Other Corporate Matters' beginning on page 47 and 96 respectively of this Draft Prospectus.

Registered office: B-413, Empire Business Hub Opp. Shakti Farma, Science City Road, Sola Ahmedabad - 380060 Gujarat, India.

Tel: +91-7575003868; E-mail: info@hungerchoice.com; Website: www.hungerchoice.in;

Contact Person: Mr. Sarfraz Taherbhai Mulla, Company Secretary and Compliance Officer

PROMOTERS OF THE COMPANY ARE MR. MAULIK KHARA AND MR. NILESH R PRAJAPATI

INITIAL PUBLIC ISSUE OF UP TO 12,50,000 EQUITY SHARES OF FACE VALUE OF ₹10.00 EACH OF HUNGER CHOICE LIMITED ('COMPANY' OR 'ISSUER') FOR CASH AT A PRICE OF ₹[●] PER EQUITY SHARE INCLUDING A SHARE PREMIUM OF ₹[●] PER EQUITY SHARE (THE 'ISSUE PRICE') AGGREGATING TO ₹[●] LAKHS ('THE ISSUE'), OF WHICH UP TO [●] EQUITY SHARES OF FACE VALUE OF ₹10.00 EACH FOR CASH AT A PRICE OF ₹[●] PER EQUITY SHARE INCLUDING A SHARE PREMIUM OF ₹ [●] PER EQUITY SHARE AGGREGATING TO ₹[●] LAKHS WILL BE RESERVED FOR SUBSCRIPTION BY MARKET MAKER TO THE ISSUE (THE 'MARKET MAKER RESERVATION PORTION'). THE ISSUE LESS THE MARKET MAKER RESERVATION PORTION i.e., NET ISSUE OF [●] EQUITY SHARES OF FACE VALUE OF ₹10.00 EACH AT A PRICE OF ₹[●] PER EQUITY SHARE AGGREGATING TO ₹[●] IS HEREIN AFTER REFERRED TO AS THE 'NET ISSUE'. THE ISSUE AND THE NET ISSUE WILL CONSTITUTE [●]% AND [●]% RESPECTIVELY OF THE POST ISSUE PAID UP EQUITY SHARE CAPITAL OF OUR COMPANY.

THE FACE VALUE OF THE EQUITY SHARES IS ₹10.00/- (RUPEES TEN ONLY) EACH AND THE ISSUE PRICE IS 2.5 TIMES OF THE FACE VALUE.

This Issue is being a fixed price Issue has been made in terms of Chapter IX of the SEBI (ICDR) Regulations, and in terms of Rule 19(2)(B)(I) of the Securities Contracts (Regulation) Rules, 1957, as amended, for at least 25% of the post-Issue paid-up Equity Share capital of our Company. This Issue is a Fixed Price Issue and Allocation in the Net Issue to the Public will be made Terms of Regulation 253 of the SEBI (ICDR) Regulations. For further details, refer to 'Terms of the Issue', 'Issue Procedure' on pages 166 and 174 of this Draft Prospectus.

All the investors applying in a public issue shall use only Application Supported by Blocked Amount (ASBA) facility process including through UPI mode (as applicable) for making payment providing details about the bank account which will be blocked by the Self Certified Syndicate Banks as per the SEBI circular CIR/CFD/POLICYCELL/11/2015 dated November 10, 2015. For further details, please refer to section titled 'Issue Procedure' beginning on page 174 of this Draft Prospectus. In case of delay, if any in refund, our Company shall pay interest on the application money at the rate of 15.00% per annum for the period of delay.

RISK IN RELATION TO THE FIRST ISSUE

THIS BEING THE FIRST PUBLIC ISSUE OF OUR COMPANY, THERE HAS BEEN NO FORMAL MARKET FOR THE EQUITY SHARES. THE FACE VALUE OF THE EQUITY SHARES IS ₹10.00/- (RUPEES TEN ONLY) EACH AND THE ISSUE PRICE IS [●] TIMES OF THE FACE VALUE OF THE EQUITY SHARES. THE ISSUE PRICE (SHALL BE DETERMINED AND JUSTIFIED BY OUR COMPANY IN CONSULTATION WITH THE LEAD MANAGER AS STATED IN 'BASIS FOR ISSUE PRICE' ON PAGE 71 SHOULD NOT BE TAKEN TO BE INDICATIVE OF THE MARKET PRICE OF THE EQUITY SHARES AFTER THE EQUITY SHARES ARE LISTED. NO ASSURANCE CAN BE GIVEN REGARDING AN ACTIVE OR SUSTAINED TRADING IN THE EQUITY SHARES OR REGARDING THE PRICE AT WHICH THE EQUITY SHARES WILL BE TRADED AFTER LISTING.

GENERAL RISKS

INVESTMENTS IN EQUITY AND EQUITY-RELATED SECURITIES INVOLVE A DEGREE OF RISK AND INVESTORS SHOULD NOT INVEST ANY FUNDS IN THIS ISSUE UNLESS THEY CAN AFFORD TO TAKE THE RISK OF LOSING THEIR INVESTMENT. INVESTORS ARE ADVISED TO READ THE RISK FACTORS CAREFULLY BEFORE TAKING AN INVESTMENT DECISION IN THIS 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 NEITHER BEEN RECOMMENDED NOR APPROVED BY SECURITIES AND EXCHANGE BOARD OF INDIA NOR DOES SECURITIES AND EXCHANGE BOARD OF INDIA GUARANTEE THE ACCURACY OR ADEQUACY OF THIS DRAFT PROSPECTUS. SPECIFIC ATTENTION OF THE INVESTORS IS INVITED TO THE SECTION TITLED 'RISK FACTORS' BEGINNING ON PAGE 22 OF THIS DRAFT PROSPECTUS.

ISSUER'S ABSOLUTE RESPONSIBILITY

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

LISTING

The Equity Shares offered through the Draft Prospectus are proposed to be listed on the SME Platform of BSE Limited ('BSE SME') in terms of the Chapter IX of the SEBI (ICDR) Regulations. Our Company has received In-Principle Approval letter dated [●] from BSE Limited for using its name in this offer document for listing of our shares on the SME platform of BSE Limited. For the purpose of this Issue, the designated Stock Exchange will be the SME Platform of BSE Limited ('BSE').

LEAD MANAGER



SWARAJ SHARES AND SECURITIES PRIVATE LIMITED

Principal Place of Business: 304, A Wing, 215 Atrium Near Courtyard Marriot, Andheri

Kurla Road, Andheri East, Mumbai - 400093, Maharashtra, India

Telephone: +91-22-6964-9999

Email: compliance@swarajshares.com

Investor Grievance Email ID: investor.relations@swarajshares.com

Contact Person: Pankita Patel/ Tanmoy Banerjee

Website: www.swarajshares.com

SEBI Registration Number: INM00012980

CIN: U51101WB2000PTC092621

REGISTRAR TO THE ISSUE



Bigshare Services Pvt. Ltd.

BIGSHARE SERVICES PRIVATE LIMITED

Address: Office No S6-2, 6th Floor, Pinnacle Business Park, Next to Ahura Centre, Mahakali Caves Road, Andheri East, Mumbai - 400093, Maharashtra, India

Telephone: +91-22-62638200

Email: ipo@bigshareonline.com

Investor Grievance Email ID: investor@bigshareonline.com

Contact Person: Mr. Vinayak Morbale

Website: www.bigshareonline.com

SEBI Registration Number: INR000001385

CIN: U99999MH1994PTC076534

ISSUE PROGRAMME

ISSUE OPENS ON

[●]

ISSUE CLOSES ON

[●] *

*UPI mandate end time and date was at 5.00 p.m. on the Bid/ Offer Closing Date.

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SECTION I – GENERAL

DEFINITIONS AND ABBREVIATIONS

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

The words and expressions used in this Draft Prospectus, but not defined herein shall have the meaning ascribed to such terms under SEBI (ICDR) Regulations, the Companies Act, 2013 the SCRA, the Depositories Act, 1996 and the rules and regulations made there under.

Notwithstanding the foregoing, the terms not defined but used in the chapters titled '*Statement of Possible Tax Benefits*', '*Restated Financial Information*', '*Outstanding Litigation and Material Developments*' and section titled '*Main Provisions of Articles of Association*' beginning on page 76, 114, 151 and 200, respectively, shall have the meanings ascribed to such terms in the respective sections.

| GENERAL TERMS | |
|--------------------------------|--|
| Term | Description |
| HUNGER/ Company/ Issuer | Hunger Choice Limited, a public limited company incorporated under the Companies Act, 2013 and having Registered Office at B-413, Empire Business Hub, Opp. Shakti Farma, Science City Road, Sola, Ahmedabad, Gujarat-380060, India. |
| Promoters | Mr. Maulik Khara and Mr. Nilesh R Prajapati |
| Promoter Group | Companies, individuals, and entities (other than companies) as defined under Regulation 2 sub-regulation (pp) of the SEBI (ICDR) Regulations. |
| you/ your/ yours | Prospective Investors in this Issue |

| COMPANY RELATED TERMS | |
|---|---|
| Term | Description |
| Articles / Articles of Association/AOA | Articles of Association of our Company as amended from time to time |
| Auditors and Peer Review Auditors | The Statutory auditors of our Company, being M/s. Piyush Kothari & Associates |
| Audit Committee | Audit Committee of our Company constituted in accordance Section 177 of the Companies Act, 2013 and as described in the chapter titled ' <i>Our Management</i> ' beginning on page 99 of this Draft Prospectus. |
| Associate Companies | A body corporate in which our company has a significant influence and includes a joint venture company. |
| Board of Directors / Board | The Board of Directors of our Company or a committee constituted thereof |
| Chairman | Mr. Maulik Khara, is the Chairman of our Company, as more particularly described in the chapter titled ' <i>Our Management</i> ' beginning on page 99 of this Draft Prospectus |
| Chief Financial Officer | Ms. Riya Panchal, is the Chief Financial Officer of our Company, as more particularly described in the chapter titled ' <i>Our Management</i> ' beginning on page 99 of this Draft Prospectus |
| CIN | Corporate Identification Number |
| Company Secretary and Compliance Officer | Mr. Sarfraz Taherbhai Mulla, is the Company Secretary and Compliance Officer of our Company, as more particularly described in the chapter titled ' <i>Our Management</i> ' beginning on page 99 of this Draft Prospectus |
| Companies Act | Companies Act, 1956 and/ or the Companies Act, 2013, as amended from time to time. |
| CIN | Corporate Identification Number |
| Depositories Act | The Depositories Act, 1996, as amended from time to time |
| Director(s) | Director(s) of Hunger Choice Limited unless otherwise specified |
| Equity Shares | Equity Shares of our Company having Face Value of ₹10.00 each unless otherwise specified in the context thereof |
| Fresh Issue | The fresh issue of upto 12,50,000 Equity Shares at a price of ₹[●] per Equity Share aggregating to ₹[●] Lakhs to be issued by our Company as part of the Issue, in terms of the Draft Prospectus. |
| Group Companies | Companies (other than our Corporate Promoters and Subsidiaries) with which there were related party transactions as disclosed in the Restated Financial Statements as |

| COMPANY RELATED TERMS | |
|--|--|
| Term | Description |
| | covered under the applicable accounting standards, and as disclosed in <i>'Financial Information of Our Group Companies'</i> on page 111 of this Draft Prospectus |
| Independent Director | Independent directors on the Board, and eligible to be appointed as an independent director under the provisions of Companies Act and SEBI Listing Regulations. For details of the Independent Directors, please refer to chapter titled <i>'Our Management'</i> beginning on page 99 of this Draft Prospectus |
| Indian GAAP | Generally Accepted Accounting Principles in India |
| IT | Information Technology |
| Key Managerial Personnel / Key Managerial Employees | The officer vested with executive power and the officers at the level immediately below the Board of Directors as described in the section titled <i>'Our Management'</i> on page no. 99 of this Draft Prospectus |
| MD | Managing Director |
| MOA/ Memorandum / Memorandum of Association | Memorandum of Association of our Company as amended from time to time |
| Nomination and Remuneration Committee | Nomination and Remuneration Committee of our Company constituted in accordance Section 178 of the Companies Act, 2013 and as described in the chapter titled <i>'Our Management'</i> beginning on page 99 of this Draft Prospectus. |
| Registered Office and Corporate Office/ Registered Office | The Registered office of our Company, located at B-413, Empire Business Hub, Opp. Shakti Farma, Science City Road, Sola, Ahmedabad, Gujarat-380060, India. |
| RoC/ Registrar of Companies | Registrar of Companies, Ahmedabad |
| Stakeholder Relationship Committee | Stakeholder Relationship Committee of our Company constituted in accordance Section 178 of the Companies Act, 2013 and as described in the chapter titled <i>'Our Management'</i> beginning on page 99 of this Draft Prospectus. |

Stakeholder Relationship Committee

| ISSUE RELATED TERMS | |
|--|--|
| Term | Description |
| Abridged Prospectus | Abridged Prospectus to be issued under Regulation 255 of ICDR Regulations and appended to the Application Form. |
| Acknowledgement Slip | The slip or document issued by the relevant Designated Intermediary(ies) to an Investor as proof of registration of the Application Form. |
| Allot/ Allotment/ Allotted | Unless the context otherwise requires, allotment (in case of the Fresh Issue) of the Equity Shares pursuant to the Issue to the successful Investor. |
| Allotment Advice | A note or advice or intimation of Allotment sent to the successful Investor 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 | A successful Investor to whom the Equity Shares are Allotted. |
| Application | An indication to make an offer during the Issue Period by an ASBA Applicant pursuant to submission of the ASBA Form, to subscribe to or purchase the Equity Shares at the Issue Price including all revisions and modifications thereto as permitted under the ICDR Regulations and in terms of the and the Application Form. |
| Application Amount | The Issue Price as indicated in the Application Form and payable by the Applicant or blocked in the ASBA Account of the ASBA Applicant, as the case may be, upon submission of the Application. |
| Application Supported by Blocked Amount/ ASBA | An application, whether physical or electronic, used by ASBA Applicant, to make an Application and authorizing an SCSB to block the Application Amount in the relevant ASBA Account and will include amounts blocked by the SCSB upon acceptance of UPI Mandate Request by UPI Applicants using the UPI Mechanism. |
| ASBA Account | A bank account maintained by ASBA Applicants with an SCSB and specified in the ASBA Form submitted by such ASBA Applicant in which funds will be blocked by such SCSB to the extent as specified in the ASBA Form submitted by such ASBA Applicant and includes a bank account maintained by a UPI Applicant linked to a UPI ID, which will be blocked by the SCSB upon acceptance of the UPI Mandate Request in relation to an Application by a UPI Applicant through the UPI Mechanism |
| ASBA Applicant | An application made by an ASBA Applicant |

| ISSUE RELATED TERMS | |
|---|--|
| Term | Description |
| ASBA Form | An application form, whether physical or electronic, used by ASBA Applicant to submit Application, which will be considered as the application for Allotment in terms of the Draft Prospectus |
| Bankers to the Company | Such banks which are disclosed as Banker(s) to our Company in the ' <i>General Information</i> ' on page 47 of this Draft Prospectus. |
| Banker(s) to the Issue | Collectively, the Escrow Collection Bank, Refund Bank, Public Offer Bank and Sponsor Bank, as the case may be, which are Clearing Members and registered with SEBI as Banker to an Issue with whom the Escrow Agreement is entered and in this case being [●]. |
| Bankers to the Issue Agreement | Agreement dated [●], entered into between our Company, Lead Manager, the Registrar to the Issue, Banker to the Issue and Sponsor Bank for collection of the Application Amount on the terms and conditions thereof. |
| Basis of Allotment | The basis on which Equity Shares will be Allotted to successful Applicant under the Issue. For details, see ' <i>Issue Procedure</i> ' beginning on page 174 of this Draft Prospectus. |
| Applicant/ Investor | Any prospective investor who makes an application pursuant to the terms of the Draft Prospectus and the Application Form and unless otherwise stated or implied, which includes an ASBA Applicant. |
| Bidding Centers | The centers at which the Designated Intermediaries shall accept the Application Forms, being the Designated Branches for SCSBs, Specified Locations for the Syndicate, Broker Centers for Registered Brokers, Designated RTA Locations for RTAs and Designated CDP Locations for CDPs |
| Broker Centers | Broker Centers notified by the Stock Exchanges where ASBA Bidders can submit the ASBA Forms to a Registered Broker. The details of such Broker Centers, along with the names and the contact details of the Registered Brokers are available on the respective websites of the Stock Exchange at www.bseindia.com and www.nseindia.com . |
| Client ID | The client identification number maintained with one of the Depositories in relation to dematerialized account |
| Collecting Depository Participant/ CDP | A depository participant as defined under the Depositories Act, 1996, registered with SEBI and who is eligible to procure Applications from relevant Applicant at the Designated CDP Locations in terms of SEBI circular number CIR/CFD/POLICYCELL/11/2015 dated November 10, 2015 as per the list available on the respective websites of the Stock Exchanges, as updated from time to time |
| Confirmation of Allocation Note/ CAN | A notice or intimation of allocation of the Equity Shares, sent to each successful Applicant who have been allocated Equity Shares, after approval of Basis of Allotment by the Designated Stock Exchange |
| Demographic Details | The demographic details of the Applicant including the Applicants' address, name of the Applicants' father or husband, investor status, occupation, bank account details, PAN and UPI ID, where applicable |
| Designated Branches | Such branches of the SCSBs which shall collect the ASBA Forms from relevant Applicant, a list of which is available on the website of SEBI at https://www.sebi.gov.in/sebiweb/other/OtherAction.do?doRecognisedFpi=yes&intmId=35 , or at such other website as may be prescribed by SEBI from time to time |
| Designated CDP Locations | Such locations of the CDPs where relevant ASBA Applicant can submit the ASBA Forms. The details of such Designated CDP Locations, along with names and contact details of the CDPs eligible to accept ASBA Forms are available on the website of BSE at www.bseindia.com |
| Designated Date | The date on which the Escrow Collection Bank(s) transfer funds from the Escrow Account to the Public Issue Account or the Refund Account, as the case may be, and the instructions are issued to the SCSBs (in case of UPI Applicants using UPI Mechanism, instruction issued through the Sponsor Bank(s) for the transfer of amounts blocked by the SCSBs in the ASBA Accounts to the Public Issue Account, in terms of the Draft Prospectus, following which the Equity Shares will be Allotted in the Issue |
| Designated Intermediary(ies) | Collectively, the members of the Syndicate, sub-syndicate or agents, SCSBs (other than in relation to Retail Individual Investors using the UPI Mechanism), Registered Brokers, CDPs and RTAs, who are finalized to collect Application Forms from the relevant Applicants, in relation to the Issue. |

| ISSUE RELATED TERMS | |
|---|--|
| Term | Description |
| | <p>In relation to ASBA Forms submitted by UPI Applicants where the Application Amount will be blocked upon acceptance of UPI Mandate Request by such UPI Applicant using the UPI Mechanism, Designated Intermediaries shall mean Syndicate, sub-syndicate/agents, Registered Brokers, SCSBs, CDPs and RTAs.</p> <p>In relation to ASBA Forms submitted by QIBs and Non-Institutional Bidders (not using the UPI Mechanism), Designated Intermediaries shall mean Syndicate, Sub-Syndicate/ agents, SCSBs, Registered Brokers, the CDPs and RTAs.</p> |
| Designated Market Maker | [●] will act as the Market Maker and has agreed to receive or deliver the specified securities in the market making process for a period of three years from the date of listing of our Equity Shares or for a period as may be notified by amendment to ICDR Regulations |
| Designated RTA Locations | Such locations of the RTAs where relevant ASBA Applicants can submit the ASBA Forms to RTAs. The details of such Designated RTA Locations, along with names and contact details of the RTAs eligible to accept ASBA Forms are available on the websites of the Stock Exchanges at www.bseindia.com and www.nseindia.com |
| Designated Stock Exchange/ Stock Exchange/ BSE | SME Platform of the BSE Limited |
| Draft Prospectus | This Draft Prospectus dated Tuesday, May 16, 2023, filed with BSE and issued in accordance with the SEBI (ICDR) Regulations, which does not contain complete particulars of the Issue Price at which the Equity Shares will be Allotted, Issue Size, and the relevant reservations, including any addenda or corrigenda thereto. |
| Eligible FPI(s) | FPI(s) that are eligible to participate in the Issue in terms of applicable law and from such jurisdictions outside India where it is not unlawful to make an offer/ invitation under the Issue and in relation to whom the Application Form and Draft Prospectus constitutes an invitation to purchase the Equity Shares |
| Eligible NRI(s) | NRI(s) eligible to invest under Schedule 3 and Schedule 4 of the FEMA Rules, from jurisdictions outside India where it is not unlawful to make an offer or invitation under the Issue and in relation to whom Application Form and Draft Prospectus constitutes an invitation to purchase the Equity Shares |
| Escrow Account(s) | The 'no-lien' and 'non-interest bearing' account(s) opened with the Escrow Collection Bank and in whose favour the Applicants (excluding the ASBA Applicants) will transfer money through direct credit/NEFT/RTGS/NACH in respect of the Application Amount when submitting an Application. |
| Escrow Collection Bank(s) | Bank(s), which are clearing members and registered with SEBI as a banker to an issue under the SEBI BTI Regulations and with whom the Escrow Account will be opened, in this case being, [●] |
| First Applicant/ Sole Applicant | The Applicant whose name shall be mentioned in Application Form or the Revision Form and in case of joint Applicant, whose name also appears as the first holder of the beneficiary account held in joint names. |
| Fraudulent Borrower | Fraudulent borrower as defined under Regulation 2(1)(III) of the ICDR Regulations. |
| Fugitive Economic Offender | An individual who is declared a fugitive economic offender under Section 12 of the Fugitive Economic Offenders Act, 2018. |
| General Information Document/ GID | The General Information Document for investing in public issues, prepared and issued in accordance with the SEBI circular bearing reference number SEBI/HO/CFD/DIL1/CIR/P/2020/37 dated March 17, 2020, suitably modified and updated pursuant to, among others, the SEBI circular bearing reference number SEBI/HO/CFD/DIL2/CIR/P/2020/50 dated March 30, 2020, as updated, and the UPI Circulars. The General Information Document shall be available on the websites of NSE Emerge and the Lead Manager. |
| Issue | Fresh issue of up to 12,50,000 Equity Shares for cash at a price of ₹[●] per Equity Share (including securities premium of ₹[●] per Equity Share) aggregating up to ₹[●] Lakhs by our Company. |
| Issue Agreement | The agreement dated Friday, May 12, 2023, entered amongst our Company and the Lead Manager, pursuant to which certain arrangements are agreed to in relation to the Issue. |
| Issue Closing Date | The date after which the Designated Intermediaries will not accept any Applications, being [●]. |

| ISSUE RELATED TERMS | |
|--|--|
| Term | Description |
| | In case of any revisions, the Issue Closing Date will be widely disseminated by notification to BSE, by issuing a public notice, and also by indicating the change on the websites of the Lead Manager and at the terminals of the other members of the Syndicate and by intimation to the Designated Intermediaries and the Sponsor Bank(s), which shall also be notified in an advertisement in the same newspapers in which the Issue Opening Date was published, as required under the ICDR Regulations. |
| Issue Opening Date | The date on which the Designated Intermediaries shall start accepting Applications, being [●], which shall be notified in all editions of [●], an English national daily newspaper, all editions of [●], a Hindi national daily newspaper and [●] editions of [●], a Gujarati daily newspaper (Gujarati being the regional language of Gujarat, where our Registered and Corporate Office is located), each with wide circulation. |
| Issue Period | T period between the Issue Opening Date and the Issue Closing Date, inclusive of both days, during which Investors can submit their Application, including any revisions thereof, in accordance with the ICDR Regulations, provided that such period shall be kept open for a minimum of 3 Working Days. |
| Issue Price | A price of ₹[●] per Equity Share (including securities premium of ₹[●] per Equity Share) aggregating up to ₹[●] Lakhs, which is being issued by our Company and in consultation with the Lead Manager under this Draft Prospectus. |
| Issue Proceeds | The gross proceeds of the Issue which shall be available to our Company, based on the total number of Equity Shares Allotted at the Issue Price. For further information about use of the Issue Proceeds, see 'Objects of the Issue' beginning on page 65 of this Draft Prospectus. |
| Lead Manager | The lead manager to the Issue is Swaraj Shares and Securities Private Limited. |
| Listing Agreement | Unless the context specifies otherwise, this means the Equity Listing Agreement to be signed between our Company and the Stock Exchange. |
| Market Lot | The Market lot and Trading lot for the Equity Share is [●] Equity Shares and in multiples of [●] Equity Shares thereafter, subject to a minimum allotment of [●] Equity Shares to the successful Applicants. |
| Market Maker Reservation Portion | The Reserved portion of [●] Equity Shares at an Issue Price of ₹[●]/- aggregating to ₹[●]/- Lakhs for Designated Market Maker in the Public Issue of our Company. |
| Market Making Agreement | The Agreement among the Market Maker, the Lead Manager and our Company dated [●]. |
| Minimum Non-Institutional Applicants Application Size | Application Amount of more than ₹[●].00 Lakhs |
| Minimum Promoters' Contribution | Aggregate of 20% of the fully diluted post-Issue Equity Share capital of our Company held by our Promoters which shall be provided towards minimum Promoter's of 20% and locked-in for a period of three years from the date of Allotment. |
| Mobile App(s) | The mobile applications listed on the website of SEBI at https://www.sebi.gov.in/sebiweb/other/OtherAction.do?doRecognisedFpi=yes&intmId=40 or such other website as may be updated from time to time, which may be used by RIIs to submit Applications using the UPI Mechanism. |
| Mutual Funds | Mutual funds registered with SEBI under the Securities and Exchange Board of India (Mutual Funds) Regulations, 1996 |
| Net Issue | The Issue less the Market Maker Reservation Portion and the Shareholder Reservation Portion |
| Net Proceeds | Proceeds of the Fresh Issue less our Company's share of the Issue expenses. For details in relation to use of the Net Proceeds and the Issue expenses, see 'Objects of the Issue' beginning on page 65 of this Draft Prospectus. |
| Non-Institutional Applicants /NII | All Applicants that are not QIBs, RIIs and who have Application for Equity Shares, for an amount of more than ₹2.00 Lakhs (but not including NRIs other than Eligible NRIs). |
| Non-Resident | A person resident outside India, as defined under FEMA and includes NRIs, FPIs, and FVCIs. |
| Non-Resident Indians/ NRI(s) | A non-resident Indian as defined under the FEMA Rules. |
| Person(s) | Any individual, sole proprietorship, unincorporated association, unincorporated organization, body corporate, corporation, Company, partnership, limited liability |

| ISSUE RELATED TERMS | |
|--|---|
| Term | Description |
| | 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. |
| Pricing Date | The date on which our Company in consultation with the Lead Manager will finalize the Issue Price. |
| Draft Prospectus | The Draft Prospectus to be filed with the Registrar of Companies on or after the Pricing Date and at least 3 Working Days before the Issue Opening Date in accordance with Sections 26 of the Companies Act, and the containing, <i>inter alia</i> , the Issue Price, Issue Size that is determined, and certain other information including any addenda or corrigenda thereto. |
| Public Issue Account | The 'no-lien' and 'non-interest bearing' account to be opened, in accordance with Section 40(3) of the Companies Act, with the Public Issue Bank to receive monies from the Escrow Account and the ASBA Accounts on the Designated Date |
| Public Issue Bank(s) | Bank(s) which are a clearing member and registered with SEBI as a banker to an issue, and with whom the Public Issue Account for collection of Bid Amounts from Escrow Accounts and ASBA Accounts will be opened, in this case being [●]. |
| Qualified Institutional Buyers/ QIB | Qualified institutional buyers as defined under Regulation 2(1)(ss) of the SEBI (ICDR) Regulations. |
| Refund Account(s) | 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 Application Amount to the Investors shall be made. |
| Refund Bank(s) | The Banker(s) to the Issue with whom the Refund Account(s) will be opened, in this case being [●]. |
| Registered Brokers | The stockbrokers registered with the stock exchanges having nationwide terminals, other than the members of the Syndicate and eligible to procure Bids from relevant Bidders in terms of the SEBI circular number CIR/CFD/14/2012 dated October 04, 2012 issued by SEBI and the UPI Circulars. |
| Registrar Agreement | Registrar agreement dated Friday May 12, 2023 entered into between our Company, and the Registrar to the Issue, in relation to the responsibilities and obligations of the Registrar pertaining to the Issue. |
| Registrar to the Issue / Registrar | The Registrar to the Issue is Bigshare Services Private Limited. |
| Retail Individual Investor(s)/ RII(s) | Individual Investors submitting Applications, who have Application for the Equity Shares for an amount not more than ₹2.00 Lakhs in the Issue (including HUFs applying through their Karta and Eligible NRIs). |
| Revision Form | The form used by Investors to modify the quantity of the Equity Shares or the Application Amount in any of their Application Forms or any previous Revision Form(s), as applicable. QIBs and Non-Institutional Investors are not allowed to withdraw or lower their Application (in terms of quantity of Equity Shares) at any stage. Retail Individual Investor bidding in the Retail Portion, (subject to the Application Amount being up to ₹2.00 Lakhs) can revise their Application (s) during the Issue Period and withdraw their Application(s) until Issue Closing Date. |
| RTAs/ Registrar and Share Transfer Agents | The registrar and share transfer agents registered with SEBI and eligible to procure Applications from relevant Applicant at the Designated RTA Locations in terms of SEBI circular number CIR/CFD/POLICYCELL/11/2015 dated November 10, 2015 issued by SEBI and available on the website of BSE Limited at www.bseindia.com and NSE at www.nseindia.com/ |
| SEBI SCORES | Securities and Exchange Board of India Complaints Redressal System. |
| Self-Certified Syndicate Bank(s)/ SCSB(s) | The banks registered with SEBI, offering services (i) in relation to ASBA (other than through UPI Mechanism), a list of which is available on the website of SEBI at https://www.sebi.gov.in/sebiweb/other/OtherAction.do?doRecognisedFpi=yes&intmId=34 or https://www.sebi.gov.in/sebiweb/other/OtherAction.do?doRecognisedFpi=yes&intmId=35 , as applicable, or such other website as updated from time to time, and (ii) in relation to ASBA (through UPI Mechanism), a list of which is available on the website of SEBI at https://sebi.gov.in/sebiweb/other/OtherAction.do?doRecognisedFpi=yes&intmI |

| ISSUE RELATED TERMS | |
|---|--|
| Term | Description |
| | d=40 or such other website as may be prescribed by SEBI and updated from time to time. |
| Specified Locations | The Bidding Centers where the Syndicate shall accept Application Forms from relevant Bidders, a list of which is available on the website of SEBI (www.sebi.gov.in), and updated from time to time. |
| Sponsor Bank(s) | [●], being Banker to the Issue registered with SEBI, appointed by our Company to act as a conduit between NSE Limited and NPCI in order to push the mandate collect requests and/ or payment instructions of UPI Applicants using the UPI Mechanism, in terms of the UPI Circulars. |
| Systemically Important Non-Banking Financial Company | Systemically important non-banking financial company as defined under Regulation 2(1)(iii) of the ICDR Regulations. |
| TRS / Transaction Registration Slip | The slip or document issued by a member of the Syndicate or an SCSB (only on demand), as the case may be, to the Applicant, as proof of registration of the Application. |
| Underwriter | The underwriter in this case is [●]. |
| Underwriting Agreement | Underwriting agreement to be entered into between our Company and the Underwriters, on or after the Pricing Date, but prior to filing the Draft Prospectus with the Registrar of Companies. |
| UPI | Unified payments interface, which is an instant payment mechanism, developed by NPCI. |
| UPI Bidder(s) | Collectively, individual investors applying as (i) Retail Individual Investors in the Retail Portion, and (iv) Non- Institutional Investors with an application size of up to ₹5.00 Lakhs under the UPI Mechanism through ASBA Form(s) submitted with Syndicate Members, Registered Brokers, Collecting Depository Participants and Registrar and Share Transfer Agents. Pursuant to SEBI circular SEBI/HO/CFD/DIL2/CIR/P/2022/45 dated April 05, 2022 issued by SEBI, all individual investors applying in public issues where the application amount is up to ₹5.00 Lakhs shall use UPI and shall provide their UPI-ID in the bid-cum-application form submitted with: (i) a syndicate member, (ii) a stock broker registered with a recognized stock exchange (whose name is mentioned on the website of stock exchange as eligible for such activity), (iii) a depository participant (whose name is mentioned on the website of stock exchange as eligible for such activity), and (iv) a registrar to an issue and share transfer (whose name is mentioned on the website of stock exchange as eligible for such activity). |
| UPI Circulars | SEBI circulars bearing reference numbers: <ul style="list-style-type: none"> - SEBI/HO/CFD/DIL2/CIR/P/2018/138 dated November 1, 2018; - SEBI/HO/CFD/DIL2/CIR/P/2019/50 dated April 3, 2019; - SEBI/HO/CFD/DIL2/CIR/P/2019/76 dated June 28, 2019; - SEBI/HO/CFD/DIL2/CIR/P/2019/85 dated July 26, 2019; - SEBI/HO/CFD/DCR2/CIR/P/2019/133 dated November 8, 2019; - SEBI/HO/CFD/DIL2/CIR/P/2020 dated March 30, 2020; - SEBI/HO/CFD/DIL2/CIR/P/2021/2480/1/M dated March 16, 2021; - SEBI/HO/CFD/DIL1/CIR/P/2021/47 dated March 31, 2021; - SEBI/HO/CFD/DIL2/P/CIR/2021/570 dated June 2, 2021; - SEBI/HO/CFD/DIL2/CIR/P/2022/45 dated April 5, 2022; - SEBI/HO/CFD/DIL2/CIR/P/2022/51 dated April 20, 2022; - SEBI/ HO/CFD/DIL2/CIR/2022/75 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. |
| UPI Mandate Request | A request (intimating the UPI Investor by way of a notification on the UPI application and by way of a SMS for directing the UPI Investors to such UPI mobile application) to the UPI Investors initiated by the Sponsor Bank to authorize blocking of funds on the UPI application equivalent to Application Amount and subsequent debit of funds in case of Allotment. |
| UPI Mechanism | Process for applications by UPI Investors submitted with intermediaries with UPI as mode of payment, in terms of the UPI Circulars. |
| Wilful Defaulter | A company or person, as the case may be, categorized as a wilful defaulter by any bank or financial institution or consortium thereof, in accordance with the guidelines on wilful defaulters issued by the RBI. |

| ISSUE RELATED TERMS | |
|----------------------------|--|
| Term | Description |
| Working Day | All days on which commercial banks in Mumbai are open for business; provided however, with reference to (a) Issue Period, the term Working Day shall mean all days, excluding Saturdays, Sundays and public holidays, on which commercial banks in Mumbai are open for business; and (b) the time period between the Issue Closing Date and the listing of the Equity Shares on Stock Exchange, 'Working Day' shall mean all trading days of Stock Exchange, excluding Sundays and bank holidays, as per circulars issued by SEBI, including the UPI Circulars |

| TECHNICAL AND INDUSTRY RELATED TERMS | |
|---|---|
| Term | Description |
| ASI | Annual Survey of Industries |
| B.B.Q | Barbeque |
| FPI | Food Processing Industries |
| FISIM | Financial Intermediation Services Indirectly Measured |
| FICSI | Food Industry Capacity and Skill Initiative |
| FMCG | Fast-Moving Consumer Goods |
| FICCI | Federation of Indian Chambers of Commerce & Industry |
| GVA | Gross Value Added |
| GM | Gram |
| MOFPI | Ministry of Food Processing Industries |
| NABARD | National Bank for Agriculture and Rural Development |
| PMA | Program Management Agency |
| PMKSY | PM Kisan Sampada Yojana |
| SQ. MTR | Square Meter |
| UT | Union Territory |
| UGVCL | Uttar Gujarat Vij Company Limited |

| CONVENTIONAL AND GENERAL TERMS | |
|--|--|
| Term | Description |
| A/c | Account |
| AGM | Annual General Meeting |
| ASBA | Application Supported by Blocked Amount |
| AS | Accounting Standards issued by the Institute of Chartered Accountants of India. |
| AY | Assessment Year |
| Bn | Billion |
| BG | Bank Guarantee |
| CAGR | Compounded Annual Growth Rate |
| CAN | Confirmation Allocation Note |
| CDSL | Central Depository Services (India) Limited |
| CIN | Corporate Identity Number |
| Depositories | NSDL and CDSL |
| Depository | A depository registered with SEBI under the SEBI (Depositories and Participants) Regulations, 1996, as amended from time to time |
| DCA | Department of Corporate Affairs |
| DIN | Director's Identification Number |
| DP/ Depository Participant | A Depository Participant as defined under the Depository Participant Act, 1996 |
| DP ID | Depository Participant's Identification Number |
| EBIDTA | Earnings Before Interest, Depreciation, Tax and Amortization |
| ECS | Electronic Clearing System |
| EGM | Extraordinary General Meeting |
| EPS | Earnings Per Share i.e., profit after tax for a fiscal year divided by the weighted average outstanding number of equity shares at the end of that fiscal year |
| FDI | Foreign Direct Investment |
| Financial Year/ Fiscal Year/ FY | The period of twelve months ended March 31 of that particular year |
| FEMA | Foreign Exchange Management Act, 1999, read with rules and regulations thereunder and as amended from time to time. |
| FEMA Regulations | Foreign Exchange Management (Transfer or Issue of Security by a Person Resident Outside India) Regulations, 2000, as amended. |

| CONVENTIONAL AND GENERAL TERMS | |
|---|--|
| Term | Description |
| FII | Foreign Institutional Investor (as defined under SEBI FII (Foreign Institutional Investors) Regulations, 1995, as amended from time to time) registered with SEBI under applicable laws in India |
| FII Regulations | Securities and Exchange Board of India (Foreign Institutional Investors) Regulations, 1995, as amended. |
| FIs | Financial Institutions |
| FIPB | Foreign Investment Promotion Board |
| FVCI | Foreign Venture Capital Investor registered under the Securities and Exchange Board of India (Foreign Venture Capital Investor) Regulations, 2000, as amended from time to time |
| GDP | Gross Domestic Product |
| GIR Number | General Index Registry Number |
| Gov/Government/GOI | Government of India |
| HUF | Hindu Undivided Family |
| IFRS | International Financial Reporting Standard |
| ICSI | Institute of Company Secretaries of India |
| ICAI | Institute of Chartered Accountants of India |
| I.T. Act | Income Tax Act, 1961, as amended from time to time |
| INR/ Rs. / Rupees / ₹ | Indian Rupees, the legal currency of the Republic of India |
| Ltd. | Limited |
| Merchant Banker | Merchant banker as defined under the Securities and Exchange Board of India (Merchant Bankers) Regulations, 1992 as amended. |
| MOF | Minister of Finance, Government of India |
| MOU | Memorandum of Understanding |
| MSMEs | Micro, Small & Medium Enterprises |
| NA | Not Applicable |
| NAV | Net Asset Value |
| NEFT | National Electronic Fund Transfer |
| NOC | No Objection Certificate |
| NR/ Non-Residents | Non-Resident |
| NRE Account | Non-Resident External Account |
| NRI | Non-Resident Indian, is a person resident outside India, as defined under FEMA and the FEMA Regulations |
| NRO Account | Non-Resident Ordinary Account |
| NSDL | National Securities Depository Limited |
| p.a. | Per annum |
| P/E Ratio | Price/ Earnings Ratio |
| PAN | Permanent Account Number allotted under the Income Tax Act, 1961, as amended from time to time |
| PAT | Profit After Tax |
| PBT | Profit Before Tax |
| PIO | Person of Indian Origin |
| PLR | Prime Lending Rate |
| R & D | Research and Development |
| RBI | Reserve Bank of India |
| RBI Act | Reserve Bank of India Act, 1934, as amended from time to time |
| RoNW | Return on Net Worth |
| RTGS | Real Time Gross Settlement |
| SAT | Security Appellate Tribunal |
| SCRA | Securities Contracts (Regulation) Act, 1956, as amended from time to time |
| SCRR | Securities Contracts (Regulation) Rules, 1957, as amended from time to Time |
| SEBI | The Securities and Exchange Board of India constituted under the SEBI Act, 1992 |
| SEBI Act | Securities and Exchange Board of India Act 1992, as amended from time to time |
| SEBI Insider Trading Regulations | Securities and Exchange Board of India (Prohibition of Insider Trading) Regulations, 1992, as amended from time to time, including instructions and clarifications issued by SEBI from time to time. |
| SEBI (ICDR) Regulations | Securities and Exchange Board of India (Issue of Capital and Disclosure Requirements) Regulations, 2018, as amended from time to time |

| CONVENTIONAL AND GENERAL TERMS | |
|---------------------------------------|---|
| Term | Description |
| SEBI Takeover Regulations | Securities and Exchange Board of India (Substantial Acquisition of Shares and Takeovers) Regulations, 2011, as amended from time to time |
| SEBI Rules and Regulations | SEBI (ICDR) Regulations, SEBI (Underwriters) Regulations, 1993, as amended, the SEBI (Merchant Bankers) Regulations, 1992, as amended, and any and all other relevant rules, regulations, guidelines, which SEBI may issue from time to time, including instructions and clarifications issued by it from time to time. |
| Sec. | Section |
| Securities Act | The U.S. Securities Act of 1933, as amended. |
| SICA | Sick Industrial Companies (Special Provisions) Act, 1985, as amended from time to time |
| SME | Small And Medium Enterprises |
| Stamp Act | The Indian Stamp Act, 1899, as amended from time to time |
| State Government | The Government of a State of India |
| Stock Exchange | Unless the context requires otherwise, refers to, the BSE Limited |
| STT | Securities Transaction Tax |
| TDS | Tax Deducted at Source |
| TIN | Tax payer Identification Number |
| UIN | Unique Identification Number |
| U.S. GAAP | Generally accepted accounting principles in the United States of America. |
| VCFs | Venture capital funds as defined in, and registered with SEBI under, the erstwhile Securities and Exchange Board of India (Venture Capital Funds) Regulations, 1996, as amended, which have been repealed by the SEBI AIF Regulations. In terms of the SEBI AIF Regulations, a VCF shall continue to be regulated by the Securities and Exchange Board of India (Venture Capital Funds) Regulations, 1996 till the existing fund or scheme managed by the fund is wound up, and such VCF shall not launch any new scheme or increase the targeted corpus of a scheme. Such VCF may seek re-registration under the SEBI AIF Regulations. |

FORWARD LOOKING STATEMENTS

This Draft Prospectus contains certain “forward-looking statements”. These forward-looking statements generally can be identified by words or phrases such as “aim”, “anticipate”, “believe”, “expect”, “estimate”, “intend”, “objective”, “plan”, “propose”, “project”, “will”, “will continue”, “will pursue” or other words or phrases of similar import. Similarly, statements that describe our strategies, objectives, plans, or goals are also forward-looking statements. All forward-looking statements are subject to risks, uncertainties, expectations, and assumptions about us that could cause actual results to differ materially from those contemplated by the relevant forward-looking statement.

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

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

- General economic and business conditions in the markets in which we operate and in the local, regional, national and international economies.
- Competition from existing and new entities may adversely affect our revenues and profitability.
- Political instability or changes in the Government could adversely affect economic conditions in India and consequently our business may get affected to some extent.
- Our business and financial performance is particularly based on market demand and supply of our products.
- The performance of our business may be adversely affected by changes in, or regulatory policies of, the Indian national, state and local Governments.
- Any downgrading of India’s debt rating by a domestic or international rating agency could have a negative impact on our business and investment returns.
- Changes in Government Policies and political situation in India may have an adverse impact on the business and operations of our Company.
- The occurrence of natural or man-made disasters could adversely affect our results of operations and financial condition.

For further discussion of factors that could cause the actual results to differ from the expectations, see the sections ‘*Risk Factors*’, ‘*Our Business*’ and ‘*Management’s Discussion and Analysis of Financial Condition and Results of Operations*’ on pages 22, 82 and 141 of this Draft Prospectus, respectively. By their nature, certain market risk disclosures are only estimates and could be materially different from what occurs in the future. As a result, actual gains or losses could materially differ from those that have been estimated.

Forward-looking statements reflect the current views as of the date of this Draft Prospectus and are not a guarantee of future performance. These statements are based on the management’s beliefs and assumptions, which in turn are based on currently available information. Although our Company believes the assumptions upon which these forward-looking statements are based are reasonable, any of these assumptions could prove to be inaccurate, and the forward-looking statements based on these assumptions could be incorrect. None of our Company, the Directors, the LM, or any of their respective affiliates have any obligation to update or otherwise revise any statements reflecting circumstances arising after the date hereof or to reflect the occurrence of underlying events, even if the underlying assumptions do not come to fruition. Our Company and the Directors will ensure that investors in India are informed of material developments until the time of the grant of listing and trading permission by BSE Limited.

Certain Conventions

All references to “India” contained in this Draft Prospectus are the Republic of India.

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

Financial Data

Unless stated otherwise, the financial data in this Draft Prospectus is derived from our audited financial statements for the period ended November 30, 2022 prepared in accordance with Indian GAAP, the Companies Act and restated in accordance with the SEBI (ICDR) Regulations and the Indian GAAP which are included in this Draft Prospectus, and set out in the section titled *‘Financial Information’* beginning on page 114 of this Draft Prospectus. Our Financial Year commences on April 1 and ends on March 31 of the following year, so all references to a particular Financial Year are to the twelve-month period ended March 31 of that year. In this Draft Prospectus, discrepancies in any table, graphs, or charts between the total and the sums of the amounts listed are due to rounding-off.

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

Any percentage amounts, as set forth in the sections/chapters titled *‘Risk Factors’*, *‘Our Business’* and *‘Management's Discussion and Analysis of Financial Condition and Results of Operations’* beginning on page 22, 82 and 141 respectively of this Draft Prospectus and elsewhere in this Draft Prospectus, unless otherwise indicated, have been calculated on the basis of our restated financial statements prepared in accordance with Indian GAAP, the Companies Act and restated in accordance with the SEBI (ICDR) Regulations and the Indian GAAP.

Industry and Market Data

Unless stated otherwise, industry data used throughout this Draft Prospectus has been obtained or derived from industry and government publications, publicly available information, and sources. Industry publications generally state that the information contained in those publications has been obtained from sources believed to be reliable but that their accuracy and completeness are not guaranteed, and their reliability cannot be assured. Although our Company believes that industry data used in this Draft Prospectus is reliable, it has not been independently verified.

Further, the extent to which the industry and market data presented in this Draft Prospectus is meaningful depends on the reader's familiarity with and understanding of, the methodologies used in compiling such data. There are no standard data gathering methodologies in the industry in which we conduct our business, and methodologies and assumptions may vary widely among different industry sources.

Currency and units of presentation

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

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

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

SECTION II – SUMMARY OF THE ISSUE DOCUMENT

The following is a general summary of the terms of the Issue and is not exhaustive, nor does it purport to contain a summary of the disclosures in this Draft Prospectus or all details relevant to prospective Investors. This summary should be read in conjunction with, and is qualified in its entirety by, the more detailed information appearing elsewhere in this Draft Prospectus, including ‘Risk Factors’, ‘The Issue’, ‘Capital Structure’, ‘Objects of the Issue’, ‘Industry Overview’, ‘Our Business’, ‘Our Promoters and Promoter Group’, ‘Financial Information’, ‘Outstanding Litigation and Material Developments’, ‘Issue Procedure’ and ‘Description of Equity Shares and Terms of Articles of Association’ beginning on pages 22, 43, 55, 65, 79, 82, 108, 114, 151, 174, and 200 respectively.

Primary Business

Our Company was originally incorporated on August 27, 2019, as a private limited Company under the name and style of Hunger Choice Private Limited under the provisions of Companies Act, 2013. Pursuant to shareholders’ resolution passed at Extra Ordinary General Meeting held on March 02, 2022, our Company was converted into a Public Limited Company and the name of the Company was changed to ‘Hunger Choice Limited’ and a fresh Certificate of Incorporation dated March 04, 2022, issued by Registrar of Companies, Ahmedabad. The Corporate Identification Number of our Company is U15100GJ2019PLC109681.

Our Company since incorporation is engaged in the business of selling packaged snacks such as Namkeen, Cookies, Frozen Foods, and Frozen Gravy under the brand name “Hunger’s Choice”, with its market base in Gujarat. The production process of Namkeen, Cookies, Frozen Foods, and Frozen Gravies are carried out by third-party manufacturing plants and their job-workers.

For detailed information on our business, please see ‘Our Business’ beginning from page 82 of this Draft Prospectus.

Industry Overview

The Indian food processing sector has grown rapidly with an average annual growth rate of 8.3 percent in the last five years. The sector facilitates strong linkages between industry and the agriculture sector through a wide range of activities, including farming, aggregation, processing, packaging, storage, and distribution. The sector has also witnessed immense surge of opportunities in its champion sectors like frozen food ready to eat/read to cook products, millets/nutri-cereals etc.

Recognizing the potential of food processing sector in transforming India as the food basket of the world, the Ministry of Food Processing Industries Government of India has adopted measures to channelise investments in food processing sub-segments. This includes backward linkages, food processing equipment, processing related R&D, cold chain storage solutions, start-ups, logistic & retail chains, encompassing the entire food processing value chain.

(Source: <https://www.worldfoodindia.gov.in/knowledge-center>).

For detailed information on our industry, please see ‘Industry Overview’ beginning from page 79 of this Draft Prospectus.

Our Promoters

As on date of this Draft Prospectus, the promoters of our Company are Mr. Maulik Khara and Mr. Nilesh R Prajapati. For details, see ‘Our Promoters and Promoter Group’ beginning from page 108 of this Draft Prospectus.

Issue Size

The following table summarizes the details of the Issue:

| | |
|---|---|
| Issue of Equity Shares | Up to 12,50,000 Equity Shares aggregating up to ₹[●].00 Lakhs |
| Of which | |
| Market Maker Reservation Portion | Up to [●] Equity Shares for cash at a price of ₹[●] per Equity Share aggregating up to ₹[●] Lakhs |
| Net Issue to the Public | Up to [●] Equity Shares for cash at a price of ₹[●] per Equity Share aggregating up to ₹[●] Lakhs will be available for allocation for Retail Individual Investors of up to ₹2.00 Lakhs |
| | Up to [●] Equity Shares for cash at a price of ₹[●] per Equity Share aggregating up to ₹[●] Lakhs will be available for allocation for Other Investors of above ₹2.00 Lakhs |

The Issue and Net Issue shall constitute [●]% and [●]% of the post-Issue paid-up Equity Share capital of our Company, respectively.

For further details, see ‘*The Issue*’, ‘*Other Regulatory and Statutory Disclosures*’, and ‘*Issue Structure*’ on pages 43, 158, and 172, respectively of this Draft Prospectus.

Objects of the Issue

We intend to utilize the Net Proceeds of the Issue of ₹[●] Lakhs for financing the objects as set forth below:

| Sr. No. | Particulars | Estimated Amount (₹ in Lakhs) | % of Net Proceeds |
|---------|---|-------------------------------|-------------------|
| 1. | For funding of working capital requirements | 280.00 | [●] |
| 2. | For General Corporate Purposes* | [●] | [●] |
| | TOTAL | [●] | [●] |

*The amount utilized for general corporate purposes shall not exceed 25.00% of the gross proceeds of the Issue.

For further details, see ‘*Objects of the Issue*’ on page 65 of this Draft Prospectus.

Aggregate Pre-Issue Shareholding of our Promoters and Members of the Promoter Group

| Promoters and Members of the Promoter Group | Pre-Issue | | Post-Issue* | |
|---|----------------------|--|----------------------|---|
| | No. of Equity Shares | Percentage of pre-Issue paid-up Equity Share capital (%) | No. of Equity Shares | Percentage of post-Issue paid-up Equity Share capital (%) |
| (A) Promoters | | | | |
| Mr. Maulik Khara | 11,63,250 | 68.23% | [●] | [●] |
| Mr. Nilesh R Prajapati | 5,30,750 | 31.13% | [●] | [●] |
| Total | 16,94,000 | 99.35% | [●] | [●] |
| (B) Promoter Group | | | | |
| Ms. Swati Maulik Khara | 2,750 | 0.16% | [●] | [●] |
| Ms. Urmilaben Khara | 2,200 | 0.13% | | |
| Mrs. Himaniben Nileshkumar Prajapati | 2,750 | 0.16% | [●] | [●] |
| Mr. Rameshbhai Prajapati | 2,200 | 0.13% | [●] | [●] |
| Total | 9,900 | 0.58% | [●] | [●] |
| Total Equity Shareholding of the Promoters Members of the Promoter Group | 17,03,900 | 99.93% | [●] | [●] |

*To be updated in the Prospectus.

For further details, see ‘*Capital Structure*’ on page 55 of this Draft Prospectus. For details in relation to the entities forming part of the Promoter Group of our Company, see ‘*Our Promoters and Promoter Group – Promoter Group*’ on page 108 of this Draft Prospectus.

Summary of Restated Financial Information

A summary of the financial information of our Company as per the Restated Financial Statements is as follows:

(₹ in Lakhs, unless otherwise stated)

| Sr. No. | Particulars | As at and for the period ended November 30, 2022 | As at and for the Financial Year ended March 31, 2022 | As at and for the Financial Year ended March 31, 2021 | As at and for the Financial Year ended March 31, 2020 |
|---------|---|--|---|---|---|
| 1. | Equity Share capital | 170.50 | 170.50 | 1.00 | 1.00 |
| 2. | Net worth | 188.49 | 179.22 | (13.39) | (12.37) |
| 3. | Revenue | 64.47 | 137.74 | 119.58 | 49.44 |
| 4. | Profit after tax | 9.27 | 12.61 | (1.02) | (13.37) |
| 5. | Basic earnings per share (in ₹) | 0.54 | 20.83 | (10.20) | (133.70) |
| 6. | Adjusted/ Diluted earnings per share (in ₹) | 0.54 | 20.83 | (10.20) | (133.70) |
| 7. | Net Asset Value per Equity Share (in ₹) | 11.06 | 10.51 | (133.90) | (123.70) |

| Sr. No. | Particulars | As at and for the period ended November 30, 2022 | As at and for the Financial Year ended March 31, 2022 | As at and for the Financial Year ended March 31, 2021 | As at and for the Financial Year ended March 31, 2020 |
|---------|--|--|---|---|---|
| 8. | Total borrowings (as per restated balance sheet) | 63.13 | 51.8 | 131.33 | 57.58 |

Notes:

- (1) *Basic earnings per share (in ₹) = Restated profit for the year attributable to equity shareholders / weighted average number of Equity Shares.*
- (2) *Diluted earnings per share (in ₹) = Restated profit for the year attributable to equity shareholders / weighted average number of diluted Equity Shares.*
- (3) *Net worth represents the shareholders' funds and is computed as sum of share capital and reserves including share premium share application money and fair value change account net of debit balance in profit and loss account.*
- (4) *Net asset value per Equity Share (in ₹) = Restated net worth at the end of the year/period / Total number of equity shares outstanding at the end of the year/period.*

For further details in relation to the Restated Financial Statements, see '**Restated Financial Information**' on page 114 of this Draft Prospectus.

Qualifications of the Statutory Auditor which have not been given effect to in the Restated Financial Statements

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

Summary of Outstanding Litigation

A summary of outstanding litigation proceedings involving our Company, Promoters and Directors as on the date of this Draft Prospectus as disclosed in '**Outstanding Litigation and Other Material Developments**' on page 151 of this Draft Prospectus in terms of the ICDR Regulations is provided below:

| Name of Entity | Criminal Proceeding | Tax Proceedings | Statutory or Regulatory Proceedings | Disciplinary actions by SEBI or Stock Exchange against our Promoters | Material Civil Litigations | Civil Litigations | Aggregator amount involved (₹ in Lakhs) |
|-----------------------|---------------------|-----------------|-------------------------------------|--|----------------------------|-------------------|---|
| Company | | | | | | | |
| By the Company | Nil | Nil | Nil | Nil | Nil | Nil | Nil |
| Against the Company | *1 | 1 | Nil | Nil | Nil | Nil | 40.03 |
| Directors | | | | | | | |
| By the Directors | Nil | Nil | Nil | Nil | Nil | **1 | Nil |
| Against the Directors | *1 | Nil | Nil | Nil | Nil | Nil | 19.23 |
| Promoters | | | | | | | |
| By the Promoters | Nil | Nil | Nil | Nil | Nil | Nil | Nil |
| Against the Promoters | Nil | Nil | Nil | Nil | Nil | Nil | Nil |

*Please Note: Criminal Case filed against the company and the directors i.e., Mr. Maulikbhai Khara and Mr. Nileshbhai Prajapati (Directors and Promoters) are same.

**Amount of the Civil case filed by the director cannot be ascertained.

*The amounts indicated above are approximate amounts and have been disclosed to the extent ascertainable.

For further information, see '**Outstanding Litigation and Material Developments – Litigation against our Promoters – Criminal Litigation**' and '**Outstanding Litigation and Material Developments – Litigation against our Promoters – Actions taken by Regulatory and Statutory Authorities**' on page 151 of this Draft Prospectus.

As on the date of this Draft Prospectus, there are no outstanding litigation proceedings involving our Group Companies and our Promoters, the outcome of which may have a material impact on our Company.

For further details of the outstanding litigation proceedings, see '**Outstanding Litigation and Material Developments**' on page 151 of this Draft Prospectus.

Risk Factors

Specific attention of the Applicants is invited to '**Risk Factors**' on page 22 of this Draft Prospectus to have an informed view before making an investment decision.

Summary of Contingent Liabilities

As per our Restated Financial Statements, there are no contingent liabilities as on this date of Draft Prospectus.

For further details in relation to our contingent liabilities, see '**Restated Financial Information – Notes to Restated Financial Information – Notes to Accounts – Annexure 4 – C (i) Contingent Liabilities**' on page 114 of this Draft Prospectus.

Summary of Related Party Transactions

A summary of related party transactions as per the Related Party Disclosures read with the SEBI (ICDR) Regulations entered into by our Company with related parties, derived from our Restated Financial Statements are as follows:

| Sr. No. | Name of the Related Party | Type of transaction | Amount of (Payable) / Receivable (₹ in Lakhs) | | | |
|---------|----------------------------|---------------------|--|---|---|---|
| | | | As at and for the period ended November 30, 2022 | As at and for the Financial Year ended March 31, 2022 | As at and for the Financial Year ended March 31, 2021 | As at and for the Financial Year ended March 31, 2020 |
| 1. | Mr. Maulik Khara | Loans Given | (6.49) | (2.85) | (23.13) | (5.98) |
| 2. | Mr. Nilesh R Prajapati | Loans Given | (0.76) | (0.76) | (56.43) | (39.51) |
| 3. | Mr.Kaushik Kiritkumar Modi | Advance Given | 55.95 | 59.75 | - | - |
| 4. | Shakti Corporation | Sales | 21.96 | 22.76 | 6.94 | 2.88 |
| 5. | Shreyash Stores | Purchases | (0.14) | (0.14) | - | - |
| 6. | MR Solutions | Sales | 49.45 | 49.45 | - | - |

Issue of Equity Shares made in the last 1 Year for Consideration Other Than Cash

Except as mentioned below, our Company has not issued any Equity Shares for consideration other than cash in the 1 year preceding the date of this Draft Prospectus:

| Date of allotment | Name of the allottee | No. of Equity Shares allotted | Face value per share | Issue price per share | Reason for allotment | Benefits incurred to our Company |
|----------------------|----------------------|-------------------------------|----------------------|-----------------------|------------------------------|--|
| March 17, 2022 | Maulik Khara | 2,07,500 | ₹10.00 | ₹60.00 | Conversion of Unsecured Loan | Reduction in borrowings |
| | Nilesh R Prajapati | 92,500 | | | | |
| March 22, 2022 | Maulik Khara | 9,51,750 | ₹10.00 | N.A. | Bonus Issue | Capitalization of reserves and surplus |
| | Nilesh R Prajapati | 4,34,250 | | | | |
| | Swati Khara | 2,250 | | | | |
| | Urmilaben Khara | 1,800 | | | | |
| | Riteshkumar Verma | 900 | | | | |
| | Himani Prajapati | 2,250 | | | | |
| Rameshbhai Prajapati | 1,800 | | | | | |

For further details, see '*Capital Structure*' on page 55 of this Draft Prospectus.

Split or Consolidation of Equity Shares in the last 1 year

Our Company has not undertaken split or consolidation of the Equity Shares of our Company in the last 1 year preceding the date of this Draft Prospectus.

Financing Arrangements

There have been no financing arrangements whereby the Promoters, members of our Promoter Group, our Directors, or any of their relatives, have financed the purchase by any other person of Equity Shares of our Company during a period of 6 months immediately preceding the date of filing of this Draft Prospectus.

Weighted Average Price at which the Equity Shares were acquired by the Promoters in the last 1 year

The Promoters of our Company has not acquired any Equity Shares in the last 1 year preceding the date of this Draft Prospectus.

For further details, see '*Capital Structure – Notes to the Capital Structure – Equity share capital history of our Company*' on page 55 of this Draft Prospectus.

Average Cost of Acquisition of Equity Shares for the Promoters

The average cost of acquisition per Equity Share acquired by the Promoters as on the date of this Draft Prospectus is as follows:

| Name of the Promoter | Number of Equity Shares held | Average cost of Acquisition per Equity Share (in ₹) |
|------------------------|------------------------------|---|
| Mr. Maulik Khara | 11,63,250 | ₹10.75/- |
| Mr. Nilesh R Prajapati | 5,30,750 | ₹10.55/- |

For further details, see '*Capital Structure – Notes to the Capital Structure – Equity share capital history of our Company*' on page 55 of this Draft Prospectus.

Details of Price at which Equity Shares were acquired by our Promoters, Members of the Promoter Group in the last 3 years preceding the date of this Draft Prospectus

The details of the price at which Equity Shares were acquired by our Promoters, members of the Promoter Group in the last 3 years preceding the date of this Draft Prospectus are as follows:

| Name of the Promoter | Date of acquisition of Equity Shares | Number of Equity Shares acquired | Nature of allotment / acquisition | Face value per Equity Share | Acquisition price per Equity Share (in ₹) |
|--------------------------------------|--------------------------------------|----------------------------------|--|-----------------------------|--|
| Promoters | | | | | |
| Mr. Maulik Khara | August 27, 2019 | 5,000 | Allotment as Initial subscriber to the MoA | ₹10.00/- | ₹10.00/- |
| | March 17, 2022 | 2,07,500 | Conversion of Unsecured loan to Equity | ₹10.00/- | ₹60.00/- |
| | March 22, 2022 | 9,51,750 | Bonus Issue | ₹10.00/- | Not applicable, as Equity Shares acquired through bonus issue by capitalizing reserves and surplus |
| Mr. Nilesh R Prajapati | August 27, 2019 | 5,000 | Allotment as Initial subscriber to the MoA | ₹10.00/- | ₹10.00/- |
| | March 17, 2022 | 92,500 | Conversion of Unsecured loan to Equity | ₹10.00/- | ₹60.00/- |
| | March 22, 2022 | 4,34,250 | Bonus Issue | ₹10.00/- | Not applicable, as Equity Shares acquired through bonus issue by capitalizing reserves and surplus |
| Ms. Swati Maulik Khara | March 22, 2022 | 2,250 | Bonus Issue | ₹10.00/- | Not applicable, as Equity Shares acquired through bonus issue by capitalizing reserves and surplus |
| Mrs. Himaniben Nileshkumar Prajapati | March 22, 2022 | 2,250 | Bonus Issue | ₹10.00/- | Not applicable, as Equity Shares acquired through bonus issue by capitalizing reserves and surplus |
| Mrs. Urmilaben Khara | March 22, 2022 | 1,800 | Bonus Issue | ₹10.00/- | Not applicable, as Equity Shares acquired through bonus issue by capitalizing reserves and surplus |
| Mr. Rameshbhai Prajapati | March 22, 2022 | 1,800 | Bonus Issue | ₹10.00/- | Not applicable, as Equity Shares acquired through bonus issue by capitalizing reserves and surplus |

For details, see ‘*Capital Structure – Notes to the Capital Structure – Equity share capital history of our Company*’ on page 55 of this Draft Prospectus. For details in relation to the entities forming part of the Promoter Group of our Company, see ‘*Our Promoters and Promoter Group – Promoter Group*’ on page 108 of this Draft Prospectus.

Details of Pre-IPO Placement

There is no Pre-IPO placement for the purpose of this Issue.

Exemption from complying with any provisions of Securities Laws, if any, granted by SEBI

Our Company has not received or sought any exemption from SEBI from complying with any provisions of securities laws, as on the date of this Draft Prospectus

SECTION III – RISK FACTORS

Investment in the Equity Shares involves a high degree of risk. You should carefully consider all of the information in this Draft Prospectus, including the risks and uncertainties described below and the Financial Statements incorporated in this Draft Prospectus, before making an investment in the Equity Shares of our Company. Any potential investor in, and subscribers of, the Equity Shares should also pay particular attention to the fact that we are governed in India by a legal and regulatory environment which in some material respects may be different from that which prevails in other countries. In making an investment decision, prospective investors must rely on their own examination of our Company and the terms of the Issue, including the risks involved. If any or some combination of the following risks occur or if any of the risks that are currently not known or deemed to be not relevant or material now, actually occur, our business, prospects, financial condition and results of operations could suffer, the trading price of the Equity Shares could decline, and you may lose all or part of your investment. For further details, please refer to chapters titled “Business Overview” and “Management’s Discussion and Analysis of Financial Condition and Results of Operations” beginning on pages 82 and 232, respectively of this Draft Prospectus, as well as the other financial and statistical information contained in this Draft Prospectus. If our business, results of operations or financial condition suffers, the price of the Equity Shares and the value of your investments therein could decline.

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

- *Some risks may not be material at present but may have a material impact in the near future.*
- *Some risks may not be material individually but may be found material when considered collectively.*
- *Some risks may have material impact qualitatively and not quantitatively and vice-versa.*

We have described the risks and uncertainties that our management believes are material, but these risks and uncertainties may not be the only ones we face. Additional risks and uncertainties, including those we are not aware of, or deem immaterial or irrelevant, may also result in decreased revenues, increased expenses or other events that could result in a decline in the value of the Equity Shares and may also have an adverse effect on our business. Unless specified or quantified in the relevant risk factors below, we are not in a position to quantify the financial or other implication of any of the risks described in this section. You should not invest in this Issue unless you are prepared to accept the risk of losing all or part of your investment, and you should consult your tax, financial and legal advisors about the particular consequences to you of an investment in the Equity Shares.

This Draft Prospectus also 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 Prospectus. For further details, please refer to chapter titled “Forward-Looking Statements” beginning on page 14 of this Draft Prospectus.

Unless otherwise indicated, all financial information included herein are based on our Financial Statements. Please refer to the section titled “Restated Financial Statements” beginning on page 114 of this Draft Prospectus.

INTERNAL RISK FACTORS

1. ***We have leased out our registered and corporate office as well as our warehouse. Failure to renew our current leases or locate desirable locations that are suitable for our expansion at commercially reasonable prices could adversely affect our business, financial condition, results of operations and cash flows.***

Our Company in line with the ‘asset-light’ business model has leased out our Registered Office and warehouse. The Registered Office situated at B-413, Empire Business Hub, opposite Shakti Farma, Science City Road, Sola, Ahmedabad - 380060, Gujarat, India has been taken on lease basis from our related party Shreyas Pharmaceutical & Shreyas Medical Agency. The said premises has been taken lease for a period of 11 months and 29 days commencing from March 09, 2022, with a condition that both the parties to the said agreement may renew after the expiration thereof by mutual consent, for another terms of 11 months and license fee will be increased by 7.00% at every 11 Months and 29 days. For, further details refer to the Section titled as ‘Summary of Issue Document – Related Party Transactions’ on page 16 of this Draft Prospectus.

Further, our finished products are stored in the leased godown situated at 11, Krishna Estate, Rakanpur TAL. Kalol, Gandhinagar - 382721, Gujarat, India. This godown has been taken on lease from Smt. Chetnaben Kaushikbhai Patel, Ms. Purvi Dipakbhai Patel, Ms. Simaben Atulbhai Patel, Ms. Chhayaben Manojbhai Gamora, Ms. Kailashben Kirtibhai Gamara, and Ms. Rekhaben Vinubhai, for a period of 11 months and 29 days w.e.f. December 04, 2021 at ₹0.12 Lakhs rent per month and on the terms and conditions that if we continue the use even after the completion of the lease period,

we have to pay additional 10% rent. This lease agreement can be terminated, and any such termination could result in any of these warehouse being shifted or shut down. Further, the terms of the lease arrangement we enter into for our warehouses may limit our flexibility in operating our warehouse.

There can be no assurance that we will, in the future, be able to retain and renew the leases or licenses for the existing locations on same or similar terms, or will be able to find alternate locations for our facilities or offices on similar terms favourable to us, or at all. Moreover, periodic renewals of short-term lease may increase our costs as they are subject to rent renegotiations. If we are unable to continue to use our warehouse and registered office during the period of the relevant lease, or be able to extend such lease arrangements on their expiry on commercially acceptable terms, or at all, or are unable to find suitable premises for relocation of existing facilities and office, in time or at all, we may suffer a disruption in our operations which could materially and adversely affect our business, financial condition, results of operations and cash flows. Further, any interruption or disputes arising from the use of leased premises could result in litigation requiring us to devote management and financial resources in prosecution of such proceedings.

RISKS RELATED TO OUR BUSINESS

2. *Any contamination or deterioration of our products and services could result in legal liability, damage to our reputation and adversely affect our business prospects and financial performance.*

We are subject to various contamination related risks which can be listed as under:

- Tempering with product by third party/competitor.
- low shelf life of certain of our products.
- sub-standard or ineffective storage of finished goods as well as raw materials.
- product labelling errors.
- non-maintenance of high food safety standards.
- contamination of our products during processing; and
- damage to certain products during transportation.

The risk of contamination or deterioration of our products exists at each stage of the life-cycle of our products such as sourcing of raw materials, manufacturing and delivery of the final products. Sourcing, storage and delivery of the raw materials poses significant risk in relation to contamination and deterioration inequality. Packaging, storage and delivery of our products to our consumers and the storage and shelving of our products until final consumption by consumers are also subject to such contamination and deterioration risks. Though, we follow stringent quality control processes and high quality standards at each stage of the production cycle such as conducting sampling tests to ensure that the colour, odour, taste, appearance and nutrients value of the raw materials, comply with our requirements or regulatory requirements or standards set by our consumers in the export markets, maintain our facilities and machinery, and conduct inspection of our manufacturing operations in compliance with applicable food safety standards, laws and regulations and our own internal set standards. Though in the past, we have not faced any such situation nor materially suffered due to any of the aforementioned reason, we cannot assure that our products will not be contaminated or suffer deterioration in the future. We cannot assure that contamination and deterioration of our products or raw materials will not occur during the transportation, and distribution due to ineffective storage facilities or any other reasons including factors unknown to us or beyond our control. We may be also be subject to liabilities arising out of such violations under the provisions of the Food Safety and Standards Act, 2006 along with relevant rules and regulations. Though, we have not been subject to such incidents in the past, however, we may be subject to such an event in the future, which may have a material adverse effect on our reputation, business and financial condition.

3. *Changes in governmental regulation or consumer preferences and taste or public perception with respect to healthy eating habits could adversely affect our business, results of operations and financial condition.*

Our business depends substantially on factors such as consumer preferences and tastes, consumer income, consumer perceptions of, and confidence in, our product safety and quality, and consumer awareness of health issues, all of which affect consumer spending patterns. A decline in the demand for our products could occur as a result of a change in any of the factors described above at any time, and our future success will depend partly on our ability to anticipate, identify or adapt to such changes and to timely implement new advertising and promotion strategies that can attract consumers to our products.

There is growing concern among consumers, public health professionals and government agencies about the long-term health problems associated with certain conditions, such as obesity and in particular child obesity, diabetes, tooth decay, cardiovascular disease, high cholesterol, high sodium, high trans-fat, high sugar and hypertension in adults which, have been linked to fast food products such as those sold in banquets, restaurants and retail shops. These health concerns may prompt governments in India to introduce new or increase existing taxes on fast food products, such as implementing a sugar tax on soft drinks, sodium content of food or on foods that are linked with obesity, which may increase the prices of, and consequently reduce demand for, the products we sell. There may also be new laws and regulations that may classify our products as 'unhealthy' or that may impact the ingredients and nutritional content of our menu offerings or that may require us to disclose more about the nutritional content of our products. Any sudden changes in the regulatory environment relating to our products as a result of these or other developments could require us to implement changes to our operations or alter our menu offerings or could negatively impact our ability to sell and market our products profitably. In addition, negative publicity resulting from public health campaigns and associated government measures may reduce consumer demand for our products and could result in regulatory developments that may adversely impact our ability to promote and advertise your business and communicate effectively with our target customers, which could have an adverse effect on our business, results of operations and financial condition.

Further, since our operations are subject to stringent health and safety laws as our products are for human consumption and are therefore subject to various industry specific regulations. These relate to various issues, including food safety, food ingredients, and food packaging requirements, and the investigation and remediation of contamination. These laws and regulations are increasingly becoming stringent and may in the future create substantial compliance or remediation liabilities and costs. These laws may impose liability for non-compliance, regardless of fault. Other laws may require us to investigate and remediate contamination at our facilities and production processes. While we intend to comply with applicable regulatory requirements, it is possible that such compliance may prove restrictive, costly and onerous and an inability to comply with such regulatory requirement may attract penalty. For details see, "Government and Other Approvals" and "Regulations and Policies" beginning on pages 155 and 89 respectively.

4. *Our inability to manage our growth effectively or to successfully implement our business plan and growth strategy could adversely affect our business, results of operations and financial condition.*

We have experienced considerable growth over the past three years. We cannot assure you that our growth speed and strategies will continue to be successful and/or will be able to continue to expand further, or at the same rate. Our inability to execute our growth strategies 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. Our future prospects will depend on our ability to grow our business and operations. The development of such future business could be affected by many factors, including general, political and economic conditions in India, government policies or strategies in respect of specific industries, prevailing interest rates and price of equipment and raw materials. Further, 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, hire and retain new employees or operate our business effectively. Failure to manage growth effectively could adversely affect our business and results of operations.

5. *If we are unable to maintain our product quality standards it may lead to negative publicity which may adversely affect our reputation, business and results of operations.*

Any adverse news, publicity, media speculation and other public statements relating to quality of our product would substantially affect adversely to our reputation and brand image. Further, this may create doubt in the mind of our end users as well as our wholesale customers, which lead the discontinuation of purchase from us or to seek alternative sources. Adverse publicity about these concerns, whether or not ultimately based on fact, and whether or not involving our products, could have a material and adverse effect on our turnover and results of operations. In addition, we cannot guarantee that our operational controls and employee training will be effective in preventing food-borne illnesses, food tampering and other food safety issues that may affect our operations. We cannot assure you that there will not be incidents of contaminated products or ingredients in the future which may result in product liability claims, product recall and negative publicity. Any such claims and allegations would also distract our management from their day-to-day management responsibilities and may therefore have a material adverse effect on our business, financial condition and results of operations.

6. *Our business does not involve long term purchase arrangements and we rely on purchase orders from super stockists that determine the terms of sales of our products. As a result, our sales may fluctuate significantly as a result of changes in our super stockists' preferences.*

Our business does not involve long-term purchase agreements and we rely on purchase orders from super stockists, who aggregate bulk orders from the distributors. However, purchase orders may be amended or cancelled prior to finalization,

and in such event, an amendment or cancellation may take place, and we may be unable to seek compensation for any surplus products that we produce. Additionally, any failure to meet our super stockists' or their distributors' expectation could result in the cancellation or non-renewal of purchase orders. Additionally, these super stockists cater to multiple manufacturers, who could be our competitors. As a result, our sales may fluctuate significantly as a result of changes in our super stockists' preferences.

7. *Failure to effectively manage our future growth and expansion may have a material adverse effect on our business prospectus and future financial performance*


Our ability to achieve growth will be subject to a range of factors, including:

- competing with existing companies in our markets;
- establishing our presence in new territories;
- strengthening our existing relationships with super stockists and through them, distributors;
- expanding our sales network;
- hiring and training qualified personnel;

Our future growth also depends on expanding our sales and distribution network to enter new markets in new geographies, through different sales channels. We face increased risks when we enter new markets, either India or abroad. Consumers in new markets are likely to be unfamiliar with our brand and products and we may need to build or increase brand awareness in the relevant markets by increasing investments in advertising and promotional activities than we originally planned. We may also face competition with the established brands in the new markets we intend to enter. We may find it more difficult to hire, train and retain qualified employees. As a result, the products we introduce in new markets may take longer to reach expected sales and profit levels than in our existing markets, which could affect the viability of these operations or our overall profitability.

Our expansion plans and business growth could strain our managerial, operational and financial resources. Our ability to manage future growth will depend on our ability to continue to implement and improve operational, financial and management information systems on a timely basis. Failure to effectively manage our expansion may lead to increased costs and reduced profitability and may adversely affect our growth prospects. There can be no assurance that we will be able to achieve our business strategy of expanding into existing or new territories and expanding our product portfolio.

8. *Our Company is currently using the corporate Trademark “ ” which is not yet registered in the name of our Company.*

Our Company is currently conducting its business using the trademark “”, which is not yet registered with the Trademarks Authority. Our Company has applied for the corporate trademark but the same was refused by the Trade Marks Authority. Our Company will re-apply for the Trademark with the Trade Marks Authority. We operate in an extremely competitive environment, we are dealing in the business of readymade packed foods, where name and reputation has much more value, we have created our image and reputation among our domestics and international buyers and end users, which is a significant element of our business strategy and success. Presently, our Company has no intellectual rights on the present Trademark used by the Company. In case, the Trade Mark didn't get registered in the name of the Company. Our Company may not be able to successfully enforce or protect our intellectual property rights and obtain statutory protections available under the Trademarks Act, 1999, as otherwise available for registered trademarks and could have a material adverse effect on our business and goodwill, which in turn could adversely affect our results of operations. For further details, please refer to section titled “Government and Other Approvals” on page 155 of this Draft Prospectus.

9. *Some of the approvals/certificates/licenses are in the name of Hunger Choice Private Limited, which are required to be transferred in the name of “Hunger Choice Limited”*

Our Company has been converted from Private limited to Public Limited pursuant to a special resolution passed by our shareholders at the EGM held on March 02, 2022 and consequently the name of our Company was changed as “Hunger Choice Limited”. Our TAN, PF, and professional tax-enrolment certificate are required to be transferred in the name of “Hunger Choice Limited” under which the products were sold and any failure or delay in obtaining the same in a timely manner may adversely affect our operations.

For more information about the licenses required in our business, please refer section "Government and other statutory approvals" beginning on page no. 155 of this Draft Prospectus.

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

We rely largely on distributors to sell our products. Our ability to expand and grow our product reach significantly depends on the reach and effective management of our distribution network. We cannot assure you that we will be able to effectively manage our existing distribution network.

We may not be able to compete successfully against larger and better-funded distribution networks of some of our current or future competitors, especially if these competitors provide their distributors with more favourable arrangements. If the terms offered by our competitors are more favourable than those offered by us, super stockists may decline to distribute our products and terminate their arrangements with us. We cannot assure you that we will not lose any of our super stockists or distributors to our competitors, which could impair the growth prospects of the Company.

Alternately, if our super stockists are not able to maintain a strong network of distributors, our products may not attain as much reach as our competitors in the market and we may lose market share. Further, we may be unable to engage alternative super stockists or our super stockists may be unable to engage alternative distributors in a timely fashion, or at all, which may lead to decline in the sales of our products and adversely affect our business, results of operations, cash flows and financial condition. Any such event may have a material adverse effect on our results of operations.

11. *Our Company is involved in one criminal proceeding under the Negotiable Instrument Act, 1881.*

Our Company is involved in one criminal proceeding under the Negotiable Instrument Act, 1881, Case registration no.: 13989/2022 by Mr. Pankajbhai Ramanbhai Patel, Partner of M/s. Emkay Packaging, which is pending before City Civil Court, Ahmedabad. We cannot provide assurance that the legal proceeding will be decided in our favour. Any adverse decision in the proceeding may have a significant adverse effect on our business, results of operations, cash flows and financial condition, please refer "*Outstanding Litigation and Material Developments*" for more details beginning on page 151 of this Draft Prospectus.

12. *There are demand notices issued by Income Tax department to our one of the Promoter.*

The details of demands received from Income Tax department by our promoter are given below in the following table:

| Particular | Nature of cases | No of outstanding cases | Amount involved (₹ in Lakhs) |
|--------------------------------------|---|-------------------------|------------------------------|
| Litigations against our promoter | Demand Notice - Intimation U/S 143(1) Of the Income Tax Act, 1961 for the Assessment year 2019-20 | 1 | 11.33 |
| | Demand Notice - Intimation U/S 143(1) Of the Income Tax Act, 1961 for the Assessment year 2020-21 | 1 | 9.74 |
| Notice Against Company and Promoters | Notice under section-138 of the Negotiable Instruments Act received by the company and promoters, we have replied for the same. | 1 | 19.84 |

For further details regarding outstanding litigations by and against company please refer the chapter "Outstanding Litigations and Material Development" on page 151 of this Draft Prospectus.

13. *Mr. Maulik Khara and Mr. Nilesh R Prajapati have been appointed as Managing Directors of the Company failing to comply with the provisions of Section 203(1) of the Companies Act.*

Mr. Maulik Khara pursuant to Board Resolution dated Thursday, March 17, 2022, had been appointed as a Managing Director of the Company, and Mr. Nilesh R Prajapati pursuant to the said same Board Resolution dated Thursday, March 17, 2022, had also been appointed as Managing Director cum Chief Financial Officer, resulting in non-compliance with the provisions of Section 203(1) of the Companies Act. In terms of the provisions of Section 203(5) of the Companies Act, if any company makes any default in complying with the provisions of this section, such company shall be liable to a penalty of ₹5.00 Lakhs and every director and key managerial personnel of the company who is in default shall be liable to a penalty of ₹0.50 Lakhs and where the default is a continuing one, with a further penalty of ₹0.01 Lakhs for each day after the first during which such default continues but not exceeding ₹5.00 Lakhs.

As on date, neither any show cause notice nor any letter in respect to the above has been received by our Company till date and no penalty or fine has been imposed by any regulatory authority in respect to the same. We cannot assure, that there will not be such instances in the future or our Company will not commit any further delays or defaults in relation to its filing/reporting requirements, or any penalty or fine will not be imposed by any regulatory authority in respect to the same. The happening of such event may cause a material effect on our reputation, business operations and financial position.

14. Our Company has availed unsecured loans from our Promoters and/or other parties, which may be recalled by them at any time and our Company may not have adequate funds to make timely payments or at all

Our Company has availed unsecured loans from our Promoters. The said borrowings/ facilities availed by us from our Promoters may be recalled at any time. As of November 30, 2022, the details of outstanding amount in respect of such loans, is tabled as under:

| (₹ in Lakhs) | | | |
|--------------------|---------------------|--|--------------------------|
| Name of the Lender | Nature of Borrowing | Outstanding amount as on the date of the Draft Letter of Offer | Loan amount to be repaid |
| Maulik Khara | Unsecured Loan | ₹6.49 | ₹6.49 |
| Nilesh Prajapati | Unsecured Loan | ₹0.75 | ₹0.75 |
| Total | | ₹7.24 | ₹7.24 |

Such loans may be recalled at any time. In the event that our Promoter seeks repayment of any such unsecured loan, our Company may need to find alternative sources of financing, which may not be available on commercially reasonable terms, or at all. As a result, any such demand may materially and adversely affect our business, results of operations, financial condition and cash flows.

15. A case has been filed by one of director Mr. Kaushik Kiritkumar Modi.

A case has been filed by one of director Mr. Kaushik Kiritkumar Modi, against Legal Heir of Deceased of Mr. Ramanlal Lallubhai Selugar and other in the City Session Court of Ahmedabad on November 17, 2021, case registration no.: 1429/2021. We cannot provide assurance that the case will be in favour of our director. Any adverse decision may affect the productivity of the director, please refer “Outstanding Litigation and Material Developments” for more details beginning on page 151 of this Draft Prospectus.

16. We are largely dependent upon third party for our manufacturing work.

We are engaged in the business of marketing and trading of packaged snack under the brand name “Hunger’s Choice”. The products are manufactured by third party on job work basis and packed in the packing materials supplied by us. We are highly dependent upon third parties for carrying out our manufacturing operations. Any significant interruption or loss or disruption of our relations with such parties or if we are unable to expand our manufacturers network or replace the manufacturer, will affects our business adversely. Further, we have not entered into any short/long-term agreements with our vendors/job workers and our dealings are generally based on mutual terms and the prevailing market price. In the absence of such agreements, we cannot assure that the vendors would fulfil their obligations or would not commit a breach of the understanding with us. Further, our manufacturers/vendors are not contractually bound to deal with us exclusively, we may face the risk of our competitors offering better terms or prices to the manufacturers, which may cause them to cater to our competitors alongside us or on a priority basis, which could adversely affect our business, results of operations and financial condition. The inability to expand our vendor network on a regular basis or at all may adversely affect our business, revenues, cash flows and operations.

17. The top Five Buyers of Our Product contribute majority of revenue. We do not have any long-term agreement with the customers. The loss of any Customer or a decrease in the volume of order by any customer may adversely affect our revenues and profitability.

The Revenue from top ten customers for the period ending November 30,2022, FY 2021-22 and FY 2020-21 was 100.00%, 100.00% and 96.00 % of the total turnover. The loss of any customer or a decrease in the volume of orders from any of the customers may severely affect our revenues and profitability, if we are unable to develop and maintain a continuing relationship with our key customer or develop and maintain relationships with other new customers. The loss of a significant customer or a number of significant customers due to any reason whether internal or external related to their business may have a material adverse effect on our business and results of operations. Any decline in our Quality

standards, growing competition, and any change in the demand for our services by these customers may adversely affect our ability to retain them.

18. Our business is subject to changes in consumer taste, preferences, perceptions and spending patterns.

Our business depends substantially on factors such as consumer preferences and tastes, consumer income, consumer perceptions of, and confidence in, our product safety and quality, and consumer awareness of health issues, all of which affect consumer spending patterns. A decline in the demand for our products could occur as a result of a change in any of the factors described above at any time, and our future success will depend partly on our ability to anticipate, identify or adapt to such changes and to timely implement new advertising and promotion strategies that can attract consumers to our products.

We cannot assure you that we will be able to adapt our product portfolio to changes in food trends or shifts in consumer preferences and tastes. We may not be able to introduce new products that are in faster-growing and more profitable categories or reduce our production of products in categories experiencing consumption declines. Additionally, trends and shifts in consumer preferences and tastes may apply downward pressure on sales and pricing or lead to increased levels of selling and promotional expenses. Any of these factors could have a material adverse impact on our financial condition and results of operations.

19. There have been instances of non-compliances or delays or erroneous filings in filing of certain forms which were required to be filed as per the requirements under the Companies Act, 2013 to RoC. Further, the Company had also been liable to pay interest for delayed payment of MSME Dues, GST, and other taxes.

In the past, there have been certain instances of non-compliances with the provisions of Section 203 of the Companies Act, as stated in ‘Risk Factor Number 1’ on page 22 of this Draft Prospectus, and also the Company had failed to pass a Board Resolution in accordance with Section 179 (3) of the Companies Act, 2013, while granting loan to one of its employee. There is also a delay in filing statutory forms such as AOC-4, and MGT-7 for the Financial Year ended March 31, 2022, under provisions of the Companies Act with the RoC, which have been subsequently filed with payment of an additional fee as specified by RoC. Further the Company had filed an application under Companies Fresh Start Scheme (CFSS), 2020 for Form DPT-3 for the Financial Year ended March 31, 2020, and had subsequently also been granted a Certificate for grant of immunity from prosecution or imposition of penalty under Companies Fresh Start Scheme (CFSS), 2020. There have also been instances wherein the disclosures made in the statutory filings done under the Companies Act, 2013 are incomplete or erroneous in nature, and revised filing for the same has not been done by our Company, for example, Mr. Maulik Khara pursuant to Board Resolution dated Thursday, March 17, 2022, had been appointed as a Managing Director of the Company, and Mr. Nilesh R Prajapati pursuant to the said Board Resolution dated Thursday, March 17, 2022, had also been appointed as Managing Director cum Chief Financial Officer. Neither any show cause notice nor any letter in respect to the above has been received by our Company till date and no penalty or fine has been imposed by any regulatory authority in respect to the same.

Further, our Company has been liable to pay interest for delayed payment of MSME Dues, GST dues, and such other taxes, which are clearly stated under the Sections titled “Annexure 22: Finance Cost, under Restated Financial Statements” and “Outstanding Litigation and Material Developments” for more details beginning on pages 114, and 151 of this Draft Prospectus.

We cannot assure, that there will not be such instances in the future or our Company will not commit any further delays or defaults in relation to its filing/reporting requirements, or any penalty or fine will not be imposed by any regulatory authority in respect to the same. The happening of such event may cause a material effect on our reputation, business operations and financial position.

| Late Filing Form For Hunger Choice Limited | | | | | | |
|--|---------------------------------|-------------|-----------------|------------|------------|----------------|
| Sr. No. | Form Name | Normal Fees | Additional Fees | Total Fees | Event Date | Date of Filing |
| 1 | Form DPT-3 | 300 | 3600 | 3900 | 30-03-2021 | 23-02-2022 |
| 2 | Form ADT-1 | 300 | 1800 | 2100 | 06-11-2021 | 25-01-2022 |
| 3 | Form ADT-1 | 300 | 1200 | 1500 | 30-11-2021 | 11-02-2022 |
| 4 | Form ADT-1 | 600 | 3600 | 4200 | 02-09-2022 | 13-11-2022 |
| 5 | Form ADT-1 | 600 | 2400 | 3000 | 30-09-2022 | 13-12-2022 |
| 6 | Form AOC-4 for the F.Y. 2021-22 | 600 | 4600 | 5200 | 30-09-2022 | 14-12-2022 |
| 7 | Form MGT-7 for the F.Y. 2021-22 | 600 | 1400 | 2000 | 30-09-2022 | 13-12-2022 |

20. ***We have entered into certain related party transactions in the Financial Years ending 2020, 2021, 2022 and for the eight-month period ended November 30, 2022. We will continue to enter into related party transactions, and there can be no assurance that we could not have achieved more favourable terms had such transactions not been entered into with related parties.***

We have entered into certain transactions with related parties for Financial Years ending 2020, 2021, 2022 and for the nine-month period ended November 30, 2022, aggregating to ₹42.61 Lakhs, ₹72.62 Lakhs, ₹128.21 Lakhs, and ₹119.97 Lakhs, respectively. For further information on our related party transactions, see ‘*Restated Financial Information – Notes to Restated Financial Information – Notes to Accounts: 32. Related Party Disclosure*’ and ‘*Summary of Issue Document – Summary of Related Party Transactions*’ on page 114 and 19, respectively, of this Draft Prospectus.

While we believe that all such transactions have been conducted on an arm’s length basis, it is likely that we will continue to enter into related party transactions in the future and we cannot assure investors that we would not achieve more favourable terms if such transactions are entered into with unrelated parties. There can be no assurance that related party transactions, individually or in the aggregate, will not have an adverse effect on our business and results of operations. Such related party transactions may also potentially involve conflicts of interest.

21. ***Stringent food safety, consumer goods, health and safety laws and regulations may result in increased liabilities and increased capital expenditures.***

Our operations are subject to stringent health and safety laws as our products are for human consumption and are therefore subject to various industry specific regulations. We may also be subject to additional regulatory requirements due to changes in governmental policies. Further, we may also incur additional costs and liabilities related to compliance with these laws and regulations that are an inherent part of our business. We are subject to various central, state and local food safety, consumer goods, health and safety and other laws and regulations. These relate to various issues, including food safety, food ingredients, and food packaging requirements, and the investigation and remediation of contamination.

These laws and regulations are increasingly becoming stringent and may in the future create substantial compliance or remediation liabilities and costs. These laws may impose liability for non-compliance, regardless of fault. Other laws may require us to investigate and remediate contamination at our facilities and production processes. While we intend to comply with applicable regulatory requirements, it is possible that such compliance may prove restrictive, costly and onerous and an inability to comply with such regulatory requirement may attract penalty. For details see, “Government and Other Approvals” and “Regulations and Policies” beginning on pages 155 respectively.

22. ***The Company previously had filed a Draft Prospectus dated April 29, 2022, for initial public issue of 9,00,000 Equity Shares and the same stood withdrawn.***

In pursuance of Board Resolution dated March 24, 2022, and the shareholders resolution dated March 25, 2022, in relation to an initial public issue of 9,00,000 Equity Shares, in pursuance of which a draft prospectus dated April 29, 2022, had been filed with SME Platform of BSE Limited, however, the same had been withdrawn. Further, the Company through its Board Resolution dated 27 February, 2023, and Shareholders’ Resolution dated 10 March, 2023, has re-approved initial public issue of 12,50,000 Equity Shares, in pursuance of which through Board Resolution dated Monday, May 15, 2023, approving filing of this Draft Prospectus with SME Platform of BSE Limited.

In accordance with Indian law and practice, permission for listing and trading of the Equity Shares issued pursuant to the Issue will not be granted until after the Equity Shares have been issued and allotted. Approval for listing and trading will require all relevant documents authorizing the issuance of Equity Shares to be submitted. There could be a failure or delay or non-receipt of approval for listing the Equity Shares on the SME Platform of BSE Limited. Any failure or delay in obtaining the approval would restrict your ability to dispose of your Equity Shares.

23. ***Our Equity Shares have never been publicly traded, and, after the Issue, the Equity Shares may experience price and volume fluctuations, and an active trading market for the Equity Shares may not develop. The Issue Price of the Equity Shares, price to earnings ratio, enterprise value to EBITDA ratio and market capitalization to revenue from operations ratio may not be indicative of the market price of the Equity Shares on listing or thereafter.***

Prior to the Issue, there has been no public market for the Equity Shares, and after the Issue, an active trading market for the Equity Shares may not develop. Listing and quotation does not guarantee that a market for the Equity Shares will develop, or if developed, the liquidity of such market for the Equity Shares. The being a Fixed Price, the Issue Price of the Equity Shares will be determined in consultation with the Lead Manager and may not be indicative of the market price of the Equity Shares at the time of commencement of trading of the Equity Shares or at any time thereafter. The market price of the Equity Shares may be subject to significant fluctuations in response to, among other factors, variations in our operating results, market conditions specific to the industry we operate in, developments relating to India and the other jurisdictions where we operate, volatility in securities markets in jurisdictions other than India, variations in the

growth rate of financial indicators, variations in revenue or earnings estimates, actual or anticipated fluctuations in our operating results, the public's reaction to our press releases, other public announcements and filings with the regulator, changes in senior management or key personnel, changes in our shareholder base, changes in accounting standards, policies, guidance, interpretations or principles and changes in economic, legal and other regulatory factors. Consequently, the price of our Equity Shares may be volatile, and you may be unable to resell your Equity Shares at or above the Issue Price, or at all. There has been significant volatility in the Indian stock markets in the recent past, and our Equity Share price could fluctuate significantly because of market volatility. A decrease in the market price of our Equity Shares could cause investors to lose some or all of their investment.

The following table provides certain other financial parameters as of and for the periods/ years indicated:

(₹ in Lakhs, unless otherwise stated)

| Sr. No. | Particulars | As at and for the period ended November 30, 2022 | As at and for the Financial Year ended March 31, 2022 | As at and for the Financial Year ended March 31, 2021 | As at and for the Financial Year ended March 31, 2020 |
|---------|------------------|--|---|---|---|
| 1. | Revenue | 64.47 | 137.74 | 119.58 | 49.44 |
| 2. | Profit after tax | 9.27 | 12.61 | (1.02) | (13.37) |
| 3. | EBITDA | 16.78 | 23.20 | 0.16 | (17.70) |

The table below provides details of our price to earnings ratio and market capitalization to revenue from operations:

| Sr. No. | Particulars | As at and for the period ended November 30, 2022 | As at and for the Financial Year ended March 31, 2022 | As at and for the Financial Year ended March 31, 2021 | As at and for the Financial Year ended March 31, 2020 |
|---------|--|--|---|---|---|
| 1. | P/E Ratio | [•] | [•] | [•] | [•] |
| 2. | Market Capitalisation to Revenue from Operations | 2.64 | 1.24 | 0.01 | 0.02 |
| 3. | Enterprise Value to EBITDA | 10.48808 | 7.44569 | 490.75 | -2.44011 |

The determination of the Issue Price is based on various factors and assumptions, and will be determined by us, in consultation with the Lead Manager, as set out in the Section titled 'Basis for the Issue Price' on page 71 of this Draft Prospectus and the Issue Price, multiples and ratios may not be indicative of the market price of the Company on listing or thereafter. The relevant financial parameters based on which the Issue Price would be determined, shall be disclosed in the Prospectus.

There can be no assurance that our key performance indicators will improve or become higher than our listed comparable industry peers in the future or whether we will be able to successfully compete against the listed comparable industry peers in these key performance indicators in the future. An inability to improve, maintain or compete, or any reduction in such KPIs in comparison with the listed comparable industry peers may adversely affect the market price of the Equity Shares. Moreover, there are no standard methodologies in the industry for the calculations of such key performance indicators and as a result, the listed comparable industry peers may calculate and present such financial ratios in a different manner. There can be no assurance that our methodologies are correct or will not change and accordingly, our position in the market may differ from that presented in this Draft Prospectus.

24. The Company provides credits to its distributors, however, none of the parties have deduced their terms in writing resulting them to not-bind themselves under the purview of court of law.

The Company has been in receipt of security deposits from its distributors which stood at ₹6.95 Lakhs, ₹6.95 Lakhs, and ₹4.95 Lakhs, for the eight-months period ended November 30, 2022, and for the Financial Years ended March 31, 2022, and March 31, 2021, respectively. The said security deposit is valid for a period of 1 year, and is termed under 'Annexure [●]: Current Liabilities under Restated Financial Statements' on page 114 of this Draft Prospectus. If in the event of any dispute, the said deposit shall have to be repaid to the distributor, which will also ultimately affect the distribution network of our packaged food products, resulting failure to manage growth effectively could adversely affect our business and results of operations.

25. ***Our inability to manage inventory in an effective manner could affect our business.***

Our business model requires us to maintain a certain level of inventory of food products, to meet the present and future orders. If we underestimate the orders that we may receive we may experience inventory shortages and a loss of opportunity. Similarly, an over estimation of orders may result in over stocking leading to increased holding costs. Additionally, any over run in holding of such goods may lead to their decay. Therefore, any mismanagement on our part to determine the optimum inventory levels may impact our operations and cause us to incur losses.

26. ***We face competition in our business from organized and unorganized players, which may adversely affect our business operation and financial condition.***

The market in which our Company is doing business is highly competitive on account of both the organized and unorganized players. Players in this industry generally compete with each other on key attributes. Some of our competitors may have longer industry experience and greater financial, technical and other resources, which may enable them to react faster in changing market scenario and remain competitive. Moreover, the unorganized sector offers their products at highly competitive prices which may not be matched by us and consequently, affect our volume of sales and growth prospects. Growing competition may result in a decline in our market share and may affect our margins which may adversely affect our business operations and our financial condition.

27. ***Our Company is subject to high working capital requirements and our inability to fund these requirements in a timely manner may adversely impact our financial performance.***

Our Company is engaged in trading of packaged foods. For the eight months period ended November 30, 2022, the Company's net working capital requirement is ₹[●] Lakhs as against the ₹[●] Lakhs for the Financial Year ended March 31, 2022. Our net working capital requirement for the Financial Year ending March 31, 2023 is estimated at ₹910.92 Lakhs. As on the date of this Draft Prospectus we meet our working capital requirements in the ordinary course of its business from capital, internal accruals, unsecured loans, working capital loans from the Banks etc. The detail calculation of working capital requirement of the Company is given below.

(₹ In Lacs)

| Particulars | For the Financial Year ended March 31, 2022 | For the eight months period ended November 30, 2022 | Estimated for the Financial Year ended March 31, 2023 |
|-------------------------------|---|---|---|
| Current Assets | | | |
| Inventory | 57.68 | 66.77 | 75.98 |
| Trade Receivables | 86.45 | 101.70 | 130.56 |
| Cash and Bank Balance | 1.70 | 1.75 | 1.35 |
| Short Term Loans and Advances | 9.12 | 10.39 | 8.45 |
| Other Current Assets | 2.60 | 2.05 | 1.67 |
| Total Currents Assets (A) | 157.55 | 182.66 | 218.01 |
| Less: Current Liabilities | | | |
| Trade Payables | 33.74 | 37.96 | 18.98 |
| Short Term Borrowings | 3.94 | 7.24 | 3.62 |
| Other Current Liabilities | 13.29 | 13.12 | 6.56 |
| Short Term Provisions | 0.49 | 4.46 | 2.23 |
| Total Current Liabilities (B) | 51.46 | 62.78 | 31.39 |
| Net Working Capital | 106.09 | 119.88 | 186.62 |

If we are not able to manage the working capital requirement properly then the growth, profitability and business will be adversely affected.

28. ***Our Promoters, Directors and Key Managerial Personnel may have interest in our Company, other than reimbursement of expenses incurred or remuneration.***

Our Promoter and Directors and Key Managerial Personnel may be deemed to be interested to the extent of the Equity Shares held by them and benefits deriving from their shareholding in our Company. Our Promoters are interested in the transactions entered into between our Company and themselves as well as between our Company and our Group Entities. For further details, please refer to the chapters titled "Business Overview" and "Our Promoters and Promoter Group",

beginning on page 82 and 108 respectively and the chapter titled “Annexure 28 - Related Party Transactions” on page 19 under chapter titled “Restated Financial Statements” beginning on page 114 of this Draft Prospectus.

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

Post this Issue, our Promoter and Promoter Group will collectively own [●] % of our equity share capital. As a result, our Promoter, together with the members of the Promoter Group, will continue to exercise a significant degree of influence over Company and will be able to control the outcome of any proposal that can be approved by a majority shareholder vote, including, the election of members to our Board, in accordance with the Companies Act, 2013 and our Articles of Association. Such a concentration of ownership may also have the effect of delaying, preventing or deterring a change in control of our Company.

In addition, our Promoter will continue to have the ability to cause us to take actions that are not in, or may conflict with, our interests or the interests of some or all of our creditors or other shareholders, and we cannot assure you that such actions will not have an adverse effect on our future financial performance or the price of our Equity Shares.

30. *The average cost of acquisition of Equity Shares held by our Promoters could be lower than the Issue Price.*

Our Promoters’ average cost of acquisition of Equity Shares in our Company may be lower than the issue price Rs. [●] Issue Price which is proposed to be determined on a fixed price basis. For further details regarding build-up of Equity Shares by our Promoters in our Company, please refer to the chapter titled “Capital Structure” on page 55 of this Draft Prospectus.

31. *Mr. Nilesh R Prajapati, one of our Promoter and Director does not have any formal educational qualification.*

Mr. Nilesh R Prajapati, one of our Promoter and Director of our Company, has played a critical role in the incorporation and promotion of our Company. Although Mr. Nilesh R Prajapati have extensive experience of around 15 years in trading of packaged products in this food industry, however, he has not received any formal education. There is no assurance that lack of formal education will not impact our business and operations in the future. For further details, kindly refer to the Section titled as ‘Our Management’, and ‘Our Promoter and Promoter Group’ on page 99 and 108 of this Draft Prospectus.

32. *Our future fund requirements, in the form of further issue of capital or securities and/or loans taken by us, may be prejudicial to the interest of the Shareholders depending upon the terms on which they are eventually raised.*

We may require additional capital from time to time depending on our business needs. Any further issue of Equity Shares or convertible securities would dilute the shareholding percentage of the existing Shareholders and such issuance may be done on terms and conditions, which may not be favourable to the then existing Shareholders. If such funds are raised in the form of loans or debt or preference shares, then it may substantially increase our fixed interest/dividend burden and decrease our cash flows, thus adversely affecting our business, results of operations and financial condition.

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

As of November 30, 2022, we have entered into several related party transactions with our Promoters, individuals and entities forming a part of our promoter group relating to our operations. In addition, we have in the past also entered into transactions with other related parties. For further details, please refer to the chapter titled “Restated Financial Information” at page 114 of this Draft Prospectus. While we believe that all our related party transactions have been conducted on an arm’s length basis, we cannot assure you that we may not have achieved more favourable terms had such transactions been entered into with unrelated parties. There can be no assurance that such transactions, individually or taken together, will not have an adverse effect on our business, prospects, results of operations and financial condition, including because of potential conflicts of interest or otherwise. In addition, our business and growth prospects may decline if we cannot benefit from our relationships with them in the future.

34. *We have not made any alternate arrangements for meeting our capital requirements for the Objects of the Issue. Further, we have not identified any alternate source of financing the ‘Objects of the Issue’. Any shortfall in raising / meeting the same could adversely affect our growth plans, operations and financial performance.*

As on date, we have not made any alternate arrangements for meeting our capital requirements for the Objects of the Issue. We meet our capital requirements through our bank finance, unsecured loans, owned funds and internal accruals. Any shortfall in our net owned funds, internal accruals and our inability to raise debt in future would result in us being unable to meet our capital requirements, which in turn will negatively affect our financial condition and results of operations. Further, we have not identified any alternate source of funding and hence any failure or delay on our part to

raise money from this issue or any shortfall in the issue proceeds may delay the implementation schedule and could adversely affect our growth plans. For further details, please refer to the chapter titled “*Objects of the Issue*” beginning on page 65 of this Draft Prospectus.

35. ***Our success largely depends upon the knowledge and experience of our Promoters, Directors and our Key Managerial Personnel. Loss of any of our directors and key managerial personnel or our ability to attract and retain them could adversely affect our business, operations and financial condition.***

The growth and success of our Company’s future significantly depends upon the experience of our Promoters and continued services and the management skills of our Key Managerial Personnel and the guidance of our Promoters and Directors for development of business strategies, monitoring its successful implementation and meeting future challenges. We believe the expertise, experience and continued efforts of our Key Managerial Personnel and their inputs are valuable for the operations of our Company. Our future success and growth depend largely on our ability to attract, motivate and retain the continued service of our highly skilled management personnel. Our Company has never faced with a challenge of high rate of attrition of our Key Management Personnel in the past, however, any attrition of our experienced Key Managerial Personnel, would adversely impact our growth strategy. We cannot assure you that we will be successful in recruiting and retaining a sufficient number of personnel with the requisite skills to replace those Key Managerial Personnel who leave. In the event we are unable to motivate and retain our key managerial personnel and thereby lose the services of our highly skilled Key Managerial Personnel may adversely affect the operations, financial condition and profitability of our Company and thereby hampering and adversely affecting our ability to expand our business. For further details on our Directors and Key Managerial Personnel, please refer to the chapter titled “*Our Management*” on page 99 of this Draft Prospectus.

36. ***Our inability to procure and/or maintain adequate insurance cover in connection with our business may adversely affect our operations and profitability.***

Our operations are subject to inherent risks and hazards which may adversely impact our profitability, such as malfunctions, sub-standard quality of our packed foods, or fire, riots, third party liability claims, loss-in-transit for our products, accidents and natural disasters. As on date of this Draft Prospectus, our Company has insured stock of namkeen materials (all types of finished foods items) and stock of packing materials related to our business, aggregating to a sum insured of ₹80.00 Lakhs which is valid up to midnight of May 19, 2023. Presently, we believe that the said insurance coverage 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 honoured 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.

37. ***Our ability to pay dividends in the future may be affected by any material adverse effect on our future earnings, financial condition or cash flows.***

Our ability to pay dividends in future will depend on our earnings, financial condition and capital requirements. We may be unable to pay dividends in the near or medium term, and our future dividend policy will depend on our capital requirements and financing arrangements in respect of our operations, financial condition and results of operations. Our Company has not declared dividends in the past, and there can be no assurance that our Company will declare dividends in the future also. For further details, please refer to the chapter titled “*Dividend Policy*” on page 113 of this Draft Prospectus.

38. ***Some of our agreements may have not been adequately stamped and/or signed making them inadmissible as evidence in the court of law and as a result of which our operations may be impaired.***

We have not entered into long-form contracts for our business operations and typically we conduct our business by way of purchase orders/supply orders/contracts both with our raw material suppliers and our customers. Further, our contractual arrangements with may not be adequately stamped making them inadmissible as evidence in the court of law. Even though the commercial terms agreed may have been negotiated in our favour, inadequate stamping may restrict our ability to produce such documents before the court of law and efficaciously seek legal remedies to protect our legal and contractual rights. The court of law, in such cases, may issue a verdict or prescribe restrictions and conditions that may legally and commercially prohibit us from benefitting from a pre-agreed position which could have a material adverse effect on our business, financial condition and results of operations

39. *Increased losses due to fraud, employee negligence, theft or similar incidents may have an adverse impact on us.*

Our business and the industry in which we operate are vulnerable to the problem of pilferage by employees, damage, misappropriation of cash and inventory management and logistical errors. An increase in product losses due to such factors at our place of operation may require us to install additional security and surveillance equipment and incur additional expenses towards inventory management and handling. We cannot assure you whether these measures will successfully prevent such losses. Further, there are inherent risks in cash management as part of our operations, which include theft and robbery, employee fraud and the risks involved in transferring cash to banks. Additionally, in case of losses due to theft, financial misappropriation, fire, breakage or damage caused by other casualties, we cannot assure you that we will be able to recover from our insurers the full amount of any such loss in a timely manner, or at all. In addition, if we file claims under an insurance policy it could lead to increases in the insurance premiums payable by us or the termination of coverage under the relevant policy.

40. *The deployment of funds is entirely at our discretion and as per the details mentioned in the chapter titled “Objects of the Issue”.*

As the issue size shall be less than ₹10,000 lacs, under Regulation 262 of the SEBI (ICDR) Regulations it is not required that a credit rating agency registered with the SEBI be appointed by our Company, for overseeing the deployment and utilization of funds raised through this Issue. Therefore, the deployment of the funds towards the Objects of this Issue is entirely at the discretion of our Board of Directors and is not subject to monitoring by external independent agency. Our Board of Directors along with the Audit Committee will monitor the utilization of Issue proceeds and shall have the flexibility in applying the proceeds of this Issue. However, the management of our Company shall not have the power to alter the objects of this Issue except with the approval of the Shareholders of the Company given by way of a special resolution in a general meeting, in the manner specified in Section 27 of the Companies Act, 2013.

Additionally, the dissenting shareholders being those shareholders who have not agreed to the proposal to vary the objects of this Issue, our Promoters shall provide them with an opportunity to exit at such price, and in such manner and conditions as may be specified by the SEBI, in respect to the same. For further details, please refer to the chapter titled “*Objects of the Issue*” on page 65 of this Draft Prospectus.

41. *We have not independently verified certain data in this Draft Prospectus.*

We have not independently verified data from the industry and related data contained in this Draft 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.

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

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

As a listed company, we will need to maintain and improve the effectiveness of our disclosure controls and procedures and internal control over financial reporting, including keeping adequate records of daily transactions to support the existence of effective disclosure controls and procedures, internal control over financial reporting and additional compliance requirements under the Companies Act, 2013. In order to maintain and improve the effectiveness of our disclosure controls and procedures and internal control over financial reporting, significant resources and management oversight will be required. As a result, management’s attention may be diverted from other business concerns, which could adversely affect our business, prospects, financial condition and results of operations. In addition, we may need to

hire additional legal and accounting staff with appropriate listed company experience and technical accounting knowledge and we cannot assure you that we will be able to do so in a timely manner.

43. *Delay in raising funds from the IPO could adversely impact the implementation schedule.*

The proposed fund requirement is for the use as working capital, primarily, as detailed in the chapter titled “Objects of the Issue” beginning on page 65 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 estimated time frame.

44. *The Equity Shares have never been publicly traded and the Issue may not result in an active or liquid market for the Equity Shares.*

Prior to the Issue, there has been no public market for the Equity Shares, and an active trading market on the BSE Limited may not develop or be sustained after the Issue. Listing and quotation does not guarantee that a market for the Equity Shares will develop, or if developed, the liquidity of such market for the Equity Shares. Although we currently intend that the Equity Shares will remain listed on the BSE Limited, there is no guarantee of the continued listing of the Equity Shares. Failure to maintain our listing on the BSE Limited or other securities markets could adversely affect the market value of the Equity Shares. The Issue Price of the Equity Shares is proposed to be determined through a fixed price process in accordance with the SEBI (ICDR) Regulations and may not be indicative of the market price of the Equity Shares at the time of commencement of trading of the Equity Shares or at any time thereafter. The market price of the Equity Shares may be subject to significant fluctuations in response to, among other factors, variations in our operating results of our Company, market conditions specific to the industry we operate in, developments relating to India, volatility in securities markets in jurisdictions other than India, variations in the growth rate of financial indicators, variations in revenue or earnings estimates by research publications, and changes in economic, legal and other regulatory factors. You may not be able to resell your Equity Shares at a price that is attractive to you.

45. *There is no guarantee that the Equity Shares issued pursuant to the Issue will be listed on the SME Platform of BSE Limited in a timely manner or at all.*

In accordance with Indian law and practice, permission for listing and trading of the Equity Shares issued pursuant to the Issue will not be granted until after the Equity Shares have been issued and allotted. Approval for listing and trading will require all relevant documents authorizing the issuance of Equity Shares to be submitted. There could be a failure or delay in listing the Equity Shares on the SME Platform of BSE Limited (BSE SME). Any failure or delay in obtaining the approval would restrict your ability to dispose of your Equity Shares.

46. *There is no existing market for our Equity Shares, and we do not know if one will develop to provide you with adequate liquidity. Further, an active trading market for the Equity Shares may not develop and the price of the Equity Shares may be volatile.*

An active public trading market for the Equity Shares may not develop or, if it develops, may not be maintained after the Issue. Our Company, in consultation with the lead manager, will determine the Issue Price. The Issue Price may be higher than the trading price of our Equity Shares following this Issue. As a result, investors may not be able to sell their Equity Shares at or above the Issue Price or at the time that they would like to sell. The trading price of the Equity Shares after the Issue may be subject to significant fluctuations in response to factors such as, variations in our results of operations, market conditions specific to the sectors in which we operate economic conditions of India and volatility of the securities markets elsewhere in the world.

47. *The price of the Equity Shares may be highly volatile after the Issue.*

The price of the Equity Shares on the Indian stock exchanges may fluctuate after this Issue as a result of several factors, including, volatility in the Indian and global securities market; our operations and performance; performance of our competitors and the perception in the market about investments in the our industry; adverse media reports on us or the industry; changes in the estimates of our performance or recommendations by financial analysts; significant developments in India’s economic liberalization and deregulation policies; and significant developments in India’s fiscal and environmental regulations. There can be no assurance that the prices at which the Equity Shares are initially traded will correspond to the prices at which the Equity Shares will trade in the market subsequently.

48. *You will not be able to sell immediately on the BSE Limited any of the Equity Shares you purchase in the Issue.*

The Equity Shares will be listed on the SME Platform of BSE Limited. Pursuant to Indian regulations, certain actions must be completed before the Equity Shares can be listed and trading may commence. Upon receipt of final approval

from the BSE Limited, trading in the Equity Shares is to commence within six (6) working days of the date of closure of the Issue or such other time as may be prescribed by SEBI. We cannot assure that the Equity Shares will be credited to investors' demat accounts, or that trading in the Equity Shares will commence, within the time period prescribed by law. Further, there can be no assurance that the Equity Shares to be Allotted pursuant to this Issue will be listed on the BSE Limited in a timely manner or at all.

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

Our listed Equity Shares will be subject to a daily "circuit breaker" imposed on listed companies by the BSE Limited, which does not allow transactions beyond certain volatility in the trading price of the Equity Shares. This circuit breaker operates independently of the index-based market-wide circuit breakers generally imposed by SEBI on Indian stock exchanges. The percentage limit on the Equity Shares' circuit breaker will be set by the BSE Limited based on historical volatility in the price and trading volume of the Equity Shares. The BSE Limited are not required to inform our Company of the percentage limit of the circuit breaker, and they may change the limit without our knowledge. This circuit breaker would effectively limit the upward and downward movements in the trading price of the Equity Shares. As a result of this circuit breaker, there can be no assurance regarding the ability of shareholders to sell Equity Shares or the price at which shareholders may be able to sell their Equity Shares.

50. *The price of the Equity Shares may be volatile, which could result in substantial losses for investors acquiring the Equity Shares in the Issue.*

The market price of the Equity Shares may be volatile and could fluctuate significantly and rapidly in response to, among others, the following factors, some of which are beyond our control:

- volatility in the Indian and global securities market or in the value of the Rupee relative to the U.S. Dollar,
- the Euro and other foreign currencies;
- our profitability and performance;
- changes in financial analysts' estimates of our performance or recommendations;
- perceptions about our future performance or the performance of Indian companies in general;
- performance of our competitors and the perception in the market about investments in the real estate sector;
- adverse media reports about us or the Indian real estate sector;
- significant developments in India's economic liberalisation and deregulation policies;
- significant developments in India's fiscal and environmental regulations;
- economic developments in India and in other countries; and
- any other political or economic factors.

These fluctuations may be exaggerated if the trading volume of the Equity Shares is low. Volatility in the price of the Equity Shares may be unrelated or disproportionate to our results of operations. It may be difficult to assess our performance against either domestic or international benchmarks. Indian stock exchanges, including the BSE Limited, have experienced substantial fluctuations in the prices of listed securities and problems such as temporary exchange closures, broker defaults, settlement delays and strikes by brokers. The governing bodies of Indian stock exchanges have also, from time to time, imposed restrictions on trading in certain securities, limitations on price movements and margin requirements. Further, disputes have occurred between listed companies, stock exchanges and other regulatory bodies, which in some cases may have had a negative effect on market sentiment. If such or similar problems were to continue or recur, they could affect the market price and liquidity of the securities of Indian companies, including the Equity Shares.

51. *Any future issuance of Equity Shares, or convertible securities or other equity-linked securities by our Company may dilute your shareholding and any sale of Equity Shares by our Promoters or members of our Promoter Group may 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 our Company may dilute your shareholding in our Company; adversely affect the trading price of the Equity Shares and our ability to

raise capital through further 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. We cannot assure you that we will not issue additional Equity Shares. The disposal of Equity Shares by any of our promoters and Promoter Group, or the perception that such sales may occur may significantly affect the trading price of the Equity Shares. We cannot assure you that our Promoters and Promoter Group will not dispose of, pledge or encumber their Equity Shares in the future.

52. *Sale of Equity Shares by our Promoters or other significant shareholder(s) may adversely affect the trading price of the Equity Shares.*

Any instance of disinvestments of Equity Shares by our Promoters or by other significant shareholder(s) may significantly affect the trading price of our Equity Shares. Further, our market price may also be adversely affected even if there is a perception or belief that such sale of Equity Shares by promoter or by other significant shareholder(s) might occur.

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

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

54. *We operate in a highly competitive industry. An inability to maintain our competitive position may adversely affect our business, prospects and future financial performance.*

We operate in India's snack food industry and face strong competition. Competitive factors in the snack food industry include product quality, taste, price, brand awareness among consumers, advertising and promotion, innovation of products, variety, nutritional content, product packaging and package design. Some of our competitors have been in their respective businesses longer than we have and may accordingly have substantially greater financial resources, wider distribution tie-ups, larger product portfolio, technology, research and development capability, and greater market penetration. They may also have the ability to spend more aggressively on marketing and distribution initiatives and may have more flexibility to respond to changing business and economic conditions than we do. Our ability to compete largely depends upon our direct marketing initiatives, promotional tie ups, quality and taste of our products, as well as leveraging and engaging through our distribution network.

55. *We cannot assure you that our current or potential competitors will not provide products comparable or superior to those we provide or adapt more quickly than we do to evolving industry trends, changing consumer preferences or changing market requirements, at prices equal to or lower than those of our products. Increased competition may result in our inability to differentiate our products from those of our competitors, which may lead to loss of market share. Accordingly, our failure to compete effectively with our competitors may have an adverse impact on our business, results of operations, financial condition and future prospects. Any inability to accurately manage inventory and forecast demand for particular products in specific markets may have an adverse effect on our business, results of operations and financial condition.*

We estimate demand for our products based on projections, our understanding of anticipated consumer spending and inventory levels with our distribution network. If in any event of over-stocking, we are able to arrange for the sale of such stock, we cannot ensure that such products are not sold or consumed by consumers subsequent to the expiry of the shelf life, which may lead to health hazards. While we prominently display the shelf life in the packaging of our products, we cannot assure you that we will not face claims for damages or other litigation, if our products are consumed subsequent to expiry of their shelf life. Any or all of these factors could adversely affect our reputation, and consequently our business, prospects and financial performance.

There can be no assurance that we will be able to comply with the financial or other covenants prescribed under the documentation for our financing arrangements or that we will be able to obtain consents necessary to take the actions that may be required to operate and grow our business. Further, if we fail to service our debt obligations, the lenders have the right to enforce the security created in respect of our secured borrowings. If the lenders choose to enforce security and dispose our immovable property to recover the amounts due from us, our business, financial condition and results of operations may be adversely affected.

Any failure to comply with the conditions and covenants in our financing agreements or the creation of additional encumbrances that is not waived by our lenders or otherwise cured or occurrence of a material adverse event could lead to an event of default and consequent termination of our credit facilities could adversely affect our business, results of operations, financial condition and cash flows.

56. ***Our Company requires significant amounts of working capital for a continued growth. Our inability to meet our working capital requirements may have an adverse effect on our results of operations.***

Our business is working capital intensive and requires significant portion of working capital and major portion of which is utilized towards trade receivables and trade payables. Further, our Company intends to continue growing by reaching out to newer clients/ customers and also increasing the sales in the existing customers base. Our growing scale and expansion may result in increase in the quantum of current assets. Our inability to maintain sufficient cash flow, credit facility and other sources of fund, in a timely manner, or at all, to meet the requirement of working capital or pay out of debts, could adversely affect our financial condition and result of our operations.

For description of the objects, see ‘*Objects of the Issue*’ on page 65 of this Draft Prospectus.

57. ***Any delays and/or defaults in customer payments could result in increase of working capital investment and/or reduction of our Company’s profits, thereby affecting our operation and financial condition.***

We are exposed to payment delays and/or defaults by our customers and our financial position and financial performance are dependent on the creditworthiness of our customers. As per our business model, if we receive any bulk orders from any customers, we may supply our products to our customers without taking any advance payment or security deposit against the orders placed by them. Such delays in payments may require our Company to make a working capital investment. We cannot assure you that payments from all or any of our customers will be received in a timely manner or to that extent will be received at all. If a customer defaults in making its payments on an order on which our Company has supplied resources, or if an order in which our Company has invested and supplied resources is delayed, cancelled or does not proceed to completion, it could have a material adverse effect on our Company’s results of operations and financial condition. For the year ended on November 30, 2022, March 31, 2022, March 31, 2021, and March 31, 2020, our trade receivables were ₹101.70 Lakhs, ₹86.45 Lakhs, ₹33.60 Lakhs, and ₹18.60 Lakhs, respectively. For further information, see ‘*Restated Financial Information*’ on page 114 of this Draft Prospectus.

There is no guarantee on the timeliness of all or any part of our customers’ payments and whether they will be able to fulfil their obligations, which may arise from their financial difficulties, cash flow difficulties, deterioration in their business performance, or a downturn in the global economy. If such events or circumstances occur, our financial performance and our operating cash flows may be adversely affected.

58. ***Our Company had negative cash flow in recent fiscals, details of which are given below. Sustained negative cash flow could adversely impact our business, financial condition and results of operations.***

The detailed break up of cash flows is summarized in below mentioned table and our Company has reported negative cash flow in certain financial years and which could affect our business and growth:

| Sr. No. | Particulars of Net Cash from | Restated Financial Statements | | | |
|---------|------------------------------|--|--|--------------|--------------|
| | | For the nine-months period ended November 30, 2022 | For The Financial Year ending March 31 | | |
| | | | 2022 | 2021 | 2020 |
| | | (₹ in Lakhs) | (₹ in Lakhs) | (₹ in Lakhs) | (₹ in Lakhs) |
| 1. | Operating Activities | (3.19) | (104.56) | (30.03) | (33.88) |
| 2. | Investing Activities | 0.01 | (0.08) | (5.26) | (9.29) |
| 3. | Financing Activities | 3.23 | 104.30 | 34.03 | 46.47 |

For further information, see ‘*Restated Financial Information*’ on page 114 of this Draft Prospectus.

59. ***Our Promoter has provided personal guarantee for loan facilities obtained by our Company, and any failure or default by our Company to repay such loans in accordance with the terms and conditions of the financing documents could trigger repayment obligations on them, which may impact their ability to effectively service their obligations as our Promoter and thereby, impact our business and operations.***

Our Promoter has extended personally guarantee towards loan facilities taken by our Company. Any default or failure by us to repay the loans in a timely manner, or at all could trigger repayment obligations of our guarantors in respect of such loans, which in turn, could have an impact on their ability to effectively service their obligations as Promoter of our Company, thereby having an effect on our business, results of operation and financial condition. For further information, see ‘*Restated Financial Information*’ on page 114 of this Draft Prospectus.

Furthermore, in the event that these individuals withdraw or terminate their guarantees, our lenders for such facilities may ask for alternate guarantees, repayment of amounts outstanding under such facilities, or even terminate such facilities. We may not be successful in procuring guarantees satisfactory to the lenders, and as a result may need to repay outstanding

amounts under such facilities or seek additional sources of capital, which could affect our financial condition and cash flows.

60. *Any significant increase in price of product could adversely impact our profit margins.*

In the recent years, there has been a significant increase in the cost of product which has resulted in an increase in our operational cost. We cannot assure you that we will be able to procure quality product at competitive prices or at all. We need and at prices that are competitive, our ability to undertake our business operations could be impaired, our delivery schedules could be disrupted, and our business and reputation may be adversely affected. Further, any rise in prices of product may cause traders to delay their purchases, thereby adversely affecting our business, operations, and financial condition.

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

The issue proceeds is entirely at the discretion of the issuer/management. As per SEBI (ICDR) Regulations, appointment of monitoring agency is required only if Issue size exceeds ₹10,000 Lakhs. Hence, we have not appointed any monitoring agency to monitor the utilization of Issue proceeds. However, as per the Section 177 of the companies Act, 2013, the Audit Committee of our Company would be monitoring the utilization of the Issue Proceeds.

62. *Any variation in the utilization of the Net Proceeds from the issue as disclosed in this Draft Prospectus shall be subject to certain compliance requirements, including prior Shareholders' approval.*

We propose to utilize the Net Proceeds towards working capital requirements, and towards development of software. For further information of the proposed objects of the Issue, see '*Objects of the Issue*' on page 65 of this Draft Prospectus. We cannot currently determine with any certainty if we would require the Net Proceeds to meet any other expenditure or fund any exigencies arising out of competitive environment, business conditions, economic conditions or other factors beyond our control. In accordance with the Companies Act and the ICDR Regulations, we cannot undertake any variation in the utilization of the Net Proceeds from the Issue as disclosed in this Draft Prospectus without obtaining the Shareholders' approval through a special resolution. Our Promoters would also be required to provide an exit opportunity to the shareholders who do not agree with our proposal to change the objects of the Issue or vary the terms of such contracts, at a price and manner as prescribed by SEBI. In the event of any such circumstances that require us to undertake variation in the disclosed utilization of the Net Proceeds, we may not be able to obtain the Shareholders' approval in a timely manner, or at all. Any delay or inability in obtaining such Shareholders' approval may adversely affect our business or operations.

In light of these factors, we may not be able to undertake variation of objects of the Issue to use any unutilized proceeds of the Issue, if any, even if such variation is in the interest of our Company. This may restrict our Company's ability to respond to any change in our business or financial condition by re-deploying the unutilized portion of Issue proceeds, if any, which may adversely affect our business and results of operations.

63. *We have in this Draft Prospectus included certain non-GAAP financial measures and certain other industry measures related to our operations and financial performance. These non-GAAP measures and industry measures may vary from any standard methodology that is applicable across the industry in which we operate, and therefore may not be comparable with financial or industry related statistical information of similar nomenclature computed and presented by other companies.*

Certain non-GAAP financial measures and certain other industry measures relating to our operations and financial performance have been included in this Draft Prospectus. We compute and disclose such non-GAAP financial measures and such other industry related statistical information relating to our operations and financial performance as we consider such information to be useful measures of our business and financial performance, and because such measures are frequently used by securities analysts, investors and others to evaluate the operational performance of insurance companies, many of which provide such non-GAAP financial measures and other industry related statistical and operational information. For more details, see '*Certain Conventions, Presentation of Financial, Industry and Market Data – Non-Generally Accepted Accounting Principles Financial Measures*' on page 15. Such supplemental financial and operational information is therefore of limited utility as an analytical tool, and investors are cautioned against considering such information either in isolation or as a substitute for an analysis of our audited financial statements as reported under applicable accounting standards disclosed elsewhere in this Draft Prospectus.

These non-GAAP financial measures and such other industry related statistical and other information relating to our operations and financial performance may not be computed on the basis of any standard methodology that is applicable across the industry and therefore may not be comparable to financial measures and industry related statistical information of similar nomenclature that may be computed and presented by other companies. For further information, see '*Management's Discussion and Analysis of Financial Condition and Results of Operations – Key Performance Indicators*' on page 141 of this Draft Prospectus.

EXTERNAL RISK FACTORS

64. *Changing laws, rules and regulations and legal uncertainties, including adverse application of tax laws, may adversely affect our business and financial performance.*

The regulatory and policy environment in which we operate is evolving and subject to change. Such changes may adversely affect our business, results of operations and prospects, to the extent that we are unable to suitably respond to and comply with any such changes in applicable law and policy. For example, the Government of India implemented a comprehensive national goods and services tax (“**GST**”) regime with effect from July 1, 2017, that combined multiple taxes and levies by the Central and State Governments into a unified tax structure. Our business and financial performance could be adversely affected by any unexpected or onerous requirements or regulations resulting from the amendment of GST or any changes in laws or interpretation of existing laws, or the promulgation of new laws, rules and regulations relating to GST. The Government has enacted the GAAR which have come into effect from April 1, 2017. The Government of India has announced the union budget for Fiscal 2021 and the Ministry of Finance has notified the Finance Act, 2021 (“**Finance Act**”) on March 28, 2021, pursuant to assent received from the President, and the Finance Act will come into operation with effect from July 1, 2020. There is no certainty on the impact that the Finance Act may have on our business and operations or on the industry in which we operate. We cannot predict whether any amendments made pursuant to the Finance Act would have a material adverse effect on our business, financial condition and results of operations. Unfavourable changes in or interpretations of existing, or the promulgation of new, laws, rules and regulations including foreign investment and stamp duty laws governing our business and operations could result in us being deemed to be in contravention of such laws and may require us to apply for additional approvals. For instance, the Supreme Court of India has, in a decision clarified the components of basic wages, which need to be considered by companies while making provident fund payments. Our Company has not made relevant provisions for the same, as on date. Any such decisions in future or any further changes in interpretation of laws may have an impact on our results of operations. Further, a draft of the Personal Data Protection Bill, 2019 (“**Bill**”) has been introduced before the Lok Sabha on December 11, 2019, which is currently being referred to a joint parliamentary committee by the Parliament. We may incur increased costs and other burdens relating to compliance with such new requirements, which may also require significant management time and other resources, and any failure to comply may adversely affect our business, results of operations and prospects. Uncertainty in the applicability, interpretation or implementation of any amendment to, or change in, governing law, regulation or policy, including by reason of an absence, or a limited body, of administrative or judicial precedent may be time consuming as well as costly for us to resolve and may impact the viability of our current businesses or restrict our ability to grow our businesses in the future.

65. *Our business is substantially affected by prevailing economic conditions in India.*

We perform all of our real estate development activities in India, all of our projects are located in Ahmedabad, Gujarat, India, and the predominant portions of our customers are Indian nationals. As a result, we are highly dependent on prevailing economic conditions in India and our results of operation are significantly affected by factors influencing the Indian economy. Factors that may adversely affect the Indian economy, and hence our results of operations, include:

- any increase in Indian interest rates or inflation;
- any scarcity of credit or other financing in India, resulting in an adverse impact on economic conditions in India and scarcity of financing of our real estate developments and the purchase thereof by our customers;
- prevailing income conditions among Indian consumers and Indian corporations;
- changes in India’s present tax, trade, fiscal or monetary policies;
- natural disasters, political instability, communal disturbances, riots, civil unrest, terrorism or military conflict in India or in countries in the region or globally, including in India’s various neighbouring countries;
- prevailing national, regional or global economic conditions, including in India’s principal export markets; and
- other significant regulatory or economic developments in or affecting India or its real estate development sector.

In addition to the factors set forth above, our business may be affected by adverse changes specific to the residential, and office space real estate markets. Demand in the residential real estate market may be adversely affected by changes such

as a decrease in disposable income or a rise in residential mortgage rates or a decline in the population. Demand for our office space developments may be adversely affected by deteriorating economic conditions that could prompt current and potential tenants to place any expansion plans on hold or to search for locations with lower rental rates.

66. *Foreign investors are subject to foreign investment restrictions under Indian law.*

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

67. *Any downgrading of India's debt rating by an independent agency may harm our ability to raise financing.*

Any adverse revisions to India's credit ratings international debt by international rating agencies may adversely affect our ability to raise additional overseas financing and the interest rates and other commercial terms at which such additional financing is available. This could have an adverse effect on our ability to fund our growth on favourable terms or at all, and consequently adversely affect our business and financial performance and the price of our Equity Shares.

68. *Political instability or a change in economic liberalization and deregulation policies could seriously harm business economic conditions in India generally and our business in particular.*

The Government of India has traditionally exercised and continues to exercise influence over many aspects of the economy. Our business and the market price and liquidity of our Equity Shares may be affected by interest rates, changes in Government policy, taxation, social and civil unrest and other political, economic or other developments in or affecting India. The rate of economic liberalization could change, and specific laws and policies affecting the information technology sector, foreign investment and other matters affecting investment in our securities could change as well. Any significant change in such liberalization and deregulation policies could adversely affect business and economic conditions in India, generally, and our business, prospects, financial condition and results of operations, in particular.

69. *Global economic, political and social conditions may harm our ability to do business, increase our costs and negatively affect our stock price.*

Global economic and political factors that are beyond our control, influence forecasts and directly affect performance of our business. These factors include interest rates, rates of economic growth, fiscal and monetary policies of governments, inflation, deflation, foreign exchange fluctuations, consumer credit availability, fluctuations in commodities markets, consumer debt levels, unemployment trends and other matters that influence consumer confidence and spending. Increasing volatility in financial markets may cause these factors to change with a greater degree of frequency and magnitude, which may negatively affect our stock prices.

70. *Natural calamities could have a negative impact on the Indian economy and cause our business to suffer.*

India has experienced natural calamities such as earthquakes, tsunami, floods etc. In recent years, the extent and severity of these natural disasters determine their impact on the Indian economy. Prolonged spells of abnormal rainfall or other natural calamities could have a negative impact on the Indian economy, which could adversely affect our business, prospects, financial condition and results of operations as well as the price of the Equity Shares.

71. *Terrorist attacks, civil unrests and other acts of violence or war involving India or other countries could adversely affect the financial markets, our business, financial condition and the price of our Equity Shares.*

Any major hostilities involving India or other acts of violence, including civil unrest or similar events that are beyond our control, could have a material adverse effect on India's economy and our business. Incidents such as the terrorist attacks, other incidents such as those in US, Indonesia, Madrid and London, and other acts of violence may adversely affect the Indian stock markets where our Equity Shares will trade as well as the global equity markets generally. Such acts could negatively impact business sentiment as well as trade between countries, which could adversely affect our Company's business and profitability. Additionally, such events could have a material adverse effect on the market for securities of Indian companies, including the Equity Shares.

72. *Our ability to pay dividends in the future will depend upon our future results of operations, financial condition, cash flows and working capital and capital expenditure requirements.*

Any dividends to be declared and paid in the future are required to be recommended by our Board and approved by our shareholders, at their discretion, subject to the provisions of the Articles of Association and applicable law, including the Companies Act. Our ability to pay dividends in the future will depend upon our future results of operations, financial condition, cash flows, sufficient profitability, working capital requirements, capital expenditure requirements. We cannot assure investors that we will generate sufficient revenues to cover our operating expenses and, as such, pay dividends to our shareholders in future consistent.

73. *Our funding requirements and the proposed deployment of Net Proceeds have not been appraised and our Company has broad discretion over the use of the Net Proceeds and may use them in ways with which you do not agree and in ways that may not enhance our operating results or the price of our Equity Shares.*

We intend to utilize the Net Proceeds to augment our capital base to support solvency levels. Our proposed deployment of the Net Proceeds has not been appraised and it is based on management estimates. As stipulated in Regulation 41 of the ICDR Regulations, we are not required to appoint a monitoring agency for the use of the Net Proceeds and we do not intend to do so. Accordingly, the deployment of the Fresh Issue proceeds will be entirely at our discretion which is especially relevant since we have proposed broad utilization of the Net Proceeds. Our board of directors and management will therefore have broad discretion over the application of the Net Proceeds. We may spend or invest these proceeds in ways with which you disagree or that do not yield a favourable or any return. Our actual use of the Net Proceeds may differ substantially from our current plans. Failure by our management to apply these funds effectively could harm our business and financial condition and cause the market price of our Equity Shares to decline. Various risks and uncertainties, including those set forth in this section, may limit or delay our efforts to use of the Net Proceeds to achieve profitable growth in our business. Pending their use, we may invest the Net Proceeds in a manner that does not produce income or that loses value.

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

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

SECTION IV – INTRODUCTION

THE ISSUE

PRESENT ISSUE IN TERMS OF THIS DRAFT PROSPECTUS

| | |
|---|--|
| Equity Shares Issued⁽¹⁾ Present Issue of Equity Shares by our Company ⁽²⁾ | Issue of up to 12,50,000 Equity Shares for cash at a price of ₹[●] per Equity Share aggregating to ₹[●] Lakhs |
| Of which ₹ | |
| Issue reserved for Market Maker | [●] Equity Shares for cash at a price of ₹[●] per Equity Share aggregating to ₹[●] Lakhs |
| Net Issue to the public | [●] Equity Shares at a price of ₹[●] per Equity Share aggregating to ₹[●] Lakhs |
| | Of which⁽³⁾ |
| | [●] Equity Shares at a price of ₹[●] per Equity Share aggregating to ₹[●] Lakhs will be available for allocation for allotment to Retail Individual Investors |
| | [●] Equity Shares at a price of ₹[●] per Equity Share aggregating to ₹[●] Lakhs will be available for allocation for allotment to other than Retail Individual Investors |
| Equity Shares outstanding prior to this Issue | 17,05,000 (Seventeen Lakhs Five Thousand) Equity Shares |
| Equity Shares outstanding after this Issue | [●] ([●]) Equity Shares |
| Objects of the Issue | Please refer the section titled ' Objects of the Issue ' beginning on page 65 of this Draft Prospectus. |

(1) This Issue is being made in terms of Chapter IX of the SEBI (ICDR) Regulations, as amended from time to time. For further details, please see the section titled '**Issue Information**' beginning on page 166 of this Draft Prospectus;

(2) The present Issue has been authorized pursuant to a resolution of our Board dated February 27, 2023, and vide a special resolution passed under clause (c) of Sub-Section (1) of 62 of the Companies Act, 2013 at an Extra-ordinary general meeting of our shareholders held on March 10, 2023;

(3) The allocation in the Net Issue to the public category shall be made as per the requirements of Sub-Regulation (2) of Regulation 253 of the SEBI (ICDR) Regulations, as amended from time to time:

a) Minimum 50.00% (Fifty Percent) to Retail Individual Investors; and

b) Remaining to:

(i) Individual applicants other than Retail Individual Investors; and

(ii) Other Investors including corporate bodies or institutions, irrespective of the number of Equity Shares applied for;

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

If the Retail Individual Investor category is entitled to more than 50.00% (Fifty Percent) on proportionate basis, accordingly the Retail Individual Investor shall be allocated that higher percentage. For further details, please refer to the section titled '**Issue Structure**' beginning on page 172 of this Draft Prospectus.

SUMMARY OF RESTATED FINANCIAL INFORMATION

The following tables set forth summary financial information derived from Restated Financial Statements for the period ending on November 30, 2022, the Financial Year ended on March 31, 2022, March 31, 2021 and the period ended March 31, 2020. These financial statements have been prepared in accordance with the Indian GAAP, the Companies Act and the SEBI (ICDR) Regulations.

The summary financial information presented below should be read in conjunction with the sections and notes mentioned therein entitled under 'Management's Discussion and Analysis of Financial Conditions and Results of Operations' and 'Restated Financial Statement' beginning on page 141 and 114 respectively of this Draft Prospectus.

Restated Summary Statement of Assets and Liabilities

(₹ in Lakhs)

| Particulars | As at and for the period ended November 30, 2022 | As at and for the Financial Year ended March 31, 2022 | As at and for the Financial Year ended March 31, 2021 | As at and for the Financial Year ended March 31, 2020 |
|---|--|---|---|---|
| I. EQUITY AND LIABILITIES | | | | |
| 1. Shareholders funds | | | | |
| (a) Share capital- | 170.50 | 170.50 | 1.00 | 1.00 |
| (b) Reserves and surplus | 17.99 | 8.72 | (14.39) | (13.37) |
| 2. Non-current liabilities | | | | |
| (a) Long-term borrowings | - | - | - | - |
| (b) Deferred tax liabilities (Net) | 0.35 | 0.34 | - | - |
| 3. Current liabilities | | | | |
| (a) Short-term borrowings | 7.24 | 3.94 | 79.56 | 45.49 |
| (b) Trade payables | | | | |
| i) Total outstanding dues of micro enterprise and small enterprise | 25.86 | 23.30 | - | - |
| ii) Total outstanding dues other than micro enterprise and small enterprise | 12.10 | 10.44 | 44.40 | 10.76 |
| (c) Short-term provisions | 4.46 | 0.49 | - | - |
| (d) Other current liabilities | 13.12 | 13.29 | 7.37 | 1.33 |
| TOTAL | 251.62 | 231.02 | 117.94 | 45.21 |
| II. ASSETS | | | | |
| 1. Non-current assets | | | | |
| (a) Property, Plant and Equipment | | | | |
| Tangible Assets | 10.57 | 11.51 | 12.87 | 8.75 |
| Capital work in progress | - | - | - | - |
| Intangible Assets | 0.02 | 0.05 | 0.11 | 0.17 |
| (b) Long Term Loans and Advances | 56.22 | 59.76 | 0.01 | - |
| (c) Non-Current Investment | - | - | - | - |
| (d) Deferred Tax Assets (net) | - | - | 4.78 | 4.70 |
| (e) Other non-current assets | 2.15 | 2.15 | 1.72 | 0.32 |
| 2. Current assets | | | | |
| (a) Inventories | 66.77 | 57.68 | 44.58 | 3.87 |
| (b) Trade receivables | 101.70 | 86.45 | 33.60 | 18.60 |
| (c) Cash & Cash Equivalents | 1.75 | 1.70 | 2.04 | 3.30 |
| (d) Short term loan and advances | 10.39 | 9.12 | 12.39 | 5.41 |
| (e) Other Current Assets | 2.05 | 2.60 | 5.84 | 0.09 |
| TOTAL | 251.62 | 231.02 | 117.94 | 45.21 |

Restated Summary Statement of Profit and Losses

(₹ in Lakhs)

| Particulars | As at and for the period ended November 30, 2022 | As at and for the Financial Year ended March 31, 2022 | As at and for the Financial Year ended March 31, 2021 | As at and for the Financial Year ended March 31, 2020 |
|---|--|---|---|---|
| I. Revenue from operations | 64.47 | 137.74 | 119.58 | 49.44 |
| II. Other income | 0.99 | 3.74 | 3.29 | 0.21 |
| III. Total Revenue (I + II) | 65.46 | 141.48 | 122.87 | 49.65 |
| IV. Expenses: | | | | |
| Purchase of Stock-in-trade | 48.17 | 98.79 | 91.20 | 42.85 |
| Direct Expenses | - | 10.26 | 10.98 | 3.31 |
| Changes in inventories of Stock-in-trade | (9.09) | (17.54) | (12.30) | (0.57) |
| Employee benefits expense | 3.01 | 9.47 | 11.26 | 1.13 |
| Finance costs | 2.63 | 3.55 | 0.09 | 0.02 |
| Depreciation and amortization expense | 0.97 | 1.51 | 1.21 | 0.37 |
| Other expenses | 6.54 | 17.22 | 21.53 | 20.61 |
| Total expenses | 52.23 | 123.26 | 123.97 | 67.72 |
| V. Profit before extraordinary items and tax | 13.23 | 18.22 | (1.10) | (18.07) |
| Prior period items | - | - | - | - |
| VI. Profit before exceptional, extraordinary items and tax | 13.23 | 18.22 | (1.10) | (18.07) |
| Exceptional items | - | - | - | - |
| VII. Profit before extraordinary items and tax | 13.23 | 18.22 | (1.10) | (18.07) |
| VIII. Extraordinary Items | - | - | - | - |
| IX. Profit before tax (VII- VIII) | 13.23 | 18.22 | (1.10) | (18.07) |
| X. Tax expense: | | | | |
| (1) Current tax | 3.95 | 0.49 | - | - |
| (2) Deferred tax | 0.01 | 5.12 | (0.08) | (4.70) |
| (3) MAT Credit Entitlement | - | - | - | - |
| Total tax Expenses | 3.96 | 5.61 | (0.08) | (4.70) |
| XI. Profit (Loss) for the period (IX-X) | 9.27 | 12.61 | (1.02) | (13.37) |
| XII. Earnings per share (Face Value of ₹10/- each) | | | | |
| (1) Basic | 0.54 | 20.83 | (10.20) | (133.70) |
| (2) Diluted | 0.54 | 20.83 | (10.20) | (133.70) |

Restated Summary Statement of Cash Flows

(₹ in Lakhs)

| Particulars | As at and for the period ended November 30, 2022 | As at and for the Financial Year ended March 31, 2022 | As at and for the Financial Year ended March 31, 2021 | As at and for the Financial Year ended March 31, 2020 |
|---|--|---|---|---|
| Cash Flow from Operating Activities | | | | |
| Restated Net profit Before Tax | 13.23 | 18.22 | (1.10) | (18.07) |
| Adjustments For: | | | | |
| Interest Income | (0.01) | (0.01) | (0.01) | - |
| Depreciation and Amortisation Expense | 0.97 | 1.51 | 1.21 | 0.37 |
| Finance Cost | 0.07 | 0.08 | 0.04 | 0.02 |
| Operating Profit before working Capital Changes | 14.26 | 19.80 | 0.14 | (17.68) |
| Adjustment For: | | | | |
| Decrease/(Increase) in Long term Loans and Advances | 3.54 | (59.75) | (0.01) | - |
| Decrease/(Increase) in Inventories | (9.08) | (13.10) | (40.71) | (3.87) |
| Decrease/(Increase) in Trade receivables | (15.24) | (52.85) | (15.00) | (18.60) |
| Decrease/(Increase) in short term loans & Advances | (1.27) | 3.27 | (6.98) | (5.41) |
| Decrease/(Increase) in Other Current Assets | 0.55 | 3.24 | (5.75) | (0.09) |
| (Decrease)/Increase in Other Non-Current Assets | - | (0.43) | (1.40) | (0.32) |
| (Decrease)/Increase in Trade Payables | 4.22 | (10.66) | 33.64 | 10.76 |
| (Decrease)/Increase in Other current liabilities | (0.17) | 5.92 | 6.04 | 1.33 |
| (Decrease)/Increase in Short-term Provisions | - | - | - | - |
| Cash Generated from Operations | (3.19) | (104.56) | (30.03) | (33.88) |
| Taxes Paid | - | - | - | - |
| Net Cash From / (Used In) Operating Activities (A) | (3.19) | (104.56) | (30.03) | (33.88) |
| Cash Flow From Investing Activities | | | | |
| Purchase of Property, plant & equipment and intangible assets | - | (0.09) | (5.27) | (9.29) |
| Interest Income | 0.01 | 0.01 | 0.01 | - |
| Net Cash From / (Used In) Investing Activities (B) | 0.01 | (0.08) | (5.26) | (9.29) |
| Cash Flow From Financing Activities | | | | |
| Proceeds from Issue of Equity Shares | - | 169.50 | - | 1.00 |
| Proceeds from Security Premium | - | 10.50 | - | - |
| Proceeds/(Repayment) of Borrowings | 3.30 | (75.62) | 34.07 | 45.49 |
| Finance Cost Paid | (0.07) | (0.08) | (0.04) | (0.02) |
| Net Cash From/(Used In) Financing Activities (C) | 3.23 | 104.30 | 34.03 | 46.47 |
| Net Increase / (Decrease) in Cash and Cash equivalents (A+B+C) | 0.05 | (0.34) | (1.26) | 3.30 |
| Cash and Cash equivalents at the beginning | 1.70 | 2.04 | 3.30 | - |
| Cash and Cash equivalents at the end | 1.75 | 1.70 | 2.04 | 3.30 |

NOTE

The above statement should be read with the Statement of Notes to the Restated Standalone Financial Information of the Company in Annexure 1, 2 and 4. The Cash Flow Statement has been prepared under Indirect Method as set out in Accounting Standard 3, 'Cash Flow Statements' notified under Section 133 of the Companies Act, 2013.

GENERAL INFORMATION

Our Company was originally incorporated on August 27, 2019, as a private limited Company under the name and style of Hunger Choice Private Limited under the provisions of Companies Act, 2013. Pursuant to shareholders' resolution passed at Extra Ordinary General Meeting held on March 02, 2022, our Company was converted into a Public Limited Company and the name of the Company was changed to 'Hunger Choice Limited' and a fresh Certificate of Incorporation dated March 04, 2022 issued by Registrar of Companies, Ahmedabad.

For details of changes in name and registered offices of our Company, please refer to the section titled '*History and Certain Corporate matters*' beginning on page 96 of this Draft Prospectus.

| Our Company and Issue Related Information | |
|--|--|
| Registered Office and Corporate Office | Hunger Choice Limited B-413, Empire Business Hub Opp. Shakti Farma, Science City Road, Sola Ahmedabad - 380060 Gujarat, India. Telephone: +91 7575003868 Email id: info@hungerchoice.com Website: www.hungerschoice.in |
| Date of Incorporation | August 27, 2019 |
| Registration Number | 109681 |
| Corporate Identification Number | U15100GJ2019PLC109681 |
| Company Category | Company limited by Shares |
| Company Sub category | Non-govt company |
| Address of the Registrar of Companies | Registrar of Companies, Ahmedabad, Gujarat ROC Bhavan, Opp. Rupal Park Society, Behind Ankur Bus Stop, Naranpura, Ahmedabad – 380 013, Gujarat, India |
| Designated Stock Exchange | BSE Limited, 25 th Floor, P.J. Towers, Dalal Street, Fort, Mumbai - 400 001, Maharashtra, India |
| Issue Programme | Issue Opens on: [●] Issue Closes on: [●] |
| Company Secretary and Compliance Officer | Mr. Sarfraz Taherbhai Mulla Hunger Choice Limited B-413, Empire Business Hub Opp. Shakti Farma, Science City Road, Sola Ahmedabad - 380060 Gujarat, India. Telephone: +91 7575003868 Email id: info@hungerchoice.com Website: www.hungerschoice.in |
| Chief Financial Officer | Ms. Riya Panchal Hunger Choice Limited B-413, Empire Business Hub Opp. Shakti Farma, Science City Road, Sola Ahmedabad - 380060 Gujarat, India. Telephone: +91 7575003868 Email id: info@hungerchoice.com Website: www.hungerschoice.in |

Board of Directors

Our Company's Board comprises of the following Directors:

| Sr. No. | Name | DIN | Address | Designation |
|---------|------------------------|----------|---|--------------------------------|
| 1. | Mr. Maulik Khara | 08548016 | 29, Sidhi Vinayak BelaCasa, Dholka Road, Nana Chapra, Kasindra, Behind Jain temple, Kasindra, Ahmedabad – 382210, Gujarat, India. | Chairman and Managing Director |
| 2. | Mr. Nilesh R Prajapati | 08548017 | 2948, Ambli Pole, Zaveriwad, Ratan Pole, Ahmedabad City, Ahmedabad – 380001, Gujarat, India. | Whole Time Director |
| 3. | Mr. Kaushik Modi | 09462028 | S/F/7, Ashwamegh Appartment, B/h, Durga School, Krushnabag, Ahmedabad – 380008, Gujarat, India. | Executive Director |

| Sr. No. | Name | DIN | Address | Designation |
|---------|--------------------|----------|--|-------------------------------------|
| 4. | Mr. Hemang Solanki | 06419903 | A-24, Infocity Township, Kasturba Vidyalaya Gandhinagar – 382007, Gujarat, India | Non-Executive Independent Director |
| 5. | Ms. Parul Patel | 09531917 | 11, Daji Colony, Opp Vijaynagar Petrol Pump, Naranpura, Ahmedabad – 380013, Gujarat, India | Non- Executive Independent Director |
| 6. | Ms. Pooja Momin | 09534669 | 3 Holford Street, Taylor Act, Canberra, Australia, 2913 | Non- Executive Independent Director |

For further details of the Board of Directors, please refer to the section titled '*Our Management*' beginning on page 99 of this Draft Prospectus.

Investor Grievances

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

All grievances relating to the Issue may be addressed to the Registrar to the Issue, giving full details such as name, address of the Bidder, number of Equity Shares applied for, the Bid amount paid on submission of the Bid cum Application Form and the bank branch or collection Centre where the application was submitted.

All grievances relating to the ASBA process may be addressed to the Registrar to the Issue with a copy to the relevant SCSB or the member of the Syndicate if the Bid was submitted to a member of the Syndicate at any of the Specified Locations, or the Registered Broker if the Bid was submitted to a Registered Broker at any of the Brokers Centers, as the case maybe, quoting the full name of the sole or first Bidder, Bid cum Application Form number, address of the Bidder, Bidder's DP ID, Client ID, PAN, number of Equity Shares applied for, date of Bid-cum-Application Form, name and address of the member of the Syndicate or the Designated Branch or the Registered Broker or address of the RTA or address of the DP, as the case may be, where the Bid was submitted, and the ASBA Account number in which the amount equivalent to the Bid Amount was blocked. All grievances relating to Bids submitted through the Registered Broker and/or a Stock Broker may be addressed to the Stock Exchange with a copy to the Registrar.

Details of Key Intermediaries pertaining to this Issue and Our Company

| | |
|---|--|
| <p>LEAD MANAGER TO THE ISSUE Swaraj Shares and Securities Private Limited 304, A Wing, 215 Atrium Near Courtyard Marriot, Andheri Kurla Road, Andheri East, Mumbai – 400093, Maharashtra, India Telephone: +91-22-6964-9999 Email: compliance@swarajshares.com Investor Grievance Email ID: investor.relations@swarajshares.com Contact Person: Pankita Patel/ Tanmoy Banerjee Website: www.swarajshares.com SEBI Registration Number: INM00012980 CIN: U51101WB2000PTC092621</p> | <p>LEGAL ADVISOR TO THE ISSUE Mauleen N. Marfatia 1222, 12th Floor, I-Square, Next to Shukan Mall, Science City Road, Ahmedabad – 380060, Gujarat, India Contact No.: +91 9898917167 Email-ID: mauleenmarfatia9898@gmail.com Contact Person: Mr. Mauleen Marfatia Bar Council No.: G/1585/2008</p> |
| <p>REGISTRAR TO THE ISSUE Bigshare Services Private Limited Office No S6-2, 6th Floor, Pinnacle Business Park, Next to Ahura Centre, Mahakali Caves Road, Andheri East, Mumbai – 400093, Maharashtra, India Telephone: +91-22-62638200 Email: ipo@bigshareonline.com Investor Grievance Email ID: investor@bigshareonline.com Contact Person: Mr. Vinayak Morbale Website: www.bigshareonline.com SEBI Registration Number: INR000001385 CIN: U99999MH1994PTC076534</p> | <p>STATUTORY & PEER REVIEW AUDITORS TO THE COMPANY Piyush Kothari & Associates, Chartered Accountants 208, Hemkoot Building, Near Gandhigram Railway Station, Ashram Road, Ahmedabad – 380009, Gujarat, India Tel: +91-8849398150 Email: piyushkothari9999@gmail.com Contact Person: CA Piyush Kothari Firm Registration: 140711W Membership Number: 158407 Peer Review Registration Number: 013450</p> |

| | |
|---|---|
| BANKER TO THE COMPANY The Federal Bank Limited G2 & G3, Ground Floor, Eventi, Sardar Patel Nagar, C.G. Road, Ahmedabad – 380009, Gujarat, India. Tel: 079-26588103/0720 Fax No.: N.A. Email: ahd@federalbank.co.in Website: www.federalbank.com Contact Person: Mr. VijayKumar P Patel CIN: L65191KL1931PLC000368 | BANKERS TO THE ISSUE / PUBLIC ISSUE BANK / REFUND BANKER^ [•] Tel: [•] Fax No.: [•] Email: [•] Website: [•] Contact Person: [•] |
|---|---|

^ To be appointed before the issue opening date.

Piyush Kothari & Associates, Chartered Accountant is a peer review auditor of our Company in compliance with section 11 of part A of Schedule VI of SEBI (ICDR) Regulations and hold a valid peer review certificate number 013450 dated August 04, 2021, issued by the 'Peer Review Board' of the ICAI.

Changes in Auditors

Except as stated below, there has been no change in our statutory auditors in the three years preceding the date of this Draft Prospectus:

| Particulars of Auditors | Appointment/ Resignation | Date of Change | Reason for Change (as stated in e-form ADT-3) |
|--|--------------------------|--------------------|---|
| M/s Ankit Parth and Associates 26/308 Rameshwar Apartment, 312 Hig, Near Hanuman Mandir, Sola Road, Ahmedabad – 380013, Gujarat, India Contact Number: +91-9601996500 Email Address: ankitparthassociates@gmail.com Contact Person: CA Ankit K Shah Firm Registration: 145728W Membership Number: 157800 | Appointment | September 05, 2019 | First Auditor |
| M/s Ankit Parth and Associates 26/308 Rameshwar Apartment, 312 Hig, Near Hanuman Mandir, Sola Road, Ahmedabad – 380013, Gujarat, India Contact Number: +91-9601996500 Email Address: ankitparthassociates@gmail.com Contact Person: CA Ankit K Shah Firm Registration: 145728W Membership Number: 157800 | Resignation | November 01, 2021 | Pre-occupation |
| Goyal Goyal & Co. 387, M G Road, Jata Shankari Chowk, opposite Bank Of India, Barwani, Anjad – 451556, Madhya Pradesh, India Contact Number: +91- 9826812377 Email Address: : hemantgoyalca@gmail.com Contact Person: CA Hemant Goyal Firm Registration: 015069C Membership Number: 011843 | Appointment | November 30, 2021 | Appointment due to casual vacancy |
| Goyal Goyal & Co. 387, M G Road, Jata Shankari Chowk, opposite Bank Of India, Barwani, Anjad – 451556, Madhya Pradesh, India Contact Number: +91- 9826812377 Email Address: : hemantgoyalca@gmail.com Contact Person: CA Hemant Goyal Firm Registration: 015069C Membership Number: 011843 | Resignation | November 01, 2022 | For better co-ordination and for streamlining the process |
| Piyush Kothari & Associates, Chartered Accountants 208, Hemkoot Building, Near Gandhigram Railway Station, Ashram Road, Ahmedabad – 380009, Gujarat, India Contact Number: +91-8849398150 | Appointment | November 30, 2022 | Appointment due to casual vacancy |

| Particulars of Auditors | Appointment/ Resignation | Date of Change | Reason for Change (as stated in e- form ADT-3) |
|--|-----------------------------|-------------------|---|
| Email Address: piyushkothari9999@gmail.com Contact Person: CA Piyush Kothari Firm Registration: 140711W Membership Number: 158407 Peer Review Registration Number: 013450 | | | |

Statement of *inter se* allocation of Responsibilities for the Issue

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

Self-Certified Syndicate Banks (SCSBs)

The lists of banks that have been notified by SEBI to act as SCSB for the Applications Supported by Blocked Amount (ASBA) Process are provided on <http://www.sebi.gov.in/sebiweb/home/detail/32931/yes/List-of-Self-Certified-Syndicate-Banks-SCSBsfor-Syndicate-ASBA>. For details on Designated Branches of SCSBs collecting the ASBA Bid Form, please refer to the above-mentioned SEBI link.

Broker Centres/ Designated CDP Locations/ Designated RTA Locations

In accordance with SEBI Circular No. CIR/CFD/14/2012 dated October 4, 2012 and CIR/CFD/POLICYCELL/11/2015 dated November 10, 2015, Applicants can submit Application Forms with the Registered Brokers at the Broker Centres, CDPs at the Designated CDP Locations or the RTAs at the Designated RTA Locations, respective lists of which, including details such as address and telephone number, are available at the websites of the Stock Exchange at www.bsesme.com. The list of branches of the SCSBs at the Broker Centres, named by the respective SCSBs to receive deposits of the Application Forms from the Registered Brokers will be available on the website of the SEBI (www.sebi.gov.in) and updated from time to time.

Grading of the Issue

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

Credit Rating

As the Issue is of Equity Shares, credit rating is not required.

Trustees

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

Debenture Trustees

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

IPO Grading

Since the Issue is being made in terms of Chapter IX of the SEBI (ICDR) Regulations there is no requirement of appointing an IPO Grading agency.

Monitoring Agency

As per regulation 262(1) of the SEBI (ICDR) Regulations, the requirement of Monitoring Agency is not mandatory if the Issue size, is below ₹10,000.00 Lakhs. Since the Issue size is only of ₹306.00 Lakhs, our Company has not appointed any monitoring agency for this Issue. However, as per Section 177 of the Companies Act, 2013, the Audit Committee of our Company, would be monitoring the utilization of the proceeds of the Issue.

Appraising Entity

None of the objects of the issue for which the Net Proceeds will be utilised have been appraised by any agency.

Expert Opinion

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

Our Company has received written consent dated Friday, May 12, 2023 from the Statutory Auditors namely, Piyush Kothari & Associates, Chartered Accountants, Statutory Auditors, to include their name as required under Section 26(1)(a)(v) of the Companies Act, 2013 in this Draft Prospectus and as an 'Expert' as defined under Section 2(38) of the Companies Act, 2013, in respect of the reports of the Statutory Auditors on the Restated Financial Statements, dated January 10, 2023, and the statement of tax benefits dated March 18, 2023, included in this Draft Prospectus and such consent has not been withdrawn as on the date of this Draft Prospectus. However, the term 'Expert' shall not be construed to mean an 'expert' as defined under the Securities Act.

Filing of Issue Document

The Draft Prospectus has not been filed with SEBI, nor has SEBI issued any observation on the Issue Document in terms of Regulation 246 of SEBI (ICDR) Regulations. However, pursuant to Regulation 246 (5), the copy of Draft Prospectus shall also be furnished to the SEBI in a soft copy. Pursuant to SEBI Circular Number SEBI/HO/CFD/DIL1/CIR/P/2018/011 dated January 19, 2018, a copy of the Prospectus will be filed online through SEBI Intermediary Portal at www.sebi.gov.in. A copy of the Prospectus along with the documents required to be filed under Section 26 and 28 of the Companies Act, 2013 will be delivered to the Registrar of Companies, Ahmedabad, Gujarat, situated at ROC Bhavan, Opp. Rupal Park Society, Behind Ankur Bus Stop, Naranpura, Ahmedabad – 380013, Gujarat, India.

Fixed Price Issue Procedure

The Issue is being made in compliance with the provisions of Chapter IX of the SEBI (ICDR) Regulations, and through the Fixed Price Process wherein 50% of the Net Issue to Public is being issued to the Retail Individual Applicants and the balance is being issued to Other Investors including QIBs and Non-Institutional Applicants.

However, in case of under-subscription in either category, unsubscribed portion shall be allocated to investors in other category subject to valid Applications being received from them at the Issue Price. Subject to the valid Applications being received at the Issue Price, allotment to all categories in the Net Issue, shall be made on a proportionate basis, except for the Retail Individual Investors Category where Allotment to each Retail Individual Applicants shall not be less than the minimum lot, subject to availability of Equity Shares in Retail Individual Investors Category, 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 Lead Manager and the Stock Exchange.

Investors should note that the Equity Shares will be allotted to all successful Applicants only in dematerialised form. It is mandatory to furnish the details of Applicant's depository account along with Application Form. The Application Forms which do not have the details of the Applicants' depository account, including the DP ID Numbers and the beneficiary account number shall be treated as incomplete and rejected. Application Forms which do not have the details of the Applicants' PAN, (other than Applications made on behalf of the Central and the State Governments, residents of the state of Sikkim and official appointed by the courts) shall be treated as incomplete and are liable to be rejected. Applicants will not have the option of being Allotted Equity Shares in physical form. The Equity Shares on Allotment shall be traded only in the dematerialised segment of the BSE Limited.

Issue Programme

An indicative timetable in respect of the Issue is set out below:

| Event | Indicative Date |
|---|-----------------|
| Issue Opening Date | [•] |
| Issue Closing Date | [•] |
| Finalization of Basis of Allotment with the Designated Stock Exchange | [•] |
| Unblocking of Funds | [•] |
| Credit of Equity Shares to demat accounts of Allottees | [•] |
| Commencement of trading of the Equity Shares on the Stock Exchange | [•] |

Underwriting

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

| Name, Address, Telephone, Fax No., and Email of the Underwriter | Indicated number of Equity Shares to be Underwritten | Amount Underwritten | % of the total Issue size Underwritten |
|---|--|---------------------|--|
| [●] | [●] | [●] | [●] |
| Total | [●] | [●] | [●] |

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

Withdrawal of the Issue

Our Company in consultation with the Lead Manager, reserves the right not to proceed with the Issue at any time after the Issue Opening Date but before the Board meeting for Allotment. In such an event our Company would issue a public notice in the newspapers, in which the pre-issue advertisements were published, within two days of the issue Closing Date or such other time as may be prescribed by SEBI, providing reasons for not proceeding with the Issue. The Lead Manager, through the Registrar to the Issue, shall notify the SCSBs and Sponsor Banks, as applicable, to unblock the bank accounts of the ASBA Applicants within one day of receipt of such notification. Our Company shall also promptly inform the Stock Exchange on which the Equity Shares were proposed to be listed. Notwithstanding the foregoing, the Issue is also subject to obtaining the final listing and trading approvals of the Stock Exchange, which our Company shall apply for after Allotment. If our Company withdraws the Issue at any stage including after the Issue Closing Date and thereafter determines that it will proceed with an IPO, our Company shall be required to file a fresh Draft Prospectus.

Details of Market Making Arrangement for the Issue

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

| | |
|------------------------------|-----|
| Name | [●] |
| Address | [●] |
| Telephone | [●] |
| E-mail | [●] |
| Contact Person | [●] |
| SEBI Registration No. | [●] |

The Market Maker shall fulfil the applicable obligations and conditions as specified in the SEBI (ICDR) Regulations and the circulars issued by the BSE 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 issued by the Market Maker(s).

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 and the same shall be updated in the Draft Prospectus.

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 BSE SME platform of the BSE and SEBI from time to time.

The minimum depth of the quote shall be ₹1.00 Lakhs. However, the investors with holdings of value less than ₹1.00 Lakhs shall be allowed to Issue their holding to the Market Maker(s) (*individually or jointly*) in that scrip provided that he sells his entire holding in that scrip in one lot along with a declaration to the effect to the selling broker.

The Market Maker shall not sell in lots less than the minimum contract size allowed for trading on the BSE SME Platform (in this case currently the minimum trading lot size is [●] equity shares; however, the same may be changed by the BSE SME Platform of BSE from time to time).

The Market Maker shall be required to provide a 2-way quote for 75% of the time in a day. The same shall be monitored by the Stock Exchange. The spread (difference between the sell and the buy quote) shall not be more than 10% or as specified 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).

After a period of three (3) months from the market making period, the Market Maker would be exempted to provide quote if the Shares of Market Maker in our Company reaches to 25% of Issue Size. Any Equity Shares allotted to Market Maker under this Issue over and above 25% of Issue Size would not be taken into consideration of computing the threshold of 25% of Issue Size. As soon as the Shares of Market Maker in our Company reduces to 24% of Issue Size, the Market Maker will resume providing two (2) way quotes.

There shall be no exemption/threshold on downside. However, in the event the Market Maker exhausts his inventory through market making process, BSE may intimate the same to SEBI after due verification.

Execution of the order at the quoted price and quantity must be guaranteed by the Market Maker(s), for the quotes given by him. There would not be more than five (5) Market Makers for a script at any point of time and the Market Makers may compete with other Market Makers for better quotes to the investors.

On the first day of the listing, there will be pre 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.

There will be special circumstances under which the Market Maker may be allowed to withdraw temporarily/fully from the market – for instance due to system problems, any other problems. All controllable reasons require prior approval from the Exchange, while force-majeure will be applicable for non-controllable reasons. The decision of the Exchange for deciding controllable and non-controllable reasons would be final.

The Market Maker(s) shall have the right to terminate said arrangement by giving a three (3) months' notice or on mutually acceptable terms to the Lead Manager, who shall then be responsible to appoint a replacement Market Maker(s). In case of termination of the above mentioned Market Making agreement prior to the completion of the compulsory Market Making period, it shall be the responsibility of the Lead Manager to arrange for another Market Maker in replacement during the term of the notice period being served by the Market Maker but prior to the date of releasing the existing Market Maker from its duties in order to ensure compliance with the requirements of regulation 261(1) of the SEBI (ICDR) Regulations. Further our Company and the Lead Manager 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 (5) or as specified by the relevant laws and regulations applicable at that particular point of time. The Market Making Agreement is available for inspection at our registered office from 11.00 a.m. to 5.00 p.m. on Working Days.

Risk containment measures and monitoring for Market Makers:

SME platform of the BSE will have all margins, which are applicable on the BSE main board viz., Mark-to-Market, Value-At-Risk (VAR) Margin, Extreme Loss Margin, Special Margins and Base Minimum Capital etc. BSE can impose any other margins as deemed necessary from time-to-time.

Price Band and Spreads:

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

In case equilibrium price is discovered in the Call Auction, the price band in the normal trading session shall be 5% of the equilibrium price.

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

Additionally, the trading shall take place in TFT segment for first 10 days from commencement of trading. The following spread will be applicable on the BSESME platform of the BSE.

| Market Price Slab | Proposed spread (in % to sale price) |
|-------------------|--------------------------------------|
| Up to ₹50 | 9 |
| ₹50 to ₹75 | 8 |
| ₹75 to ₹100 | 6 |

| Market Price Slab | Proposed spread (in % to sale price) |
|-------------------|--------------------------------------|
| Above ₹100 | 5 |

Punitive Action in case of default by Market Makers:

BSE SME platform of the BSE 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 (Issuing 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.

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

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

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

Our Equity Share Capital before the issue and after giving effect to the issue, as on the date of filing of this Draft Prospectus, is set forth below:

Amount (₹ in Lacs except share data)

| Sr. No. | Particulars | Aggregate nominal value | Aggregate value at Issue Price |
|-----------|--|-------------------------|--------------------------------|
| A. | AUTHORISED SHARE CAPITAL | | |
| | 30,00,000 Equity Shares | 300.00 | |
| B. | ISSUED, SUBSCRIBED & PAID-UP SHARE CAPITAL BEFORE THE ISSUE | | |
| | 17,05,000 Equity Shares | 170.50 | |
| C. | PRESENT ISSUE IN TERMS OF THIS DRAFT PROSPECTUS | | |
| | Issue of up to 12,50,000 Equity Shares at a premium of ₹[●] per Equity Share | [●] | [●] |
| | Which Comprises: | | |
| (I) | Reservation for Market Maker [●] Equity Shares at a premium of ₹[●] will be available for allocation to Market Maker | [●] | [●] |
| (II) | Net Issue to the Public [●] Equity Shares at a premium of ₹[●] per Equity Share | [●] | [●] |
| | Of Net Issue to the Public | | |
| (I) | [●] Equity Shares at a premium of ₹[●] per Equity Share shall be available for allocation for Investors applying for a value of upto ₹2.00 Lakhs | [●] | [●] |
| (II) | [●] Equity Shares at a premium of ₹[●] per Equity Share shall be available for allocation for Investors applying for a value above ₹2.00 Lakhs | [●] | [●] |
| D. | ISSUED, SUBSCRIBED AND PAID-UP CAPITAL AFTER THE PRESENT ISSUE | | |
| | [●] Equity Shares | [●] | |
| E. | SHARE PREMIUM ACCOUNT | | |
| | Share Premium account before the Issue | 10.50 | |
| | Share Premium account after the Issue | [●] | |

DETAILS OF CHANGES IN AUTHORIZED SHARE CAPITAL

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

| Sr. No. | Date of Change | AGM / EGM | Changes in Authorized Capital |
|---------|---------------------------------------|-----------|--|
| 1. | On Incorporation (August 27, 2019) | - | The authorized capital of our company on incorporation comprised of ₹1.00 Lakhs consisting of 10,000 Equity shares of ₹10.00 each. |
| 2. | December 31, 2022 | EGM | The authorized share capital of ₹1.00 Lakhs consisting of 10,000 Equity Shares of ₹10.00 each was increased to ₹300.00 Lakhs consisting of 30,00,000 Equity shares of ₹10.00 each. |

Note:

The present issue of up to 12,50,000 Equity Shares in terms of this Draft Prospectus has been authorized by a resolution of our Board dated February 27, 2023, and by a special resolution passed pursuant to Section 62(1)(c) of the Companies Act, 2013 at the Extra Ordinary General meeting by the shareholders of our Company held on March 10, 2023.

The company has one class of share capital i.e. Equity Shares of Face value of ₹10.00 each only. All equity shares issued are fully paid-up.

Our Company has no outstanding convertible instruments as on date of this Draft Prospectus.

NOTES TO THE CAPITAL STRUCTURE

1. Equity Share Capital History

Our existing Share Capital has been subscribed and allotted as under:

| Date of Allotment | No. of Equity Shares allotted | Face Value (₹) | Issue Price (₹) | Nature of Consideration | Reason / Nature of Allotment | Cumulative No. of Equity Shares |
|------------------------------------|-------------------------------|----------------|-----------------|-------------------------|-------------------------------------|---------------------------------|
| On Incorporation (August 27, 2019) | 10,000 | ₹10.00 | ₹10.00 | Cash | Subscription to MoA ¹ | 10,000 |
| March 17, 2022 | 3,00,000 | ₹10.00 | ₹60.00 | Cash | Preferential Allotment ² | 3,10,000 |
| March 22, 2022 | 13,95,000 | ₹10.00 | - | Other than cash | Bonus Issue ³ | 17,05,000 |

a) Initial Subscribers to Memorandum of Association subscribed 10,000 Equity Shares as per the details given below:

| Sr. No | Name of the Person | No. of Equity Shares Subscribed |
|--------------|--------------------|---------------------------------|
| 1. | Maulik Khara | 5,000 |
| 2. | Nilesh R Prajapati | 5,000 |
| Total | | 10,000 |

b) Preferential Allotment pursuant to Conversion of loan of ₹1.80 Crores into Equity Shares on March 17, 2022 of 3,00,000 Equity Shares at a price of ₹60.00 per Equity Share including premium of ₹50.00 per Equity Share, the details are given below

| Sr. No | Name of the Person | No. of Equity Shares Subscribed |
|--------------|--------------------|---------------------------------|
| 1. | Maulik Khara | 2,07,500 |
| 2. | Nilesh R Prajapati | 92,500 |
| Total | | 3,00,000 |

c) Bonus Issue of 13,95,000 Equity Share in the ratio of 9:2 as on March 22, 2022 as per the details given below:

| Sr. No | Name of the Person | No. of Equity Shares Subscribed |
|--------------|---------------------------------|---------------------------------|
| 1. | Maulik Khara | 9,51,750 |
| 2. | Nilesh R Prajapati | 4,34,250 |
| 3. | Swati Khara | 2,250 |
| 4. | Urmilaben P Khara | 1,800 |
| 5. | Ritesh Kumar Verma | 900 |
| 6. | Himaniben Nileshkumar Prajapati | 2,250 |
| 7. | Prajapati Rameshbhai Gordhandas | 1,800 |
| TOTAL | | 13,95,000 |

2. Equity Share Issued for consideration other than cash

Except as set out Below, our Company has not issued Equity Shares for consideration other than cash:

| Date of Allotment | No. of Total Equity Shares allotted | Face Value (₹) | Issue Price (₹) | Name of Allottees | No. of Shares Allotted | Nature of Allotment | Benefit Accrued | Reason for Issue |
|-------------------|-------------------------------------|----------------|-----------------|---------------------------------|------------------------|---|--|--|
| March 17, 2022 | 3,00,000 | 10 | 60 | Maulik Khara | 2,07,500 | Conversion of Unsecured Loan into Equity Shares | Reduction in borrowings | Issued pursuant to conversion of loan of ₹1.80 Crores into equity shares, in accordance with the loan agreements |
| | | | | Nilesh R Prajapati | 92,500 | | | |
| March 22, 2022 | 13,95,000 | 10 | NA | Maulik Khara | 9,51,750 | Bonus Issue in the ratio of 9:2 | Retaining Interest of the Shareholders | Capitalisation of Reserves |
| | | | | Nilesh R Prajapati | 4,34,250 | | | |
| | | | | Swati Khara | 2,250 | | | |
| | | | | Urmilaben P Khara | 1,800 | | | |
| | | | | Ritesh Kumar Verma | 900 | | | |
| | | | | Himaniben Nileshkumar Prajapati | 2,250 | | | |
| | | | | Prajapati Rameshbhai Gordhandas | 1,800 | | | |

3. Equity Shares issued out of revaluation reserves

Our Company has not revalued its assets since inception and has not issued any Equity Shares (including bonus shares) by capitalizing any revaluation reserves.

4. Issue of Equity Shares pursuant to scheme of arrangement

Further, our Company has not allotted any Equity Shares pursuant to any scheme approved under section 230-234 of the Companies Act, 2013.

5. Issue of Equity Shares at a price lower than the Issue Price in the last year

The Issue Price for the Equity Shares is ₹ [●].

Our Company has not issued any Equity Shares during a period of one year preceding the date of the Draft Prospectus at a price lower than the Issue price. However, our Company has issued Bonus Shares during a period of one year preceding the date of the Draft Prospectus:

| Date of Allotment | No. of Shares Allotted | Face Value | Type of Issue |
|-------------------|------------------------|------------|---------------|
| March 22, 2022 | 13,95,000 | 10 | Bonus Issue |

6. Details of Equity Shares granted under employee stock option schemes

Our Company has not granted Equity Shares pursuant to employee stock option scheme.

7. Details of outstanding warrants, options, or rights to convert a debentures, loans, or other financial instruments

As on date of this Draft Prospectus, there are no outstanding warrants, options, or rights to convert a debentures, loans, or other financial instruments into our Equity Shares.

8. Equity Shareholding Pattern

The shareholding pattern of our company in accordance with Regulation 31 of SEBI (LODR) Regulations, as on the date of filing of Draft Prospectus:

i. Summary of Shareholding Pattern:

| Category (I) | Category of shareholder (II) | Nos of shareholders (III) | No of fully paid-up equity shares held (IV) | No of Partly paid-up equity shares held (V) | No of shares underlying Depository Receipts (VI) | Total nos. shares held (VII) = (IV)+(V)+(VI) | Shareholding as a % of total no. of shares(calculated as per SCRR, 1957) (VIII) As a % of (A+B+C2) | Number of Voting Rights held in each class of securities (IX) | | No of shares Underlying Outstanding convertible securities (Including Warrants) (X) | Shareholding, as a % assuming full conversion of convertible securities (as a percentage of diluted share capital) (XI)=(VII)+(X) As a % of (A+B+C2) | Number of Locked in shares (XII) | | Number of shares pledged or otherwise encumbered (XIII) | | Number of equity shares held in dematerialized form (XIV) |
|--------------|--------------------------------------|---------------------------|---|---|--|---|--|---|-------------------------|---|--|----------------------------------|------------------------|---|------------------------|---|
| | | | | | | | | No of Voting Rights | Total as a % of (A+B+C) | | | No. (a) | As a % of total shares | No. (a) | As a % of total shares | |
| (A) | Promoter & Promoter Group | 6 | 17,03,900 | 0 | 0 | 17,03,900 | 99.94 | 17,03,900 | 99.94 | 0 | 0 | | | 0 | 0 | 17,03,900 |
| (B) | Public | 1 | 1,100 | 0 | 0 | 1100 | 0.06 | 1100 | 0.06 | 0 | 0 | 0 | 0 | 0 | 0 | 1100 |
| (C) | Non Promoter-Non Public | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | N.A | N.A | 0 |
| (C1) | Shares underlying DRs | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | N.A | N.A | 0 |
| (C2) | Shares held by Employee Trusts | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | N.A | N.A | 0 |
| | TOTAL | 7 | 17,05,000 | 0 | 0 | 17,05,000 | 100 | 17,05,000 | 100.00 | 0 | 0 | | | N.A | N.A | 17,05,000 |

Note: Our Company will file shareholding pattern of our Company, in the form prescribed under Regulation 31 of the SEBI Listing Regulations, one day prior to the listing of the Equity Shares. The Shareholding pattern will be uploaded on the website of BSE before commencement of trading of such equity shares.

9. Shareholding pattern before and after the Issue:

| Sr. No | Name of share holder | Pre-issue | | Post-Issue | |
|----------------------------|---------------------------------|---------------------|--------------------------|---------------------|--------------------------|
| | | No of equity shares | As a % of Issued Capital | No of equity shares | As a % of Issued Capital |
| (i) Promoter | | | | | |
| 1. | Maulik Khara | 11,63,250 | 68.23 | [●] | [●] |
| 2. | Nilesh R Prajapati | 5,30,750 | 31.13 | [●] | [●] |
| | TOTAL (A) | 16,94,000 | 99.35 | [●] | [●] |
| (ii) Promoter Group | | | | | |
| 3. | Swati Khara | 2,750 | 0.16 | [●] | [●] |
| 4. | Urmilaben P Khara | 2,200 | 0.13 | [●] | [●] |
| 5. | Himaniben Nileshkumar Prajapati | 2,750 | 0.16 | [●] | [●] |
| 6. | Prajapati Rameshbhai Gordhandas | 2,200 | 0.13 | [●] | [●] |
| | TOTAL (B) | 9,900 | 0.58 | [●] | [●] |
| (iii) Public | | | | | |
| 7. | Ritesh Kumar Verma | 1,100 | 0.06 | [●] | [●] |
| | IPO | - | - | [●] | [●] |
| | TOTAL (C) | 1,100 | 0.06 | [●] | [●] |
| | TOTAL (A+B+C) | 17,05,000 | 100.00 | [●] | [●] |

All the Equity Shares held by the Promoters, members of the Promoter Group, and public are held in dematerialized form as on the date of this Draft Prospectus.

10. Details of Major Shareholders

a) List of Shareholders holding 1.00% or more of the Paid-up Capital of the Company as on date of the Draft Prospectus:

| Sr. No. | Name of shareholder | No. of Equity Shares | % of Shares Capital |
|---------|---------------------|----------------------|---------------------|
| 1. | Maulik Khara | 11,63,250 | 68.23 |
| 2. | Nilesh R Prajapati | 5,30,750 | 31.13 |
| | TOTAL | 16,94,000 | 99.35 |

b) List of Shareholder holding 1.00% or more of the paid-up capital of the Company ten days prior to the date of the Draft Prospectus:

| Sr. No. | Name of shareholder | No. of Equity Shares | % of Shares Capital |
|---------|---------------------|----------------------|---------------------|
| 1. | Maulik Khara | 11,63,250 | 68.23 |
| 2. | Nilesh R Prajapati | 5,30,750 | 31.13 |
| | TOTAL | 16,94,000 | 99.35 |

c) List of Shareholder holding 1.00% or more of the paid-up capital of the Company as on March 31, 2022 i.e. one year prior to the date of the Draft Prospectus:

| Sr. No. | Name of shareholder | No. of Equity Shares | % of Shares Capital |
|---------|---------------------|----------------------|---------------------|
| 1. | Maulik Khara | 11,63,250 | 68.23 |
| 2. | Nilesh R Prajapati | 5,30,750 | 31.13 |
| | TOTAL | 16,94,000 | 99.35 |

d) List of Shareholder holding 1.00% or more of the paid-up capital of the Company as on March 31, 2021, i.e., two years prior to the date of the Draft Prospectus:

| Sr. No. | Name of shareholder | No. of Equity Shares | % of Shares Capital |
|---------|---------------------|----------------------|---------------------|
| 1. | Maulik Khara | 5,000 | 50.00 |
| 2. | Nilesh R Prajapati | 5,000 | 50.00 |
| | TOTAL | 10,000 | 100.00 |

(a) The average cost of acquisition of or subscription to Equity Shares by our Promoters is set forth in the table below:

| Pre-Issue Capital | Post-Issue Capital | Pre-Issue Shares | Post-Issue Shares |
|-------------------|--------------------|------------------|-------------------|
| 1,70,50,000 | | 17,05,000 | [●] |

| 1. Maulik Khara | | | | | | | | | |
|---|-----------------|---|-----------------------|-------------------|------------------|--|--------------------------|--------------------------------------|---------------------------------------|
| Date of Allotment/ Acquisition / Transfer of Fully Paid-up Shares | Consideration | Nature of Issue | No. of Equity Shares* | Cum Equity Shares | Face Value (Rs.) | Issue Price/ Acquisition Price**/ Transfer Price (Rs.) | Acquisition Amount (Rs.) | % of Pre-issue paid up Equity Shares | % of Post-issue paid up Equity Shares |
| August 27, 2019 | Cash | Subscription to MOA | 5,000 | 5,000 | 10.00 | 10.00 | 50,000.00 | 0.29 | [●] |
| January 10, 2022 | Cash | Transfer | - | 4,000 | 10.00 | 65.00 | (65,000.00) | (0.06) | [●] |
| March 17, 2022 | Cash | Preferential Allotment (Conversion of Loan) | 2,07,500 | 2,11,500 | 10.00 | 60.00 | 1,24,50,000.00 | 12.17 | [●] |
| March 22, 2022 | Other than Cash | Bonus Issue | 6,58,850 | 8,70,350 | 10.00 | 0.00 | - | 38.64 | [●] |
| March 22, 2022 | Other than Cash | Bonus Issue | 2,92,900 | 11,63,250 | 10.00 | 0.00 | - | 17.18 | [●] |
| | | | | | | | | | [●] |
| TOTAL | | | 11,63,250 | | | | 1,24,35,000.00 | 68.23 | [●] |
| AVERAGE COST OF ACQUISITION | | | | | | | 10.69 | | |
| 2. Nilesh R Prajapati | | | | | | | | | |
| Date of Allotment/ Acquisition / Transfer of Fully Paid-up Shares | Consideration | Nature of Issue | No. of Equity Shares* | Cum Equity Shares | Face Value (Rs.) | Issue Price/ Acquisition Price**/ Transfer Price (Rs.) | Acquisition Amount (Rs.) | % of Pre-issue paid up Equity Shares | % of Post-issue paid up Equity Shares |
| August 27, 2019 | Cash | Subscription to MOA | 5,000 | 5,000 | 10.00 | 10.00 | 50,000.00 | 0.29 | [●] |
| January 10, 2022 | Cash | Transfer | - | 4,000 | 10.00 | 65.00 | (65,000.00) | (0.06) | [●] |
| March 17, 2022 | Cash | Preferential Allotment (Conversion of Loan) | 92,500 | 96,500 | 10.00 | 60.00 | 55,50,000.00 | 5.43 | [●] |
| March 22, 2022 | Other than Cash | Bonus Issue | 1,41,350 | 2,37,850 | 10.00 | 0.00 | - | 8.29 | [●] |
| March 22, 2022 | Other than Cash | Bonus Issue | 2,92,900 | 5,30,750 | 10.00 | 0.00 | - | 17.18 | [●] |
| | | | | | | | | | [●] |
| TOTAL | | | 5,30,750 | | | | 55,35,000.00 | 31.13 | [●] |
| AVERAGE COST OF ACQUISITION | | | | | | | 10.43 | | |

11. 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 Prospectus until the Equity Shares have been listed. Further, our Company presently does not have any intention or proposal to alter our capital structure within a period of six months from the date of opening of this Issue, by way of split / consolidation of the denomination of Equity Shares or further issue of Equity Shares (including issue of securities convertible into exchangeable, directly or indirectly, for our Equity Shares) whether preferential or otherwise except that if we enter into acquisition(s) or joint ventures, we may consider additional capital to fund such activities or to use Equity Shares as a currency for acquisition or participation in such joint ventures.

12. Share Capital Build-up of our Promoter & Lock-in

Our Promoter had been allotted Equity Shares from time to time. The following is the Equity Share Capital build-up of our Promoters.

| Date of Allotment / Transfer | Nature of Issue/ Allotment (Bonus, Rights etc) | Consideration | No. of Equity Shares | Cumulative No. of Equity Shares | Face Value (₹) | Issue/ Transfer Price | % of total Issued Capital | | Lock In |
|------------------------------|--|-----------------|----------------------|---------------------------------|----------------|-----------------------|---------------------------|------------|---------|
| | | | | | | | Pre-Issue | Post-Issue | |
| Maulik Khara | | | | | | | | | |
| August 27, 2019 | On Incorporation | Cash | 5,000 | 5,000 | 10 | 10 | 0.29 | [●] | [●] |
| January 10, 2022 | Transfer | Cash | -1,000 | 4000 | 10 | 65 | -0.06 | [●] | [●] |
| March 17, 2022 | Preferential Allotment (Conversion of loan) | Cash | 2,07,500 | 2,11,500 | 10 | 60 | 12.17 | [●] | [●] |
| March 22, 2022 | Bonus Issue | Other than Cash | 6,58,850 | 8,70,350 | 10 | NA | 38.64 | [●] | [●] |
| | | | 2,92,900 | 11,63,250 | | | 17.18 | [●] | [●] |
| | TOTAL (A) | | 11,63,250 | | | | 68.23 | [●] | |
| Nilesh R Prajapati | | | | | | | | | |
| August 27, 2019 | On Incorporation | Cash | 5,000 | 5,000 | 10 | 10 | 0.29 | [●] | [●] |
| January 10, 2022 | Transfer | Cash | -1,000 | 4000 | 10 | 65 | -0.06 | [●] | [●] |
| March 17, 2022 | Preferential Allotment (Conversion of loan) | Cash | 92,500 | 96,500 | 10 | 60 | 5.43 | [●] | [●] |
| March 22, 2022 | Bonus Issue | Other than Cash | 1,41,350 | 2,37,850 | 10 | NA | 8.29 | [●] | [●] |
| | | | 2,92,900 | 5,30,750 | | | 17.18 | [●] | [●] |
| | TOTAL (B) | | 5,30,750 | | | | 31.13 | [●] | |

Note: All the Equity Shares allotted and held by our Promoters were fully paid at the time of allotment and none of the Equity Shares held by our Promoters are pledged.

13. None of our Promoters, Promoters Group, Directors and their relatives have purchased or sold the equity share of our company during the past six months immediately preceding the date of filing Draft Prospectus.
14. The members of the Promoter Group, our Directors or the relatives of our Directors have not financed the purchase by any other person of securities of our Company, other than in the normal course of the business of the financing entity, during the six months preceding the date of filing of the Draft Prospectus.

Lock in of Promoters

- a) As per clause (a) Regulation 238 of the SEBI (ICDR) Regulations and in terms of the aforesaid table, an aggregate of 20.00% of the post-Issue Equity Share Capital of our Company i.e. [●] equity shares shall be locked in by our Promoter for three years. The lock-in shall commence from the date of allotment in the proposed public issue and the last date of lock-in shall be reckoned as three years from the date of commencement of commercial production or the date of allotment in the public issue whichever is later. (“Minimum Promoters’ contribution”).

The Promoters’ contribution has been brought in to the extent of not less than the specified minimum amount and has been contributed by the persons defined as Promoter under the SEBI (ICDR) Regulations. Our Company has obtained written consents from our Promoters for the lock-in of [●] Equity Shares for three years. The Equity Shares that are being locked in are not ineligible for minimum promoters contribution in terms of Regulation 237 of the SEBI (ICDR) Regulations. In connection, we confirm the following.

- The Equity Shares offered for minimum 20% promoters contribution have not been acquired in the preceding three years before the date of prospectus for consideration other than cash and revaluation of assets or capitalisation of intangible assets is involved in such transaction nor resulted from a bonus issue by utilization of revaluation reserves or unrealized profits of the issuer or from bonus issue against equity shares which are ineligible for minimum promoters' contribution;
- The minimum promoters Contribution does not include Equity Shares acquired by our Promoters during the preceding one (1) year, at a price lower than the price at which Equity Shares are being issued to the public in the Issue;
- The minimum promoters Contribution does not include Equity shares pledged with any creditor.

b) Equity Shares of Promoter locked-in for one year

In addition to 20.00% of the post-Issue shareholding of our Company shall be locked-in for three years as the minimum Promoters' contribution, the balance Pre-Issue Paid-up Equity Share Capital i.e. [●] Equity Shares, would be locked-in for a period of one year from the date of Allotment in the proposed Initial Public Issue as provided in clause (b) of Regulations 238 of SEBI (ICDR) Regulations.

15. Lock-in of securities held by persons other than the promoters

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

16. Transferability of Lock-in securities

- a) In terms of Regulation 243 of the SEBI (ICDR) Regulations, the Equity Shares held by our Promoters which are locked in as per the provisions of Regulation 238 of the SEBI (ICDR) Regulations, may be transferred to another Promoters or any person of the promoter group or a new promoter or a person in control of the issuer company, subject to continuation of lock-in in the hands of transferees for the remaining period and compliance of SEBI (Substantial Acquisition of Shares and Takeovers) Regulations, 2011 as applicable.
- 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.

17. Other requirements in respect of 'lock-in'

In terms of Regulation 242 of the SEBI (ICDR) Regulations, the locked-in Equity Shares held by our Promoter can be pledged only with any scheduled commercial banks or public financial institutions as collateral security for loans granted by such banks or financial institutions, subject to the following:

- If the specified securities are locked-in in terms of clause (a) of Regulation 238 of the SEBI (ICDR) Regulations, the loan has been granted by such bank or institution for the purpose of financing one or more of the objects of the issue and the pledge of specified securities is one of the terms of sanction of the loan.
- If the specified securities are locked-in in terms of clause (b) of Regulation 238 of the SEBI (ICDR) Regulations, and the pledge of specified securities is one of the terms of sanction of the loan.

18. In terms of regulations 241 of the SEBI(ICDR) Regulations, our Company confirms the securities issued in dematerialized form then the lock-in is recorded by the depository.

19. Our Company, our Directors and the Lead Manager to this Issue have not entered into any buy-back, standby or similar arrangements with any person for purchase of our Equity Shares issued by our Company.

20. All the Equity Shares of our Company are fully paid up equity shares as on the date of the Draft Prospectus. Further, since the entire money in respect of the Issue is being called on application, all the successful applicants will be issued fully paid-up equity shares.

21. Neither the Lead Manager, nor their associates hold any Equity Shares of our Company as on the date of the Draft Prospectus.

22. Our Company does not have any Employee Stock Option Scheme / Employee Stock Purchase Scheme for our employees and we do not intend to allot any shares to our employees under Employee Stock Option Scheme / Employee Stock Purchase Scheme 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.
23. Under subscription, if any, in any of the categories, would be allowed to be met with spill-over from any of the other categories or a combination of categories at the discretion of our Company in consultation with the Lead Manager and Designated Stock Exchange. Such inter-se spill over, if any, would be affected in accordance with applicable laws, rules, regulations and guidelines
24. As per RBI regulations, OCBs are not allowed to participate in this Issue.
25. Our Company has not raised any bridge loan against the proceeds of this Issue. However, depending on business requirements, we might consider raising bridge financing facilities, pending receipt of the Net Proceeds.
26. Our Company undertakes that at any given time, there shall be only one denomination for our Equity Shares, unless otherwise permitted by law.
27. An Applicant cannot make an application for more than the number of Equity Shares being issued through this Issue, subject to the maximum limit of investment prescribed under relevant laws applicable to each category of investors.
28. No payment, direct or indirect in the nature of discount, commission, allowance or otherwise shall be made either by us or our Promoters to the persons who receive allotments, if any, in this Issue.
29. Our Promoter and the members of our Promoter Group will not participate in this Issue.
30. As on date of this Draft Prospectus, there are no outstanding financial instruments or any other rights that would entitle the existing Promoters or shareholders or any other person any option to receive Equity Shares after the Issue.
31. Our Company shall ensure that transactions in the Equity Shares by the Promoter Group between the date of filing Draft Prospectus with the Registrar of Companies and the Issue Closing Date shall be reported to the BSE Limited within twenty-four hours of such transaction.
32. None of our Key Managerial holds any Equity Shares in our Company.
33. As on date of this Draft Prospectus, our Company have 7 Shareholders.

SECTION V – PARTICULARS OF THE ISSUE

OBJECTS OF THE ISSUE

Fresh Issue

The Fresh Issue includes a public Issue of up to [●] Equity Shares of our Company at an Issue Price of ₹ [●]/- per Equity Share.

Objects of the Issue

We intend to utilize the issue proceeds to meet the following objects:

1. To meet the working capital expenses;
2. General Corporate Purpose; and
3. To meet the Issue Expenses.

(Collectively referred to as ‘Objects of the Issue’)

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 BSE Ltd. It will also provide liquidity to the existing shareholders and will also create a public trading market for the Equity Shares of our Company.

The main objects clause of our Memorandum of Association 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 objects clause of our Memorandum of Association.

Utilisation of Fresh Issue Proceeds

The details of the Issue proceeds of the Issue are proposed to be utilized by our Company for the following objects:

| Sr. No. | Particulars | Estimated Amount@ (₹ in Lakhs) |
|---------|-----------------------------|-----------------------------------|
| (1) | Gross Proceeds of the Issue | [●] |
| (2) | Issue related expenses | [●] |
| (3) | Net Proceeds of the Issue | [●] |

(a) To be finalized upon determination of the Issue Price and updated in the Prospectus.

Utilisation of Net Proceeds

The Net Proceeds from the Issue are proposed to be utilized by our Company for the following objects:

| Sr. No. | Particulars | Estimated Amount@ (₹ in Lakhs) | % of Net Proceeds |
|---------|------------------------------|-----------------------------------|-------------------|
| (1) | Working Capital Requirements | 280.00 | [●] |
| (2) | General Corporate Purposes | [●] | [●] |
| | TOTAL | [●] | 100% |

(a) To be finalized upon determination of the Issue Price and updated in the Prospectus.

Means of Finance

We propose to meet the requirement of funds for the stated objects of the Issue from the Issue proceeds only. We intend to fund the shortfall, if any, from internal accruals and/ or debt. Set forth below are the means of finance for the above-mentioned fund requirement:

(₹ in Lakhs)

| Sr. No. | Objects of the Issue | Amount Required@ |
|---------|----------------------|------------------|
| (1) | Net Issue Proceeds | [●] |

Notes

(a) To be finalized upon determination of the Issue.

The fund requirements for the Objects of the Issue are based on internal management estimates and quotations received from vendors and have not been appraised by any bank or financial institution.

Since the entire fund requirements are to be funded from the proceeds of the Issue. Accordingly, we confirm that we are in compliance with the requirement to make firm arrangements of finance under clause (e) of Sub-Regulation (1) of Regulation 230 of the SEBI (ICDR) Regulations through verifiable means towards at least 75.00% of the stated means of finance, excluding the amount to be raised through the Net Proceeds and existing identifiable internal accruals.

Fund Requirements

| Sr. No. | Particulars | Total Estimated Amount@ (₹ in Lakhs) | Amount deployed as on date of this Draft Prospectus | Amount to be deployed from Net Proceeds (₹ in Lakhs) | Estimated Amount to be deployed from Net Proceeds in the Financial Year 2024 (₹ in Lakhs) |
|---------|------------------------------|--------------------------------------|---|--|---|
| (1) | Working Capital Requirements | 280.00 | 3,00,000 | [●] | [●] |
| (2) | General Corporate Purposes | [●] | [●] | [●] | [●] |
| | TOTAL | [●] | 100% | [●] | [●] |

Our fund requirements and deployment are based on the internal management estimates. These are based on current plans and circumstances of our business and are subject to change in light of changes in external circumstances or costs, or in our financial condition and business or strategy. Further, these estimates have not been appraised and/or verified by the Lead Merchant Banker or any bank or financial institution or any other external agency.

Given the dynamic nature of our business, we may have to revise our funding requirements and deployment on account of a variety of factors such as our financial condition, business and strategy and external factors such as market conditions, competitive environment and interest or exchange rate fluctuations, which may not be within the control of our management. This may entail rescheduling or revising the planned expenditure and funding requirements, including the expenditure for a particular purpose at the discretion of our management. If the actual utilisation towards any of the Objects of the Issue is lower than the proposed deployment such balance will be used for general corporate purposes to the extent that the total amount to be utilized towards general corporate purposes will not exceed 25% of the proceeds from the Issue in accordance with Sub-Regulation (2) of Regulation 230 of the SEBI (ICDR) Regulations. In case of a shortfall in raising requisite capital from the Net Proceeds or an increase in the total estimated costs of the Objects of the Issue, we may explore a range of options including utilising our internal accruals and seeking additional debt from existing and future lenders. We believe that such alternate arrangements would be available to fund any such shortfalls. Further, in case of variations in the actual utilization of funds earmarked for the purposes set forth above, increased fund requirements for a particular purpose may be financed by surplus funds, if any, available in respect of the other purposes for which funds are being raised in this Issue.

For further details on the risks involved in our business plans and executing our business strategies, please refer to the section titled '**Risk Factors**' beginning on page 22 of this Draft Prospectus.

DETAILS OF THE UTILIZATION OF ISSUE PROCEEDS

1. To meet working capital expenses

Our business is working capital intensive. We finance our working capital requirement from our internal accruals. Considering the existing and future growth, the working capital needs of our Company, as assessed based on the internal workings of our Company is expected to reach ₹ [●] Lakhs for the Financial Year ending March 31, 2024. We intend to meet our working capital requirements to the extent of [●] Lakhs from the Net Proceeds of this Issue and the balance will be met from internal accruals at an appropriate time as per the requirement.

Basis of estimation of working capital

The existing working capital of the Company as at eight-months period ended November 30, 2022, and for the Financial Years ended March 31, 2022, March 31, 2021, and March 31, 2020, and source of funding of the same are provided in the table below:

| Particulars | As at and for the Financial Year ended March 31, 2020 (₹ in Lakhs) | As at and for the Financial Year ended March 31, 2021 (₹ in Lakhs) | As at and for the Financial Year ended March 31, 2022 (₹ in Lakhs) | As at and for the period ended November 30, 2022 |
|--|--|--|--|---|
| Current Assets | | | | |
| Inventories | 3.87 | 44.58 | 57.68 | 66.77 |
| Trade Receivable | 18.60 | 33.60 | 86.45 | 101.7 |
| Cash and cash equivalent | 3.30 | 2.04 | 1.70 | 1.75 |
| Short-term loans and advances/ Other current assets | 5.41 | 12.39 | 9.12 | 10.39 |
| Other Current Assets | 0.09 | 5.84 | 2.60 | 2.05 |
| Total Current Assets (1) | 31.27 | 98.45 | 157.55 | 182.66 |
| Current Liabilities | | | | |
| Short-term borrowings | 45.49 | 79.56 | 3.94 | 7.24 |
| Trade Payable | 10.76 | 44.40 | 33.74 | 37.96 |
| Short-term provisions | - | - | 0.49 | 4.46 |
| Other current liabilities | 1.33 | 7.37 | 13.29 | 13.12 |
| Total Current Liabilities (2) | 57.58 | 131.33 | 51.46 | 62.78 |
| Working Capital (1) – (2) | -26.31 | -32.88 | 106.09 | 119.88 |
| Funding Pattern | | | | |
| Internal Accruals | [●] | [●] | 106.09 | 119.88 |
| Part of the IPO Proceeds | [●] | [●] | [●] | [●] |

Expected Estimated Working Capital Requirements

The details of our Company's composition of working capital as at March 31, 2023 and March 31, 2024 based on the Restated Summary Statements and working capital estimates. Further the source of funding of the same are as set out in the table below:

(₹ in Lakhs)

| Particulars | Estimated for the Financial Year ending March 31, 2023 | Estimated for the Financial Year ending March 31, 2024 |
|---|--|--|
| Current Assets | | |
| Inventories | 75.98 | 235.54 |
| Trade Receivable | 130.56 | 394.84 |
| Cash and cash equivalent | 1.35 | 5.27 |
| Short-term loans and advances/ Other current assets | 8.45 | 32.03 |
| Other Current Assets | 1.67 | 6.32 |
| Total Current Assets (1) | 218.01 | 674.00 |
| Current Liabilities | | |
| Short-term borrowings | 3.62 | 11.95 |
| Trade Payable | 18.98 | 62.63 |
| Short-term provisions | 2.23 | 7.36 |
| Other current liabilities | 6.56 | 21.65 |
| Total Current Liabilities (2) | 31.39 | 103.59 |
| Working Capital (1) – (2) | 186.62 | 570.41 |
| Incremental working capital | | 450.50 |
| Funding Pattern | | |
| Internal Accruals | | 170.50 |
| Part of the IPO Proceeds | | 280.00 |

Justification for 'Holding Period' levels.

| Assets - Current Assets | |
|-----------------------------------|---|
| Trade Receivables | We expect debtors holding days to be [●] days for the Financial Year [●] based on our business requirement |
| Inventories | We expect inventories turnover days to be [●] days for the Financial Year [●] based on our business requirement |
| Liabilities - Current Liabilities | |
| Trade Payables | We expect creditor payment days to be [●] days for the Financial Year [●] based on our business requirement |

2. General Corporate Purposes

The general corporate purposes for which our Company proposes to utilise the Net Proceeds include, without limitation:

- Funding growth opportunities, including funding strategic initiatives, acquisitions, capital expenditure,
- Funding working capital requirements of our Company
- Meeting ongoing general corporate contingencies;
- Expenses incurred in ordinary course of business;
- Payment of commission and/or fees to consultants;
- Business development initiatives; and
- Any other purposes may be approved by our Board or duly appointed committee, from time to time, subject to compliance with Companies Act, 2013.

Our management, in accordance with the policies of our Board, will have flexibility in utilizing the Issue proceeds earmarked for general corporate purposes. We intend to deploy the balance Fresh Issue proceeds aggregating ₹[●] 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, research and development, and the strengthening of our business development and marketing capabilities, meeting exigencies, which our 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, we confirm that the amount for general corporate purposes, as mentioned in this Draft Prospectus, shall not exceed 25.00% (Twenty-Five Percent) of the amount raised by our Company through the Issue of Equity Shares.

3. To meet Issue expenses

The estimated Issue related expenses include Issue management fee, underwriting and selling commissions, printing and distribution expenses, legal fee, advertisement expenses, Registrar to the Issue's fees, Depository Fee and Listing Fee. The total expenses for this Issue are estimated to be approximately ₹[●] which is [●]% of the Issue Size. All the Issue related expenses shall be met out of the proceeds of the Issue and the break-up of the same is as follows:

| Activity | Expenses (₹ in Lakhs) | % of expenses of total Issue expenses(1) | % of expenses of gross Issue proceeds(1) |
|---|-----------------------------|--|--|
| Payment to the Lead Manager | [●] | [●] | [●] |
| Market Making Fees | [●] | [●] | [●] |
| Underwriting Fees | [●] | [●] | [●] |
| Fees payable to Registrar to Issue | [●] | [●] | [●] |
| Fees to Legal Advisor | [●] | [●] | [●] |
| Advertisement Expenses | [●] | [●] | [●] |
| Fees payable to Regulators including Stock Exchange | [●] | [●] | [●] |
| Printing & Distribution Expenses | [●] | [●] | [●] |
| Marketing & Selling Expenses | [●] | [●] | [●] |
| Payment to Sponsor Bank | [●] | [●] | [●] |
| Statutory & Other Reports | [●] | [●] | [●] |
| Total estimated Issue expenses | [●] | [●] | [●] |

Notes

Amounts will be finalised at the time of filing the Prospectus and on determination of Issue Price and other details;

Includes commission/ processing fees to the Designated Intermediaries. Designated Intermediaries would be entitled for a processing fee of [●]% for processing of valid Application forms procured by such Intermediaries. Additionally, the SCSBs will be entitled for a fee of ₹[●] per application for blocking of fund

Appraisal by Appraising Agency

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

Shortfall of Funds

Any shortfall in meeting the fund requirements shall be met by way of internal accruals and/or secured or unsecured loans.

Bridge Financing Facilities

Our Company has not raised any bridge loans from any banks or financial institution as on the date of this Draft Prospectus, which are proposed to be repaid from the Net Proceeds. However, depending upon business requirements, our Company may consider raising bridge financing facilities including by way of any other short-term instrument like non-convertible debentures, commercial papers, etc., pending receipt of the Net Proceeds.

Monitoring of Utilization of Issue Proceeds

As the size of the Fresh Issue does not exceed ₹10,000 Lakhs, in terms of Regulation 262 of the SEBI (ICDR) Regulations, our Company is not required to appoint a monitoring agency for the purposes of this Issue. Our Board and the management will monitor the utilization of the Net Proceeds through its audit committee. Our Company will disclose the utilization of the Net Proceeds, including interim use, under a separate head in our balance sheet along with the relevant details, for all such amounts that have not been utilized. Our Company will also indicate investments, if any, of the unutilized Net Proceeds in the balance sheet of our Company for the relevant Financial Years subsequent to receipt of listing and trading approvals from the Stock Exchange.

Pursuant to SEBI (LODR) Regulations, our Company shall on a half yearly basis disclose to the Audit Committee, the uses and applications of the Net Proceeds. On an annual basis, our Company shall prepare a statement of funds utilised for purposes other than those stated in this Draft Prospectus and place it before the Audit Committee. Such disclosure shall be made only until such time that all the Net Proceeds have been utilised in full. The statement will be certified by the statutory auditors of our Company.

Further, in accordance with SEBI (LODR) Regulations, our Company shall furnish to the Stock Exchange, a statement indicating (i) material deviations, if any, in the utilisation of the Net Proceeds from the Objects of the Issue as stated above; and (ii) details of category wise variations in the utilisation of the Net Proceeds from the Objects of the Issue. This information will also be published in newspapers simultaneously with the interim or annual financial results after placing the same before the Audit Committee. In the event of any deviation in the use of Net Proceeds from the Objects, as stated above, our Company shall intimate the same to the Stock Exchange without delay.

Interim Use of Funds

Pending utilization of the Net Proceeds for the purposes described above, our Company will deposit the Net proceeds with scheduled commercial banks included in schedule II of the RBI Act, 1934, as amended from time to time. Such deposits will be approved by our management from time to time.

In accordance with Section 27 of the Companies Act, 2013, our Company confirms that, pending utilization of the Net Proceeds of the Issue as described above, it shall not use the funds from the Net Proceeds for buying, trading or otherwise dealing in shares of any other listed company or for any investment in the equity markets.

Variation In Objects

In accordance with Sub-Section (8) of Section 13 and Section 27 of the Companies Act, 2013, our Company shall not vary the objects of the Issue without being authorized to do so by the shareholders of our Company 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 and disclose the prescribed details as required under the Companies Act, 2013. The aforesaid notice shall simultaneously be published in the newspapers, one in English and one in vernacular language of the jurisdiction where our Registered Office is situated. In the event, the shareholders do not agree to the proposal to vary the objects, our Promoter or controlling shareholders shall be required to provide an exit opportunity to such shareholders, at such a price as may be prescribed by SEBI, in this regard.

Other Confirmations

There are no material existing or anticipated transactions with our Promoter, our Directors, Key Managerial Personnel, in relation to the utilization of the Net Proceeds. No part of the Issue Proceeds will be paid by our Company as consideration to our Promoter, Promoter Group, our Directors, associates, or Key Management Personnel, except as may be required in the normal course of business and in compliance with the applicable law.

BASIS FOR ISSUE PRICE

The Issue Price will be determined by our Company, in consultation with the Lead Manager, and on the basis of quantitative and qualitative factors as described below. The face value of the Equity Shares is ₹10.00/- (Rupees Ten Only) each and the Issue Price is [●] times of the face value.

Investors should read '*Risk Factors*', '*Our Business*', '*Restated Financial Information*' and '*Management's Discussion and Analysis of Financial Condition and Results of Operations*' beginning on pages 22 , 82, 114 and 141, respectively, of this Draft Prospectus to have an informed view before making an investment decision.

Qualitative Factors

We believe that some of the qualitative factors which form the basis for computing the Issue Price are as follows:

- Quality and focus on customer satisfaction;
- Experienced Promoters and Management Expertise;
- Satisfactory track record

For further details, see '*Our Business – Our Competitive Strengths*' on page 82 of this Draft Prospectus.

Quantitative Factors

Some of the information presented below relating to our Company is derived from the Restated Financial Information. For details, see '*Restated Financial Information*' on page 114 of this Draft Prospectus.

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

1. Basic and Diluted Earnings Per Share ('EPS'), as adjusted for changes in capital:

As derived from the Restated Financial Information:

| Financial Period | Basic EPS (in ₹) | Diluted EPS (in ₹) | Weight |
|-------------------------------------|---------------------|-----------------------|--------|
| Financial Year ended March 31, 2020 | (133.70) | (133.70) | 1 |
| Financial Year ended March 31, 2021 | (10.20) | (10.20) | 2 |
| Financial Year ended March 31, 2022 | 20.83 | 20.83 | 3 |
| Weighted Average | (15.27) | (15.27) | - |
| Period ended November 30, 2022* | 0.54 | 0.54 | - |

*Not Annualised

Notes:

- a) The face value of each Equity Share is ₹10.
- b) The figures disclosed above are based on the Restated Financial Information of our Company.
- c) EPS has been calculated by dividing the net profit or (loss) for the respective years by the number of equity shares outstanding as on the last date of the respective years.

Price/Earning ('P/E') ratio in relation to Issue Price of ₹[●] /- per Equity Share:

| Particulars | P/E |
|--|-----|
| Based on Basic EPS as per the Restated Financial Information for Financial Year 2022 | [●] |
| Based on Weighted Average EPS | [●] |
| Based on EPS for period ended November 30, 2022 | [●] |

Industry P/E ratio

As on the date of this Draft Prospectus, there are no comparable peer which is listed in India and which are engaged in the same line and comparable to the scale of operation of our Company, hence comparison with industry peers is not applicable.

| Particulars | P/E Ratio |
|--------------------|-----------|
| Highest | ● |
| Lowest | ● |
| Industry Composite | ● |

The industry high and low has been considered from the industry peer set provided later in this section. For further details, see ‘- Comparison of accounting ratios with listed industry peers’ on page 72 of this Draft Prospectus.

2. Return on Net Worth (‘RoNW’)

As derived from the Restated Financial Information of our Company:

| Particulars | RoNW % | Weight |
|-------------------------------------|--------------|--------|
| Financial Year ended March 31, 2020 | 108.08 | 1 |
| Financial Year ended March 31, 2021 | 7.62 | 2 |
| Financial Year ended March 31, 2022 | 7.03 | 3 |
| Weighted Average | 24.07 | - |
| Period ended November 30, 2022 | 7.38 | |

Notes: RoNW is calculated by dividing the profit or (loss) for the respective years by the shareholders funds as on the last date of the respective years.

3. Net Asset Value per Equity Share of face value of ₹10 each

| Net Asset Value per Equity Share | (Amount in ₹) |
|-----------------------------------|---------------|
| As on March 31, 2020 | (123.70) |
| As on March 31, 2021 | (133.90) |
| As on March 31, 2022 | 10.51 |
| As on November 30, 2022 | 11.06 |
| After the completion of the Issue | ● |
| Issue Price | ● |

Notes: The figures disclosed above are based on the Restated Financial Statements of our Company.

4. Comparison of accounting ratios with listed industry peers

| Name of the company | Face Value (₹ per share) | Revenue from operations for Financial Year 2022 (₹ in Lakhs) | Basic EPS for Financial Year 2022 (₹) | Diluted EPS for Financial Year 2022 (₹) | P/E for Financial Year 2022 | RONW for Financial Year 2022 (%) | NAV As at March 31, 2022 (₹) |
|-------------------------------|--------------------------|--|---------------------------------------|---|-----------------------------|----------------------------------|------------------------------|
| Hunger Choice Limited | ₹10.00/- | 137.74 | 20.83 | 20.83 | ● | 7.03 | 10.51 |
| Listed Peers | | | | | | | |
| Prataap Snacks Limited | ₹5.00/- | 1,39,661.93 | 1.24 | 1.24 | 557.016 | 2.7 | 266.17 |
| Sheetal Cool Products Limited | ₹10.00/- | 32,676.83 | 17.55 | 17.55 | 22.31 | 25.17 | 69.74 |
| Britannia Industries Ltd | ₹1.00/- | 14,13,626.00 | 63.31 | 63.31 | 50.61 | 56 | 106.20 |

*Financial information for our Company is derived from Restated Financial Statements of our Company for the year ended March 31, 2022.

Notes:

- a) All the financial information for listed industry peers mentioned above is on a consolidated basis (unless otherwise available only on standalone basis) and is sourced from the annual reports/ financial results/public disclosures submitted to or on company's website, as available of the respective company for the year ended March 31, 2022.
- b) P/E ratio for listed peers is calculated as closing share price ([●] - BSE) / Diluted EPS for year ended March 31, 2022.
- c) Net asset value per share (in ₹) = Net worth at the end of the year / Total number of equity shares outstanding as of March 31, 2022.

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 and confirmed by a resolution of our Audit Committee dated Monday, May 15, 2023. Further, the members of our 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 prior to the date of filing of this Draft Prospectus. The KPIs disclosed below have been certified by our Statutory Auditor vide its Audit Report dated February 06, 2023.

We have described and defined the KPIs, as applicable, in '**Definitions and Abbreviations**' on page 4.

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 for such other duration as may be required 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.

The list of our KPIs along with brief explanation of the relevance of the KPI for our business operations are set forth below:

| 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 assess the overall financial performance of our Company and size of our business. |
| Total Revenue | Total Revenue is used to track the total revenue generated by the business including other income. |
| EBITDA | EBITDA provides information regarding the operational efficiency of the business |
| PAT | Profit after tax provides information regarding the overall profitability of the business. |
| Net Worth | Net worth is used by the management to ascertain the total value created by the entity and provides a snapshot of current financial position of the entity. |
| Debt To Equity Ratio | Debt-to-equity (D/E) ratio is used to evaluate a company's financial leverage |
| Current Ratio | It tells management how business can maximize the current assets on its balance sheet to satisfy its current debt and other payables |

(Amount in Lakhs)

| Key Financial Performance | As at and for the eight-month period ended November 30, 2022* | As at and for the Financial Year ended March 31, 2022 | As at and for the Financial Year ended March 31, 2021 | As at and for the Financial Year ended March 31, 2020 |
|--|---|---|---|---|
| Revenue from Operations ⁽¹⁾ | 64.47 | 137.74 | 119.58 | 49.44 |
| Total Revenue ⁽²⁾ | 65.46 | 141.48 | 122.87 | 49.65 |
| EBITDA ⁽³⁾ | 16.78 | 23.20 | 0.16 | (17.70) |
| PAT ⁽⁴⁾ | 9.27 | 12.61 | (1.02) | (13.37) |
| Net Worth ⁽⁵⁾ | 188.49 | 179.22 | (13.39) | (12.37) |
| Debt To Equity Ratio ⁽⁶⁾ | 0.04 | 0.02 | (5.94) | (3.68) |
| Current Ratio ⁽⁷⁾ | 2.91 | 3.06 | 0.75 | 0.54 |

* Not Annualised

Notes

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

- 2.Total Revenue means consolidated income of revenue from operation plus other incomes.
3. EBITDA is calculated as Profit before tax + Depreciation + Interest Expenses - Other Income
4. PAT is calculated as Profit before tax – Tax Expenses.
- 5.Net worth means total assets minus total liabilities
- 6.Debt to equity ratio means total debt divide by its total shareholders equity.
- 7.Current ratio means total current assets divided by total liabilities.

Description on the historic use of the KPIs by us to analyze, track or monitor our operational and/or financial performance
In evaluating our business, we consider and use certain KPIs, as stated above, as a supplemental measure to review and assess our financial and operating performance.

The presentation of these KPIs is not intended to be considered in isolation or as a substitute for the Restated Financial Information. We use these KPIs to evaluate our financial and operating performance. These KPIs have limitations as analytical tools. Further, these KPIs may differ from the similar information used by other companies and hence their comparability may be limited. Therefore, these metrics should not be considered in isolation or construed as an alternative to GAAP measures of performance or as an indicator of our operating performance, liquidity or results of operation. Although these KPIs are not a measure of performance calculated in accordance with applicable accounting standards, our management believes that it provides an additional tool for investors to use in evaluating our ongoing operating results and trends and in comparing our financial results with other companies in our industry because it provides consistency and comparability with past financial performance, when taken collectively with financial measures prepared in accordance with GAAP. Investors are encouraged to review GAAP financial measures and to not rely on any single financial or operational metric to evaluate our business.

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

(In lakhs)

| Key Financial Performance | Hunger Choice Ltd | | | Prataap Snacks Limited | | | Sheetal Cool Products Limited | | | Britannia Industries Ltd | | |
|--|-------------------|------------|------------|------------------------|-------------|-------------|-------------------------------|------------|------------|--------------------------|--------------|--------------|
| | FY 2021-22 | FY 2020-21 | FY 2019-20 | FY 2021-22 | FY 2020-21 | FY 2019-20 | FY 2021-22 | FY 2020-21 | FY 2019-20 | FY 2021-22 | FY 2020-21 | FY 2019-20 |
| Revenue from operations ⁽¹⁾ | 137.74 | 119.58 | 49.44 | 139661.93 | 1,17,108.88 | 139379.4 | 32,676.83 | 23,188.58 | 25,892.92 | 1413626.00 | 1313614.00 | 1159955.00 |
| Total Revenue ⁽²⁾ | 141.48 | 122.87 | 49.65 | 1,41,034.83 | 1,17,993.03 | 1,40,299.75 | 32,999.69 | 23,860.27 | 26018.51 | 14,35,909.00 | 13,44,901.00 | 11,87,895.00 |
| EBITDA ⁽³⁾ | 23.20 | 0.16 | -17.70 | 5,831 | 6,307 | 9,368.00 | 4,064.99 | 2,959.67 | 3,338.42 | 2,42,434.00 | 2,82,216.00 | 2,12,258.00 |
| PAT ⁽⁴⁾ | 12.61 | -1.02 | -13.37 | 290.9 | 1,415.59 | 4,691.96 | 1842.84 | 609.56 | 980.95 | 1,51,598.00 | 1,85,059.00 | 1,39,360.00 |
| Net worth ⁽⁵⁾ | 179.22 | -13.39 | -12.37 | 62,425.47 | 62,311.59 | 60,799.9 | 7,322.39 | 5,479.55 | 4,869.99 | 2,585.60 | 3,584.00 | 4,438.48 |
| Debt to Equity Ratio ⁽⁶⁾ | 0.02 | -5.94 | -3.68 | 0.05 | 0.02 | 0.01 | 1.01 | 1.3 | 1.06 | 0.91 | 0.54 | 0.282 |
| Current Ratio ⁽⁷⁾ | 3.06 | 0.75 | 0.54 | 1.4 | 1.8 | 2.03 | 1.76 | 1.49 | 1.367 | 0.93 | 1.21 | 1.4 |

Notes.

1. Revenue from operation means revenue from sales, service and other operating revenues
- 2.Total Revenue means consolidated income of revenue from operation plus other incomes.
3. EBITDA is calculated as Profit before tax + Depreciation + Interest Expenses - Other Income
4. PAT is calculated as Profit before tax – Tax Expenses.
- 5.Net worth means total assets minus total liabilities divided no equity share outstanding.
- 6.Debt to equity ratio means total debt divide by its total shareholders equity.
- 7.Current ratio means total current assets divided by total liabilities.

7. Weighted average cost of acquisition, and Issue Price

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 or convertible securities, nor Equity Shares issued pursuant to employee stock option scheme and issuance of bonus shares, during the 18 months preceding the date of this DRHP, 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 ESOPs granted but not vested), in a single transaction or multiple transactions combined together over a span of rolling 30 days

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

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

8. The Issue price is [●] times of the face value of the Equity Shares

The Issue Price of ₹ [●] has been determined by our Company in consultation with the Lead Manager, on and is justified in view of the above qualitative and quantitative parameters.

Investors should read the above-mentioned information along with '*Risk Factors*', '*Our Business*', '*Restated Financial Information*' and '*Management's Discussion and Analysis of Financial Condition and Results of Operations*' beginning on pages 22, 82, 114, and 141, respectively, of this Draft Prospectus to have a more informed view. The trading price of Equity Shares could decline due to factors mentioned in '*Risk Factors*' beginning on page 22 of this Draft Prospectus.

STATEMENT OF POSSIBLE TAX BENEFITS

To,

**The Board of DirectorsHunger
Choice Limited**

B-413, Empire Business Hub,Opp.
Shakti Farma,

Science City Road, Sola,
Ahmedabad - 380060

Dear Sirs,

**Sub: Statement of possible special tax benefits available to Hunger Choice Limited
("the Company") and its shareholders under direct and indirect tax laws**

We refer to the proposed issue of equity shares of Hunger Choice Limited ("the Company"). We enclose herewith the annexure showing the current position of special tax benefits available to the Company and to its shareholders as per the provisions of the direct and indirect tax laws, including the Income-tax Act, 1961, The Central Goods and Services Tax Act, 2017, The Integrated Goods and Services Tax Act, 2017, The State Goods and Services Tax Act as passed by respective State Governments from where the Company operates and applicable to the Company, Customs Act, 1962 and Foreign Trade Policy 2015-2020, as amended by the Finance Act, 2021, i.e., applicable for the Financial Year 2021-22 relevant to the assessment year 2022-23, presently in force in India for inclusion in the Draft Prospectus ("DP") for the proposed public offer of equity shares, as required under the Securities and Exchange Board of India (Issue of Capital and Disclosure Requirements) Regulations, 2018, as amended ("ICDR Regulations").

Several of these benefits are dependent on the Company or its shareholders fulfilling the conditions prescribed under the relevant provisions of the Income-tax Act 1961. Hence, the ability of the Company or its shareholders to derive these direct tax benefits is dependent upon their fulfilling such conditions.

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

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

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

We hereby give our consent to include enclosed statement regarding the tax benefits available to the Company and to its shareholders in the DP for the proposed public offer of equity shares which the Company intends to submit to the Securities and Exchange Board of India provided that the below statement of limitation is included in the offer document.

LIMITATIONS

Our views expressed in the statement enclosed are based on the facts and assumptions indicated above. No assurance is given that the revenue authorities/courts will concur with the views expressed herein. Our views is based on the information, explanations and representations obtained from the Company and on the basis of our understanding of the business activities and operations of the Company and the interpretation of the existing tax laws in force in India and its interpretation, which are subject to change from time to time. We do not assume responsibility to update the views consequent to such changes. Reliance on the statement is on the express understanding that we do not assume responsibility towards the investors who may or may not invest in the proposed issue relying on the statement.

This statement has been prepared solely in connection with the offering of Equity shares by the Company under the Securities and Exchange Board of India (“SEBI”) (Issue of Capital and Disclosure Requirements) Regulations, 2018, as amended (the Issue).

**For Piyush Kothari & Associates Chartered
Accountants
(Firm’s Registration No. – 140711W)**

**Piyush Kothari
(Partner)
(M. No. 158407)
(UDIN -23158407BGUXZG8597)**

Place: Ahmedabad

Date: 18 March 2023

ANNEXURE TO THE STATEMENT OF POSSIBLE SPECIAL TAX BENEFITS AVAILABLE TO THE COMPANY AND ITS SHAREHOLDERS

Direct Taxation

Outlined below are the special tax benefits available to the Company and its shareholders under the Income-tax Act, 1961 ('the Act'), as amended by Finance Act, 2021 i.e., applicable for Financial Year 2021-22 relevant to the Assessment Year 2022-23, presently in force in India

A. SPECIAL TAX BENEFITS TO THE COMPANY

Section 115BAA, as inserted vide The Taxation Laws (Amendment) Act, 2019, provides that domestic company can opt for a rate of tax of 22% (plus applicable surcharge and education cess) for the financial year 2019-20 onwards, provided the total income of the company is computed without claiming certain specified incentives/deductions or set-off of losses, depreciation etc. and claiming depreciation determined in the prescribed manner. In case a company opts for section 115BAA, provisions of Minimum Alternate Tax would not be applicable and earlier year MAT credit will not be available for set-off. The option needs to be exercised on or before the due date of filing the tax return. Option once exercised, cannot be subsequently withdrawn for the same or any other tax year.

The Company has represented to us that it has not applied section 115BAA for the assessment year 2021-22.

B. SPECIAL TAX BENEFITS TO THE SHAREHOLDERS

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

Indirect Taxation

Outlined below are the special tax benefits available to the Company and its shareholders under the Central Goods and Services Tax Act, 2017/ Integrated Goods and Services Tax Act, 2017 read with Rules, Circulars, and Notifications ("GST law"), the Customs Act, 1962, Customs Tariff Act, 1975 ("Customs law") and Foreign Trade Policy 2015-2020 ("FTP") (collectively referred as "Indirect Tax").

A. SPECIAL TAX BENEFITS TO THE COMPANY

There are no special tax benefits available to the Company under GST law.

B. SPECIAL TAX BENEFITS TO THE SHAREHOLDERS

The Shareholders of the Company are not entitled to any special tax benefits under the Indirect Tax.

SECTION VI – ABOUT THE COMPANY

INDUSTRY OVERVIEW

The information in this section includes extracts from publicly available information, data and statistics and has been derived from various government publications and industry sources. Neither we, the Lead Manager or any of our or their respective affiliates or advisors nor any other person connected with Issue have verified this information. The data may have been re-classified by us for the purposes of presentation. The information may not be consistent with other information compiled by third parties within or outside India. Industry sources and publications generally state that the information contained therein has been obtained from sources it believes to be reliable, but their accuracy, completeness and underlying assumptions are not guaranteed, and their reliability cannot be assured. Industry and government publications are also prepared based on information as of specific dates and may no longer be current or reflect current trends. Industry and government sources and publications may also base their information on estimates, forecasts and assumptions which may prove to be incorrect.

Before deciding to invest in the Equity Shares, prospective investors should read this entire Draft Prospectus, including the information in the sections "Risk Factors" and "Restated Financial Statements" on pages 15 and 122, respectively of the Draft Prospectus. An investment in the Equity Shares involves a high degree of risk. For a discussion of certain risks in connection with an investment in the Equity Shares, please see the section 'Risk Factors' on page 15 of the Draft Prospectus. Accordingly, investment decisions should not be based on such information.

INTRODUCTION:

India is a major producer of food in the world, with a large and growing market. The food and grocery retail market, valued at US\$ 11.3 trillion in 2021, is also among the largest in the global economy. The food sector is currently undergoing a transition in India. The Agricultural and Processed Food Products Export Development Authority (APEDA) forecasts that the sector will grow at a compounded annual growth rate (CAGR) of 3% between 2022 and 2030. Poor quality and high cost of marketing channels are major impediments to the industry's growth, contributing to non-competitiveness. Meanwhile, over 72% of food sales occur through superstores and major retailers. Thus, India offers an attractive opportunity to the players in the sector, as the Indian market has low saturation due to a few organized retailers holding minor market shares. The country's retail and food sectors may thus see a major overhaul in the future.

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

OVERVIEW OF THE FOOD PROCESSING SECTOR

A well-developed food processing sector with higher level of processing helps in the reduction of wastage, improves value addition, promotes crop diversification, ensures better return to the farmers, promotes employment as well as increases export earnings. This sector is also capable of addressing critical issues of food security, food inflation and providing wholesome, nutritious food to the masses.

CONTRIBUTION OF FOOD PROCESSING SECTOR TO GDP:

Over the year's agricultural production in India has consistently recorded higher output. India ranks third in cereals, first in pulses, second in vegetable primary, second in fruit primary, first in milk, third in eggs primary, etc. in World Agriculture in 2018. An abundant supply of raw materials, increase in demand for food products and incentives offered by the Government has impacted food processing sector positively. During the last 5 years ending 2019-20, Food Processing sector has been growing at an Average Annual Growth Rate (AAGR) of around 11.18 per cent as compared to around 4.19 per cent in Agriculture (at 2011-12 prices). Food Processing Sector has also emerged as an important segment of the Indian economy in terms of its contribution to GDP, employment and investment. The sector constituted as much as 9.87 per cent and 11.38 per cent of GVA in Manufacturing and Agriculture sector respectively in 2019-20 (at 2011-12 prices).

(Source: https://www.mofpi.gov.in/sites/default/files/mofpi_annual_report_for_web_english.pdf)

“MAKE IN INDIA” PROGRAMME:

- I. Food processing sector has been identified as one of the priority sectors under “MAKE IN INDIA”, an initiative of Hon'ble Prime Minister of India. With a view to attract investment to this sector, Ministry of Food Processing Industry has been implementing schemes for development of infrastructure for promoting food processing industries. Mega Food Parks with common utility/ facility like roads, electricity, water supply, sewage facility and common processing facility like pulping, packaging, cold storage, dry storage and logistics are being promoted in areas with strong agricultural resource base. These parks provide fully developed plots and factory sheds to entrepreneurs on long term lease basis where they can set up food processing units in “plug and play model”.

- II. Government has also declared investment in Food Parks covered under the Harmonized List of Infrastructure Sub-sectors (HLIS) vide Government of India Notification dated 13th October 2014. Following this notification, it is expected that Mega Food Parks assisted by the Ministry will be able to access to infrastructure lending on easier terms.
- III. In the context of “MAKE IN INDIA” campaign, the Ministry has been disseminating information to potential investors to attract investment to the sector through a dedicated “Investors Portal” in which a range of information like resource base, availability of land, state specific policies, fiscal incentives are shared with the potential investors. The Ministry is also collaborating with Invest India to help the investors in terms of locating joint venture partners, extending hand holding services, expediting regulatory approvals and providing investors after care services. The investor can also put their query in the Investors portal which is promptly attended to by the Ministry for guiding the investors.

EASE OF DOING BUSINESS:

- As a measure towards improving Ease of Doing Business, the Food Safety and Standards Authority of India (FSSAI) issued notification in January 2016 and October 2016 shifting product by- product approval to ingredient and additive based approvals.
- The Ministry of Food Processing Industries is following a transparent selection process and working completely on an online scheme management system “SAMPADA Portal” from receiving of proposals to release of grant in aid under the various component schemes of Pradhan Mantri Kisan SAMPADA Yojana (PMKSY). A dashboard has been put in place for MIS purpose and to facilitate real time monitoring of progress and key performance indicators.
- Separate online portals have been developed to cater to new schemes like Prime Minister-Formalisation of Micro Food Processing Enterprises (PMFME) and Production Linked Incentive (PLI).
(Source: [https://www.mofpi.gov.in/sites/default/files/mofpi annual report for web_english.pdf](https://www.mofpi.gov.in/sites/default/files/mofpi_annual_report_for_web_english.pdf))

REASONS FOR INVESTING IN INDIA'S FOOD PROCESSING SECTOR:

The reasons to invest in the growth of the food processing industry in India are explained below; Attractiveness of the Indian economy:

- In terms of GDP, India is the fifth largest economy in the world. Real GDP growth in FY22 stood at 8.7%, 1.5% higher than that in FY20, indicating recovery and strong growth post the pandemic period.
- FDI inflows in FY22 stood at US\$ 84.8 billion, up 3.5% from FY21. FDI inflows crossed the US\$ 80 billion mark in FY21, reaching US\$ 82 billion in FY21 and US\$ 74.4 billion in FY20. Strong FDI inflows coupled with economic growth during the pandemic suggest high investor confidence in India's growth and prosperity.
- The country has a total road network of 58.9 lakh km, the second largest road network in the world. The country's railway network exceeds 67,000 km of rail length, making it the fourth largest in the world.
- In India, approximately 71% of infrastructure investments are in energy, roads, urban infrastructure and railways. Energy will account for 24% of the investments; roads will account for 18%; urban infrastructure will account for 17%; and railways will account for 12% of the total investments.
- Urbanization is a crucial factor in the development of the Indian economy. By 2030, the World Bank estimates that approximately 42% of the country's population will live in urban areas, up from 31% in 2011.
- India is also keen on developing its human capital. The country is expected to continue to be among those having the youngest populations in the world till 2030, as per the UN Population Fund. Young Indians have recognised the importance of investment in higher education. Total enrolments in higher education were estimated at 3.7 crore. India has the third largest group of scientists and technicians in the world.

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

EXPORT DESTINATIONS

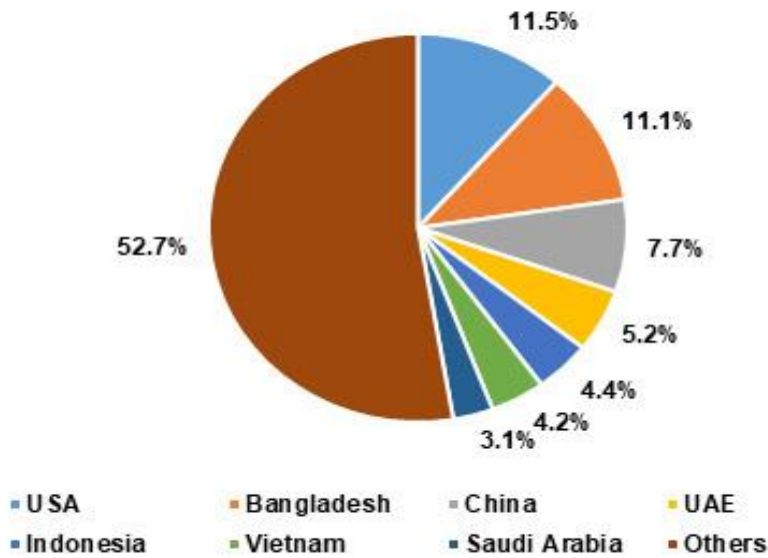
The largest importers of India's agricultural products are USA, Bangladesh, China, UAE, Indonesia, Vietnam, Saudi Arabia, Iran, Nepal and Malaysia. The other importing countries are Korea, Japan, Italy, and the UK. During 2021-22, USA was the largest importer of Indian agricultural products at US\$ 5.7 billion with share at 11.5% of the total exports. Bangladesh is the major importer

of Agri & allied products at US\$ 3.8 billion followed by UAE at US\$ 2.3 billion. USA and China are major importer of India's marine products.

The government of India is keen to organize virtual buyer seller meets (V-BSM) on agricultural and food products with the major importing countries across the world to promote geographical indications (GI) registered with agricultural and processed food products in India. So far 17 V-BSMs have been organized with Kuwait, Indonesia, Switzerland, Belgium and Iran. Similar programs have been organized for Canada (Organic products), UAE & USA (GI products), Germany, South Africa, Australia, Thailand, Oman, Bhutan, Azerbaijan and Qatar.

The government has set up thirteen Agri-Cells in Indian embassies in Vietnam, USA, Bangladesh, Nepal, UAE, Iran, Saudi Arabia, Malaysia, Indonesia, Singapore, China, Japan and Argentina to provide inputs on real time basis to improve Indian exports at these destinations by promoting trade, tourism, technology and investment goals.

Country-wise approximate share of exports (2021-22)



Source: The Ministry of Commerce & Industry

OUR BUSINESS

The following information is qualified in its entirety by, and should be read together with, the more detailed financial and other information included in this Draft Prospectus, including the information contained in the section titled “Risk Factors” on page 22 of this Draft Prospectus.

This section should be read in conjunction with, and is qualified in its entirety by, the more detailed information about our Company and its financial statements, including the notes thereto, in the section title “Risk Factors” and the chapters titled “Restated Financial Statement” and “Management Discussion and Analysis of Financial Conditions and Results of Operations” beginning on page no 22, 114 and 141 of this Draft Prospectus.

In this chapter, unless the context requires otherwise, any reference to the terms “We”, “Us”, “Our” and “Hunger” are to M/s. Hunger Choice Limited. Unless stated otherwise, the financial data in this section is as per our Restated Financial Statements prepared in accordance with Indian Accounting Policies set forth in the Draft Prospectus.

OVERVIEW

Company Background

Our Company was originally incorporated as “Hunger Choice Private Limited” under the provisions of Companies Act, 2013 vide Certificate of Incorporation dated August 28, 2019 bearing Corporate Identification Number U15100GJ2019PTC109681 issued by the Deputy Registrar of Companies, Central Registration Centre, Government of India. Subsequently, our Company was converted in to a public limited Company pursuant to a special resolution passed by our shareholders at the EGM held on March 02, 2022 and consequently the name of our Company was changed to “Hunger Choice Limited” and a fresh certificate of incorporation was issued by the Registrar of Companies, Ahmedabad dated March 04,2022. The CIN of the Company is U15100GJ2019PLC10968. For further details, please refer the chapter titled “History and Certain Corporate Matters” beginning on page 96 of this Draft Prospectus.

Our company is promoted by Mr. Nilesh Prajapati and Mr. Maulik Khara. both are experienced, and innovative entrepreneurs. Nilesh Prajapati runs "Shakti Sandwich" food chain.

We are engaged in the selling of packaged snack under the brand name “Hunger’s Choice”. The products are manufactured by third party on job work basis. We are exporter based in Gujarat. We sell snacks product like Namkeen, Cookies, frozen foods and Frozen Gravy.

We have qualified laboratory technicians who help us maintain the quality and hygiene of our products and have obtained the ISO certifications for its quality. We are FSSAI licensed operator and our products are ISO 22000:2018 certified.

Our products are served with shelf life of upto 1 year from packaging. We are one of the pioneers in introducing rice bran oil in the packed food industry. Rice bran oil is the cholesterol, sodium and sugar free and their fore it is good for health.

OUR PRODUCTS

We offer Namkeens, Cookies, Gourmet Sev and Gravy.

Our products are manufactured by third party in three different units.

1. Namkeen: at Kamaniya Brothers Food
2. Cookies: at Pizza Point
3. Gravies: at Anand Foods and Dairy Products.

We have rented godown to store finished goods as well as packing material, sometimes we supply directly to the manufacturing unit too. Our Indian Distributors like (S.S enterprise, Misri Enterprise, shreyasstors etc.)

In most of the cases for Exports, we send packed manufactured stocks directly to Ahmedabad, custom ports, for custom clearance and container stuffing, to the below stated International clients:

1. Harmi international
2. Pranshi group Ltd
3. Sahyog imports.

Our product range is broadly divided into four categories:

1. Namkeen:

Namkeen Products

In this segment we have variety of products which are enlisted below:

- Sugar Free Mix
- FaraliChevdo Sweet
- Sing Bhujija
- BhavnagariGathiya
- Tomato Sev
- Bikaneri Bhujia
- RatlamiSev
- SevMamra
- Gujarati Mix
- Farali Chevda Hot
- Gujarati KhataMittha
- Cheese Sev
- Aloo Bhujia
- Moong Dal

The Namkeen Products are sold as packed products such as :

2. Gourmet Sev:

In this segment we have variety of products which are enlisted below:

- Tandoori Sev
- Magic Masala Sev
- Piri PiriSev
- Chocolate Sev

3. Cookies:

In this segment we have variety of products which are enlisted below:

- Belgium Choco Cookie
- Fruit and Nut Cookie
- Rum and Raisin cookies
- Butter almond cookies

Cookie is sold as packed products such as:

4. Gravy:

In this segment we have variety of products which are enlisted below:

- Kali Bhaji
- Pav Bhaji
- Onion Tomato Masala
- Makhni Gravy
- Red Gravy
- Dal Makhni Gravy
- White Gravy

OUR LOCATIONAL PRESENCE:

| Sr.No. | Address | Owned/Rented | Use |
|--------|--|--------------|-------------------|
| 1. | B-413, Empire Business Hub, OPP. Shakti Farma, Science City Road, Sola, Ahmedabad, Gujarat, 380060 | Rented | Registered Office |
| 2. | 11, Krishna Estate, Rakanpur TAL. Kalol, Gandhinagar, Gujarat, 382721 | Rented | Godown |

DISTRIBUTORSHIP

We are appointed as authorised distributors for the VEEBA HORECA bulk packs including the mayonnaise to only Shakti Corporation (Shakti Sandwich outlets) w.e.f. April 01,2020 by M/s. VRB consumer Products Private Limited.

OUR COMPETITIVE STRENGTH

Experienced Promoters

We believe that our experienced promoters have substantially contributed to the growth of our business operations. Our Promoters have more than a decade of experience in this industry. We believe that the experience of our promoters have translated into improved our performance, increased profitability and improved margins which give us a competitive edge.

Product Packaging

The poly and metallic material used in the packaging is very attractive and thick to protect the food from air and sun contamination and thus increases the product shelf life. Our product range has a shelf life of 9 months to 1 year for all the product ranges which have passed the trial and testing stage.

Focus on quality and innovation

We believe our strength and success factor has been our constant focus on quality and innovation. To keep sailing unit, we stress on, and we constantly strive to deal in only quality products procured from credible suppliers. As part of our quality management practice, we only deliver the products which have been quality certified.

Cordial Relationships with our Suppliers

We have a cordial relationship with our suppliers, which we believe provides us with the competitive advantage of effective and timely sourcing. We also believe effective sourcing ensures timely delivery of our products to our customers, thereby enhancing the value provided to our customers.

Cordial relations with Customers

Customer relation is one of the important factor in business. Our Company has made continuous efforts to ensure customer satisfaction by taking steps for meeting customer specific requirements, timely delivery to our customers. The easy access to the promoters by the client and immediate solution of their problems by the Company develop cordial relations with customers. The customer-centric approach of the promoters is one of the key factors for the development of the business of the Company.

OUR STRATEGY

Increase Market Presence

Our vision is to grow in existing and new markets by ensuring supply of quality products. We intend to strengthen our position in India and further expand our operations internationally in order to achieve long-term sustainable growth, increase brand value, achieve operational excellence, strengthening existing services, customer satisfaction, innovation and marketing etc.

Develop cordial relationship with our Suppliers

We believe in maintaining good relationship with our Suppliers which is the most important factor to keep our Company growing. Our dedicated and focused approach and efficient and timely delivery of products has helped us build strong relationships over a number of years. For us, establishing strong, mutually beneficial long-term relationships with strategic supplier relationship management is a critical step in improving performance across the supply chain, generating greater cost efficiency and enabling the business to grow and develop.

Strengthening our brand

We intend to invest in developing of our brand through brand building efforts, communication and various promotional initiatives. This will help us to maintain and improve our reach. We believe that our branding exercise will enhance the recall value and trust in the minds of our customers and will help in increasing demand for our products.

FINANCIAL PERFORMANCE:

Financial Snapshot of our Company as per Restated Financial Information is as under:

(Amount in ₹ Lakhs)

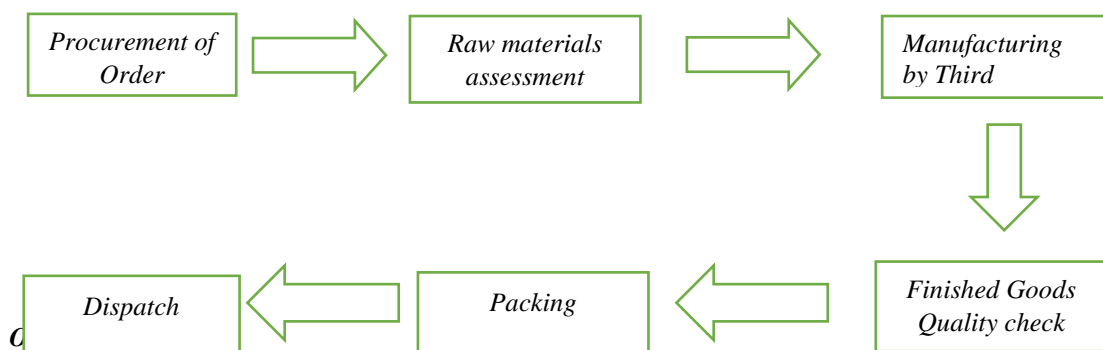
| Particulars | Up to November 30, 2022 | 2021-22 | 2020-21 | 2019-20 |
|-------------------------|-------------------------|---------|---------|----------|
| Revenue from Operations | 64.47 | 137.74 | 119.58 | 49.44 |
| Total Revenue | 65.46 | 141.47 | 122.87 | 49.65 |
| EBITDA | 16.83 | 23.28 | 0.20 | (17.68) |
| EBITDA Margin (%) | 25.71% | 16.45% | 0.16% | (35.61%) |
| PAT | 9.27 | 12.61 | (1.02) | (13.37) |
| PAT Margin (%) | 14.16% | 8.91% | (0.83%) | (26.93%) |

Note:

1. EBITDA Margin = (Restated profit before tax + Finance Cost + Depreciation and amortization expense)/Total Revenue.
2. PAT Margin = PAT/ Total Revenue

BUSINESS PROCESS

The following is a diagrammatic representation of the business process of our Company:



Ordering

We receive orders through from our vendors and importers and we also work on the basis of future demand of our products and also based on the information shared by our importers. We would also have prediction of market survey and demand and on the basis of which we work out our production scheduled.

Raw materials assessment

We receive orders from multiple vendors for various products and varying sizes. Looking to the multiple products portfolios, we work out requirement of various raw materials and pre-printed packing materials before proceeding for manufacturing work. This will help us to maintain timely delivery scheduled.

Production initiation

Our manufacturing work is out sourced to regular manufacturer. On the basis of the orders received and our own estimation and prediction, we intimate our manufacturer to produce the required items in required quantity and also supply the duly tested quality

raw materials required for the proposed production. Manufacturer will undertake the production process according to our delivery schedule.

Quality check

Once the manufacturer completes the manufacturing process and prepare the finished products, the finished products is undergoing a quality assessment. The quality assessment work is done by the senior experienced team.

Packing

Once quality checking is complete, packing is done. We use highest grade packing materials to increase its shelf life to approximately a year. We packed the finished products in very attractive packing materials, which add more to our marketability.

Dispatch

Finished products are to be dispatch to our customers according to their orders. For dispatch of finished products, we are dependent on third party transport service provider to transit the goods manufactured to our customers and/or our storage facility. The goods are then forwarded to the required locations depending upon the orders received.

COMPETITION

We face intense competition from organized and unorganised players in snack food market the India and also from various domestic and multinational companies in India. We have a very diverse portfolio of traditional Indian snacks catered for the varying tastes and preferences of Indians across the globe. Some of our key competitors include Haldiram Foods International Private Limited, Bikanerwala, Balaji Wafers Private Limited, ITC, Pepsico India Limited and DFM Foods Limited.

HUMAN RESOURCE

We believe that our employees are key contributors to our business growth and success. We focus on attracting and retaining the best possible talent. Our Company looks for specific skill-sets, interests and background that would be an asset for our business. As on the date of this Draft Prospectus, we are a team of 4 talented and skilled people in the team holding good experience in the food industry.

As on April 30, 2023, we have the total strength of 5 permanent employees in various departments. The details of which is given below:

| Sr.No. | Particulars | No. of employees |
|--------|-------------------|------------------|
| 1. | MD/ED | 2 |
| 2. | Company Secretary | 1 |
| 3. | CFO | 1 |
| 4. | Office Boy | 1 |

UTILITIES & INFRASTRUCTURE FACILITIES

Infrastructure Facilities

Registered Office: B-413, Empire Business Hub Opp. Shakti Farma, Science City Road, Sola Ahmedabad Gujarat-380060

Plant & Machinery:

As on date of this Draft Prospectus, Our Company does not possess any plant & machinery.

Power

Our Registered Office has power connection from Torrent Power Limited. As on date of this Draft Prospectus our Company does not require much power supply and power failure does not affect the business of our Company.

Water

Water is required for the drinking purpose. Water supply requirement is being fulfilled through water supplied by our municipal corporation only.

Technology

Our Company has adequate computer systems and other communication equipment's, Internet connectivity, security and other facilities, which are required for our business operations to function smoothly.

MARKETING

The efficiency of the marketing and sales network is critical success of our Company. Our success lies in the strength of our relationship with our customers who have been associated with our Company. Our team through their vast experience and good rapport with clients owing to timely and quality delivery of service plays an instrumental role in creating and expanding a work platform for our Company. To retain our customers, our marketing team, which comprises of people with experience interacts with them and focuses on gaining an insight into the additional needs of customers.

COLLABORATIONS

As on date of this Draft Prospectus, our Company has not entered into any Collaboration/ Tie-Ups/ Joint Ventures.


CAPACITY AND CAPACITY UTILIZATION

As of the date of this prospectus, we outsource our manufacturing operations to third party manufacturer. Hence, we do not have our own manufacturing facility, thus any specific data relating to capacity and capacity utilization does applicable to our Company.

EXPORT AND EXPORT OBLIGATIONS

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

INTELLECTUAL PROPERTY RIGHTS

As on date of the Draft Prospectus our company does not have any Intellectual Property Rights, however our company uses the unregistered logo  for its corporate communications. (Logo Registration)

LAND AND PROPERTY

Company has taken following Properties on Lease:

| Particulars | Details |
|-------------------------|--|
| Name of Lessor | Shreyas Pharmaceutical & Shreyas Medical Agency |
| Name of the Lessee | Hunger Choice Limited |
| Description of Property | B-413, Empire Business Hub, OPP. Shakti Farma, Science City Road, Sola, Ahmedabad, Gujarat, 380060 |
| Date of Agreement | March 09,2022 |
| Rent per Month | Rs.18,083 |
| Usage | Registered Office |
| Area (Approx) | 359.40 sq.ft. |
| Duration of Agreement | 11 Months and 29 days w.e.f. March 04, 2023 |

| Particulars | Details |
|-------------------------|---|
| Name of Lessor | Chetnaben Kaushikbhai Patel and five others |
| Name of the Lessee | Hunger Choice Limited |
| Description of Property | 11, Krishna Estate, Rakanpur TAL. Kalol, Gandhinagar, Gujarat, 382721 |
| Date of Agreement | March 01,2023 |
| Rent per Month | Rs.12,100 |

| | |
|-----------------------|---|
| Usage | Godown |
| Area (Approx) | 175 sq.ft. |
| Duration of Agreement | 11 Months and 29 days w.e.f. March 04, 2023 |

Insurance

| Particulars | Details |
|-------------------------------|---|
| Name of the Insurance Company | United India Insurance Company Limited |
| Name of Insured | Hunger Choice Limited |
| Policy No. | 0605001122P101533323 |
| Type of Policy | United Bharat SookshmaUdyam Suraksha Policy |
| Validity Period | From 13:20 Hrs of 20/05/2022To Midnight of 19/05/2023 |
| Premium Paid (Rs) | 7,954 |

KEY INDUSTRY REGULATIONS AND POLICIES

Except as otherwise specified in this Draft Prospectus, the Companies Act, 2013, we are subject to a number of central and state legislations which regulate substantive and procedural aspects of our business. Additionally, our operations require sanctions from the concerned authorities, under the relevant Central and State legislations and local bye-laws. The following is an overview of some of the important laws, policies and regulations which are pertinent to our business. Taxation statutes such as the Income Tax Act, and applicable Labour laws, environmental laws, contractual laws, intellectual property laws as the case may be, 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. The regulations set out below may not be exhaustive, and are only intended to provide general information to Applicants and is neither designed nor intended to be a substitute for professional legal advice.

For the purpose of the business undertaken by our Company, our Company is required to comply with various laws, statutes, rules, regulations, executive orders, etc. that may be applicable from time to time. The details of such approvals have more particularly been described for your reference in the chapter titled “Government and Other Statutory Approvals” beginning on page 155 of this Draft Prospectus.

The information detailed in this chapter has been obtained from publications available in the public domain. The regulations set out below may not be exhaustive and are only intended to provide general information to the investors and are neither designated nor intended to substitute for professional legal advice. The statements below are based on the current provisions of Central and the State laws, and the judicial and administrative interpretations thereof, which are subject to change or modification by subsequent legislative, regulatory, administrative or judicial decisions.

APPLICABLE LAWS AND REGULATIONS

• BUSINESS/TRADE RELATED LAWS/REGULATIONS

The Micro, Small and Medium Enterprises Development Act, 2006

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

The Central Government has issued its notification numbering 1702(E) dated June 1, 2020 amended the definition of MSME which has come into effect from July 1, 2020.

The revised definition is as under:

- i. a micro enterprise, where the investment in Plant and Machinery or Equipment does not exceed one Crore rupees and turnover does not exceed five Crore rupees;
- ii. a small enterprise, where the investment in Plant and Machinery or Equipment does not exceed ten Crore rupees and turnover does not exceed fifty Crore rupees; and
- iii. a medium enterprise, where the investment in Plant and Machinery or Equipment does not exceed fifty Crore rupees and turnover does not exceed two hundred and fifty Crore rupees.

The MSMED Act also provides for the establishment of the Micro and Small Enterprises Facilitation Council (‘Council’). The Council has jurisdiction to act as an arbitrator or conciliator in a dispute between the supplier located within its jurisdiction and a buyer located anywhere in India.

The Factories Act, 1948 (“Factories Act”)

The Factories Act, a central legislation, extends to the whole of India. It is the principal legislation that governs the health, safety and welfare of factory workers. Under the Factories Act each state is empowered to issue its own rules for licensing and administering factories situated in such states (“Factories Rules”). Under the Factories Rules, prior to commencing any manufacturing process, a person needs to obtain a license to register such factory. Separate license needs to be obtained in respect of each premise where a factory is set up or proposed to be set up. The Factories Act defines a factory to cover any premises which employs 10 (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 20 (twenty) workers without the aid of power. The Factories Act provides that the person who has ultimate control over the affairs of the factory

and in case of a company, any one of the directors, must ensure the health, safety and welfare of all workers. There is prohibition on employing children below the age of 14 (fourteen) years in a factory.

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

The FSS Act was enacted on August 23, 2006 with a view to consolidate the laws relating to food and to establish the Food Safety and Standards Authority of India (“FSSAI”), for laying down science-based standards for articles of food and to regulate their manufacture, storage, distribution, sale and import, to ensure availability of safe and wholesome food for human consumption and for matters connected therewith or incidental thereto. The FSS Act, among other things, also sets out requirements for licensing and registration of food businesses, general principles of food safety, and responsibilities of the food business operator and liability of manufacturers and sellers, and adjudication by Food Safety Appellate Tribunal. For enforcement, under the FSS Act the ‘commissioner of food safety’, ‘food safety officer’ and ‘food analyst’ have been granted with detailed powers of seizure, sampling, taking extracts and analysis. Penalties are levied for various defaults such as for selling food not of the nature or substance or quality demanded, sub-standard food, misbranded food, misleading advertisement, food containing extraneous matter, for failure to comply with the directions of Food Safety officer, for unhygienic or unsanitary processing or manufacturing of food, for possessing adulterant. Apart from the penalties, there are punishments prescribed for selling, storing, distributing or importing unsafe food, for interfering with seized items, for providing false information, for obstructing or impersonating a Food Safety officer, for carrying out a business without a license and for other subsequent offences. The FSS Act also contains the provision for offences by the companies. Further, the Food Safety and Standards Rules, 2011 (“FSSR”) which have been operative since August 5, 2011, provide, among other things, the qualifications mandatory for the posts of the ‘commissioner of food safety’, ‘food safety officer’ and ‘food analyst’, and the procedure for taking extracts of documents, sampling and analysis.

Food Safety and Standards (Labelling and Display), 2020 (the “Regulations”)

The Food Safety and Standards Authority of India (“FSSAI”) has notified Food Safety and Standards (Labelling and Display) Regulations, 2020, prescribing the labelling requirements of pre-packaged foods and display of essential information on premises where food is manufactured, processed, served and stored. According to the notification, the Food Business Operator (“FBO”) shall comply with all the provisions of these regulations after one year from the date of their publication in the Official Gazette except Chapter 3 (display of information in food service establishments) of these regulations, to which Food Business Operator shall comply by January 1, 2022. The Regulations also introduce the concept of ‘principal display panel’, which refer to the part of the container/package which is intended or likely to be displayed or presented or shown or examined by the customer under normal and customary conditions of display, sale or purchase of the food article contained therein and is typically the first thing a consumer will see when they look at the product. Chapter 1 of the Regulations, prescribes the labelling requirements of pre-packaged foods and display of essential information on premises where food is manufactured, processed, served and stored; Chapter 2 covers the general requirements of labelling of prepackaged foods such as Name of food, Name of food, List of ingredients, Nutritional information, Calculation of Nutrients; Chapter 3 of the regulation contains Display of information in food service establishments; Chapter 4 indicates Labelling Requirements of non-retail container; Chapter 5 of regulation mentions of Labelling of packaged Food Additives for Retail Sale and Schedule II has been set out with mandatory labelling declaration for various food products.

The Regulations prescribe general and specific requirements to be adhered to by a FBO while packaging and labelling a food product, the key requirements have been detailed below:

- Food products sold through e-commerce or any other direct selling means; the Regulation mandates the requirement that the label must be provided to the consumer through appropriate means before sale.
- Where an ingredient is itself the product of two or more ingredients, such a compound ingredient must be declared, by their specific names; in the list of ingredients, or by declaring all of the ingredients of compound ingredient as if they were individual ingredients of the final food. Where a compound ingredient constitutes less than 5 per cent. of the food, the ingredients, other than food additives that serve the technological function in the food products, the same is not required to be declared.
- Every package of food material which is not meant for human consumption shall bear a declaration to this effect by a specified symbol of a black colour cross inside a square with black outline.
- In case of alcoholic beverages, a declaration is required to be provided on the label providing the details of the manufacturer/importer, etc. The format of providing the declaration is, “Bottled by” or “Blended and Bottled by” or “Imported and Bottled by”, or “Distilled and Bottled by”.
- The FSSAI logo and license number of the brand owner must be displayed on the label. In addition, the license number of the manufacturer or marketer or packer or bottler, as the case may be, if different from the brand owner, must also be displayed on the label. For imported food products, the importer must display FSSAI logo and license number along with name and address of importer.
- FBOs must display on all their premises, where food is stored, processed, distributed or sold, the Registration/License No. or Food Safety Display Board if specified, along with other information as may be specified by the FSSAI at a prominent place in the premises.

- Provisions are included with regard to declarations to be made on foods and ingredients which are known to cause allergy. Food Service Establishments must mention the following against the food items displayed on the menu cards or boards: information relating to food allergens as prescribed. Allergens may also be depicted by easy-to-understand symbols, logo for veg or non-veg. Under the provisions with regard to Labelling Requirements of non-retail container an additional declaration requirement is introduced- Name and address of the manufacturer or packer (including country of origin for imported packages).

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

The Legal Metrology Act came into effect on April 1, 2011 and has replaced the Standards of Weights and Measures Act, 1976 and the Standards of Weights and Measures (Enforcement) Act, 1985. The Legal Metrology Act was enacted with the objectives to establish and enforce standards of weights and measures, regulate trade and commerce in weights, measures and other goods which are sold or distributed by weight, measure or number and for matters connected therewith or incidental thereto.

The Legal Metrology Act provides that no person shall manufacture, repair or sell, or offer, expose or possess for repair or sale, any weight or measure unless he holds a licence issued by the controller. The Legal Metrology Act contains provisions for verification of prescribed weight or measure by Government approved test center. Qualifications are prescribed for legal metrology officers appointed by the Central Government or State Government. It also provides for exemption regulations of weight or measure norms for goods manufactured exclusively for export. Fee is levied under the Legal Metrology Act for various services. A director may be nominated by a company who is responsible for complying with the provisions of the enactment. There is penalty for offences and provision for compounding of offences under the Legal Metrology Act. Further, it provides for appeal against the decision of various authorities and empowers the Central Government to make rules for enforcing the provisions of the enactment.

Standards of Weights and Measures Act, 1976

The Standards of Weights and Measures Act, 1976 (the “*Act*”) was enacted to regulate trade or commerce in weights, measures and other goods which are sold or distributed by weight, measure or number and to provide for such matters as may be connected thereto. The Act enumerates the specific base units to measure goods and products. Any offence under this Act is punishable with imprisonment or fine or with both based on the type of violation.

The Bureau of Indian Standards Act, 2016

The Bureau of Indian Standards Act, 2016 (the “*BIS Act*”) provides for the establishment of the Bureau of Indian Standards (“*BIS*”) for the development of the activities, inter alia, standardization, marking and quality certification of goods. Functions of the *BIS* include, inter-alia, (a) recognizing as an Indian standard, any standard established for any article or process by any other institution in India or elsewhere; (b) specifying a standard mark to be called the Bureau of Indian Standards Certification Mark which shall be of such design and contain such particulars as may be prescribed to represent a particular Indian standard; and (c) conducting such inspection and taking such samples of any material or substance as may be necessary to see whether any article or process in relation to which the standard mark has been used conforms to the Indian Standard or whether the standard mark has been improperly used in relation to any article or process with or without a license.

Agricultural Produce Grading and Marking Act, 1937 and General Grading and Marking Rules, 1988

The Agricultural Produce (Grading and Marking) Act, 1937 (hereinafter referred as the “*Act*”) is an important legislation for grading and marking of agricultural and other allied commodities with the objectives of making available quality agricultural products to consumers. The provisions of the Act cover the horticulture and livestock products also. The Central Government has been authorized to make rules for fixing grade designations to indicate the quality of any article to which the provisions of the Act apply. It can also specify ‘grade designation marks’ to represent particular grade designations. The Act empowers the central government to authorize the interested parties to grade and specify conditions regarding manner of marking and packaging and related matters.

The Central Government under the Act has formulated General Grading and Marking Rules, 1988 (hereinafter referred to as the “*Rules*”) prescribing the procedure of availing, renewing and changing authorization to grade and mark an article under the provisions of the Act. The Rules also prescribe the various grades which can be used under the Act and the manner of using the said grades and the manner of packing and labelling a product on which such grade has to be marked. The Rules also provide the procedure of registering a customer grievance and the manner of disposal of the same by the Agricultural Marketing Adviser, powers of the Agricultural Marketing Adviser, etc.

Consumer Protection Act, 2019 (“COPRA, 2019”)

COPRA, 2019 came into force on August 9, 2019, replacing the Consumer Protection Act, 1986. It has been enacted with an intent to protect the interests of consumers and to establish competent authorities in order to timely and effectively administer and settle consumer disputes. COPRA, 2019 provides for establishment of a Central Consumer Protection Authority to regulate, among other

things, matters relating to violation of rights of consumers, unfair trade practices and false or misleading advertisements which are prejudicial to the interests of public and consumers. In order to address the consumer disputes' redressal mechanism, it provides a mechanism (three tier consumer redressal mechanism at national, state and district levels) for the consumers to file a complaint against a trader or service provider. COPRA, 2019 provides for penalty for, among others, manufacturing for sale or storing, selling or distributing or importing products containing adulterants and for publishing false or misleading advertisements. The scope of the punitive restraint measures employed by the act include both – monetary penalties for amounts as high as ₹ 5.00 million to imprisonment which may extend to life sentences, for distinct offences under the act.

• LAW RELATED TO RELEVANT STATE

Shops and establishments legislations

Under the provisions of local shops and establishments legislations applicable in the states in India where our establishments are set up and business operations exists, such establishments are required to be registered. Such legislations regulate the working and employment conditions of the workers employed in shops and establishments, including commercial establishments, and provide for fixation of working hours, rest intervals, overtime, holidays, leave, termination of service, maintenance of records, maintenance of shops and establishments and other rights and obligations of the employers and employees. These shops and establishments act, and the relevant rules framed thereunder, also prescribe penalties in the form of monetary fine or imprisonment for violation of provisions, as well as procedures for appeal in relation to such contravention of the provisions.

The Gujarat State Tax on Professions, Traders, Callings and Employments Rules, 1976

The professional tax slabs in India are applicable to those citizens of India who are either involved in any profession or trade. The State Government of Gujarat promulgated this law to structure and formulate the respective professional tax criteria and to collect funds through professional tax. The professional tax is charged on the income of individuals, profits of business or gains in vocations. The professional tax is charged as per the List II of the Constitution. The tax payable under the State Acts by any person earning a salary or wage shall be deducted by his employer from the salary or wages payable to such person before such salary or wages is paid to him, and such employer shall, irrespective of whether such deduction has been made or not when the salary and wage is paid to such persons, be liable to pay tax on behalf of such person and employer has to obtain the registration from the assessing authority in the prescribed manner. Every person liable to pay tax under this Act (other than a person earning salary or wages, in respect of whom the tax is payable by the employer), shall obtain a certificate of enrolment from the assessing authority.

Pursuant to Notification No. (GHN-10) PFT-2008-S.3(2)(3)-TH, issued by the Finance Department of Sachivalaya, Gandhinagar, dated 01.04.2008, the Government of Gujarat have specified the rates in column 3, 4 and 5 of the schedules of the Act, as minimum rates which shall be levied by the respective Designated Authorities for the class of person specified in column 2 of schedule of the Act.

The Registration Act, 1908

Registration Act was introduced to provide a method of public registration of documents so as to give information to people regarding legal rights and obligations arising or affecting a particular property, and to perpetuate documents which may afterwards be of legal importance, and also to prevent fraud. Registration lends inviolability and importance to certain classes of documents.

The Indian Stamp Act, 1899

The Indian Stamp Act, 1899 prescribes the rates for the stamping of documents and instruments by which any right or liability is, or purports to be, created, transferred, limited, extended, extinguished or recorded. Under the Indian Stamp Act, 1899, an instrument not 'duly stamped' cannot be accepted as evidence by civil court, an arbitrator or any other authority authorized to receive evidence. However, the document can be accepted as evidence in criminal court.

Professional Tax

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

• ANTI-TRUST LAWS

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

The Companies Act, 2013

The consolidation and amendment in the law relating to the Companies Act, 1956 made way to the enactment of the Companies Act, 2013. The Companies Act 1956 is still applicable to the extent not repealed and the Companies Act, 2013 (and the amendments thereof) is applicable to the extent notified. The 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 relating to winding up, voluntary winding up, appointment of liquidator also forms part of the act. The provision of this act shall apply to all the companies incorporated either under this act or under any other previous law. It shall also apply to banking companies, companies engaged in generation or supply of electricity and any other company governed by any special act for the time being in force. A company can be formed by seven or more persons in case of public company and by two or more persons in case of private company. A company can even be formed by one person i.e., a One Person Company. The provisions relating to forming and allied procedures of One Person Company are mentioned in 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 the firm. The provisions relating to remuneration of the directors payable by the companies is under Part II of the said schedule.

The Arbitration and Conciliation Act, 1996

The purpose of the 1996 Act is to amend and unify domestic arbitration and international commercial arbitration and enforce foreign arbitral awards. The law was also amended in 2015 and 2019 to reduce court involvement in the arbitration. Section 89 of the Civil Procedure Code focuses on the importance of arbitration.

• TAX RELATED LEGISLATIONS

Income Tax Act, 1961 ("IT Act")

The IT Act is applicable to every company, whether domestic or foreign whose income is taxable under the provisions of the IT Act or rules made thereunder depending upon its "Residential Status" and "Type of Income" involved. The IT Act provides for the taxation of persons resident in India on global income and persons not resident in India on income received, accruing or arising in India or deemed to have been received, accrued or arising in India. Every company assessable to income tax under the IT Act is required to comply with the provisions thereof, including those relating to Tax Deduction at Source, Advance Tax, Minimum Alternative Tax and like. Every such company is also required to file its returns by September 30 of each assessment year.

Goods and Service Tax (GST)

Gujarat Goods and Services Tax Act, 2017 Central Goods and Services Tax Act, 2017, The Integrated Goods and Services Tax Act, 2017 Goods and Services Tax (GST) is an indirect tax applicable throughout India which replaced multiple cascading taxes levied by the central and state governments. The GST shall be levied as Dual GST separately but concurrently by the Union (central tax - CGST) and the States (including Union Territories with legislatures) (State tax - SGST) / Union territories without legislatures (Union territory tax- UTGST). The Parliament would have exclusive power to levy GST. (Integrated tax - IGST) on inter-State trade or commerce (including imports) in goods or services. It was introduced as The Constitution (One Hundred and First Amendment) Act 2017, following the passage of Constitution 122nd Amendment Bill. The GST is governed by a GST Council and its Chairman is the

Finance Minister of India. Under GST, goods and services are taxed at the following rates, 0%, 5%, 12% and 18%. Besides, some goods and services would be under the list of exempt items.

• INTELLECTUAL PROPERTY LEGISLATIONS

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

- Indian Patents Act, 1970
- The Copyright Act, 1957
- The Trade Marks Act, 1999
- Design Act, 2000

A patent is an intellectual property right relating to inventions and is the grant of exclusive right, for limited period, provided by the Government to the patentee, in exchange of full disclosure of his invention, for excluding others from making, using, selling, importing the patented product or process producing that product. The term invention means a new product or process involving an inventive step capable of industrial application.

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.

Trade Marks Act, 1999

The Trade Marks Act, 1999 provides for the application and registration of trademarks in India for granting exclusive rights to marks such as a brand, label and heading and obtaining relief in case of infringement for commercial purposes as a trade description. The TM Act prohibits any registration of deceptively similar trademarks or chemical compounds among others. It also provides for penalties for infringement, falsifying and falsely applying for trademarks.

Designs Act, 2000

The Design Act, 2000 came into force in May 2001 to 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. In order to register a design, it must be new and original and must not be disclosed to the public anywhere in India or any other country by publication in tangible form 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 registerable. A registered design is valid for a period of 10 years after which can be renewed for a second period of 5 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.

• FOREIGN INVESTMENT RELATED LAWS AND REGULATIONS

Foreign investment in Indian securities is governed by the provisions of the Foreign Exchange Management Act, 1999 (FEMA) read with the applicable FEM Rules. FEMA replaced the erstwhile Foreign Exchange Regulation Act, 1973. Foreign investment is permitted (except in the prohibited sectors) in Indian companies, either through the automatic route or the government approval route, depending upon the sector in which foreign investment is sought to be made. The DIPP (now DPIIT) makes policy pronouncements on FDI through press notes and press releases which are notified by the RBI as amendments to the FEM Rules. In case of any conflict, the FEM Rules prevail. Therefore, the regulatory framework, over a period of time consists of acts, regulations, press notes, press releases, and clarifications among other amendments. The DIPP (now DPIIT) issued the FDI Policy which consolidates the policy framework on FDI issued by DIPP (now DPIIT), in force on August 28, 2017 and reflects the FDI policy as on August 28, 2017. The FDI Policy consolidates and subsumes all the press notes, press releases, and clarifications on FDI issued by DIPP (now DPIIT). As per the FDI Policy, FDI up to 100% is permitted in wholesale trading under automatic route and up to 51% is permitted in multi brand retail trading under the government route subject to certain conditions prescribed under FDI policy. As per the Press Note No. 3 of 2020 dated April 17, 2020 issued by the DIPP, has amended the FDI Policy to include restrictions on entities belonging to 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, where they can invest only under the Government route. Further, a citizen of Pakistan or an entity incorporated in Pakistan can invest, only under the Government route, in sectors/activities other than defence, space, atomic energy and sectors/activities prohibited for foreign investment.

The Foreign Exchange Management Act, 1999

Foreign investment in India is primarily governed by the provisions of the Foreign Exchange Management Act, 1999 (*FEMA*) and the rules, regulations and notifications thereunder, as issued by the Reserve Bank of India from time to time. The RBI, in exercise of its power under the FEMA, has notified the Foreign Exchange Management (Mode of Payment and Reporting of Non-Debt Instruments) Regulations, 2019 by Notification No. FEMA. 395/2019-RB dated October 17, 2019 (*FEMA Rules*) to prohibit, restrict, or regulate transfer by or issue security to a person resident outside India. As laid down by the FEMA Rules, no prior consents and approvals are required from the RBI for Foreign Direct Investment (FDI) 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 RBI. At present, the FDI Policy does not prescribe any cap on the foreign investments in the sector in which the Company operates. Therefore, foreign investment up to 100% is permitted in the Company under the automatic route.

The Foreign Trade (Development and Regulation) Act, 1992 and the Rules framed thereunder

The Foreign Trade (Regulation and Development) Act, 1992 (FTA), and the rules framed thereunder, is the main legislation concerning foreign trade in India. The FTA read along with Foreign Trade (Regulation) Rules, 1993 provides for the development and regulation of foreign trade by facilitating imports into, and augmenting exports from, India and for matters connected therewith or incidental thereto. As per the provisions of FTA, the Government:- (i) may make provisions for facilitating and controlling foreign trade; (ii) may prohibit, restrict and regulate exports and imports, in all or specified cases as well as subject them to exemptions; (iii) is authorised to formulate and announce an export and import policy and also amend the same from time to time, by notification in the Official Gazette; (iv) is also authorised to appoint a Director General of Foreign Trade ‘for the purpose of the Act, including formulation and implementation of the Export-Import Policy.

The FTA prohibits anybody from undertaking any import or export under an Importer-Exporter Code member (IEC) granted by the Director General of Foreign Trade pursuant to Section 7. Hence, every entity in India engaged in any activity involving import/export is required to obtain an IEC unless specifically exempted from doing so. The IEC shall be valid until it is cancelled by the issuing authority., then from degradation of the resource

- **GENERAL LAWS**

Apart from the above list of laws – which is inclusive in nature and not exhaustive - general laws like the Indian Contract Act 1872, Specific Relief Act 1963, Negotiable Instrument Act 1881, The Information Technology Act, 2000, Sale of Goods Act 1930, The Indian Contract Act, 1872 are also applicable to the company.

HISTORY AND CERTAIN OTHER CORPORATE MATTERS

Brief History of our Company

Our Company was originally incorporated on August 27, 2019, as a private limited Company under the name and style of Hunger Choice Private Limited under the provisions of Companies Act, 2013 with the Registrar of Companies, Ahmedabad. Pursuant to shareholders' resolution passed at Extra Ordinary General Meeting held on March 02, 2022, our Company was converted into a Public Limited Company and the name of the Company was changed to 'Hunger Choice Limited' and a fresh Certificate of Incorporation dated March 04, 2022 was issued by Registrar of Companies, Ahmedabad. The new CIN is U15100GJ2019PLC109681.

Mr. Maulik Khara and Mr. Nilesh R Prajapati were the initial subscribers to the Memorandum of Association and the current Promoters of our Company.

For further details of our promoters please refer the chapter titled '*Our Promoters and Promoter group*' beginning on page 108 of this Prospectus.

Changes In Our Registered Office

Registered Office of the Company is presently situated at B-413, Empire Business Hub Opp. Shakti Farma, Science City Road, Sola Ahmedabad - 380060 Gujarat, India.

There has been no change in the Registered Office of our Company since Incorporation.

Main Objects of Our Company

The object clauses of the Memorandum of Association of our Company enable us to undertake our present activities. The main objects of our Company are:

- To carry on the business of process, produce. Mix, pack, preserve, freeze, extract, refine, manufacture, import, export, buy, sell, trade and deal in processed foods, health foods, protein foods, food products, agro foods, fast foods, packed foods, poultry products, sea foods, milk foods, health and diet drinks, extruded foods, frozen foods and products including samosa, kachori, bread pakoda, Aloo Tiki, Emirati, Naan, Paratha, Kulcha, Gravy etc., dehydrated foods, precooked foods, canned foods, preserved foods, Ambien Including Namkeen, Khakhra, pickle, Sauces, Mayo, range etc., bakery products and confectionery items such as breads, biscuits, sweets, cakes, pastries, cookies, wafers, condoles, lemon drops, chocolate, toffees, tinned fruits, tea and coffee, vegetables, fruits, health and diet foods / drinks, extruded foods, confectionery items, sweets, cereals products and any other food products in and outside India.*

Amendments to the MoA of our company since incorporation:

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

| Date of Amendment / Shareholder's Resolution | Nature of Amendment | |
|--|--|---|
| January 31, 2022 | Increase of Authorized Share Capital | |
| | From | To |
| | ₹1.00 Lakhs (Rupees One Lakh only) divided into 10,000 (Ten Thousand) Equity Shares of ₹10.00 each | ₹300.00 Lakhs (Rupees Three Crore only) divided into 30,00,000 (Thirty Lakh) Equity Shares of ₹10.00 each |
| March 02, 2022 | Adoption of new set of Memorandum of Association pursuant to conversion from Private to Public Company and consequent change of name from 'Hunger Choice Private Limited' to 'Hunger Choice Limited' | |

Key events and milestones

The following table sets forth the key events and milestones in the history of our Company, since incorporation:

| | |
|------|--|
| 2019 | Incorporation of our Company as a Private Limited Company |
| 2022 | Conversion of our Company from a Private Limited to a Public Limited Company |

Details of Business of our Company

For details on the description of Our Company's activity, business model, marketing strategy, strength, completion of business, please see '*Our Business*', '*Management Discussion and Analysis of Financial Conditions and results of operations*' and '*Basis of Issue Price*' on page 82, 141 and 71 of this Draft Prospectus respectively.

Holding Company of Our Company

Our Company does not have any Holding Company as on the date of filing of this Draft Prospectus.

Subsidiary Companies of Our Company

Our Company does not have any Subsidiaries as on the date of filing of this Draft Prospectus.

Other Declarations and Disclosures

Our Company is not a listed entity and its securities have not been refused listing at any time by any recognized stock exchange in India or abroad. Further, Our Company has not made any Public Issue or Rights Issue (as defined in the SEBI (ICDR) Regulations) in the past. No action has been taken against Our Company by any Stock Exchange or by SEBI. Our Company is not a sick company within the meaning of the *term* as defined in the Sick Industrial Companies (Special Provisions) Act, 1985. Our Company is not under winding up nor has it received a notice for striking off its name from the relevant Registrar of Companies.

Fund Raising through Equity or Debt

For details in relation to our fund-raising activities through equity and debt, please refer to the chapters titled '*Capital Structure*' beginning on page number 55, of this Draft Prospectus.

Revaluation of Assets

Our Company has not re-valued its assets since its incorporation.

Changes in the Activities of Our Company having a Material Effect

Other than as stated in this Draft Prospectus, there has been no change in the activities being carried out by our Company since incorporation till the date of this Draft Prospectus which may have a material effect on the profits / loss of our Company, including discontinuance of lines of business, loss of agencies or markets and similar factors.

Injunctions or Restraining Orders

Our Company is not operating under any injunction or restraining order.

Defaults Or Rescheduling of Borrowings with Financial Institutions/Banks

There have been no Defaults or Rescheduling of borrowings with financial institutions/banks.

Strikes and Lock-Outs

Our Company has since incorporation, not been involved in any labour disputes or disturbances including strikes and lock-outs. As on the date of this Draft Prospectus, our employees are not unionized.

Time and Cost Overruns in Setting Up Projects

As on the date of this Draft Prospectus, there have been no time and cost overruns in any of the projects undertaken by our Company.

Shareholders' Agreement

There are no subsisting shareholders' agreements among our shareholders vis-à-vis our Company as on the date of this Draft Prospectus.

Material Agreements

As on the date of this Draft Prospectus our Company has not entered into any agreements other than those entered into in the ordinary course of business and there are no material agreements entered since incorporation till the date of this Draft Prospectus.

Strategic Partners

Our Company does not have any strategic partner(s) as on the date of this Draft Prospectus.

Financial Partners

As on the date of this Draft Prospectus, our Company does not have any financial partners.

Acquisition of Business / Undertakings

There has been no Merger, Amalgamation, Acquisition of Business or Undertaking etc. with respect to our Company since incorporation till the date of this Draft Prospectus.

Divestment Of Business / Undertaking By Company

There has been no divestment by the Company of any business or undertaking since incorporation till the date of this Draft Prospectus.

Number Of Shareholders of Our Company

Our Company has 7 (Seven) Equity Shareholders as on date of this Draft Prospectus.

For further details on the Shareholding Pattern of our Company, please refer to the Chapter titled '*Capital Structure*' beginning on page 55 of this Draft Prospectus.

Details of Financial Performance

For details in relation to our financial performance since incorporation till the date of this Draft Prospectus, including details of non-recurring items of income, refer to section titled '*Financial Information*' beginning on page 114 of this Draft Prospectus.

Collaboration Agreement

As on the date of this Draft Prospectus our Company is not party to any collaboration agreement.

OUR MANAGEMENT

BOARD OF DIRECTORS

The Following table sets forth details regarding the Board of Directors as of the date of this Draft Prospectus:

| Name, Father's Name, Address, Date of Birth, Age, Designation, Status, DIN, Occupation and Nationality | Other Directorships |
|--|---------------------|
| <p>Name: Maulik Khara Father's Name: Pravinchandra Khara Address: 29, Sidhi Vinayak BelaCasa, Dholka Road, Nana Chapra, Kasindra, Behind Jain temple, Kasindra, Ahmedabad – 382 210, Gujarat, India. Date of Birth: February 2, 1980 Age: 43 Years Designation: Chairman and Managing Director Status: Executive Director DIN: 08548016 Occupation: Business Nationality: Indian Term: Five (5) years commencing from March 17, 2022 to March 16, 2027 Original Date of Appointment: August 27, 2019 as Executive Director of the company</p> | Nil |
| <p>Name: Nilesh Kumar Prajapati Father's Name: Rameshkumar Prajapati Address: 2948, Ambli Pole, Zaveriwad, Ratan Pole, Ahmedabad City, Ahmedabad – 380 001, Gujarat, India. Date of Birth: June 13, 1984 Age: 38 Years Designation: Whole time Director Status: Executive Director DIN: 08548017 Occupation: Business Nationality: Indian Term: Five (5) years commencing from March 17, 2022 to March 16, 2027 Original Date of Appointment: August 27, 2019 as Executive Director of the company</p> | Nil |
| <p>Name: Kaushik Modi Father's Name: Kiritkumar Modi Address: S/F/7, Ashwamegh Appartment, B/h, Durga School, Krushnabag, Ahmedabad – 380 008, Gujarat, India. Date of Birth: December 4, 1971 Age: 51 Years Designation: Director Status: Executive Director DIN: 09462028 Occupation: Business Nationality: India Term: Liable to retire by rotation Original Date of Appointment: January 08, 2022 as Executive Additional Director</p> | Nil |
| <p>Name: Hemang Solanki Father's Name: Dahyabhai Solanki Address: A-24, Infocity Township, Kasturba Vidyalaya Gandhinagar – 382 007, Gujarat, India Date of Birth: October 3, 1972 Age: 50 Years Designation: Independent Director Status: Non-Executive Director DIN: 06419903 Occupation: Professional Nationality: India</p> | Nil |

| Name, Father's Name, Address, Date of Birth, Age, Designation, Status, DIN, Occupation and Nationality | Other Directorships |
|---|---------------------|
| Term: Five (5) years w.e.f. March 17, 2022 Original Date of Appointment: March 17, 2022 as Non-Executive, Additional Independent Director | |
| Name: Parul Patel Father's Name: Nandlal Patel Address: 11, Daji Colony, Opp Vijaynagar Petrol Pump, Naranpura, Ahmedabad – 380 013, Gujarat, India Date of Birth: October 22, 1957 Age: 65 Years Designation: Independent Director Status: Non-Executive Director DIN: 09531917 Occupation: Professional Nationality: India Term: Five (5) years w.e.f. March 17, 2022 Original Date of Appointment: March 17, 2022 as Non-Executive, Additional Independent Director | Nil |
| Name: Pooja Momin Father's Name: Hasamukhbhai Valand Address: 3 Holford Street, Taylor Act, Canberra, Australia, 2913. Date of Birth: December 4, 1988 Age: 34 Years Designation: Independent Director Status: Non-Executive Director DIN: 09534669 Occupation: Professional Nationality: India Term: Five (5) years w.e.f. March 17, 2022 Original Date of Appointment: March 17, 2022 as Non-Executive, Additional Independent Director | Nil |

Confirmations

As on date of this Draft Prospectus

- A. None of the Directors are/ were directors of any company whose shares were suspended from trading by Stock Exchange(s) or under any order or directions issued by the stock exchange(s)/ SEBI/ other regulatory authority in the last five (5) years.
- B. None of the Directors are on the RBI List of willful defaulters.
- C. None of the Directors are/ were directors of any listed entity whose shares were delisted from any Stock Exchange(s).
- D. Further, none of the directors are/ were directors of any entity which has been debarred from accessing the capital markets under any order or directions issued by the Stock Exchange(s), SEBI or any other Regulatory Authority.
- E. None of the Directors are fugitive economic offender.

Family Relationship between the Directors

None of the Directors of our Company are related to each other as per section 2(77) of the Companies Act, 2013.

Arrangements with major Shareholders, Customers, Suppliers or Others

There are no arrangements or understanding between major shareholders, customers, suppliers or others pursuant to which any of the Directors were selected as a Director or member of a senior management as on the date of this Draft Prospectus.

Service Contracts

Except statutory benefits upon termination of their employment in our Company or retirement, no officer of our Company, including the directors and key Managerial personnel are entitled to any benefits upon termination of employment.

Borrowing Powers of the Board

The Articles of Association, subject to the provisions of Section 180(1)(c) of the Act authorizes the Board to raise, borrow or secure the payment of any sum or sums of money for the purposes of our Company. The shareholders have, pursuant to a special resolution passed at the Extra-ordinary General Meeting held on March 25, 2022, in accordance with Section 180(1)(c) of the Act authorized the Board to borrow monies from time to time, such sums of money even though the money so borrowed together with money already borrowed exceeds the aggregate of the paid-up capital and free reserves of the Company provided, however, that the total borrowing (apart from the temporary loans taken from the company's bankers) shall not exceed Rs.10.00 Crores.

Brief Profiles of Our Directors

Mr. Maulik Khara, aged 43 years, is the Chairman and Managing Director and one of the promoters of our Company. He holds a Graduate Diploma and Master's Diploma in Business Administration from The Indian Management Academy. He possess experience in Sales & Marketing, Channel Management, Business Development and Branding & Promotions. He is serving the company since August 2019 as Promoter and Director of the company and contributing in planning & development of business plans and designing & implementation of successful sales & marketing strategies. He has more than 23 years of experience in the Food Industry.

Mr. Nileshkumar Prajapati, aged 38 years, is the Whole Time Director, Chief Executive Officer and one of the Promoters of our Company. He is non-Matriculate. he is a successful, award winning, Young entrepreneur who is successfully leading well-known food chain named 'Shakti Sandwich' in 1996 in Ahmedabad since then with his vision and devotion today "Shakti Sandwich" become well known brand. He is serving to the company since August 2019. He has more than 15years of experience in the Food industry Also, he is the proprietor of Shakti Corporation.

Kaushik Modi, aged 51 years, is an Executive Director of our Company. He has passed the examination for Higher Secondary School. He has more than 22 years of experience in Insurance advisory service industry

Hemang Solanki, aged 50 years, is an Independent Director of our Company. He holds a bachelor's degree in Arts from Gujarat University and a certificate of six months Diploma Programme in Human Resource Development from All India Institute of Management Studies, Chennai. He has more than 19 years of experience in Business Advisory.

Parul Patel, aged 65 years, is an Independent Director of our Company. She holds a bachelor's degree in arts from Gujarat University. She is retired officer from the post of Grade 2 Officer in Pesticides Department of Government of Gujarat State.

Pooja Momin, aged 34 years, is an Independent Director of our Company. She holds a certificate on aviation, hospitality and travel management from Virtual wings and a certificate in Galileo CRS basic course. She has more than 10 years of experience in the field of finance and accounting.

Compensation of Managing Directors

Terms and conditions of employment of our Managing Director:

Mr. Maulik Khara has been appointed as Managing Director of our Company in the Extra-Ordinary General Meeting of the company held on March 21, 2022 for a period of Five (5) years commencing from March 17, 2022.

The remuneration payable is as follows:

| | |
|--|--|
| Name | Maulik Khara |
| Date of Agreement | March 17, 2022 |
| Period | Five (5) years commencing from March 17,2022 |
| Salary | ₹18.00 Lakhs per annum |
| Remuneration paid in FY 2021-22 | Not applicable |

Payment or benefit to Independent Directors of our Company

We have not paid any sitting fees to our Independent Directors till the date of this Draft Prospectus.

Shareholding of Directors in our Company

The details of the shareholding of our Directors as on the date of this Draft Prospectus are as follows:

| Sr. No. | Name of the Directors | No. of Equity Shares | Percentage of Pre-Issue Capital (%) |
|--------------|-----------------------|----------------------|-------------------------------------|
| 1. | Maulik Khara | 11,63,250 | 68.23 |
| 2. | Nileshkumar Prajapati | 5,30,750 | 31.13 |
| Total | | 16,94,000 | 99.36 |

Interests of our Directors

Our all Independent Directors may be deemed to be interested to the extent of sitting fees payable to them for attending meetings of the Board or a committee thereof and as well as to the extent of reimbursement of expenses payable to them under the Articles.

Our Executive Directors are interested to the extent of remuneration payable to them pursuant to the Articles of Company and resolution approved by the Board of Directors/Members of the Company as the case may be, time to time for the services rendered as an Officer or employee of the Company.

The Directors are also members of the Company and are deemed to be interested in the Equity Shares, if any, held by them and/or any Equity Shares that may be held by their relatives, the companies, firms and trusts, in which they are interested as directors, members, partners, trustees, beneficiaries and promoters and in any dividend distribution which may be made by our Company in the future. For the shareholding of the Directors, please refer “*Our Management - Shareholding of Directors in our Company*” beginning on page 99 of this Draft Prospectus.

Other than our promoter directors, none of the other Directors have any interest in the promotion of our Company other than in the ordinary course of business

Except as stated in the chapter “Business Overview” on page 82 of this Draft Prospectus and in the chapter “Restated Financial Statement” on page 114 none of our Directors have any interest in the property proposed to be acquired by our Company

Except as disclosed in the section titled in “Restated Financial Statements” on page 114, our Directors do not have any other interest in our Company or in any transaction by our Company including, for acquisition of land, construction of buildings or supply of machinery.

For details with respect to loan to directors, please refer to chapter titled “Restated Financial Statement” on page 114 of this Draft Prospectus.

Payment of benefits (non-salary related)

Except as disclosed above, no amount or benefit has been paid or given within the two (2) years preceding the date of filing of this Draft Prospectus or is intended to be paid or given to any of our Directors except the remuneration for services rendered.

Bonus or profit-sharing plan for the Directors

None of the Directors are party to any bonus or profit-sharing plan of our Company.

Changes in our Company’s Board of Directors during the last three (3) years

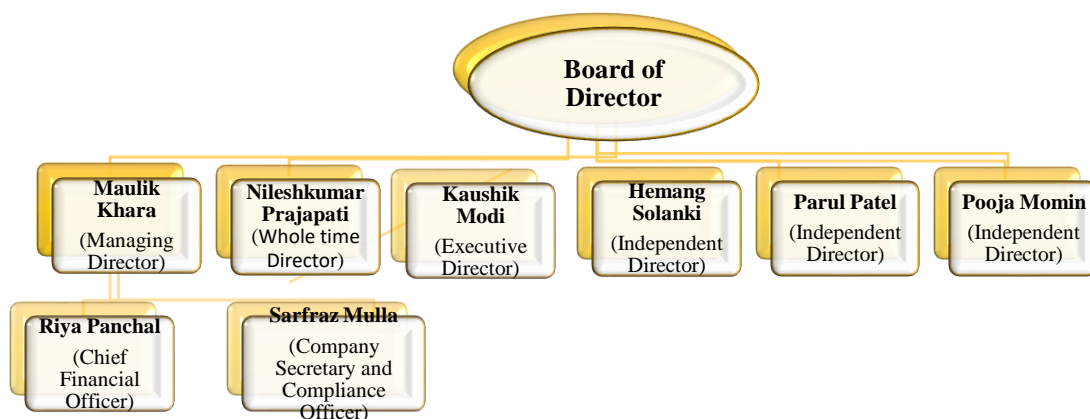
Following are the changes in the Board of Directors during the last three (3) years

| Name of Directors | Date of Appointment | Nature of change | Date of Change in Designation / Cessation | Reasons for changes in the Board |
|-----------------------|---------------------|-----------------------|---|---|
| Maulik Khara | August 27, 2019 | Change in Designation | March 17, 2022 | Appointed as a Managing Director from the Designation of Executive Director |
| Nileshkumar Prajapati | August 27, 2019 | Change in Designation | March 17, 2022 | Appointed as a Whole Time Director and Chief Executive Officer from the Designation of Executive Director |
| Kaushik Modi | January 08, 2022 | Appointment | - | Appointment as Additional Director |

| Name of Directors | Date of Appointment | Nature of change | Date of Change in Designation / Cessation | Reasons for changes in the Board |
|-------------------------|---------------------|-----------------------|---|--|
| Hemang Solanki | March 17, 2022 | Appointment | - | Appointment as Additional Independent Director |
| Parul Patel | March 17, 2022 | Appointment | - | Appointment as Additional Independent Director |
| Pooja Momin | March 17, 2022 | Appointment | - | Appointment as Additional Independent Director |
| Kaushik Kiritkumar Modi | January 08, 2022 | Change in Designation | March 21, 2022 | Appointed as an Executive Director from the Designation of Additional Director |
| HemangDahyabhai Solanki | March 17, 2022 | Change in Designation | March 21, 2022 | Appointed as an Independent Director from the Designation of Additional Independent Director |
| ParulNandlal Patel | March 17, 2022 | Change in Designation | March 21, 2022 | Appointed as an Independent Director from the Designation of Additional Independent Director |
| Pooja Rizwanahmed Momin | March 17, 2022 | Change in Designation | March 21, 2022 | Appointed as an Independent Director from the Designation of Additional Independent Director |
| Nileshkumar Prajapati | August 27, 2019 | Change in Designation | March 10, 2023 | Appointed as a Whole Time Director from the Designation of Managing Director and Chief Executive Officer |

Management Organization Structure

The following chart depicts our Management Organization Structure



COMPLIANCE WITH CORPORATE GOVERNANCE

In additions to the applicable provisions of the Companies Act, 2013, with respect to the Corporate Governance, provisions of the SEBI Listing Regulations except Regulations 17, 18, 19, 20, 21, 22, 23, 24, 25, 26, 27 and clauses (b) to (i) of sub regulation (2) of regulation 46 and Para C, D, and E of Schedule will be applicable to our company immediately upon the listing of Equity Shares on the BSE Limited.

Constitutions of Committees

Our Company has constituted the following committees:

1. Audit Committee

Our Company has formed the Audit Committee vide resolution passed in the meeting of Board of Directors held on March 24, 2022, as per the applicable provisions of the Section 177 of the Companies Act, 2013 read with the Companies (Meetings of Board and its Powers) Rules, 2014 (as amended). The Audit Committee comprises following members.

| Name | Designation | Status in Committee |
|----------------|----------------------|---------------------|
| Parul Patel | Independent Director | Chairman |
| Hemang Solanki | Independent Director | Member |
| Pooja Momin | Independent Director | Member |

The Company Secretary of our Company shall act as a Secretary of the Audit Committee. The Chairman of the Audit Committee shall attend the Annual General Meeting of our Company to furnish clarifications to the shareholders in any matter relating to financial statements. The scope and function of the Audit Committee and its terms of reference shall include the following:

Terms of reference:

Role of Audit Committee

The scope of audit committee shall include, but shall not be restricted to, the following:

1. Oversight of the listed entity's financial reporting process and the disclosure of its financial information to ensure that the financial statement is correct, sufficient and credible;
2. Recommendation for appointment, remuneration and terms of appointment of auditors of the listed entity;
3. Approval of payment to statutory auditors for any other services rendered by the statutory auditors;
4. Reviewing, with the management, the annual financial statements and auditor's report thereon before submission to the board for approval, with particular reference to:
 - matters required to be included in the director's responsibility statement to be included in the board's report in terms of clause (c) of sub-section (3) of Section 134 of the Companies Act, 2013;
 - changes, if any, in accounting policies and practices and reasons for the same;
 - major accounting entries involving estimates based on the exercise of judgment by management;
 - significant adjustments made in the financial statements arising out of audit findings;
 - compliance with listing and other legal requirements relating to financial statements;
 - disclosure of any related party transactions;
 - modified opinion(s) in the draft audit report;
5. Reviewing, with the management, the quarterly 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 issue document / prospectus / notice and the report submitted by the monitoring agency monitoring the utilisation of proceeds of a public or rights issue, and making appropriate recommendations to the board to take up steps in this matter;
7. Monitoring the end use of funds raised through public issue and related matters;
8. Reviewing and monitoring the auditor's independence and performance, and effectiveness of audit process;
9. Approval or any subsequent modification of transactions of the listed entity with related parties;
10. Scrutiny of inter-corporate loans and investments;
11. Valuation of undertakings or assets of the listed entity, wherever it is necessary;
12. Evaluation of internal financial controls and risk management systems;
13. Reviewing, with the management, performance of statutory and internal auditors, adequacy of the internal control systems;
14. 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;
15. Discussion with internal auditors of any significant findings and follow up there on;
16. 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;
17. Discussion with statutory auditors before the audit commences, about the nature and scope of audit as well as post-audit discussion to ascertain any area of concern;
18. To look into the reasons for substantial defaults in the payment to the depositors, debenture holders, shareholders (In case of non-payment of declared dividends) and creditors;

19. To review the functioning of the whistle blower mechanism;
20. Approval of appointment of chief financial officer after assessing the qualifications, experience and background, etc. of the candidate;
21. Carrying out any other function as is mentioned in the terms of reference of the audit committee.
22. Reviewing the utilization of loans and/ or advances from/investment by the holding company in the subsidiary exceeding rupees 100 crore or 10% of the asset size of the subsidiary, whichever is lower including existing loans / advances / investments existing as on the date of coming into force of this provision.
23. Consider and comment on rationale, cost-benefits and impact of schemes involving merger, demerger, amalgamation etc., on the listed entity and its shareholders.

Review of information by Audit Committee

The audit committee shall mandatorily review the following information:

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; and
4. The appointment, removal and terms of remuneration of the chief internal auditor shall be subject to review by the audit committee.
5. Statement of deviations:
 - quarterly statement of deviation(s) including report of monitoring agency, if applicable, submitted to stock exchange(s) in terms of Regulation 32(1).
 - annual statement of funds utilized for purposes other than those stated in the issue document/prospectus/notice in terms of Regulation 32(7).

2. Stakeholders Relationship Committee

Our Company has formed the Stakeholders Relationship Committee as per Section 178 of the Companies Act, 2013 and other applicable provisions of the Act read with the Companies (Meetings of Board and its Powers) Rules, 2014 (as amended) vide board resolution dated March 24, 2022. The constituted Stakeholders Relationship Committee comprises the following members:

| Name | Designation | Status in Committee |
|--------------|----------------------|---------------------|
| Parul Patel | Independent Director | Chairman |
| Kaushik Modi | Executive Director | Member |
| Maulik Khara | Managing Director | Member |

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:

Terms of Reference

- Resolving the grievances of the security holders of the listed entity including complaints related to transfer/transmission of shares, non-receipt of annual report, non-receipt of declared dividends, issue of new/duplicate certificates, general meetings etc.;
- Review of measures taken for effective exercise of voting rights by shareholders;
- Review of adherence to the service standards adopted by the listed entity in respect of various services being rendered by the Registrar & Share Transfer Agent;
- Review of the various measures and initiatives taken by the listed entity for reducing the quantum of unclaimed dividends and ensuring timely receipt of dividend warrants/annual reports/statutory notices by the shareholders of the company; and
- Carrying out any other function as prescribed under the SEBI Listing Regulations as and when amended from time to time.

3. Nomination and Remuneration Committee

Our Company has formed the Nomination and Remuneration Committee as per Section 178 of the Companies Act, 2013 and other applicable provisions of the Act read with the Companies (Meetings of Board and its Powers) Rules, 2014 (as amended) vide board resolution dated March 24, 2022. The Nomination and Remuneration Committee comprises the following members:

| Name | Designation | Status in Committee |
|----------------|----------------------|---------------------|
| Hemang Solanki | Independent Director | Chairman |
| Parul Patel | Independent Director | Member |
| Pooja Momin | Independent Director | Member |

The Company Secretary of our Company shall act as a Secretary to the Nomination and Remuneration Committee. The scope and function of the Nomination and Remuneration Committee is in accordance with Section 178 of the Companies Act, 2013 and SEBI Listing Regulations and the terms of reference, powers and role of our Nomination and Remuneration Committee are as follows:

The terms of reference:

- formulation of the criteria for determining qualifications, positive attributes and independence of a director and recommend to the board of directors a policy relating to, the remuneration of the directors, key managerial personnel and other employees;
- For every appointment of an independent director, the Nomination and Remuneration Committee shall evaluate the balance of skills, knowledge and experience on the Board and on the basis of such evaluation, prepare a description of the role and capabilities required of an independent director. The person recommended to the Board for appointment as an independent director shall have the capabilities identified in such description. For the purpose of identifying suitable candidates, the Committee may:
 - I. use the services of an external agencies, if required;
 - II. consider candidates from a wide range of backgrounds, having due regard to diversity; and
 - III. consider the time commitments of the candidates.
- formulation of criteria for evaluation of performance of independent directors and the board of directors;
- devising a policy on diversity of board of directors;
- identifying persons who are qualified to become directors and who may be appointed in senior management in accordance with the criteria laid down, and recommend to the board of directors their appointment and removal.
- 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.
- recommend to the board, all remuneration, in whatever form, payable to senior management.
- framing suitable policies and systems to ensure that there is no violation, by an employee of any applicable laws in India or overseas, including:
 - I. the Securities and Exchange Board of India (Prohibition of Insider Trading) Regulations, 1992 or the Securities and Exchange Board of India (Prohibition of Insider Trading) Regulations, 2015 to the extent each is applicable; or
 - II. the Securities and Exchange Board of India (Prohibition of Fraudulent and Unfair Trade Practices relating to the Securities Market) Regulations, 2003;
- evaluating the performance of the independent directors and on the basis of their performance evaluation recommending the Board of Directors and the members of the Company to extend or continue the term of appointment of the independent director; and
- performing such other activities as may be delegated by the Board of Directors and/or are statutorily prescribed under any law to be attended to by the Nomination and Remuneration Committee.

Our Key Managerial Personnel

Our Company is managed by our Board of Directors, assisted by qualified experienced professionals, who are permanent employees of our Company. Following are the Key Managerial Personnel of our Company

Profiles of our Key Managerial Personnel

For the profile of Mr. Maulik Khara (Managing Director) and Mr. Nilesh kumar Prajapati (Whole Time Director), Please refer chapter titled “Our Management - Brief Profile of our Directors” on page 99 of this Draft Prospectus.

The Key Managerial Personnel of our Company other than our Directors are as follows:-

| Name, Designation and Date of Joining | Qualification | Previous Employment | Overall Experience | Remuneration paid In previous year (2021-22) (Rs. in Lakhs) |
|--|----------------------|---|------------------------------------|--|
| Sarfraz Taherbhai Mulla, (Company Secretary and Compliance Officer) D.O.J-March 24, 2022 | B.com. and C.S. | M/s. C.S. Keyur M. Shah(Practicing Company Secretary) | 4.6 Years | - |
| Riya Panchal (Chief Financial Officer) D.O.J-March 17, 2022 | B. com | - | 1.5 Years (Accounting and Finance) | - |

Relationship amongst the Key Managerial Personnel of our Company

None of our directors and Key Managerial Personnel of our Company are related to each other.

Arrangement and Understanding with Major Shareholders/Customers/ Suppliers

None of the above Key Managerial Personnel have entered into to any arrangement/ understanding with major shareholders/customers/suppliers as on the date of this Draft Prospectus

Bonus or profit-sharing plan of the Key Managerial Personnel

Our Company does not have a profit sharing plans for the Key Management Personnel.

Shareholding of Key Management Personnel in our Company

None of our Key Managerial Personnel except Mr. Maulik Khara (Managing Director) and Mr. Nileshkumar Prajapati (Whole Time Director) holds 11,63,250 and 5,30,750 Equity Shares respectively in our Company as on the date of filing of this Draft Prospectus. For further details, please refer to section titled “*Capital Structure*” beginning on page 55 of this Draft Prospectus

Changes in Our Company’s Key Managerial Personnel other than Directors during the last three (3) years

| Name of KMP | Designation | Date of Event | Reason |
|-------------------------|-------------------------|-----------------------|---|
| Maulik Khara | August 27, 2019 | Change in Designation | March 17, 2022 |
| Nileshkumar Prajapati | August 27, 2019 | Change in Designation | March 17, 2022 |
| Sarfraz Taherbhai Mulla | Company Secretary | March 24, 2022 | Appointed as Company Secretary and Compliance Officer |
| Riya Panchal | Chief Financial Officer | March 17, 2022 | Appointed as Chief Financial Officer |

For details with respect to the Changes in directors who are KMP, please refer to section titled “Changes in our Company’s Board of Directors during the last three (3) years” on page 99 of this Draft Prospectus.

Interest of Key Managerial Personnel

Except as disclosed in this Draft Prospectus, the Key Managerial Personnel of our Company do not have any interest in our Company other than to the extent of their shareholding, remuneration or benefits to which they are entitled to as per their terms of appointment and reimbursement of expenses incurred by them during the ordinary course of business.

Employee Stock Option or Employee Stock Purchase

Our Company has not granted any options or allotted any Equity Shares under the ESOP Scheme as on the date of this Draft Prospectus.



Payment of Benefits to of Our KMPs (non-salary related)

Except as disclosed in this Draft Prospectus other than any statutory payments made by our Company to its KMPs, our Company has not paid any sum, any non-salary related amount or benefit to any of its officers or to its employees.

For further details, please refer section titled ‘*Restated Financial Statements*’ beginning on page 114 of this Draft Prospectus.

OUR PROMOTERS AND PROMOTER GROUP

The Promoters of our Company is:

| | |
|--|---|
|  | <p>Mr. Maulik Pravinchandra Khara aged 43 years, is the Managing Director of our company.</p> <p>Date of Birth – February 2, 1980</p> <p>Personal Address: 29, Sidhi Vinayak Bela Casa, Dholka Road, Nana Chapra, Kasindra, Behind Jain temple, Kasindra, Ahmedabad – 382 210, Gujarat, India</p> <p>Permanent Account Number: ARQPK6870P</p> <p>For further details of his educational qualifications, experience, positions / posts held in the past, directorships held and special achievements please refer chapter titled “Our Management” beginning on page no. 99 of this Draft Prospectus.</p> |
|  | <p>Mr. Nileshkumar Rameshkumar Prajapati aged 38 years, is a Whole time Director of our company.</p> <p>Date of Birth – June 13, 1984</p> <p>Personal Address: 2948, Ambli Pole, Zaveriwad, Ratan Pole, Ahmedabad City, Ahmedabad – 380 001, Gujarat, India.</p> <p>Permanent Account Number: AMLPP0910B</p> <p>For further details of his educational qualifications, experience, positions / posts held in the past, directorships held and special achievements please refer chapter titled “Our Management” beginning on page no. 99 of this Draft Prospectus.</p> |

For details of the build-up of our Promoter’ shareholding in our Company, please see “Capital Structure – Shareholding of our Promoters” beginning on page no 55 of this Draft Prospectus.

Other Confirmations

We confirm that the details of the permanent account numbers, bank account numbers, passport numbers, Aadhar card and Driving License of our Promoters will be submitted to the Stock Exchange at the time of filing the Draft Prospectus with the Stock Exchange.

As on the date of this Prospectus, our Promoters and members of our Promoter Group have not been prohibited by SEBI or any other regulatory or governmental authority from accessing capital markets for any reasons. Further, our Promoters is not promoter and director in any other company that is or has been debarred from accessing the capital markets under any order or direction made by SEBI or any other authority.

Our Promoter has neither been declared as a wilful defaulter nor as a fugitive economic offender as defined under the SEBI (ICDR) Regulations and there are no violations of securities laws committed by our Promoter in the past and no proceedings for violation of securities laws are pending against our Promoter.

Other ventures of Promoters

Other than as disclosed in this section, our Promoters is not involved in any other ventures. For details pertaining to material ventures of our Promoter refer chapter titled “Financial Information of our Group Companies” beginning on page no. 111 of the Draft Prospectus.

Change in the management and control of the Issuer

Our Promoters are the original Promoters of our Company and there has been no change in the control of our Company in the five years immediately preceding the date of this Draft Prospectus.

Relationship of Promoters with our directors

None of the Directors of the Company are related to each other as per section 2(77) of the Companies Act, 2013,

Interest of Promoters

Our Promoters is interested in our Company to the extent of the promotion of our Company and to the extent of their shareholdings, Managing Director in our Company and the shareholding of their relatives in our Company and the dividend declared and due, if any, and employment related benefits, if any paid by our Company. For further details, please refer chapters titled “*Capital Structure*” and “*Our Management*” beginning on pages 55 and 99, respectively of this Draft Prospectus. For further details, please refer chapters titled “*Capital Structure - Shareholding of our Promoter and Promoter Group*” beginning on page 55 and “*Financial Statements*” on page 114, respectively of this Draft Prospectus.

Our Promoters are not interested as a member in any firm or company which has any interest in our Company. Further, no sum has been paid or agreed to be paid to our Promoters or to any firm or company in which our Promoters are interested as a member or proprietor or partner, in cash or shares or otherwise by any person either to induce our Promoters to become, or qualify him as a director, or otherwise for services rendered by our Promoters or by such firm or company in connection with the promotion or formation of our Company.

Interest in the properties of our Company

Our Promoters and members of Promoter Group do not have any interest in any property acquired by or proposed to be acquired by our Company during a period of three years prior to filing of the Draft Prospectus.

Interest as members of our Company

Our Promoters are interested to the extent of their shareholding, the dividend declared in relation to such shareholding, if any, by our Company. For further details in this regard, please refer chapter titled “*Capital Structure*” beginning on page 55 of this Draft Prospectus.

No sum has been paid or agreed to be paid to our Promoters and our Promoters are not interested as members of any firm or any company and hence no sum has been paid or agreed to be paid to such firm or company in cash or shares or otherwise by any person for services rendered by our Promoters or by such firm or company in connection with the promotion or formation of our Company.

Other Interest

Our Promoter and members of Promoter Group do not have any interest in any property acquired by or proposed to be acquired by our Company during a period of three years prior to filing of the Prospectus. Our Promoter do not have any interest in any transaction in the acquisition of land, construction of building or supply of machinery or any other contract, agreement or arrangement entered into by the Company and no payments have been made or are proposed to be made in respect of these contracts, agreements or arrangements.

Payment of benefits to our Promoters

Except as stated in the *Annexure – “Related Party Transactions”* on page 114 there has been no payment of benefits to our Promoters during the two years preceding the filing of this Draft Prospectus.

Guarantees

Except as stated in the section titled “*Financial Statements*” beginning on page 114 of this Draft Prospectus, respectively, there are no material guarantees given by the Promoter to third parties with respect to specified securities of the Company as on the date of this Draft Prospectus.

Details of Companies / Firms from which our Promoters have disassociated.

Our Promoters have not disassociated themselves from any firms or companies during the last three (3) years preceding this Draft Prospectus.

Our Promoter Group

Our Promoter Group in terms of Regulation 2(1)(pp) of the SEBI (ICDR) Regulations. In addition to our Promoters named above, the following individuals and entities form a part of the Promoter Group:

A. Individual persons who are part of our Promoter Group

Promoters: Mr. Maulik Khara and Mr. Nileshkumar Prajapati

| Promoter | Mr. Maulik Khara | Mr. Nileshkumar Prajapati |
|------------------|--|--|
| Father | Pravinchandra Khara | Rameshbhai Prajapati |
| Mother | Urmilaben P Khara | Geetaben Prajapati |
| Spouse | Swati M Khara | Himani N Prajapati |
| Brother | Jigneshbhai Khara Kaushalbhai Khara | - |
| Sister | - | Krupa Prajapati Krina Parajapati |
| Son | Hitarth M Khara | - |
| Daughter | - | Shriya N Prajapati |
| Spouse's Father | Ravi Varma | Jethabai Prajapati |
| Spouse's Mother | Kiran Varma | Dahiben Prajapati |
| Spouse's Brother | - | - |
| Spouse's Sister | Prachi Varma Arti Varma Mansi Varma Sanskriti Varma | Dharmisthaben Prajapati Dharaben Jethabhai Prajapati Alkaben Prajapati |

Companies, Proprietary concerns, HUF's related to our promoters

Except as stated below, no other company, firm or HUF are forming part of the promoter group:

| Nature of Relationship | Entity |
|---|---|
| Anybody corporate in which twenty per cent or more of the equity share capital is held by the promoters or an immediate relative of the promoters or a firm or Hindu Undivided Family in which the promoters or any one or more of their relative is a member | - |
| Anybody corporate in which a body corporate as provided in above holds twenty per cent. or more, of the equity share capital; and | - |
| Any Hindu Undivided Family or firm in which the aggregate share of the promoters and their relatives is equal to or more than twenty per cent. of the total capital; | M/s Shakti Corporation (Proprietorship) |

For further details on our Promoter Group refer Chapter Titled "Financial Information of our Group Companies" beginning on page no.114 of Draft Prospectus.

OUR GROUP COMPANIES

As per SEBI (ICDR) Regulations, for the purpose of identification of Group Companies, our Company has considered those companies as our Group Companies which is covered under the applicable Accounting Standard (AS-18) as per the Restated Financial Statements of our Company. Further in addition to it, pursuant to a resolution of our Board dated March 24, 2022 for the purpose of disclosure in relation to Group Companies in connection with the Issue, a company shall be considered material and disclosed as a Group Company if any such company is an Associate Company of our Company or our Company is an Associate Company of such Company.

There is no company which is considered material by the Board of Directors of our Company to be identified as Group Company.

1. Shakti Corporation

Brief Information

Shakti Corporation is proprietorship firm, which is owned by Mr. Nilesh Kumar Prajapati . The address is GF 2948 / 1, Ambli Pole, Zaveriwad, Kalupur, Ahmedabad, Gujarat, 380001. It was formed on 3rd October 2019.

Nature of Activities

Shakti Corporation was started by our promoter Nilesh Prajapati in 1996. Shakti Corporation has launched Mayonnaise Base sandwich in Gujarat regions.

Financial Performance

The brief financial details are set forth below:

| Particulars | Rs in Lacs | | |
|--------------|----------------|----------------|----------------|
| | March 31, 2022 | March 31, 2021 | March 31, 2020 |
| Total Income | 8.49 | 41.65 | 43.15 |

Nature and extent of interest of our Promoter

Our promoter Mr. Nilesh Kumar Prajapati is also the proprietor of Shakti Corporation.

Other Confirmations

- 1) There are no defaults in meeting any statutory/bank/institutional dues.
- 2) No proceedings have been initiated for economic offences against the Company.

Litigation

As on the date of the Draft Prospectus, there are no pending litigation proceedings involving our Group Companies which have or may have a material impact on the Company.

Common Pursuits

There are no common pursuits among our Company and Group Entities or any objects similar to that of our Company's business

Related business transactions and their significance on the financial performance of the Company

Other than the transactions disclosed in the section 'Other Financial Information –Related Party Transactions' on page137 , there are no related business transactions between the Group Company and the Company.

Business interest of the Group Companies in the Company

Except as disclosed in the section 'Related Party Transactions' and 'History and certain Corporate Matters' , the Group Companies have no business interests in the Company.

Other confirmations

- a) Our Group Company has not made any public and/ or rights issue of securities in the preceding three years.
- b) Our Group Company are not 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 Company has not been debarred from accessing the capital market for any reasons by the SEBI or any other authorities.

Undertaking/ Confirmations by the Group Company:

None of the Promoters or Promoter Group or Group companies or person in control of the 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 the Company 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, neither our Promoters, the relatives of our individual Promoter (as defined under the Companies Act) nor our Group companies /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 companies, are also available on the website of our company i.e. info@hungerchoice.com

Changes in the Accounting Policies in the last three financial years

Except as mentioned under the paragraph Changes in Significant Accounting Policies, under Chapter titled “Restated Financial Information” on page 114 of this Draft Prospectus, there have been no changes in the accounting policies in the last three financial years.

DIVIDEND POLICY

As on the date of this Draft Prospectus, our Company does not have a formal dividend policy. The declaration and payment of dividend on our Equity Shares, if any, will be recommended by our Board and approved by our Shareholders, at their discretion, in accordance with provisions of our Articles of Association and applicable law, including the Companies Act (together with applicable rules issued there under).

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 contractual obligations, applicable legal restrictions, results of operations, financial condition, revenues, profits, over financial condition, capital requirements and business prospects.

In addition, our ability to pay dividends may be impacted by a number of other factors, including restrictive covenants under our current or future loan or financing documents. For more information on restrictive covenants under our current loan agreements, see “*Financial Indebtedness*” on page 140. Our Company may pay dividend by cheque, or electronic clearance service, as will be approved by our Board in the future. Our Board may also declare interim dividend from time to time.

The Company has not declared and paid any dividends on the Equity Shares since Incorporation.

SECTION VII – FINANCIAL INFORMATION

RESTATED FINANCIAL INFORMATION

Independent Auditor’s Report on Restated Financial Statements

To,

**The Board of Directors
Hunger Choice Limited**

(Formerly known as “Hunger Choice Private Limited”)

B-413, Empire Business Hub, Opp.
Shakti Farma,

Science City Road, Sola,
Ahmedabad - 380060

1. We have examined the attached restated financial information of **Hunger Choice Limited** (Formerly known as “**Hunger Choice Private Limited**”) (hereinafter referred to as “**the Company**”) comprising the restated statement of assets and liabilities as at November 30, 2022 and March 31, 2022, 2021 and 2020, restated statement of profit and loss and restated cash flow statement for the financial period/year ended on November 30, 2022 and March 31, 2022, 2021 and 2020 and the summary statement of significant accounting policies and other explanatory information (collectively referred to as the “**restated financial information**” or “**restated financial statements**”) annexed to this report and initialed by us for identification purposes. These Restated Financial Statements have been prepared by the management of the Company and approved by the board of directors at their meeting in connection with the proposed Initial Public Offering on SME Platform (“**IPO**” or “**SME IPO**”) of Bombay Stock Exchange of India Limited (“**BSE**”) of the company.
2. These restated summary statements have been prepared in accordance with the requirements of:
 - (i) Section 26 of Part – I of Chapter III of Companies Act, 2013 (the “**Act**”) read with Companies (Prospectus and Allotment of Securities) Rules 2014;
 - (ii) The Securities and Exchange Board of India (Issue of Capital and Disclosure Requirements) Regulations 2018 (“**ICDR Regulations**”) and related amendments / clarifications from time to time issued by the Securities and Exchange Board of India (“**SEBI**”);
 - (iii) The Guidance Note on Reports in Company Prospectuses (Revised 2019) issued by the Institute of Chartered Accountants of India (“**Guidance Note**”)
3. The Company’s Board of Directors is responsible for the preparation of the Restated Financial Statements for inclusion in the DRHP to be filed with Securities and Exchange Board of India (“**SEBI**”), BSE and Registrar of Companies (Ahmedabad) in connection with the proposed IPO. The Restated Financial Statements have been prepared by the management of the Company on the basis of preparation stated in Annexure IV to the Restated Financial Statements. The responsibility of the board of directors of the Company includes designing, implementing and maintaining adequate internal control relevant to the preparation and presentation of the Restated Financial Statements. The board of directors are also responsible for identifying and ensuring that the Company complies with the Act, ICDR Regulations and the Guidance Note.
4. We have examined such Restated Financial Statements taking into consideration:
 - (i) The terms of reference and terms of our engagement letter requesting us to carry out the assignment, in connection with the proposed SME IPO;
 - (ii) The Guidance Note also requires that we comply with the ethical requirements of the Code of Ethics issued by the ICAI;

- (iii) Concepts of test checks and materiality to obtain reasonable assurance based on verification of evidence supporting the Restated Financial Statements;
 - (iv) The requirements of Section 26 of the Act and the ICDR Regulations. Our work was performed solely to assist you in meeting your responsibilities in relation to your compliance with the Act, the ICDR Regulations and the Guidance Note in connection with the IPO.
5. The Restated Financial Statements of the Company have been compiled by the management from audited financial statements for the period/year ended on November 30, 2022 and March 31, 2022, 2021 and 2020.
 6. Audit for the financial period/year ended on November 30, 2022 and March 2022 was conducted by us. Audit for the financial year ended March 31, 2021 was conducted by Pratiksha Nagar, Chartered Accountant and for the financial year ended March 31, 2020 was conducted by Ankit Parth & Associates, Chartered Accountants. There are no audit qualifications in the audit reports issued by previous auditors and which would require adjustments in the Restated Financial Statements of the Company. The financial report included for these years is based solely on the report submitted by him.
 7. Based on our examination and according to information and explanations given to us, we are of the opinion that the Restated Financial Statements:
 - a) have been prepared after incorporating adjustments for the changes in accounting policies, material errors and regrouping / reclassifications retrospectively in the financial period/year ended on November 30, 2022 and March 31, 2022, 2021 and 2020.
 - b) do not require any adjustment for modification as there is no modification in the underlying audit reports;
 - c) have no extra-ordinary items that need to be disclosed separately in the accounts and requiring adjustments.
 - d) have been prepared in accordance with the Act, ICDR Regulations and Guidance Note.
 8. In accordance with the requirements of the Act including the rules made there under, ICDR Regulations, Guidance Note and engagement letter, we report that:
 - (i) The “**restated statement of asset and liabilities**” of the Company as at November 30, 2022 and March 31, 2022, 2021 and 2020 examined by us, as set out in **Annexure I** to this report read with significant accounting policies in **Annexure IV** has been arrived at after making such adjustments and regroupings to the audited financial statements of the Company, as in our opinion were appropriate and more fully described in notes to the restated summary statements to this report.
 - (ii) The “**restated statement of profit and loss**” of the Company for the financial period/year ended on at November 30, 2022 and March 31, 2022, 2021 and 2020 examined by us, as set out in **Annexure II** to this report read with significant accounting policies in **Annexure IV** has been arrived at after making such adjustments and regroupings to the audited financial statements of the Company, as in our opinion were appropriate and more fully described in notes to the restated summary statements to this report.
 - (iii) The “**restated statement of cash flows**” of the Company for the financial period/year ended on at November 30, 2022 and March 31, 2022, 2021 and 2020 examined by us, as set out in **Annexure III** to this report read with significant accounting policies in **Annexure IV** has been arrived at after making such adjustments and regroupings to the audited

financial statements of the Company, as in our opinion were appropriate and more fully described in notes to restated summary statements to this report.

9. We have also examined the following other financial information relating to the Company prepared by the management and as approved by the board of directors of the Company and annexed to this report relating to the Company for the financial period/year ended on at November 30, 2022 and March 31, 2022, 2021 and 2020 proposed to be included in the Draft Prospectus / Prospectus (“Offer Document”).

Annexure to Restated Financial Statements of the Company:-

- i) Summary statement of assets and liabilities, as restated as appearing in ANNEXURE I;
 - ii) Summary statement of profit and loss, as restated as appearing in ANNEXURE II;
 - iii) Summary statement of cash flows as restated as appearing in ANNEXURE III;
 - iv) Corporate Information, Significant accounting policies as restated and Notes to reconciliation of restated profits and networth as appearing in ANNEXURE IV;
 - v) Details of share capital as restated as appearing in ANNEXURE V to this report;
 - vi) Details of reserves and surplus as restated as appearing in ANNEXURE VI to this report;
 - vii) Details of short-term borrowings as restated as appearing in ANNEXURE VII to this report;
 - viii) Details of trade payables as restated as appearing in ANNEXURE VIII to this report;
 - ix) Details of other current liabilities as restated as appearing in ANNEXURE IX to this report;
 - x) Details of short-term provisions as restated as appearing in ANNEXURE X to this report;
 - xi) Details of property, plant & equipment and intangible assets as appearing in ANNEXURE XI to this report;
 - xii) Details of deferred tax assets (net) as restated as appearing in ANNEXURE XII to this report;
 - xiii) Details of long-term loans and advances as restated as appearing in ANNEXURE XIII to this report;
 - xiv) Details of Other non current Asset as restated as appearing in ANNEXURE XIV to this report;
 - xv) Details of inventories as restated as appearing in ANNEXURE XV to this report;
 - xvi) Details of trade receivables as restated as appearing in ANNEXURE XVI to this report;
 - xvii) Details of cash and cash equivalents as restated as appearing in ANNEXURE XVII to this report;
 - xviii) Details of short-term loans and advances as restated as appearing in ANNEXURE XVIII to this report;
 - xix) Details of other current assets as restated as appearing in ANNEXURE XIX to this report;
 - xx) Details of revenue from operations as restated as appearing in ANNEXURE XX to this report;
 - xxi) Details of other income as restated as appearing in ANNEXURE XXI to this report;
 - xxii) Details of purchase of stock-in-trade as restated as appearing in ANNEXURE XXII to this report;
 - xxiii) Details of direct expenses as restated as appearing in ANNEXURE XXIII to this report;
 - xxiv) Details of changes in inventories of stock-in-trade as restated as appearing in ANNEXURE XXIV to this report;
 - xxv) Details of employee benefit expenses as restated as appearing in ANNEXURE XXV to this report;
 - xxvi) Details of finance costs as restated as appearing in ANNEXURE XXVI to this report;
 - xxvii) Details of depreciation and amortization expense as restated as appearing in ANNEXURE XXVII to this report;
 - xxviii) Details of other expenses as restated as appearing in ANNEXURE XXVIII to this report;
 - xxix) Details of bifurcative other income as restated as appearing in ANNEXURE XXIX to this report;
 - xxx) Ageing of trade payables as restated as appearing in ANNEXURE XXX to this report;
 - xxxi) Ageing of trade receivables as restated as appearing in ANNEXURE XXXI to this report;
 - xxxii) Details of related party transactions as restated as appearing in ANNEXURE XXXII to this report;
 - xxxiii) Summary of significant accounting ratios as restated as appearing in ANNEXURE XXXIII to this report;
 - xxxiv) Statement of tax shelters as restated as appearing in ANNEXURE XXXIV to this report;
 - xxxv) Dues of small enterprises and micro enterprises as restated appearing in ANNEXURE XXXV to this report;
 - xxxvi) Additional Regulatory Information as per Para Y of Schedule III to Companies Act, 2013 appearing in ANNEXURE XXXVI to this report;
 - xxxvii) Capitalisation statement as at November 30, 2022 as restated as appearing in ANNEXURE XXXVII to this report;
10. 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.
11. We have no responsibility to update our report for events and circumstances occurring after the date of the report.
12. Our report is intended solely for use of the board of directors for inclusion in the offer document to be filed with SEBI, BSE and Registrar of Companies (Ahmedabad) in connection with the proposed SME IPO. Our report should not be used, referred to or distributed for any other purpose except with our prior consent in writing. Accordingly, we

do not accept or assume any liability or any duty of care for any other purpose or to any other person to whom this report is shown or into whose hands it may come without our prior consent in writing.

**For Piyush Kothari & Associates Chartered
Accountants
(Firm's Registration No. – 140711W)**

**Piyush Kothari (Partner)
(M. No. 158407)**

(UDIN - 23158407BGUXVV6165)

*Place: Ahmedabad
Date: January 10, 2023*

**STANDALONE STATEMENT OF ASSETS AND LIABILITIES AS RESTATED
ANNEXURE -I**

(₹ In Lakhs)

| Sr. No. | Particulars | Annexure No. | As at November 30, 2022 | As at March 31, 2022 | As at March 31,2021 | As at March 31,2020 |
|-------------------------------|--|--------------|-------------------------|----------------------|---------------------|---------------------|
| EQUITY AND LIABILITIES | | | | | | |
| 1) | Shareholders Funds | | | | | |
| | a. Share Capital | V | 170.50 | 170.50 | 1.00 | 1.00 |
| | b. Reserves & Surplus | VI | 17.99 | 8.72 | (14.39) | (13.37) |
| 2) | Non - Current Liabilities | | | | | |
| | a.Long-term Borrowings | VII | - | - | - | - |
| | b.Deferred tax liabilities (net) | | 0.35 | 0.34 | - | - |
| 3) | Current Liabilities | | | | | |
| | a. Short Term Borrowings | VII | 7.24 | 3.94 | 79.56 | 45.49 |
| | a. Trade Payables | VIII | | | | |
| | - Due to Micro, Small and Medium Enterprises | | 25.86 | 23.30 | - | - |
| | - Due to Others | | 12.10 | 10.44 | 44.40 | 10.76 |
| | b. Other Current liabilities | IX | 13.12 | 13.29 | 7.37 | 1.33 |
| | c. Short Term Provisions | X | 4.46 | 0.49 | - | - |
| TOTAL | | | 251.62 | 231.02 | 117.94 | 45.21 |
| ASSETS | | | | | | |
| 1) | Non-Current Assets | | | | | |
| | a. Property, Plant & Equipment and Intangible Assets | XI | | | | |
| | - Property, Plant & Equipment | | 10.57 | 11.51 | 12.87 | 8.75 |
| | - Intangible Assets | | 0.02 | 0.05 | 0.11 | 0.17 |
| | b. Deferred Tax Assets (net) | XII | - | - | 4.78 | 4.70 |
| | c. Long-term Loans & Advances | XIII | 56.22 | 59.76 | 0.01 | - |
| | d. Other Non Current Asset | XIV | 2.15 | 2.15 | 1.72 | 0.32 |
| 2) | Current Assets | | | | | |
| | a. Inventories | XV | 66.77 | 57.68 | 44.58 | 3.87 |
| | b. Trade Receivables | XVI | 101.70 | 86.45 | 33.60 | 18.60 |
| | c. Cash and Cash Equivalents | XVII | 1.75 | 1.70 | 2.04 | 3.30 |
| | d. Short term loan and advances | XVIII | 10.39 | 9.12 | 12.39 | 5.41 |
| | e. Other current assets | XIX | 2.05 | 2.60 | 5.84 | 0.09 |
| TOTAL | | | 251.62 | 231.02 | 117.94 | 45.21 |

See accompanying annexures forming part of the restated standalone financial statements (Refer Annexure No. IV to XXXVII)

For Piyush Kothari & Associates
Chartered Accountants
FRN - 140711W

Piyush Kothari
Partner
M. No. 58407
UDIN – 23158407BGUXZG8597

Place: Ahmedabad
Date:

For and on behalf of the Board of Directors of Hunger Choice Limited

Maulik Khara
(Director)
DIN - 08548016

Riya Panchal
(CFO)

Place: Ahmedabad
Date:

Kaushik Modi
(Director)
DIN – 09462028

Sarfraz Mulla
(Company Secretary)

**STANDALONE STATEMENT OF PROFIT AND LOSS AS RESTATED
ANNEXURE -II**

(₹ In Lakhs)

| Sr. No. | Particulars | Annexure No | For the period ended November 30, 2022 | For the year ended March 31, 2022 | For the year ended March 31, 2021 | For the year ended March 31, 2020 |
|----------|---|-------------|--|-----------------------------------|-----------------------------------|-----------------------------------|
| A | INCOME | | | | | |
| | Revenue from Operations | XX | 64.47 | 137.74 | 119.58 | 49.44 |
| | Other income | XXI | 0.99 | 3.74 | 3.29 | 0.21 |
| | Total Income (A) | | 65.46 | 141.48 | 122.87 | 49.65 |
| B | EXPENDITURE | | | | | |
| | Purchase of stock-in-trade | XXII | 48.17 | 98.79 | 91.20 | 42.85 |
| | Direct Expenses | XXIII | - | 10.26 | 10.98 | 3.31 |
| | Changes in inventories of stock-in-trade | XXIV | (9.09) | (17.54) | (12.30) | (0.57) |
| | Employee benefits expense | XXV | 3.01 | 9.47 | 11.26 | 1.13 |
| | Finance costs | XXVI | 2.63 | 3.55 | 0.09 | 0.02 |
| | Depreciation and Amortization Expense | XI | 0.97 | 1.51 | 1.21 | 0.37 |
| | Other expenses | XXVIII | 6.54 | 17.22 | 21.53 | 20.61 |
| | Total Expenses (B) | | 52.23 | 123.26 | 123.97 | 67.72 |
| C | Profit before extraordinary items and tax(A-B) | | 13.23 | 18.22 | (1.10) | (18.07) |
| | Prior period items (Net) | | | | | |
| | Profit before exceptional, extraordinary items and tax | | 13.23 | 18.22 | (1.10) | (18.07) |
| | Exceptional items | | - | - | - | - |
| | Profit before extraordinary items and tax | | 13.23 | 18.22 | (1.10) | (18.07) |
| D | Extraordinary items | | - | - | - | - |
| | Profit before tax (A-B) | | 13.23 | 18.22 | (1.10) | (18.07) |
| | Tax Expense: | | | | | |
| | (i) Current tax | XXXIV | 3.95 | 0.49 | - | - |
| | (ii) Deferred tax | XII | 0.01 | 5.12 | (0.08) | (4.70) |
| E | (iii) MAT Credit Entitlement | | - | - | - | - |
| F | Total Expenses (E) | | 3.96 | 5.61 | (0.08) | (4.70) |
| | Profit for the year (C-D) | | 9.27 | 12.61 | (1.02) | (13.37) |
| | Earnings per share (Face value of ₹ 10/- each): | XXXIII | | | | |
| | i. Basic | | 0.54 | 20.83 | (10.20) | (133.70) |
| | ii. Diluted | | 0.54 | 20.83 | (10.20) | (133.70) |

See accompanying annexures forming part of the restated standalone financial statements (Refer Annexure No. IV to XXXVII)

**For Piyush Kothari & Associates
Chartered Accountants
FRN - 140711W**

**Piyush Kothari
Partner
M. No. 58407
UDIN – 23158407BGUXZG8597**

**Place: Ahmedabad
Date:**

For and on behalf of the Board of Directors of Hunger Choice Limited

**Maulik Khara
(Director)
DIN - 08548016**

**Kaushik Modi
(Director)
DIN – 09462028**

**Riya Panchal
(CFO)**

**Sarfraz Mulla
(Company Secretary)**

**Place: Ahmedabad
Date:**

STANDALONE STATEMENT OF CASH FLOW AS RESTATED
ANNEXURE - III

(₹ In Lakhs)

| Particulars | For the period ended November 30, 2022 | For the year ended March 31, 2022 | For the year ended March 31, 2021 | For the year ended March 31, 2020 |
|---|--|-----------------------------------|-----------------------------------|-----------------------------------|
| Cash Flow From Operating Activities: | | | | |
| Net Profit before tax as per Profit And Loss A/c | 13.23 | 18.22 | (1.10) | (18.07) |
| Adjustments for: | | | | |
| Interest Income | (0.01) | (0.01) | (0.01) | - |
| Finance Cost | 0.07 | 0.08 | 0.04 | 0.02 |
| Depreciation and Amortisation Expense | 0.97 | 1.51 | 1.21 | 0.37 |
| Operating Profit Before Working Capital Changes | 14.26 | 19.80 | 0.14 | (17.68) |
| Adjusted for (Increase)/Decrease in operating assets | | | | |
| Long-Term Loans and advances | 3.54 | (59.75) | (0.01) | - |
| Inventories | (9.08) | (13.10) | (40.71) | (3.87) |
| Trade Receivables | (15.24) | (52.85) | (15.00) | (18.60) |
| Short Term Loans and advances | (1.27) | 3.27 | (6.98) | (5.41) |
| Other Current Assets | 0.55 | 3.24 | (5.75) | (0.09) |
| Other Non Current Asset | - | (0.43) | (1.40) | (0.32) |
| Adjusted for Increase/(Decrease) in operating liabilities: | | | | |
| Trade Payables | 4.22 | (10.66) | 33.64 | 10.76 |
| Other Current Liabilities | (0.17) | 5.92 | 6.04 | 1.33 |
| Cash Generated From Operations Before Extra-Ordinary Items | (3.19) | (104.56) | (30.03) | (33.88) |
| Net Income Tax paid/ refunded | - | - | - | - |
| Net Cash Flow from/(used in) Operating Activities: (A) | (3.19) | (104.56) | (30.03) | (33.88) |
| Purchase of property, plant & equipment and intangible assets | - | (0.09) | (5.27) | (9.29) |
| Interest Income | 0.01 | 0.01 | 0.01 | - |
| Net Cash Flow from/(used in) Investing Activities: (B) | 0.01 | (0.08) | (5.26) | (9.29) |
| Cash Flow from Financing Activities: | | | | |
| Proceeds from Issue of Equity Shares | - | 169.50 | - | 1.00 |
| Premium in issue of Shares | | 10.50 | | |
| Proceeds /(Repayment) of Borrowings | 3.30 | (75.62) | 34.07 | 45.49 |
| Finance Cost Paid | (0.07) | (0.08) | (0.04) | (0.02) |
| Net Cash Flow from/(used in) Financing Activities (C) | 3.23 | 104.30 | 34.03 | 46.47 |
| Net Increase/(Decrease) in Cash & Cash Equivalents (A+B+C) | 0.05 | (0.34) | (1.26) | 3.30 |
| Cash & Cash Equivalents As At Beginning of the Year | 1.70 | 2.04 | 3.30 | - |
| Cash & Cash Equivalents As At End of the Year | 1.75 | 1.70 | 2.04 | 3.30 |

See accompanying annexures forming part of the restated standalone financial statements (Refer Annexure No. IV to XXXVII)

Note: The Cash Flow Statements has been prepared under Indirect Method as set out in Accounting Standard 3, 'Cash Flow Statements' notified under section 133 of the Companies Act, 2013.

For Piyush Kothari & Associates
Chartered Accountants
FRN - 140711W

Piyush Kothari
Partner
M. No. 58407
UDIN – 23158407BGUXZG8597

Place: Ahmedabad
Date:

For and on behalf of the Board of Directors of Hunger Choice Limited

Maulik Khara
(Director)
DIN - 08548016

Riya Panchal
(CFO)

Place: Ahmedabad
Date:

Kaushik Modi
(Director)
DIN – 09462028

Sarfraz Mulla
(Company Secretary)

**DETAILS OF SHARE CAPITAL AS RESTATED
ANNEXURE -V**

(₹ In Lakhs)

| Particulars | As at November 30,2022 | As at March 31,2022 | As at March 31,2021 | As at March 31,2020 |
|---------------------------------------|------------------------------|---------------------------|---------------------------|---------------------------|
| EQUITY SHARE CAPITAL: | | | | |
| AUTHORISED: | | | | |
| Equity Shares of ₹ 10 each | 300.00 | 300.00 | 1.00 | 1.00 |
| | 300.00 | 300.00 | 1.00 | 1.00 |
| | | | | |
| ISSUED, SUBSCRIBED AND PAID UP | | | | |
| Equity Shares of ₹ 10 each | 170.50 | 170.50 | 1.00 | 1.00 |
| | 170.50 | 170.50 | 1.00 | 1.00 |
| | | | | |
| TOTAL | 170.50 | 170.50 | 1.00 | 1.00 |

Reconciliation of number of shares outstanding at the end of the year:

| Particulars | As at November 30, 2022 | As at March 31, 2022 | As at March 31, 2021 | As at March 31, 2020 |
|--|-------------------------------|----------------------------|----------------------------|----------------------------|
| Equity Shares at the beginning of the year | 17,05,000 | 10,000 | 10,000 | - |
| Add: Shares issued during the year | - | 16,95,000 | - | 10,000 |
| Equity Shares at the end of the year | 17,05,000 | 17,05,000 | 10,000 | 10,000 |

Note:

- 1) Terms/Rights attached to Equity Shares: The company has only one class of Equity Shares having a par value of ₹ 10/- per share. Each holder of Equity share is entitled to one vote per share. In the event of liquidation of the Company, the holders of equity share will be entitled to receive remaining Assets of the Company, after distribution of all preferential amounts. The distribution will be in proportion to the number of equity shares held by the Shareholders.
- 2) The equity shares are not repayable except in the case of a buy back, reduction of capital or winding up in terms of the provisions of the Companies Act, 2013.
- 3) Every member of the company holding equity shares has a right to attend the General Meeting of the Company and has a right to speak and on a show of hands, has one vote if he is present in person and on a poll shall have the right to vote in proportion to his share of the paid-up capital of the company.

Details of Shareholders holding more than 5% of the aggregate shares of the company:

| Name of Shareholders | As at November 30, 2022 | |
|-----------------------------|-------------------------|---------------|
| | No. of Shares Held | % of Holding |
| Equity Share Holders | | |
| Nilesh R Prajapati | 11,63,250 | 68.23% |
| Maulik Khara | 5,30,750 | 31.13% |
| TOTAL | 16,94,000 | 99.36% |

Details of Shareholders holding more than 5% of the aggregate shares of the company:

| Name of Shareholders | As at March 31,2022 | |
|-----------------------------|---------------------|---------------|
| | No. of Shares Held | % of Holding |
| Equity Share Holders | | |
| Nilesh R Prajapati | 11,63,250 | 68.23% |
| Maulik Khara | 5,30,750 | 31.13% |
| TOTAL | 16,94,000 | 99.36% |

| Name of Shareholders | As at March 31,2021 | |
|-----------------------------|---------------------|---------------|
| | No. of Shares Held | % of Holding |
| Equity Share Holders | | |
| Nilesh R Prajapati | 5,000 | 50.00% |
| Maulik Khara | 5,000 | 50.00% |
| TOTAL | 5,000 | 50.00% |

| Name of Shareholders | As at March 31,2020 | |
|-----------------------------|---------------------|---------------|
| | No. of Shares Held | % of Holding |
| Equity Share Holders | | |
| Nilesh R Prajapati | 5,000 | 50.00% |
| Maulik Khara | 5,000 | 50.00% |
| TOTAL | 5,000 | 50.00% |

Details of equity shares held by promoters:

| Name of Promoter | As at November 30,2022 | | % Change during the year |
|--------------------|------------------------|--------------|--------------------------|
| | No. of Shares Held | % of Holding | |
| Nilesh R Prajapati | 11,63,250 | 68.23% | 0.00% |
| Maulik Khara | 5,30,750 | 31.13% | 0.00% |

Details of equity shares held by promoters:

| Name of Promoter | As at March 31,2022 | | % Change during the year |
|--------------------|---------------------|--------------|--------------------------|
| | No. of Shares Held | % of Holding | |
| Nilesh R Prajapati | 11,63,250 | 68.23% | 18.23% |
| Maulik Khara | 5,30,750 | 31.13% | (18.87%) |

| Name of Promoter | As at March 31,2021 | | % Change during the year |
|--------------------|---------------------|--------------|--------------------------|
| | No. of Shares Held | % of Holding | |
| Nilesh R Prajapati | 5,000 | 50.00% | 0.00% |
| Maulik Khara | 5,000 | 50.00% | 0.00% |

| Name of Promoter | As at March 31,2020 | | % Change during the year |
|--------------------|---------------------|--------------|--------------------------|
| | No. of Shares Held | % of Holding | |
| Nilesh R Prajapati | 5,000 | 50.00% | 0.00% |
| Maulik Khara | 5,000 | 50.00% | 0.00% |

DETAILS OF RESERVES AND SURPLUS AS RESTATED
ANNEXURE -VI

(₹ In Lakhs)

| Particulars | As at November 30, 2022 | As at March 31, 2022 | As at March 31,2021 | As at March 31,2020 |
|--|-------------------------|----------------------|---------------------|---------------------|
| <u>Securities premium</u> | | | | |
| Opening Balance | 10.50 | - | - | - |
| Add: Received during the year | - | 150.00 | - | - |
| Less: Utilised for bonus shares issued during the year | - | (139.50) | - | - |
| Closing Balance | 10.50 | 10.50 | - | - |
| | | | | |
| <u>Balance in Profit & Loss A/c</u> | | | | |
| Opening Balance | (1.78) | (14.39) | (13.37) | - |
| Add: Net Profit / (Loss) after Tax for the year | 9.27 | 12.61 | (1.02) | (13.37) |
| Closing Balance | 7.49 | (1.78) | (14.39) | (13.37) |
| | | | | |
| TOTAL | 17.99 | 8.72 | (14.39) | (13.37) |

DETAILS OF SHORT-TERM BORROWINGS AS RESTATED
ANNEXURE -VII

(₹ in Lakhs)

| Particulars | As at November 30, 2022 | As at March 31, 2022 | As at March 31, 2021 | As at March 31, 2020 |
|-------------------------|-------------------------|----------------------|----------------------|----------------------|
| | | | | |
| <u>Secured</u> | | | | |
| Overdraft facility | - | 0.33 | - | - |
| <u>Unsecured</u> | | | | |
| -From related parties | 7.24 | 3.61 | 79.56 | 45.49 |
| | | | | |
| TOTAL | 7.24 | 3.94 | 79.56 | 45.49 |

DETAILS OF TRADE PAYABLES AS RESTATED
ANNEXURE -VIII

(₹ In Lakhs)

| Particulars | As at November 30,2022 | As at March 31,2022 | As at March 31,2021 | As at March 31,2020 |
|--|------------------------|---------------------|---------------------|---------------------|
| Due to Micro, Small and Medium Enterprises | 25.86 | 23.30 | - | - |
| Due to Others | 12.10 | 10.44 | 44.40 | 10.76 |
| TOTAL | 37.96 | 33.74 | 44.40 | 10.76 |

**DETAILS OF OTHER CURRENT LIABILITIES AS RESTATED
ANNEXURE -IX**

(₹ In Lakhs)

| Particulars | As at November 30,2022 | As at March 31, 2020 | As at March 31, 2021 | As at March 31,2020 |
|---------------------------|------------------------------|-------------------------------|-------------------------------|---------------------------|
| Statutory Dues payable | 1.96 | 1.70 | 0.53 | 0.33 |
| Deposit from Distributors | 6.95 | 6.95 | 4.95 | - |
| Advance From Customers | 3.38 | 4.01 | - | 1.00 |
| Expenses Payable | 0.50 | 0.30 | - | - |
| Salary Payable | 0.33 | 0.33 | 1.89 | - |
| TOTAL | 13.12 | 13.29 | 7.37 | 1.33 |

**DETAILS OF SHORT-TERM PROVISIONS AS RESTATED
ANNEXURE -X**

(₹ In Lakhs)

| Particulars | As at November 30,2022 | As at March 31, 2022 | As at March 31, 2021 | As at March 31,2020 |
|------------------------|------------------------------|-------------------------------|-------------------------------|---------------------------|
| Provision for Taxation | 4.46 | 0.49 | - | - |
| TOTAL | 4.46 | 0.49 | - | - |

**DETAILS OF DEFERRED TAX ASSETS/(LIABILITIES) (NET) AS RESTATED
ANNEXURE -XII**

(₹ In Lakhs)

| Particulars | As at November 30,2022 | As at March 31, 2022 | As at March 31, 2021 | As at March 31, 2020 |
|---|------------------------------|-------------------------------|-------------------------------|-------------------------------|
| Opening Balance | (0.34) | 4.78 | 4.70 | 0.00 |
| Add: Deferred Tax Credit/(Expense) for the year | (0.01) | (5.12) | 0.08 | 4.70 |
| TOTAL | (0.35) | (0.34) | 4.78 | 4.70 |

**DETAILS OF LONG-TERM LOANS & ADVANCES AS RESTATED
ANNEXURE -XIII**

(₹ In Lakhs)

| Particulars | As at November 30, 2022 | As at March 31, 2022 | As at March 31, 2021 | As at March 31, 2020 |
|-----------------------------------|----------------------------------|-------------------------------|-------------------------------|-------------------------------|
| Security Deposit | - | - | - | - |
| Capital Advances to Related Party | 56.21 | 59.75 | - | - |
| Advance Tax & TDS | 0.01 | 0.01 | 0.01 | - |
| MAT Credit Entitlement | - | - | - | - |
| TOTAL | 56.22 | 59.76 | 0.01 | - |

**DETAILS OF OTHER CURRENT ASSET AS RESTATED
ANNEXURE -XIV**

(₹ In Lakhs)

| Particulars | As at November 30,2022 | As at March 31, 2022 | As at March 31,2021 | As at March 31,2020 |
|------------------------|------------------------------|-------------------------------|---------------------------|---------------------------|
| Security Deposit | 2.15 | 2.15 | 1.72 | 0.32 |
| Packing Material Stock | - | - | - | - |
| | | | | |
| | 2.15 | 2.15 | 1.72 | 0.32 |

**DETAILS OF INVENTORIES AS RESTATED
ANNEXURE -XV**

(In Lakhs)

| Particulars | As at November 30,2022 | As at March 31, 2022 | As at March 31, 2021 | As at March 31, 2020 |
|------------------------|------------------------------|----------------------------|----------------------------|----------------------------|
| Traded Goods | 39.50 | 30.41 | 12.87 | 0.57 |
| Packing Material Stock | 27.27 | 27.27 | 31.71 | 3.30 |
| | | | | |
| | 66.77 | 57.68 | 44.58 | 3.87 |

**DETAILS OF TRADE RECEIVABLES AS RESTATED
ANNEXURE -XVI**

(₹ In Lakhs)

| Particulars | As at November 30,2022 | As at March 31,2022 | As at March 31,2021 | As at March 31,2020 |
|---------------------------------------|------------------------------|---------------------------|---------------------------|---------------------------|
| | | | | |
| Unsecured, Considered Good | | | | |
| Trade Receivable More than Six Months | 30.50 | 13.85 | 12.69 | - |
| Trade Receivable Less than Six Months | 71.20 | 72.60 | 20.91 | 18.60 |
| | | | | |
| TOTAL | 101.70 | 86.45 | 33.60 | 18.60 |

**DETAILS OF CASH & CASH EQUIVALENTS AS RESTATED
ANNEXURE -XVII**

(₹ In Lakhs)

| Particulars | As at November 30,2022 | As at March 31,2022 | As at March 31,2021 | As at March 31,2020 |
|-----------------------------|------------------------------|---------------------------|---------------------------|---------------------------|
| | | | | |
| Cash-in-Hand | 1.70 | 1.70 | 1.63 | 0.10 |
| Balance in Current Accounts | 0.05 | - | 0.41 | 3.20 |
| | | | | |
| TOTAL | 1.75 | 1.70 | 2.04 | 3.30 |

**DETAILS OF SHORT-TERM LOAN AND ADVANCES AS RESTATED
ANNEXURE -XVIII**

(₹ In Lakhs)

| Particulars | As at November 30,2022 | As at March 31,2022 | As at March 31,2021 | As at March 31,2020 |
|-------------------------------------|------------------------------|---------------------------|---------------------------|---------------------------|
| Security Deposits | - | - | - | - |
| Loan to Staff | 0.90 | - | - | 0.29 |
| Balance with Government Authorities | 8.57 | 9.12 | 11.88 | 4.06 |
| TDS Receivable | - | - | - | - |
| Advance to Suppliers | 0.92 | - | - | 0.39 |
| Advance for Expenses | - | - | 0.51 | 0.67 |
| TOTAL | 10.39 | 9.12 | 12.39 | 5.41 |

**DETAILS OF OTHER CURRENT ASSETS AS RESTATED
ANNEXURE -XIX**

(₹ In Lakhs)

| Particulars | As at November 30,2022 | As at March 31, 2022 | As at March 31,2021 | As at March 31,2020 |
|---|------------------------------|----------------------------|---------------------------|---------------------------|
| Prepaid Expenses | 2.05 | 2.09 | 5.84 | 0.09 |
| Fixed Deposit (having maturity of more than 3 months with remaining maturity of less than 12 month) | | 0.51 | | |
| TOTAL | 2.05 | 2.60 | 5.84 | 0.09 |

**DETAILS OF PROPERTY, PLANT & EQUIPMENT AND INTANGIBLE ASSETS AS RESTATED
ANNEXURE-XI**

(₹ In Lakhs)

| Particulars | GROSS BLOCK | | | | DEPRECIATION | | | | NET BLOCK | |
|--|---------------------|-----------|------------|---------------------|--------------------|-----------------|------------|--------------------|---------------------|---------------------|
| | AS AT 01.04.2022 | ADDITIONS | DEDUCTIONS | AS AT 30.11.2022 | UPTO 01.04.2022 | FOR THE YEAR | DEDUCTIONS | UPTO 30.11.2022 | AS AT 30.11.2022 | AS AT 31.03.2022 |
| Property, Plant & Equipment | | | | | | | | | | |
| Plant & Machinery | 9.27 | - | - | 9.27 | 1.07 | 0.39 | - | 1.46 | 7.81 | 8.20 |
| Electrical Fittings | 0.49 | - | - | 0.49 | 0.12 | 0.03 | - | 0.15 | 0.34 | 0.37 |
| Furnitures & Fixtures | 2.43 | - | - | 2.43 | 0.56 | 0.15 | - | 0.71 | 1.72 | 1.87 |
| Office Equipment | 1.08 | - | - | 1.08 | 0.50 | 0.14 | - | 0.64 | 0.44 | 0.58 |
| Computers | 1.18 | - | - | 1.18 | 0.69 | 0.23 | - | 0.92 | 0.26 | 0.49 |
| Intangible Assets | | | | | | | | | | |
| Computer Software | 0.20 | - | - | 0.20 | 0.15 | 0.03 | - | 0.18 | 0.02 | 0.05 |
| Grand Total | 14.65 | - | - | 14.65 | 3.09 | 0.97 | - | 4.06 | 10.59 | 11.56 |

| Particulars | GROSS BLOCK | | | | DEPRECIATION | | | | NET BLOCK | |
|--|---------------------|-------------|------------|---------------------|--------------------|-----------------|------------|--------------------|---------------------|---------------------|
| | AS AT 01.04.2021 | ADDITIONS | DEDUCTIONS | AS AT 31.03.2022 | UPTO 01.04.2021 | FOR THE YEAR | DEDUCTIONS | UPTO 31.03.2022 | AS AT 31.03.2022 | AS AT 31.03.2021 |
| Property, Plant & Equipment | | | | | | | | | | |
| Plant & Machinery | 9.27 | - | - | 9.27 | 0.48 | 0.59 | - | 1.07 | 8.20 | 8.79 |
| Electrical Fittings | 0.49 | - | - | 0.49 | 0.07 | 0.05 | - | 0.12 | 0.37 | 0.42 |
| Furnitures & Fixtures | 2.34 | 0.09 | - | 2.43 | 0.33 | 0.23 | - | 0.56 | 1.87 | 2.01 |
| Office Equipment | 1.08 | - | - | 1.08 | 0.30 | 0.20 | - | 0.50 | 0.58 | 0.78 |
| Computers | 1.18 | - | - | 1.18 | 0.31 | 0.38 | - | 0.69 | 0.49 | 0.87 |
| Intangible Assets | | | | | | | | | | |
| Computer Software | 0.20 | - | - | 0.20 | 0.09 | 0.06 | - | 0.15 | 0.05 | 0.11 |
| Grand Total | 14.56 | 0.09 | - | 14.65 | 1.58 | 1.51 | - | 3.09 | 11.56 | 12.98 |

**DETAILS OF PROPERTY, PLANT & EQUIPMENT AND INTANGIBLE ASSETS AS RESTATED
ANNEXURE XI**

| Particulars | GROSS BLOCK | | | | DEPRECIATION | | | | NET BLOCK | |
|--|-------------------------|---------------|----------------|-------------------------|------------------------|-----------------|----------------|------------------------|-------------------------|-------------------------|
| | AS AT 01.04.20 20 | ADDITIO NS | DEDUCTIO NS | AS AT 31.03.20 21 | UPTO 01.04.20 20 | FOR THE YEAR | DEDUCTIO NS | UPTO 31.03.20 21 | AS AT 31.03.20 21 | AS AT 31.03.20 20 |
| Property, Plant & Equipment | | | | | | | | | | |
| Plant & Machinery | 4.80 | 4.47 | - | 9.27 | 0.05 | 0.43 | - | 0.48 | 8.79 | 4.75 |
| Electrical Fittings | 0.49 | - | - | 0.49 | 0.02 | 0.05 | - | 0.07 | 0.42 | 0.47 |
| Furnitures & Fixtures | 2.34 | - | - | 2.34 | 0.11 | 0.22 | - | 0.33 | 2.01 | 2.23 |
| Office Equipment | 1.08 | - | - | 1.08 | 0.10 | 0.20 | - | 0.30 | 0.78 | 0.98 |
| Computers | 0.38 | 0.80 | - | 1.18 | 0.06 | 0.25 | - | 0.31 | 0.87 | 0.32 |
| Intangible Assets | | | | | | | | | | |
| Computer Software | 0.20 | - | - | 0.20 | 0.03 | 0.06 | - | 0.09 | 0.11 | 0.17 |
| Grand Total | 9.29 | 5.27 | - | 14.56 | 0.37 | 1.21 | - | 1.58 | 12.98 | 8.92 |

| Particulars | Gross Block | | | | DEPRECIATION | | | | NET BLOCK | |
|--|---------------------|-------------|------------|---------------------|--------------------|-----------------|------------|--------------------|---------------------|---------------------|
| | AS AT 01.04.2019 | ADDITIONS | DEDUCTIONS | AS AT 31.03.2020 | UPTO 01.04.2019 | FOR THE YEAR | DEDUCTIONS | UPTO 31.03.2020 | AS AT 31.03.2020 | AS AT 31.03.2019 |
| Property, Plant & Equipment | | | | | | | | | | |
| Plant & Machinery | - | 4.80 | - | 4.80 | - | 0.05 | - | 0.05 | 4.75 | - |
| Electrical Fittings | - | 0.49 | - | 0.49 | - | 0.02 | - | 0.02 | 0.47 | - |
| Furnitures & Fixtures | - | 2.34 | - | 2.34 | - | 0.11 | - | 0.11 | 2.23 | - |
| Office Equipment | - | 1.08 | - | 1.08 | - | 0.10 | - | 0.10 | 0.98 | - |
| Computers | - | 0.38 | - | 0.38 | - | 0.06 | - | 0.06 | 0.32 | - |
| Intangible Assets | | | | | | | | | | |
| Computer Software | - | 0.20 | - | 0.20 | - | 0.03 | - | 0.03 | 0.17 | - |
| Grand Total | - | 9.29 | - | 9.29 | - | 0.37 | - | 0.37 | 8.92 | - |

**DETAILS OF REVENUE FROM OPERATIONS AS RESTATED
ANNEXURE -XX**

(₹ In Lakhs)

| Particulars | For the period ended November 30, 2022 | For the year ended March 31, 2022 | For the year ended March 31, 2021 | For the year ended March 31, 2020 |
|-----------------|--|-----------------------------------|-----------------------------------|-----------------------------------|
| Sale of Goods | | | | |
| -Domestic Sales | 64.47 | 137.74 | 73.47 | 33.26 |
| -Export Sales | - | - | 46.11 | 16.18 |
| TOTAL | 64.47 | 137.74 | 119.58 | 49.44 |

**DETAILS OF OTHER INCOME AS RESTATED
ANNEXURE -XXI**

(₹ In Lakhs)

| Particulars | For the period ended November 30, 2022 | For the year ended March 31, 2022 | For the year ended March 31, 2021 | For the year ended March 31, 2020 |
|---|--|-----------------------------------|-----------------------------------|-----------------------------------|
| Interest Income | 0.01 | 0.01 | 0.01 | - |
| Duty Drawback Received | - | 0.01 | 0.03 | - |
| Sundry balances written back | 0.98 | 2.23 | - | - |
| Gain on translation of Foreign Currency Receivables | - | 1.49 | 3.25 | 0.21 |
| TOTAL | 0.99 | 3.74 | 3.29 | 0.21 |

**DETAILS OF PURCHASE OF STOCK-IN-TRADE AS RESTATED
ANNEXURE -XXII**

(₹ In Lakhs)

| Particulars | For the period ended November 30, 2022 | For the year ended March 31, 2022 | For the year ended March 31, 2021 | For the year ended March 31, 2020 |
|-----------------------------|--|-----------------------------------|-----------------------------------|-----------------------------------|
| Purchases of Stock-in-Trade | 48.17 | 98.79 | 91.20 | 42.85 |
| TOTAL | 48.17 | 98.79 | 91.20 | 42.85 |

**DETAILS OF DIRECT EXPENSES AS RESTATED
ANNEXURE -XXIII**

(₹ In Lakhs)

| Particulars | For the period ended November 30, 2022 | For the year ended March 31, 2022 | For the year ended March 31, 2021 | For the year ended March 31, 2020 |
|---|--|-----------------------------------|-----------------------------------|-----------------------------------|
| Packing Material Consumed | | | | |
| Opening Stock of Packing Material | 27.27 | 31.71 | 3.30 | - |
| Add: Purchases | - | 0.50 | 31.36 | 4.98 |
| Less: Closing Stock of Packing Material | (27.27) | (27.27) | (31.71) | (3.30) |
| Labour Charges | - | 0.32 | - | - |
| Packing Charges | - | 0.17 | - | - |
| Freight Charges | - | 4.83 | 8.03 | 1.63 |
| TOTAL | - | 10.26 | 10.98 | 3.31 |

**DETAILS OF CHANGES IN INVENTORIES OF STOCK-IN-TRADE AS RESTATED
ANNEXURE -XXIV**

(₹ In Lakhs)

| Particulars | For the period ended November 30, 2022 | For the year ended March 31, 2022 | For the year ended March 31, 2021 | For the year ended March 31, 2020 |
|---------------------|--|-----------------------------------|-----------------------------------|-----------------------------------|
| Opening Stock | 30.41 | 12.87 | 0.57 | - |
| Less: Closing Stock | (39.50) | (30.41) | (12.87) | (0.57) |
| TOTAL | (9.09) | (17.54) | (12.30) | -0.57 |

**DETAILS OF EMPLOYEE BENEFITS EXPENSE AS RESTATED
ANNEXURE -XXV**

(₹ In Lakhs)

| Particulars | For the period ended November 30, 2022 | For the year ended March 31, 2022 | For the year ended March 31, 2021 | For the year ended March 31, 2020 |
|------------------------------|--|-----------------------------------|-----------------------------------|-----------------------------------|
| Salaries and Allowances | 3.01 | 8.89 | 11.26 | 1.13 |
| Contribution to PF, ESIC etc | - | 0.58 | - | - |
| TOTAL | 3.01 | 9.47 | 11.26 | 1.13 |

**DETAILS OF FINANCE COST AS RESTATED
ANNEXURE -XXVI**

(₹ In Lakhs)

| Particulars | For the period ended November 30, 2022 | For the year ended March 31, 2022 | For the year ended March 31, 2021 | For the year ended March 31, 2020 |
|--|--|-----------------------------------|-----------------------------------|-----------------------------------|
| Bank Charges | 0.05 | 0.08 | 0.04 | 0.02 |
| Interest on Delayed Payment of MSME Dues | 2.56 | 3.47 | - | - |
| Interest on Bank overdraft | 0.02 | - | - | - |
| Interest on Delayed Payment of taxes | - | - | 0.05 | - |
| TOTAL | 2.63 | 3.55 | 0.09 | 0.02 |

**DETAILS OF DEPRECIATION AND AMORTIZATION EXPENSE AS RESTATED
ANNEXURE -XVII**

(₹ In Lakhs)

| Particulars | For the period ended November 30, 2022 | For the year ended March 31, 2022 | For the year ended March 31, 2021 | For the year ended March 31, 2020 |
|--|--|-----------------------------------|-----------------------------------|-----------------------------------|
| Depreciation and Amortization Expenses | 0.97 | 1.51 | 1.21 | 0.37 |
| TOTAL | 0.97 | 1.51 | 1.21 | 0.37 |

**DETAILS OF OTHER EXPENSES AS RESTATED
ANNEXURE - XXVIII**

(₹ In Lakhs)

| Particulars | For the period ended November 30, 2022 | For the year ended March 31, 2022 | For the year ended March 31, 2021 | For the year ended March 31, 2020 |
|--|--|-----------------------------------|-----------------------------------|-----------------------------------|
| Auditor's Remuneration | 0.76 | 0.30 | - | 0.26 |
| Advertisement | - | 2.37 | 3.09 | 1.61 |
| Contract Personnel Charges | - | 1.67 | - | - |
| Courier Charges | - | 0.66 | 1.05 | 1.13 |
| Discount(Kasar & Vatav Exps) | - | - | 0.08 | - |
| Display Exps | - | 0.45 | 0.58 | - |
| Diwali Expenses | - | - | - | 0.13 |
| DSC Expenses | - | - | 0.03 | - |
| Electricity Exps | 0.27 | 0.28 | 0.22 | 0.09 |
| Loss on translation of foreign currency balances | 0.12 | - | - | 0.67 |
| Freight Outward Exps | - | 3.51 | 2.17 | - |
| GST Exps | - | 0.04 | 0.04 | 0.05 |
| GST Late Fees Exps | - | - | 0.12 | - |
| Gift Expenses | - | - | 0.21 | - |
| Insurance Exps | 0.07 | 0.02 | 0.04 | 0.02 |
| Internet Exps | 0.03 | 0.14 | 0.07 | 0.03 |
| Labour Charges | - | - | 0.23 | - |
| Legal & Professional Charges | 1.54 | 2.14 | 1.77 | 1.59 |
| Municipal Tax | - | - | 0.07 | 0.12 |
| Mobile Bill Exps | 0.02 | 0.12 | 0.15 | 0.05 |
| Office Exps | 0.60 | 1.26 | 1.06 | 0.07 |
| Rent | 2.33 | 2.49 | 4.93 | 0.95 |
| Office Repairing Exps | - | - | - | 0.16 |
| Printing & Designing Expenses | - | - | 0.73 | 2.13 |
| ROC fees | - | 0.05 | 0.01 | 0.01 |
| Registration Charges | 0.04 | 0.14 | 0.19 | 0.82 |
| Stationery & Printing Expenses | - | - | 0.01 | 0.03 |
| Tea & Refreshment Exps | - | - | 0.26 | 0.04 |
| Testing Fees | - | - | 0.76 | - |
| Travelling Expenses | 0.05 | 1.27 | 2.27 | 0.63 |
| Miscellaneous Expenses | - | 0.01 | - | - |
| Training Expenses | - | - | 0.70 | - |
| Foreign Travelling Expenses | - | - | - | 9.35 |
| IPO Expenses | 0.71 | 0.30 | - | - |
| Website Exps | - | - | 0.69 | 0.67 |
| TOTAL | 6.54 | 17.22 | 21.53 | 20.61 |

**DETAILS OF OTHER INCOME AS RESTATED
ANNEXURE -XXIX**

(₹ In Lakhs)

| Particulars | For the period ended November 30, 2022 | For the year ended March 31, 2022 | For the year ended March 31, 2021 | For the year ended March 31, 2020 | Nature |
|-----------------------------------|---|--|--|--|---------------|
| Other Income | 0.99 | 3.74 | 3.29 | 0.21 | |
| Net Profit Before Tax as Restated | 13.23 | 18.22 | (1.10) | (18.07) | |
| Percentage | 7.48% | 20.53% | (299.09%) | (1.16%) | |

Source of Income

| | | | | | |
|---|-------------|-------------|-------------|-------------|--|
| Interest Income | 0.01 | 0.01 | 0.01 | - | Non-Recurring and not related to Business Activity |
| Duty Drawback Received | - | 0.01 | 0.03 | - | Non-Recurring and related to Business Activity |
| Sundry balances written back | 0.98 | 2.23 | - | - | Non-Recurring and related to Business Activity |
| Gain on translation of Foreign Currency Receivables | - | 1.49 | 3.25 | 0.21 | Non-Recurring and related to Business Activity |
| Total Other income | 0.99 | 3.74 | 3.29 | 0.21 | |

AGEING OF TRADE PAYABLES AS RESTATED
ANNEXURE -XXX

(₹ In Lakhs)

Ageing of Creditors as at November 30, 2022

| Particulars | Outstanding for following periods from due date of payment | | | | Total |
|----------------------------|--|--------------|--------------|-------------------|--------------|
| | Less than 1 year | 1-2 years | 2-3 years | More than 3 years | |
| (a) MSME | 6.03 | 8.36 | 11.48 | - | 25.87 |
| (b) Others | 3.34 | 7.33 | 1.42 | - | 12.09 |
| (c) Disputed Dues - MSME | - | - | - | - | - |
| (d) Disputed Dues - Others | - | - | - | - | - |
| Total | 9.37 | 15.69 | 12.90 | - | 37.96 |

Ageing of Creditors as at March 31, 2022

| Particulars | Outstanding for following periods from due date of payment | | | | Total |
|----------------------------|--|--------------|-----------|-------------------|--------------|
| | Less than 1 year | 1-2 years | 2-3 years | More than 3 years | |
| (a) MSME | - | 23.30 | - | - | 23.30 |
| (b) Others | 9.02 | 1.42 | - | - | 10.44 |
| (c) Disputed Dues - MSME | - | - | - | - | - |
| (d) Disputed Dues - Others | - | - | - | - | - |
| Total | 9.02 | 24.72 | - | - | 33.74 |

Ageing of Creditors as at March 31, 2021

| Particulars | Outstanding for following periods from due date of payment | | | | Total |
|----------------------------|--|-----------|-----------|-------------------|--------------|
| | Less than 1 year | 1-2 years | 2-3 years | More than 3 years | |
| (a) MSME | - | - | - | - | - |
| (b) Others | 44.40 | - | - | - | 44.40 |
| (c) Disputed Dues - MSME | - | - | - | - | - |
| (d) Disputed Dues - Others | - | - | - | - | - |
| Total | 44.40 | - | - | - | 44.40 |

Ageing of Creditors as at March 31, 2020

| Particulars | Outstanding for following periods from due date of payment | | | | Total |
|----------------------------|--|-----------|-----------|-------------------|--------------|
| | Less than 1 year | 1-2 years | 2-3 years | More than 3 years | |
| (a) MSME | - | - | - | - | - |
| (b) Others | 10.76 | - | - | - | 10.76 |
| (c) Disputed Dues - MSME | - | - | - | - | - |
| (d) Disputed Dues - Others | - | - | - | - | - |
| Total | 10.76 | - | - | - | 10.76 |

**AGEING OF TRADE RECEIVABLES AS RESTATED
ANNEXURE -XXXI**

(₹ In Lakhs)

I. Ageing of Debtors as at November 30, 2022

| Particulars | Outstanding for following periods from due date of payment | | | | | Total |
|--|---|-------------------------|--------------|--------------|-------------------------|---------------|
| | Less than 6 months | 6 months - 1 year | 1-2 years | 2-3 years | More than 3 years | |
| (a) Undisputed Trade receivables - considered good | 71.20 | 30.47 | 0.03 | - | - | 101.70 |
| (b) Undisputed Trade Receivables - considered doubtful | - | - | - | - | - | - |
| (c) Disputed Trade Receivables - considered good | - | - | - | - | - | - |
| (d) Disputed Trade Receivables - considered doubtful | - | - | - | - | - | - |
| Total | 71.20 | 30.47 | 0.03 | - | - | 101.70 |

I. Ageing of Debtors as at March 31, 2022

| Particulars | Outstanding for following periods from due date of payment | | | | | Total |
|--|---|-------------------------|--------------|--------------|-------------------------|--------------|
| | Less than 6 months | 6 months - 1 year | 1-2 years | 2-3 years | More than 3 years | |
| (a) Undisputed Trade receivables - considered good | 74.11 | 12.34 | - | - | - | 86.45 |
| (b) Undisputed Trade Receivables - considered doubtful | - | - | - | - | - | - |
| (c) Disputed Trade Receivables - considered good | - | - | - | - | - | - |
| (d) Disputed Trade Receivables - considered doubtful | - | - | - | - | - | - |
| Total | 74.11 | 12.34 | - | - | - | 86.45 |

I. Ageing of Debtors as at March 31, 2021

| Particulars | Outstanding for following periods from due date of payment | | | | | Total |
|--|---|----------------------|--------------|--------------|----------------------|--------------|
| | Less than 6 months | 6 months - 1 year | 1-2 years | 2-3 years | More than 3 years | |
| (a) Undisputed Trade receivables - considered good | 20.91 | - | 12.69 | - | - | 33.60 |
| (b) Undisputed Trade Receivables - considered doubtful | - | - | - | - | - | - |
| (c) Disputed Trade Receivables - considered good | - | - | - | - | - | - |
| (d) Disputed Trade Receivables - considered doubtful | - | - | - | - | - | - |
| Total | 20.91 | - | 12.69 | - | - | 33.60 |

i. Ageing of Debtors as at March 31, 2020

| Particulars | Outstanding for following periods from due date of payment | | | | | Total |
|--|---|-------------------------|--------------|--------------|-------------------------|--------------|
| | Less than 6 months | 6 months - 1 year | 1-2 years | 2-3 years | More than 3 years | |
| (a) Undisputed Trade receivables - considered good | 18.60 | - | - | - | - | 18.60 |
| (b) Undisputed Trade Receivables - considered doubtful | - | - | - | - | - | - |
| (c) Disputed Trade Receivables - considered good | - | - | - | - | - | - |
| (d) Disputed Trade Receivables - considered doubtful | - | - | - | - | - | - |
| Total | 18.60 | - | - | - | - | 18.60 |

**DETAILS OF ACCOUNTING RATIOS AS RESTATED
ANNEXURE -XXXIII**

(₹ In Lakhs, except per share data and ratios)

| Particulars | For the period ended November 30, 2022 | For the year ended March 31, 2022 | For the year ended March 31, 2021 | For the year ended March 31, 2020 |
|---|--|---|---|---|
| Restated Profit after Tax as per Profit & Loss Statement (A) | 9.27 | 12.61 | (1.02) | (13.37) |
| Tax Expense (B) | 3.96 | 5.61 | (0.08) | (4.70) |
| Depreciation and amortization expense (C) | 0.97 | 1.51 | 1.21 | 0.37 |
| Interest Cost (D) | 2.58 | 3.47 | 0.05 | - |
| Weighted Average Number of Equity Shares at the end of the Year (E) | 17,05,000 | 60,547 | 10,000 | 10,000 |
| Number of Equity Shares outstanding at the end of the Year (F) | 17,05,000 | 17,05,000 | 10,000 | 10,000 |
| Nominal Value per Equity share (₹) (G) | 10.00 | 10.00 | 10.00 | 10.00 |
| Restated Net Worth of Equity Share Holders as per Statement of Assets and Liabilities (H) | 188.49 | 179.22 | (13.39) | (12.37) |
| Current Assets (I) | 182.66 | 157.55 | 98.45 | 31.27 |
| Current Liabilities (J) | 62.78 | 51.46 | 131.33 | 57.58 |
| Earnings Per Share - Basic & Diluted¹ (₹) | 0.54 | 20.83 | (10.20) | (133.70) |
| Return on Net Worth^{1 & 2} (%) | 7.38% | 0.59% | 7.62% | 108.08% |
| Net Asset Value Per Share¹ (₹) | 11.06 | 10.51 | (133.90) | (123.70) |
| Current Ratio¹ | 2.91 | 3.06 | 0.75 | 0.54 |

Notes:

Ratios have been calculated as below:

| | | |
|---------------------------------------|---------------|---------------|
| Earnings Per Share (₹) (EPS) : | $\frac{A}{E}$ | $\frac{A}{E}$ |
| Return on Net Worth (%): | $\frac{A}{H}$ | $\frac{A}{H}$ |
| Net Asset Value per equity share (₹): | $\frac{H}{F}$ | $\frac{H}{F}$ |
| Current Ratio: | $\frac{I}{J}$ | $\frac{I}{J}$ |

| | | |
|--|---------------|---------------|
| Earning before Interest, Tax and Depreciation and Amortization (EBITDA): | $A + (B+C+D)$ | $A + (B+C+D)$ |
|--|---------------|---------------|

1. Return on Networth has been annualised.

2. The above details should be read with the significant accounting policies and notes to restated summary, statement of assets & liabilities, profits and losses and cash flows appearing in Annexure I - III.

STATEMENT OF TAX SHELTERS
ANNEXURE -XXXIV

(₹ In Lakhs)

| Particulars | For the period ended November 30, 2022 | For the year ended March 31, 2022 | For the year ended March 31, 2021 | For the year ended March 31, 2020 |
|--|--|-----------------------------------|-----------------------------------|-----------------------------------|
| Profit before tax as per books (A) | 13.23 | 18.22 | (1.10) | (18.07) |
| Income Tax Rate (%) | 25.168% | 25.168% | 26.000% | 26.000% |
| MAT Rate (%) | 0.000% | 0.000% | 15.600% | 15.600% |
| Tax at notional rate on profits | 3.33 | 4.59 | - | - |
| Adjustments : | | | | |
| Permanent Differences(B) | | | | |
| <i>Expenses disallowed under Income Tax Act, 1961</i> | | | | |
| Late Fees | - | - | 0.12 | - |
| Interest on late payment of taxes /Dues | 2.56 | 3.47 | 0.05 | - |
| Disallowance under section 43B | - | - | 0.39 | - |
| Disallowance under section 40(a)(ia) | - | - | 0.23 | - |
| Total Permanent Differences(B) | 2.56 | 3.47 | 0.79 | - |
| Income considered separately (C) | | | | |
| Interest Income | (0.01) | (0.01) | (0.01) | - |
| Total Income considered separately (C) | (0.01) | (0.01) | (0.01) | - |
| Timing Differences (D) | | | | |
| Depreciation as per Companies Act, 2013 | 0.97 | 1.51 | 1.21 | 0.37 |
| Depreciation as per Income Tax Act, 1961 | (1.04) | (1.92) | (1.81) | (0.70) |
| Total Timing Differences (D) | (0.07) | (0.41) | (0.60) | (0.33) |
| Net Adjustments E = (B+C+D) | 2.48 | 3.05 | 0.18 | (0.33) |
| Tax expense / (saving) thereon | 0.62 | 0.77 | 0.05 | (0.09) |
| Income from Other Sources | | | | |
| Interest Income | 0.01 | 0.01 | 0.01 | - |
| Income from Other Sources (F) | 0.01 | 0.01 | 0.01 | - |
| Set-off from Brought Forward Losses (G) | - | (19.32) | - | - |
| Taxable Income/(Loss) as per Income Tax (A+E+F+G) | 15.72 | 1.96 | (0.91) | (18.40) |
| Taxable Income/(Loss) as per MAT | 13.23 | 18.22 | (1.10) | (18.07) |
| Income Tax as returned/computed | 3.95 | 0.49 | - | - |
| Tax paid as per normal or MAT | Normal | Normal | Normal | Normal |

RECONCILIATION OF RESTATED PROFIT:

(₹ In Lakhs)

| Particulars | As at November 30, 2022 | As at March 31, 2022 | As at March 31, 2021 | As at March 31, 2020 |
|--------------------------------|-------------------------|----------------------|----------------------|----------------------|
| Networth as audited | 189.55 | 179.98 | (18.78) | (17.55) |
| Adjustments for: | | | | |
| Opening Balance of Adjustments | (0.27) | 5.39 | 5.18 | - |
| Change in Profit/(Loss) | (0.01) | (5.66) | 0.21 | 5.18 |
| Closing Balance of Adjustments | (0.28) | (0.27) | 5.39 | 5.18 |
| Networth as restated | 189.27 | 179.71 | (13.39) | (12.37) |

OTHER FINANCIAL INFORMATION

The accounting ratios derived from our Restated Financial Information are given below:

| Particulars | As at and for the month ended November 30, 2022 | As at and for the year ended March 31, 2022 | As at and for the year ended March 31, 2021 | As at and for the year ended March 31, 2020 |
|--|---|---|---|---|
| Basic Earnings per share (₹) ⁽¹⁾ | 0.54 | 20.83 | (10.20) | (133.70) |
| Diluted Earnings per equity share (₹) ⁽²⁾ | 0.54 | 20.83 | (10.20) | (133.70) |
| Return on net worth (%) ⁽³⁾ | 7.38 | 7.03 | 7.62 | 108.08 |
| Net asset value per Equity Share (₹) ⁽⁴⁾ | 11.06 | 10.51 | (133.90) | (123.70) |
| EBITDA ⁽⁵⁾ (₹ in lakhs) | 16.78 | 23.20 | 0.16 | (17.70) |

Not annualised.

The ratios have been computed as under:

1. Basic Earnings per share (₹) = Restated profit for the year attributable to equity shareholders / Weighted average number of Equity Shares.
2. Diluted Earnings per equity share (₹) = Restated profit for the year attributable to Equity shareholders / Weighted average number of diluted Equity Shares.
3. Return on net worth (%) = Restated Net Profit after tax attributable to shareholder / Average of Restated Net worth at the beginning and end of the year/period.

“Net worth”: Net worth represents the shareholders' funds and is computed as sum of share capital and reserves including share premium share application money and fair value change account net of debit balance in profit and loss account.
4. Net asset value per Equity Share (₹) = Restated Net Worth at the end of the year or period / Total number of equity shares outstanding at the end of the year/period.
5. Earnings Before Interest, Tax, Depreciation and Amortisation.

In accordance with the SEBI (ICDR) Regulations, the audited financial statements of our Company for Fiscal Years 2022, 2021 and 2020 (“Audited Financial Statements”) are available on our website at []. Our Company is providing a link to this website solely to comply with the requirements specified in the ICDR Regulations.

The Audited Financial Statements do not constitute, (i) a part of this Draft Prospectus; or (ii) a Prospectus, a statement in lieu of a prospectus, an offering circular, an offering memorandum, an advertisement, an offer or a solicitation of any offer or an issue document or recommendation or solicitation to purchase or sell any securities under the Companies Act, the ICDR Regulations, or any other applicable law in India or elsewhere. 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. None of our Company or any of its advisors, nor Lead Managers, nor any of their respective employees, directors, affiliates, agents or representatives accept any liability whatsoever for any loss, direct or indirect, arising from reliance placed on any information presented or contained in the Audited Financial Statements, or the opinions expressed therein.

RELATED PARTY TRANSACTIONS

For details of the related party transactions, as per the requirements under applicable Accounting Standards i.e. Ind AS 24 - Related Party Disclosures, read with the SEBI (ICDR) Regulations for the Eight Month Period ended November 30, 2022, and the Fiscals ended March 31, 2022, March 31, 2021 and March 31, 2020 and as reported in the Restated Financial Information, see “Restated Financial Information – Notes to Restated Financial Information – Notes to Accounts: 32. Related Party Disclosure” on page 114 of this Draft Prospectus.

(₹ in Lakhs)

| Name | Relation | Nature Of Transaction | AS AT 30.11.2022 | AS AT 31.03.2022 | AS AT 31.03.2021 | AS AT 31.03.2020 |
|------------------|----------|-----------------------|------------------|------------------|------------------|------------------|
| Maulik Khara | Director | Loan Taken | | | | |
| | | Loan Repaid | (6.49) | (2.85) | (23.13) | (5.98) |
| Nilesh Prajapati | Director | Loan Taken | | | | |
| | | Loan Repaid | (0.76) | (0.76) | (56.43) | (39.51) |
| | Director | Advance Given | 55.95 | 59.75 | - | - |

| Name | Relation | Nature Of Transaction | AS AT 30.11.2022 | AS AT 31.03.2022 | AS AT 31.03.2021 | AS AT 31.03.2020 |
|----------------------------|--|-----------------------|---------------------|---------------------|---------------------|---------------------|
| Kaushik Kiritkumar Modi | | Advance Repaid | | | | |
| Shakti Corporation | Proprietorship Firm of Director | Sales | 21.96 | 22.76 | 6.94 | 2.88 |
| Shreyas Stores | Proprietorship Firm of Relative of Director | Purchases | (0.14) | (0.14) | - | - |
| MR Solutions | Proprietorship Firm of Relative of Director | Sales | 49.45 | 49.45 | - | - |

CAPITALISATION STATEMENT

The following table sets forth our Company's capitalization as at November 30, 2022 derived from our Restated Financial Information, and as adjusted for the Issue. This table should be read in conjunction with the sections titled "Risk Factors", "Financial Information" and "Management's Discussion and Analysis of Financial Condition and Results of Operations", on pages 22, 114, and 232, respectively.

(₹ in Lakhs, unless otherwise stated)

| Particulars | Pre-Issue 30.11.2022 | Post Issue |
|---|-------------------------|------------|
| Debt | | |
| - Short Term Debt | 7.24 | - |
| - Long Term Debt | - | - |
| Total Debt | 7.24 | - |
| Shareholders' Fund (Equity) | | |
| - Share Capital | 170.50 | - |
| - Reserves & Surplus | 17.99 | - |
| Total Shareholders' Funds (Equity) | 188.49 | - |
| Long Term Debt / Equity (In Ratio) | - | - |
| Total Debt / Equity (In Ratio) | 0.04 | - |

Notes:

1. The amounts disclosed above are based on the restated financial statement of assets and liabilities included in the Restated Financial Information.
2. The above statement should be read with the statement of notes to the Restated Financial Information.
3. Short Term Debts represent which are expected to be paid / payable within 12 months and exclude installments of Term loans repayable within 12 months.
4. Long Term Debts represents debts other than Short Term Debts as defined above but include installments of term Loans repayable within 12 months grouped under short term borrowings.
5. The post issue capitalisation will be determined only after the completion of the allotment of Equity Shares.

FINANCIAL INDEBTEDNESS

STATEMENT OF FINANCIAL INDEBTEDNESS

Except as discussed below, our Company does not have any outstanding borrowings. For details regarding the borrowing powers of our Board, see “*Our Management – Borrowing powers of the Board*” on page 99 of this Draft Prospectus.

Brief details on the financial indebtedness of the “Hunger Choice Limited” as on November 30, 2022 is as under:

UNSECURED LOAN FROM DIRECTORS:

| Name of Lender | Outstanding Amount (₹ in Lakhs) |
|-----------------------|--|
| Maulik Khara | 6.48 |
| Nilesh Prajapati | 0.76 |
| Total | 7.24 |

MANAGEMENT DISCUSSION AND ANALYSIS OF FINANCIAL POSITION AND RESULTS OF OPERATIONS

The following discussion is intended to convey management’s perspective on our financial condition and results of operations for the period ended November 30, 2022 and financial years ended March 31, 2022, 2021 and 2020 including the related notes and reports, included in this Draft Prospectus. One should read the following discussion and analysis of our financial condition and results of operations in conjunction with our section titled “Financial Statements” and the chapter titled “Financial Information” on 114 of the Draft Prospectus. This discussion contains forward-looking statements and reflects our current views with respect to future events and our financial performance and involves numerous risks and uncertainties, including, but not limited to, those described in the section entitled “Risk Factors” on page 22 of this Draft Prospectus. Actual results could differ materially from those contained in any forward-looking statements and for further details regarding forward-looking statements, kindly refer to the chapter titled “Forward-Looking Statements” on page 14 of this Draft Prospectus. Unless otherwise stated, the financial information of our Company used in this section has been derived from the Restated Financial Information. Our financial year ends on March 31 of each year. Accordingly, unless otherwise stated, all references to a particular financial year are to the 12- month period ended March 31 of that year.

In this section, unless the context otherwise requires, any reference to “we”, “us” or “our” refers to Hunger Choice Limited, our Company. Unless otherwise indicated, financial information included herein are based on our Restated Financial Statements for Financial Years ended on 31st March 2022, 2021, and 2020 and period ended on November 30, 2022, included in this Draft Prospectus beginning on page 114 of this Draft Prospectus.

BUSINESS OVERVIEW -

We are engaged in the selling of packaged snacks under the brand name “Hunger Choice”. The products are manufactured by third party on job work basis. We are an exporter based in Gujarat. We sell snacks products like Namkeen, Cookies, Frozen foods and Frozen Gravy.

We have qualified laboratory technicians who help us maintain the quality and hygiene of our products and have obtained the ISO certifications for its quality. We are FSSAI licensed operators, and our products are ISO 22000:2018 certified.

Our products are served with shelf life of up to 1 year from packaging, we are one of the pioneers in introducing rice bran oil in the packed food industry. Rice bran oil is cholesterol, sodium and sugar free and therefore its good for health.

1. 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 and confirmed by a resolution of our Audit Committee dated Monday, May 15, 2023. Further, the members of our 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 prior to the date of filing of this Draft Prospectus. The KPIs disclosed below have been certified by our Statutory Auditor vide its Audit Report dated February 06, 2023.

We have described and defined the KPIs, as applicable, in ‘*Definitions and Abbreviations*’ on page 4

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 for such other duration as may be required 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.

The list of our KPIs along with brief explanation of the relevance of the KPI for our business operations are set forth below:

| 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 assess the overall financial performance of our Company and size of our business. |
| Total Revenue | Total Revenue is used to track the total revenue generated by the business including other income. |
| EBITDA | EBITDA provides information regarding the operational efficiency of the business |

| | |
|----------------------|---|
| PAT | Profit after tax provides information regarding the overall profitability of the business. |
| Net Worth | Net worth is used by the management to ascertain the total value created by the entity and provides a snapshot of current financial position of the entity. |
| Debt To Equity Ratio | Debt-to-equity (D/E) ratio is used to evaluate a company's financial leverage |
| Current Ratio | It tells management how business can maximize the current assets on its balance sheet to satisfy its current debt and other payables |

(Amount in Lakhs)

| Key Financial Performance | As at and for the eight-month period ended November 30, 2022* | As at and for the Financial Year ended March 31, 2022 | As at and for the Financial Year ended March 31, 2021 | As at and for the Financial Year ended March 31, 2020 |
|---------------------------|---|---|---|---|
| Revenue from Operations | 64.47 | 137.74 | 119.58 | 49.44 |
| Total Revenue | 65.46 | 141.48 | 122.87 | 49.65 |
| EBITDA | 16.78 | 23.20 | 0.16 | (17.70) |
| PAT | 9.27 | 12.61 | (1.02) | (13.37) |
| Net Worth Per Share | 188.49 | 179.22 | (13.39) | (12.37) |
| Debt To Equity Ratio | 0.04 | 0.02 | (5.94) | (3.68) |
| Current Ratio | 2.91 | 3.06 | 0.75 | 0.54 |

* Not Annualised

Notes

1. Revenue from operation means revenue from sales, service and other operating revenues
2. Total Revenue means consolidated income of revenue from operation plus other incomes.
3. EBITDA is calculated as Profit before tax + Depreciation + Interest Expenses - Other Income
4. PAT is calculated as Profit before tax – Tax Expenses.
5. Net worth means total assets minus total liabilities divided no equity share outstanding.
6. Debt to equity ratio means total debt divide by its total shareholders equity.
7. Current ratio means total current assets divided by total liabilities.

SIGNIFICANT DEVELOPMENTS SUBSEQUENT TO THE LAST FINANCIAL YEAR AND STUB PERIOD

As per mutual discussion between the Board of the Company and Lead Manager, in the opinion of the Board of the Company there have not arisen any circumstances since the date of the last audited financial statements i.e., November 30th, 2022, as disclosed in this Draft Prospectus and which materially and adversely affect or is likely to affect within the next twelve months except as follows:

- Change in status of the Company from private limited to public limited vide special resolution passed at the Extra-Ordinary General Meeting held on March 10, 2023.
- The Board of Directors of our Company have approved raising of funds by way of Initial Public Offering vide its resolution dated February 27, 2023;
- The Board of Directors have decided to get their Equity Shares listed on SME Platform of BSE Limited ("BSE SME") of and pursuant to Section 62(1)(c) of the Companies Act 2013, by a resolution passed at its board meeting held on February 27, 2023, subject to the approval of the shareholders and such other authorities as may be necessary;
- The shareholders of the 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 10, 2023 authorized the proposed Initial Public Offering;
- Ms. Riya Panchal was appointed as the Chief Financial Officer w.e.f. March 17, 2022 and Mr. Sarfraz Mulla was appointed as Company Secretary of the Company w.e.f. March 24, 2022.

FACTORS AFFECTING OUR RESULTS OF OPERATIONS

Our business is subjected to various risks and uncertainties, including those discussed in the section titled "Risk Factor" beginning on page 22 of this Draft Prospectus. Our results of operations and financial conditions are affected by numerous factors including the following:

- Changes, if any, in the regulations / regulatory framework / economic policies in India and / or in foreign countries, which affect national & international finance;
- Company's ability to adopt the changing technology;

- Company’s results of operations and financial performance;
- Performance of Company’s competitors;
- Significant developments in India’s economic and fiscal policies;
- Failure to adapt to the changing needs of industry and in particular food industry may adversely affect our business and financial condition;
- Volatility in the Indian and global capital market;
- Fluctuation in other operating cost;
- The occurrence of natural disasters or calamities;

DISCUSSION ON RESULT OF OPERATION

The following discussion on results of operations should be read in conjunction with the Restated Financial Statements for the stub period ended on November 30, 2022 & financial years ended March 31, 2022, March 31, 2021 and March 31, 2020.

OVERVIEW OF REVENUE & EXPENDITURE

(Amount ₹ in Lakhs)

| Particulars | 30-11-2022 | % of total income | 31-03-2022 | % of total income | 31-03-2021 | % of total income | 31-03-2020 | % of total income |
|--|--------------|-------------------|---------------|-------------------|---------------|-------------------|---------------|-------------------|
| Revenue from Operations | 64.47 | 98.49% | 137.74 | 97.36% | 119.58 | 97.32% | 49.44 | 99.58% |
| Other income | 0.99 | 1.51% | 3.74 | 2.64% | 3.29 | 2.68% | 0.21 | 0.42% |
| Total Revenue (A) | 65.46 | 100.00% | 141.48 | 100.00% | 122.87 | 100.00% | 49.65 | 100.00% |
| Expenses: | | | | | | | | |
| Purchase of Stock-in-trade | 48.17 | 73.59% | 109.05 | 77.08% | 102.18 | 83.16% | 46.16 | 92.97% |
| Changes in Inventories | -9.09 | -13.89% | -17.54 | -12.40% | -12.30 | -10.01% | -0.57 | -1.15% |
| Employee benefits expense | 3.01 | 4.60% | 9.47 | 6.69% | 11.26 | 9.16% | 1.13 | 2.28% |
| Other expenses | 6.54 | 9.99% | 17.22 | 12.17% | 21.53 | 17.52% | 20.61 | 41.51% |
| Total Expenses (B) | 48.63 | 74.29% | 118.20 | 83.55% | 122.67 | 99.84% | 67.33 | 135.61% |
| Earnings Before Interest, Taxes, Depreciation & Amortization(C=A-B) | 16.83 | 25.71% | 23.28 | 16.45% | 0.20 | 0.16% | -17.68 | -35.61% |
| Finance costs (D) | 2.63 | 4.02% | 3.55 | 2.51% | 0.09 | 0.07% | 0.02 | 0.04% |
| Depreciation and amortization expenses (E) | 0.97 | 1.48% | 1.51 | 1.07% | 1.21 | 0.98% | 0.37 | 0.75% |
| Profit before Exceptional Items (F=C-D-E) | 13.23 | 20.21% | 18.22 | 12.88% | -1.10 | -0.90% | -18.07 | -36.39% |
| Provision for CSR (G) | - | 0.00% | - | 0.00% | - | 0.00% | - | 0.00% |
| Profit/(Loss) Before Tax (H=F-G) | 13.23 | 20.21% | 18.22 | 12.88% | -1.10 | -0.90% | -18.07 | -36.39% |
| Tax Expenses | | | | | | | | |
| - Current Tax | 3.95 | 6.03% | 0.49 | 0.35% | - | 0.00% | - | 0.00% |
| - Short/(Excess) Provision of Earlier Year | - | 0.00% | - | 0.00% | - | 0.00% | - | 0.00% |
| - Deferred Tax | 0.01 | 0.02% | 5.12 | 3.62% | -0.08 | -0.07% | -4.70 | -9.47% |
| Tax Expense For The Year (I) | 3.96 | 6.05% | 5.61 | 3.97% | -0.08 | -0.07% | -4.70 | -9.47% |
| Profit/(Loss) after tax (J=H-I) | 9.27 | 14.16% | 12.61 | 8.91% | -1.02 | -0.83% | -13.37 | -26.93% |

Our Significant Accounting Policies

For Significant accounting policies please refer Significant Accounting Policies, under Chapter titled “Financial Statements” beginning on page 125 of the Draft Prospectus.

Overview of Revenue & Expenditure

Our revenue and expenses are reported in the following manner:

Revenues

- **Revenue of operations:** - Our Revenue from operations comprises of revenue generated from Sale of Goods.
- **Other Income:** - Our other income comprises of interest income, duty drawback received, sundry balances written back and gain on translation of foreign currency receivables.

Summary of our revenues is as follows:

(Amount in ₹ In Lakhs)

| Particulars | For the period ended November 30, 2022 | For the Financial year ended on March 31, | | |
|-------------------------|--|---|---------------|--------------|
| | | 2022 | 2021 | 2020 |
| Income | | | | |
| Revenue from operations | 64.47 | 137.74 | 119.58 | 49.44 |
| As a % of total Income | 98.49% | 97.36% | 97.32% | 99.58% |
| Other Income | 0.99 | 3.74 | 3.29 | 0.21 |
| As a % of Total Income | 1.51% | 2.64% | 2.68% | 0.42% |
| Total Revenue | 65.46 | 141.48 | 122.87 | 49.65 |

Expenditure

Our total expenditure primarily consists of employee benefit expenses, purchase of stock in trade, finance cost, depreciation and amortization expenses and other expenses.

- **Purchase of Stock in Trade:** - Purchase of Stock-in-trade comprises of purchases of goods and direct expenses such as cost of packing material consumed, labour charges, packing charges, and freight charges.
- **Change in Inventories:** - The Change in Inventories comprises of difference between opening stock and closing stock of finished goods.
- **Employment Benefit Expenses:** - Employee benefit expenses comprise of salaries and allowances, and contribution to PF, ESIC.
- **Finance Costs:** - Finance costs include bank charges, interest paid delayed payment towards MSME dues, interest paid on bank overdrafts.
- **Depreciation and amortization expenses:** - Tangible assets are depreciated over periods corresponding to their estimated useful lives. Depreciation includes amortization of intangible assets.
- **Other Expenses:** - Other expenses include auditor's remuneration, advertisement expense, insurance expenses, office expenses, legal & professional charges, rent, registration charges, travelling expenses, mobile bill expenses, printing & designing expenses, tea & refreshment expenses, printing & stationery, electricity expenses, freight outward expenses, courier charges, internet expenses, miscellaneous expenses, etc.

(Amount in ₹ In Lakhs)

| Particulars | For the period ended November 30, 2022 | For the Financial year ended on March 31, | | |
|---------------------------------------|--|---|---------|--------|
| | | 2022 | 2021 | 2020 |
| Expenditure | | | | |
| Purchase of Stock in Trade | 48.17 | 109.05 | 102.18 | 46.16 |
| As a % of total Income | 73.59% | 77.08% | 83.16% | 92.97% |
| Changes in inventories | -9.09 | -17.54 | -12.30 | -0.57 |
| As a % of Total Income | -13.89% | -12.40% | -10.01% | -1.15% |
| Employee Benefit Expenses | 3.01 | 9.47 | 11.26 | 1.13 |
| As a % of Total Income | 4.60% | 6.69% | 9.16% | 2.28% |
| Finance Costs | 2.63 | 3.55 | 0.09 | 0.02 |
| As a % of Total Income | 4.02% | 2.51% | 0.07% | 0.04% |
| Depreciation and amortization Expense | 0.97 | 1.51 | 1.21 | 0.37 |
| As a % of Total Income | 1.48% | 1.07% | 0.98% | 0.75% |
| Other Expenses | 6.54 | 17.22 | 21.53 | 20.61 |
| As a % of Total Income | 9.99% | 12.17% | 17.52% | 41.51% |

| Particulars | For the period ended November 30, 2022 | For the Financial year ended on March 31, | | |
|--------------------------|--|---|----------------|----------------|
| | | 2022 | 2021 | 2020 |
| Total Expenditure | 52.23 | 123.26 | 123.97 | 67.72 |
| As a % of Total Income | 79.79% | 87.12% | 100.90% | 136.39% |

FISCAL YEAR ENDED MARCH 31, 2022 COMPARED WITH FISCAL YEAR ENDED MARCH 31, 2021

Income

Total revenue has increased by ₹ 18.61 Lakhs and 15.15% from ₹ 122.87 Lakhs for the fiscal year ended on March 31, 2021 to ₹ 141.48 Lakhs for the fiscal year ended on March 31, 2022. The increase in revenue was on account of an increase in operations and products offered by the Company.

Expenditure

Total Expenditure excluding finance costs and depreciation and amortization expenses decreased by ₹4.47 Lakhs and 3.64%, from ₹ 122.67 Lakhs in the fiscal year ended on March 31, 2021 to ₹118.20 lakhs for the fiscal year ended March 31, 2022. Overall expenditure was increased mainly due to an increase in the volume of operations and expansion of the Company.

Purchase of Stock-in-Trade

Purchase of Stock-in-Trade increased by ₹ 6.87 Lakhs and 6.72% from ₹ 102.18 Lakhs in the fiscal year ended March 31, 2021 to ₹109.05 Lakhs for the fiscal year ended March 31, 2022. Purchase of Stock in Trade was increased due to increase in volume of operation.

Change in Inventories

The change in Inventories decreased by ₹ 5.24 Lakhs and 42.60% from ₹ (12.30) Lakhs for the fiscal year ended on 31 March 2021 to ₹ ₹ (17.54) Lakhs for the fiscal year ended on March 31, 2022.

Employee Benefit Expenses

Employee Benefit Expenses in terms of value decreased by ₹ 1.79 Lakhs, from ₹ 11.26 Lakhs in the fiscal year ended March 31, 2021 to ₹ 9.47 Lakhs for the fiscal year ended March 31, 2022. Overall employee costs decreased due to the reduction in salaries paid to employees during the pandemic.

Finance Costs

Finance Costs in terms of value and percentage increased by ₹ 3.46 Lakhs and 3844.44% from ₹ 0.09 Lakhs in the fiscal year ended March 31, 2021 to ₹ 3.55 Lakhs for the fiscal year ended March 31, 2022. Finance Costs increased due to the increase in bank charges levied and interest paid on delayed payments of MSME dues.

Depreciation & Amortization Expenses

Depreciation in terms of value increased by Rs 0.30 Lakhs and in terms of percentage, increased by 24.79% from 1.21 Lakhs in the fiscal year ended March 31, 2021 to Rs 1.51 Lakhs for the fiscal year ended March 31, 2022. The increase in depreciation is due to an increase in the assets of the company and is general in nature.

Other Expenses

Other Expenses in terms of value and percentage decreased by ₹ 4.31 Lakhs and 20.02% from ₹ (21.53) Lakhs in the fiscal year ended March 31, 2021 to ₹ 17.22 Lakhs for the fiscal year ended March 31, 2022. Decrease in other expenses was mainly due to decrease in advertisement expenses, courier charges, discount, display expenses, DSC expenses, GST late fees paid, gift expenses, insurance expenses, labour charges, mobile bill expenses, rent, printing & designing expenses, registration charges, printing & stationery, tea & refreshment, testing fees, travelling expenses, training expenses, and website expenses which was partially set off against an increase in auditor's remuneration, contract personnel charges, electricity expenses, freight outward, internet expenses, legal & professional charges, office expenses, ROC fees, miscellaneous expense and IPO expenses.

Profit/(Loss) before Tax

Profit/(loss) before tax increased by ₹ 19.32 Lakhs in terms of value from loss of ₹ 1.10 Lakhs in the fiscal year ended March 31, 2021 to Profit of ₹ 18.22 Lakhs for the fiscal year ended March 31, 2022. Profit before exceptional and Extraordinary Items and Tax was increased due to an increase in revenue from operations and corresponding decrease in expenses of the Company.

Tax Expenses

Current tax for the fiscal year ended March 31, 2021 stood Nil since the company had incurred loss for the said year whereas Deferred Tax for the same year was ₹ (0.08) Lakhs which increased to Rs 5.12 Lakhs in the fiscal year ended March 31, 2022. Also, current tax for the fiscal year ended March 31, 2022 amounted to ₹ 0.49 Lakhs.

Profit/(Loss) after Tax

Net Profit/(loss) has increased from loss of ₹ 1.02 Lakhs for the fiscal year ended March 31, 2021 to profit of ₹ 12.61 Lakhs for the fiscal year ended March 31, 2022, reflecting an increase of ₹ 13.63 Lakhs due to the aforementioned reasons.

FINANCIAL YEAR ENDED MARCH 2021 COMPARED WITH THE FINANCIAL YEAR ENDED MARCH 31, 2020

Income

Total revenue has increased by ₹ 73.22 Lakhs and 147.47% from ₹ 49.65 Lakhs in the fiscal year ended on March 31, 2020 to ₹ 122.87 Lakhs for the year ended on March 31, 2021. The increase in revenue was on account of an increase in operation and new products offered by the Company.

Expenditure

Total Expenditure increased by ₹55.34 Lakhs and 82.19%, from ₹ 67.33 Lakhs in the fiscal year ended on March 31, 2020 to ₹122.67 Lakhs for the year ended March 31, 2021. Overall expenditure was increased mainly due to an increase in the volume of operations and new products offered and manufactured by the Company.

Purchase of Stock-in-Trade

Purchase of Stock-in-Trade increased by ₹ 56.02 Lakhs and 121.36% from ₹ 46.16 Lakhs in the fiscal year ended March 31, 2020, to ₹102.18 Lakhs for the year ended on March 31, 2021. Purchase of Stock in Trade was increased due to increase in volume of operation.

Change in Inventories

The change in Inventories decreased by ₹ 11.73 Lakhs from ₹ (0.57) Lakhs for the fiscal year ended March 31, 2020 to ₹ (12.30) Lakhs for the fiscal year ended March 31, 2021.

Employee Benefit Expenses

Employee Benefit Expenses increased by ₹ 10.13 Lakhs from ₹ 1.13 Lakhs for the fiscal year ended March 31, 2020 to ₹ 11.26 Lakhs for the fiscal year ended March 31, 2021 due to an increase in salaries and allowances made to employees with an increase in no. of employees in the company.

Finance Costs

Finance Costs in terms of value and percentage increased by ₹ 0.07 Lakhs and 350.00% from ₹ 0.02 Lakhs in the fiscal year ended March 31, 2020 to ₹ 0.09 Lakhs for the year ended on March 31, 2021. Finance Costs increased due to interest paid on delayed payment of taxes made and an increase in bank charges charged.

Depreciation & Amortization Expenses

Depreciation in terms of value increased by ₹ 0.84 Lakhs and in terms of percentage, it increased by 227.03% from ₹ 0.37 Lakhs in the fiscal year ended March 31, 2020 to Rs 1.21 Lakhs for the fiscal year ended March 31, 2021. The increase in depreciation is due to an increase in the assets of the company and is general in nature.

Other Expenses

Other Expenses in terms of value and percentage increased by ₹ 0.92 Lakhs and 4.46% from ₹ 20.61 Lakhs in the fiscal year ended March 31, 2020 to ₹ 21.53 Lakhs for the fiscal year ended March 31, 2021. The increase in other expenses were due to an increase in advertisement expenses, discount, display expenses, DSC expenses, Electricity expenses, freight outward, GST late fees paid, gift expenses, insurance expenses, internet expenses, labour charges, legal & professional charges, mobile bill expenses, office expenses, rent paid, tea & refreshment expenses, testing expenses, travelling expense, training expenses and website expenses which was partially set off against the decrease in auditor's remuneration, courier charges, Diwali expense, loss on translation of foreign currency balances, GST expenses, Municipal tax, office repairing expenses, printing & designing expenses, registration charges, printing & stationery expenses and foreign travelling expenses.

Profit/(Loss) before Tax

Profit / (Loss) before Tax has decreased from loss of ₹18.07 Lakhs in the fiscal year ended March 31, 2020 to Loss of ₹ 1.10 Lakhs for the year ended March 31, 2021.

Tax Expenses

Current tax amounted to Nil for the fiscal year ended March 31, 2021 as well as March 31, 2020. However, Deferred amounted to ₹ (4.70) Lakhs for the fiscal year ended March 31, 2020 which increased to ₹ (0.08) Lakhs for the fiscal year ended March 31, 2021.

Net Profit/(Loss) after Tax

Net Profit/(loss) for the fiscal year ended March 31, 2020 amounted to ₹ (13.37) Lakhs which decreased to Loss of ₹ (1.02) Lakhs for the fiscal year ended March 31, 2021. The decrease in loss was due to the reasons mentioned above.

Changes in Cash Flows

The table below summaries our cash flows from our Restated Financial Statements for the period ended November,30 2022 and the financial years 2022, 2021 and 2020:

| Particulars | 30.11.2022 | For the year ended March 31, | | |
|--|------------|------------------------------|---------|---------|
| | | 2022 | 2021 | 2020 |
| Net cash (used in)/ generated from operating Activities | (3.19) | (104.56) | (30.03) | (33.88) |
| Net cash (used in)/ generated from investing Activities | 0.01 | (0.08) | (5.26) | (9.29) |
| Net cash (used in)/ generated from financing Activities | 3.23 | 104.30 | 34.03 | 46.47 |
| Net increase/ (decrease) in cash and cash Equivalents | 0.05 | (0.34) | (1.26) | 3.30 |
| Cash and Cash Equivalents at the beginning of the period | 1.70 | 2.04 | 3.30 | - |
| Cash and Cash Equivalents at the end of the Period | 1.75 | 1.70 | 2.04 | 3.30 |

Operating Activities

Period ended 30.11.2022.

Our net cash used in operating activities was ₹3.19 Lakhs for the period ended November 30, 2022. Our operating profit before working capital changes was ₹14.26 Lakhs for the period ended November 30, 2022 which was primarily adjusted against decrease in long-term loans and advances by ₹3.54 Lakhs, increase in inventories by ₹9.08 Lakhs, increase in trade receivables by ₹15.24 Lakhs, increase in short-term loans and advances by ₹1.27 Lakhs, decrease in other current assets by ₹0.55 Lakhs, increase in trade payables by ₹4.22 Lakhs and decrease in other current liabilities by ₹0.17 Lakhs.

Financial year 2021-22

Our net cash used in operating activities was ₹104.56 Lakhs for the financial year ended March 31, 2022. Our operating profit before working capital changes was ₹19.80 Lakhs for the financial year 2021-22 which was primarily adjusted against increase in long-term loans and advances by ₹59.75 Lakhs, increase in inventories by ₹13.10 Lakhs, increase in trade receivables by ₹52.85 Lakhs, decrease in short-term loans and advances by ₹3.27 Lakhs, decrease in other current assets by ₹3.24 Lakhs, increase in Other non-current assets by ₹0.43 Lakhs, decrease in trade payables by ₹10.66 Lakhs and increase in other current liabilities by ₹5.92 Lakhs.

Financial year 2020-21

Our net cash used in operating activities was ₹ 30.03 Lakhs for the financial year ended March 31, 2021. Our operating profit before working capital changes was ₹0.14 Lakhs for the financial year 2020-21 which was primarily adjusted against increase in long-term loans and advances by ₹0.01 Lakhs, increase in inventories by ₹40.71 Lakhs, increase in trade receivables by ₹15.00 Lakhs, increase in short-term loans and advances by ₹6.98 Lakhs, increase in Other current assets by ₹5.75 Lakhs, increase in other non-current assets by ₹1.40 Lakhs, increase in trade payables by ₹33.64 Lakhs and increase in other current liabilities by ₹6.04 Lakhs.

Financial year 2019-20

Our net cash used in operating activities was ₹33.88 Lakhs for the financial year ended March 31, 2020. Our operating loss before working capital changes was ₹17.68 Lakhs for the financial year 2019-20 which was primarily adjusted against increase in inventories by ₹3.87 Lakhs, increase in trade receivables by ₹18.60 Lakhs, increase in short-term loans and advances by ₹5.41 Lakhs, increase in Other current assets by ₹0.09 Lakhs, increase in other non-current assets by ₹0.32 Lakhs, increase in trade payables by ₹10.76 Lakhs and increase in other current liabilities by ₹1.33 Lakhs.

Investing Activities**Period ended 30.11.2022.**

Our net cash flow generated from investing activities was ₹0.01 Lakhs for the period ended November 30, 2022. These were on account of interest income of ₹0.01 Lakhs.

Financial year 2021-22

Our net cash used in investing activities was ₹0.08 Lakhs for the financial year 2021-22. These were on account of Purchase of Property, Plant & Equipment of ₹0.09 Lakhs, and interest income of ₹0.01 Lakhs.

Financial year 2020-21

Our net cash used in investing activities was ₹5.26 Lakhs for the financial year 2020-21. These were on account of Purchase of Property, Plant & Equipment of ₹5.27 Lakhs and interest income of ₹0.01 Lakhs.

Financial year 2019-20

Our net cash used in investing activities was ₹9.29 Lakhs for the financial year 2019-20. These were on account of Purchase of Property, Plant & Equipment of ₹9.29 Lakhs.

Financing Activities.**Period ended 30.11.2022.**

Net cash flow generated from financing activities for the period November 30, 2022 was ₹3.23 Lakhs which was primarily on account of proceeds of Borrowings of ₹3.30 Lakhs and Finance Cost paid of ₹0.07 Lakhs.

Financial year 2021-22

Net cash flow generated from financing activities for the financial year March 31, 2022 was ₹104.30 Lakhs which was primarily on account of Proceeds from issue of equity shares of ₹ 169.50 Lakhs, premium on issue of shares of ₹10.50 Lakhs, Repayment of borrowings of ₹75.62 Lakhs and Finance cost paid of ₹0.08 Lakhs.

Financial year 2020-21

Net cash flow generated from financing activities for the financial year March 31, 2021 was ₹34.03 Lakhs which was primarily on account of Proceeds of Borrowings of ₹34.07 Lakhs and Finance cost paid of ₹0.04 Lakhs.

Financial year 2019-20

Net cash flow generated from financing activities for the financial year March 31, 2020 was ₹46.47 Lakhs which was primarily on account of Proceeds from issue of equity shares of ₹1.00 Lakhs, Proceeds of Borrowings of ₹45.49 Lakhs and Finance cost paid of ₹0.02 Lakhs.

Other Key Ratios

The table below summaries key ratios in our Restated Financial Statements for the period ended November 30, 2022 and financial years ended March 31, 2022, 2021 and 2020:

| Particulars | 30.11.2022 | For the year ended March 31 | | |
|----------------------------|------------|-----------------------------|------|------|
| | | 2022 | 2021 | 2020 |
| Fixed Asset Turnover Ratio | 6.10 | 11.97 | 9.29 | 5.65 |
| Current Ratio | 2.91 | 3.06 | 0.75 | 0.54 |

| Particulars | 30.11.2022 | For the year ended March 31 | | |
|--------------------------|------------|-----------------------------|-------|-------|
| | | 2022 | 2021 | 2020 |
| Debt Equity Ratio | 0.04 | 0.02 | -5.94 | -3.68 |
| Inventory Turnover Ratio | 1.04 | 2.69 | 4.94 | 25.55 |

Fixed Asset Turnover Ratio: This is defined as revenue from operations divided by total fixed assets based on Financial Statements as Restated.

Current Ratio: This is defined as current assets divided by current liabilities, based on Financial Statements as Restated.

Debt Equity Ratio: This is defined as total debt divided by total shareholder funds. Total debt is the sum of long-term borrowings, short-term borrowings and current maturities of long-term debt, based on Financial Statements as Restated.

Inventory Turnover Ratio: This is defined as average inventory divided by total turnover based on Financial Statements as restated.

Financial Indebtedness

As on November 30, 2022, the total outstanding borrowings of our Company is ₹7.24 Lakhs. For further details, refer to the chapter titled “Statement of Financial Indebtedness” beginning on page of this Draft Prospectus.

(Amount in ₹ in Lakhs)

| Particulars | As at November 30, 2022 |
|---|-------------------------|
| Loans from Banks & Financial Institutions | - |
| Unsecured Loans from Related Party | 7.24 |
| Total | 7.24 |

Related Party Transactions

Related party transactions with our promoters, directors and their entities and relatives primarily relate to purchase and sale of products and services. For further information, please refer to the chapter titled “Financial Statements as Restated” on page 176 of this Draft Prospectus.

Off-Balance Sheet Items

We do not have any other off-balance sheet arrangements, derivative instruments or other relationships with any entity that have been established for the purposes of facilitating off-balance sheet arrangements.

Qualitative Disclosure about Market Risk

Financial Market Risks

Market risk is the risk of loss related to adverse changes in market prices, including interest rate risk. We are exposed to interest rate risk, inflation and credit risk in the normal course of our business.

Interest Rate Risk

Our financial results are subject to changes in interest rates, which may affect our debt service obligations and our access to funds.

Effect of Inflation

We are affected by inflation as it has an impact on the raw material cost, wages, etc. In line with changing inflation rates, we’re working our margins so as to absorb the inflationary impact.

Credit Risk

We are exposed to credit risk on monies owed to us by our customer. If our customers do not pay us promptly, or at all, we may have to make provisions for or write-off such amounts.

Reservations, Qualifications and Adverse Remarks

Except as disclosed in chapter titled “Financial Statements as Restated” beginning on page 114 of this Draft Prospectus, there have been no reservations, qualifications and adverse remarks.

Details of Default, if any, including therein the Amount Involved, Duration of Default and Present Status, in Repayment of Statutory Dues or Repayment of Debentures or Repayment of Deposits or Repayment of Loans from any Bank or Financial Institution.

Except as disclosed in chapter titled “Financial Statements as Restated” beginning on page 114 of this Draft Prospectus, there have been no defaults in payment of statutory dues or repayment of debentures and interest thereon or repayment of deposits and interest thereon or repayment of loans from any bank or financial institution and interest thereon by the Company.

FACTORS THAT MAY AFFECT THE RESULTS OF THE OPERATION

Unusual or infrequent events or transactions.

Except as described in this Draft Prospectus, during the period under review there have been no events or transactions, which in our best judgement would consider unusual or infrequent on account of business activity, unusual items of income, change of accounting policies and discretionary reduction of expenses.

Significant economic changes that materially affected or are likely to affect income from continuing operations.

Our business has been subject, and we expect it to continue to be subject, to significant economic changes arising from the trends identified above in “Significant Factors affecting our Results of Operations” and the uncertainties described in the section entitled ‘*Risk Factors*’ beginning on page 22 of the Draft Prospectus.

To our knowledge, except as we have described in the Draft Prospectus, there are no known factors which we expect to bring about significant economic changes that could materially affect or are likely to affect income from continuing operations.

Known trends or uncertainties that have had or are expected to have a material adverse impact on sales, revenue or income from continuing operations.

Except as mentioned above and other than as described in this Draft Prospectus, particularly in the section titled ‘*Risk Factors*’ and this ‘*Management’s Discussion and Analysis of Financial Position and Results of Operations*’ beginning on page 22 and 141, respectively of this Draft Prospectus, to our knowledge, there are no known trends or uncertainties that are expected to have a material adverse impact on our sales, revenues or income from continuing operations.

Future relationship between cost and income

Our Company’s future costs and revenues will be determined by the demand/supply situation, government policies.

Increase in net sales or revenue and Introduction of new products or services or increased in sales prices.

Increase in revenue are by and large linked to increase in volume of business and inception of new varieties of products.

Total Turnover of each major industry segment in which the Company operated.

Relevant Industry data, as available, has been included in the section titled ‘*Industry Overview*’ beginning on page 79 of the Draft Prospectus.

Status of any publicly announced new products or business segment.

Our Company has not announced any new product and segment, except otherwise disclosed in this Draft Prospectus.

Seasonality of Business

Our Company’s business is not seasonal in nature.

Competitive conditions

We face competition from existing and potential competitors, which is common for any business. We have, over a period of time, developed certain competitors who have been discussed in section titled ‘*Our Business*’ beginning on page 82 of this Draft Prospectus.

SECTION VIII – LEGAL AND OTHER INFORMATION

OUTSTANDING LITIGATION AND MATERIAL DEVELOPMENTS

Except as stated in this section, there are no outstanding (I) criminal or Civil proceedings (II) actions taken by statutory or regulatory authorities, (III) disciplinary action including penalty imposed by the SEBI or stock exchanges against our Promoters in the last five (5) Financial Years, including outstanding action, (IV) claims related to direct and indirect taxes in a consolidated manner, (V) details of any other pending material litigation which are determined to be material as per a policy adopted by our Board (“Materiality Policy”), in each case involving our Company, Promoters and Directors (the “Relevant Parties”).

For the purpose of point (V) above, our Board has considered and pass the Resolution for identification of material litigation involving the Relevant Parties in its meeting held on March 24, 2022 and has considered for identification of material litigation involving the Relevant Parties.

In terms of the Materiality, all pending litigation involving the Relevant Parties, other than criminal proceedings, actions by regulatory authorities and statutory authorities, disciplinary action including penalty imposed by SEBI or stock exchanges against the Promoters since incorporation including outstanding action, and tax matters, would be considered ‘material’ if:

(a) the monetary amount of claim by or against the entity or person in any such pending proceeding is in excess of ` 15.00 lakhs shall be considered material; or

(b) the monetary liability is not quantifiable, however, the outcome of any such pending proceedings may have a bearing on the business, operations, performance, prospects or reputation of our Company.

Except as stated in this section, there are no Outstanding Material Dues (as defined below) to creditors; or outstanding dues to small scale undertakings and other creditors.

Our Board, in its meeting held on March 24, 2022 determined that outstanding dues to creditors in excess of ` 15.00 lakhs as per the restated financials for the period ended November 30, 2022 shall be considered as material dues (“Material Dues”).

Unless otherwise stated to the contrary, the information provided is as of the date of this Draft Prospectus.

Details of outstanding dues to creditors (including micro and small enterprises as defined under the Micro, Small and Medium Enterprises Development Act, 2006) as required under the SEBI ICDR Regulations have been disclosed on our website at www.dipnapharmachem.com. It is clarified that for the purposes of the above, pre – litigations notices received by our Company Promoters, and the Directors shall, unless otherwise decided by the Board, not be considered as material litigations until such time that litigations proceedings are initiated before any judicial forum.

PART I –LITIGATIONS INVOLVING OUR COMPANY

A. LITIGATIONS AGAINST OUR COMPANY

1) Criminal Litigations

A criminal case has been filed against the company and directors by Mr. Pankajbhai Ramanbhai Patel, Partner of M/s. Emkay Packaging under section 138 of the Negotiable Instrument Act, 1881 on August 29, 2022, Case Registration Number 13989/2022 in the Ahmedabad Civil Court, Ahmedabad. The cheque was amounting Rs. 19,23,916 (Rupees Nineteen Lakhs Twenty-Three Thousand Nine Hundred Sixteen only) via cheque no. 248.

The case is currently pending before the Hon’ble Court.

2) Civil Proceedings

NIL

3) Taxation Matters

| Sr. No | Assessment Year | Amount (in Lacs) Approx. | Particular |
|--------|-----------------|-----------------------------|---|
| 1. | 2019-20 | 11.33 | Demand Notice - Intimation U/S 143(1) Of the Income Tax Act, 1961 |
| 2. | 2020-21 | 9.74 | Demand Notice - Intimation U/S 143(1) Of the Income Tax Act, 1961 |

- 4) Proceedings against Our Company for economic offences/securities laws/ or any other law
NIL
- 5) Penalties in Last Five Years
NIL
- 6) Pending Notices against our Company
NIL
- 7) Past Notices to our Company
NIL
- 8) Disciplinary Actions taken by SEBI or stock exchanges against Our Company
NIL
- 9) Defaults including non-payment or statutory dues to banks or financial institutions
NIL
- 10) Details of material frauds against the Company in last five years and action taken by the Companies.
NIL

B. LITIGATIONS FILED BY OUR COMPANY

- 1) Criminal Litigations
NIL
- 2) Civil Proceedings
NIL
- 3) Taxation Matters
NIL
- 4) Details of any enquiry, inspection or investigation initiated under Companies Act, 2013 or any previous Company Law.
NIL

PART II –LITIGATIONS INVOLVING DIRECTOR(S) OF OUR COMPANY

A. LITIGATIONS AGAINST DIRECTOR(S) OF OUR COMPANY

- 1) Criminal Litigations

A criminal case has been filed against the directors, Mr. Maulikbhai Khara and Mr. Nileshbhai Prajapati and the company by Mr. Pankajbhai Ramanbhai Patel, Partner of M/s. Emkay Packaging under the Negotiable instrument Act, 1881 on August 29, 2022, case registration number 13989/2022 in the Ahmedabad Civil Court, Ahmedabad.

The cheque was amounting Rs. 19,23,916 (Rupees Nineteen Lakhs Twenty-Three Thousand Nine Hundred Sixteen only) via cheque no. 248.

The case is currently pending before the Hon'ble Court.

- 2) Civil Proceedings
NIL
- 3) Taxation Matters
NIL
- 4) Past Penalties imposed on our Directors
NIL
- 5) Proceedings initiated against our Directors for economic offences/securities laws/ or any other law

NIL

- 6) Directors on list of wilful defaulters of RBI
NIL

B. LITIGATIONS FILED BY DIRECTOR(S) OF OUR COMPANY

- 1) Criminal Litigations
NIL

- 2) Civil Proceedings

A case has been filed by one of director Mr. Kaushik Kiritkumar Modi, against Legal Heir of Deceased of Mr. Ramanlal Lallubhai Selugar and other in the City Session Court of Ahmedabad on November 17, 2021, case registration no.: 1429/2021. Mr. Modi's grandparents have an agricultural land, survey number 1044/2/2, having area of 2782 square meter and 3327 square meters. Director's mother Hasumatiben, daughter of Mrs. Laxmanbhai Selugar and wife of Mr. Kiritkumar Hiralal Modi, has the right on the property but didn't claim by her. However, the director and his brother and sister together have claimed the property acquired by their elder.

The case is currently pending before the Hon'ble Court.

- 3) Taxation Matters
NIL

PART III –LITIGATIONS INVOLVING PROMOTER(S)(OTHER THAN DIRECTOR) OF OUR COMPANY

A. LITIGATIONS AGAINST PROMOTER(S) (OTHER THAN DIRECTOR) OF OUR COMPANY

- 1) Criminal Litigations
NIL

- 2) Civil Proceedings
NIL

- 3) Taxation Matters
NIL

- 4) Past Penalties imposed on our Promoters
NIL

- 5) Proceedings initiated against our Promoters for economic offences/securities laws/ or any other law
NIL

- 6) Penalties in Last Five Years
NIL

- 7) Litigation /defaults in respect of the companies/Firms/ventures/ with which our promoter was associated in the past
NIL

- 8) Adverse finding against Promoter for violation of Securities laws or any other laws
NIL

B. LITIGATIONS FILED BY PROMOTERS(S) (OTHER THAN DIRECTOR) OF OUR COMPANY

- 1) Criminal Litigations
NIL

- 2) Civil Proceedings
NIL

- 3) Taxation Matters
NIL

PART IV –LITIGATIONS INVOLVING SUBSIDIARY COMPANY:

AS ON DATE OF THIS DRAFT PROSPECTUS, OUR COMPANY DOES NOT HAVE ANY SUBSIDIARY COMPANY.

PART V –OTHER MATTERS- NIL

PART VI –MATERIAL DEVELOPMENTS SINCE THE LAST BALANCE SHEET

Except as mentioned under the chapter - “*Management Discussion and Analysis of Financial Condition and Result of Operation*” on page 141 of this Draft Prospectus, there have been no material developments, since the date of the last audited balance sheet.

OUTSTANDING DUES TO SMALL SCALE UNDERTAKINGS OR ANY OTHER CREDITORS

As on September 30, 2022, our Company had 5 creditors, to whom a total amount of Rs.8171.39 lakhs were outstanding. As per the requirements of SEBI Regulations, our Company, pursuant to a resolution of our Board dated March 24, 2022, considered creditors to whom the amount due exceeds Rs.15.00 lakhs as per our Company's restated financials for the purpose of identification of material creditors. Based on the above, the following are the material creditors of our Company.

| Sr.No. | Particulars | Amount (. in Lakhs) |
|---------------|--|-----------------------------|
| 1. | Amount due to Micro and Small Enterprises. | - |
| 2. | Amount due to Material Creditors. | |
| 3. | Amount due to Other Creditors. | 8171.39 |
| | Total | 8171.39 |

Information provided on the website of our Company is not a part of this Draft Prospectus and should not be deemed to be incorporated by reference. Anyone placing reliance on any other source of information, including our Company's website: www.hungerschoice.com would be doing so at their own risk.

WILFUL DEFAULTER

Our Promoters and Directors have not been identified as a willful defaulter in terms of the SEBI ICDR Regulations as on the date of this Draft Prospectus.

GOVERNMENT AND OTHER STATUTORY APPROVALS

In view of the licenses, permissions, approvals, no-objections, certifications, registrations, (collectively “Approvals”) from the Government of India and various statutory, regulatory, governmental authorities listed below, our Company have received the necessary consents, licenses, permissions and approvals from the Government and various governmental agencies required for our present business activities (as applicable on date of this Draft Prospectus) and except as mentioned below, no further approvals are required for carrying on our present business. It must be distinctly understood that in granting these Approvals, the Government of India and other authority 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.

The main objects clause of the Memorandum of Association and objects incidental to the main objects enable our Company to undertake its existing business activities. For further details in connection with the regulatory and legal framework within which we operate, please refer “*Key Industrials Regulations and Policies*” on page 89 of this Draft Prospectus

Following statement sets out the details of licenses, permissions and approvals obtained by the Company under various Central and State Laws for carrying out its business.

(A) Approvals for the Issue

Corporate Approvals

1. The Board of Directors has pursuant to a resolution passed at its meeting held on March 24, 2022 authorised the Issue subject to the approval of the shareholders of the Company under Section 62(1)(c) of the Companies Act, 2013 and approvals by such other authorities as may be necessary.
2. The Shareholders of the Company have, pursuant to a resolution dated March 25, 2022 passed in the EGM respectively under Section 62(1)(c) of the Companies Act, 2013 authorised the Issue.

In-principal approval from the Stock Exchange

3. The Company has obtained in-principal listing approval from the SME Exchange of the BSE dated [●].

Agreements with CDSL and NSDL

4. The Company has entered into an agreement dated March 17, 2022 with the Central Depository Services (India) Limited (CDSL) and the Registrar and Transfer Agent, who in this case is Bigshare Services Private Limited, for the dematerialization of its shares.
5. Similarly, the Company has also entered into an agreement dated March 22, 2022 with the National Securities Depository Limited (“NSDL”) and the Registrar and Transfer Agent, who in this case is Bigshare Services Private Limited, for the dematerialization of its shares.
6. The Company's International Securities Identification Number (“ISIN”) is INE0L3P01017

(B) Registration under the Companies Act, 1956/2013:

| Sr. No. | Authority Granting Approval | Approval / Registration No. | Applicable Laws | Nature of Approvals | Validity |
|---------|--|---|-------------------------|--|-----------------------|
| 1. | Deputy Registrar of Companies, Ahmedabad | U15100GJ2019PTC109681 vide Certificate of Incorporation dated August 28, 2019 | The Companies Act, 2013 | Certificate of Incorporation in the name of “Hunger Choice Private Limited” | Valid, till Cancelled |
| 2. | Registrar of Companies, ROC-Ahmedabad | U15100GJ2019PLC109681 vide Certificate of Incorporation dated March 04, 2022 | The Companies Act, 2013 | Fresh Certificate of Incorporation consequent upon conversion from Private to Public Limited company | Valid, till Cancelled |

(C) Registration under various Acts/Rules relating to Income Tax, Goods and Service Tax:

| Sr. No. | Authority Granting Approval | Approval/Registration No. | Date of Approvals/Certificate/Validity | Applicable Laws | Nature of Approvals | Validity |
|---------|--|---------------------------|--|--------------------------------------|--|-----------------------|
| 1. | Income Tax Department-(PAN) | AAFCH0241J | August 27, 2019 | Th Income Tax Act, 1961 | Permanent Account Number | Valid, till Cancelled |
| 2. | Income Tax Department -(TAN)* | AHMH07284E | August 28, 2019 | The Income Tax Act, 1961 | Tax Deduction Account Number | Valid, till Cancelled |
| 3. | Gujarat Goods and Services Tax Act, 2017 | 24AAFCH0241J1ZY | September 24, 2019 | The Goods and Services Tax Act, 2017 | Goods and Services Tax for Gujarat State | Valid, till Cancelled |

(D) Registration and Approvals under Statutory and Regulatory Act(s):

| Sr. No. | Authority Granting Approval | Approval / License/Registration No. | Date of Approvals/Certificate/Validity | Applicable Laws | Nature of Approvals | Validity |
|---------|---|-------------------------------------|--|---|---|----------------------------|
| 1. | Food Safety and Standards Authority of India, Government of India | 10723999000405 | March 15, 2023 | The FSS Act, 2006 | Central License for -Trader, Importer-Exporter | Valid up to March 14, 2024 |
| 2. | Ministry of Micro, Small and Medium Enterprises (MSME), Government of India | UDYAM-GJ-01-0153810 | April 13, 2022 | The Micro, Small and Medium Enterprises Development Act, 2006 | Udyam Registration Certificate | Valid, till cancelled |
| 3. | Director General of Foreign Trade, Pune | IEC- AAFCH0241J | September 10, 2019 | The Foreign Trade (Development and Regulation) Act, 1992 | Import -Export Code | Valid, till cancelled |
| 4. | Employees Provident Fund Organisation* | GJAHD2276873000 | January 13, 2021 | The Employees Provident Fund and Miscellaneous Provisions Act, 1952 | Employee Provident Fund Code | Valid, till Cancelled |
| 5. | Amdavad Municipal Corporation* | PEC010662003905 | November 27, 2019 | Gujarat State Tax on Profession, Trade, Calling and Employment Act, 1976. | Profession Tax department – EC (Enrolment Certificate) | Valid, till cancelled |
| 6. | Amdavad Municipal Corporation | PRC010662000825 | April 03, 2023 | Gujarat State Tax on Profession, Trade, Calling and Employment Act, 1976. | Profession Tax department – RC (Registration Certificate) | Valid, till cancelled |

| Sr. No. | Authority Granting Approval | Approval / License/ Registration No. | Date of Approvals/Certificate/Validity | Applicable Laws | Nature of Approvals | Validity |
|---------|-----------------------------|--|--|-----------------|-----------------------------|----------|
| 7. | AQC Middle East LLC | ISO – 22000:2018 For Food Safety Management System (Category-FII) Certificate No.: 19IFEC42/R2 | Initial Registration Date: January 02, 2020 Re-Certification Date: January 01, 2023 | - | Certificate of Registration | NA |

(E) Website Details

| Domain Name | Sponsoring Registrar and IANA ID | Creation Date | Expiry Date |
|---------------------------|---|------------------|------------------|
| https://hungerschoice.in/ | Registrar: GoDaddy.com, LLC Registrar IANA ID: 146 | January 06, 2022 | January 06, 2024 |

(F) Applied For Registration/Renewal

| | | | | | | |
|----|---------------------------------|---|--|---|--|---|
| 1. | Registrar of Trademark | Application No: 4311965  | The Trade Marks Act, 1999 | Application Date: October 04, 2019 | Certificate of Registration of Trade Mark | Refused |
| 2. | Amdavad Municipal Corporation * | PII/SOLG/2900004/0255656 | The Gujarat Shops and Establishments (Regulation of Employment and Conditions of Service) Act-2019 | Renewal Application Date: February 24, 2023 | Shops Establishment & Registration Certificate | Applied for renewal and paid requisite amount |

Note: *All the Approvals/Licenses/Registration are in name of Hunger Choice Private Limited, Company is taking necessary steps to get the same in the name of Hunger Choice Limited.

OTHER REGULATORY AND STATUTORY DISCLOSURES

AUTHORITY FOR THE ISSUE

The Issue has been authorised by a resolution of the Board of Directors passed at their meeting held on February 27, 2023, subject to the approval of shareholders of our Company through a special resolution to be passed pursuant to Section 62(1) (c) vis-à-vis of the Companies Act, 2013.

The shareholders of our Company have authorised the Issue by a special resolution passed pursuant to Section 62(1) (c) vis-à-vis of the Companies Act, 2013 at the EOGM of our Company held on March 10, 2023.

We have received In-Principle Approval from BSE SME vide their letter dated [●] to use the name of BSE in the Prospectus for listing of our Equity Shares on SME Platform of BSE. BSE Ltd is the Designated Stock Exchange.

PROHIBITION BY SEBI

Our Company, Promoters, Promoter Group and Directors are not prohibited from accessing the capital markets or debarred from buying, selling or dealing in securities under any order or direction passed by the Board or any securities market regulator in any other jurisdiction or any other authority/court as on the date of this Draft Prospectus.

CONFIRMATION

1. Our Company, Promoters and Promoter Group are in compliance with the Companies (Significant Beneficial Ownership) Rules, 2018 to the extent applicable to each of them as on the date of the Draft Prospectus.
2. Our Directors are not in any manner associated with the securities market and no action has been taken by the SEBI against any of the Directors or any entity with which our Directors are associated as promoters or directors in past (5 five) years.

DECLARATION AS WILFUL DEFAULTERS & FUGITIVE ECONOMIC OFFENDER

Neither our Company, our Promoters, our Directors, have been identified as a wilful defaulter or a fugitive economic offender by the RBI or other government authorities.

ELIGIBILITY FOR THE 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) of Chapter IX of SEBI (ICDR) Regulations, as amended from time to time, whereby, an issuer whose post issue paid up (face value) capital is more than ten crores and upto twenty five crores, shall issue shares to the public and propose to list the same on the Small and Medium Enterprise Exchange ("SME Platform", in this case being the "BSE SME"). Our Company also complies with eligibility conditions laid by SME Platform of BSE for listing of Equity Shares.

We confirm that:

1. In accordance with Regulation 246 the SEBI (ICDR) Regulations, the lead manager shall ensure that the issuer shall file copy of the draft Prospectus/prospectus with SEBI along with Due Diligence certificate including additional confirmations as required at the time of filing the Draft Prospectus/Prospectus to SEBI.
2. In accordance with Regulation 260 of the SEBI (ICDR) Regulations, this issue has been hundred percent (100%) underwritten and that the Lead Manager to the Issue has underwritten at least 15% of the Total Issue Size. For further details pertaining to said underwriting please see “General Information” on page 31 of this Draft Prospectus.
3. In accordance with Regulation 268 of the SEBI (ICDR) Regulations, we shall ensure that the total number of proposed allottees in the Issue is greater than or equal to fifty, otherwise, the entire application money will be unblocked forthwith. If such money is not unblocked within four working days from the date our Company becomes liable to unblock it, then our Company and every officer in default shall, on and from expiry of four days, be liable to unblock such application money with interest as prescribed under the SEBI Regulations, the Companies Act, 2013 and applicable laws.

4. In accordance with Regulation 261 of the SEBI (ICDR) Regulations, we shall enter into an agreement with the Lead Manager and Market Maker to ensure compulsory Market Making for a minimum period of three years from the date of listing of equity shares issued in this Issue. For further details of the arrangement of market making please see “General Information” on page no. 47 of this Draft Prospectus.

We further confirm that we shall be complying with all the other requirements as laid down for such an issue under Chapter IX of SEBI (ICDR) Regulations, as amended from time to time and subsequent circulars and guidelines issued by SEBI and the Stock Exchange.

Our Company is also eligible for the Issue in accordance with eligibility norms for Listing on SME Platform of BSE Limited which states as follows:

1. The issuer should be a Company incorporated Under Companies Act, 2013

Our Company is incorporated under the Companies Act, 2013.

2. The post issue paid up capital of the company (face value) shall not be more than ₹2500.00 Lakhs.

The post issue paid up capital (face value) of the Company will be ₹292.90 Lakhs, less than ₹2500.00 Lakhs.

3. Positive Net Worth

(₹ in lakhs)

| Particulars | November | March 31, 2022 | March 31, 2021 | March 31, 2020 |
|---|----------|----------------|----------------|----------------|
| Net Worth as per Restated Financial Statement | 188.49 | 179.22 | (13.39) | (12.37) |

4. Net Tangible Assets of ₹251.60 Lakhs

Our Net Tangible Assets as per the latest audited financial statements i.e as on March 31, 2022 is Rs.230.97.

5. Track Record

The company or the firm or the firm which have been converted into the company should have combined positive cash accruals (earnings before depreciation and tax) in any of the year out of last three years and its net worth should be positive.

The Company has positive Cash Accruals

(₹ in Lakhs)

| Particulars | March 31, 2022 | March 31, 2021 | March 31, 2020 |
|--------------------------------------|----------------|----------------|----------------|
| Earnings before depreciation and tax | 19.73 | 0.11 | (17.70) |

Note: Figures of March 31, 2021, 2020 and 2019 is considered from the Audited Financial of as M/s. Ravi Chem , which is takeover by the company at the time of Incorporation as the terms and condition mentioned in the Agreement date January 15, 2022.

6. The company shall mandatorily facilitate trading in demat securities and enter into an agreement with both the depositories.

To enable all shareholders of the Company to have their shareholding in electronic form, the Company had signed the tripartite agreements with the Depositories and the Registrar and Share Transfer Agent.

The Company’s shares bear an ISIN No: INE0L3P01017

7. Company shall mandatorily have a website.

Our Company has a live and operational website: www.hungerchoice.com

Certificate from the applicant company stating the following:

Our Company has not been referred to the Board for Industrial and Financial Reconstruction (BIFR).

There is no winding up petition against the company that has been admitted by the Court and accepted by a court or a Liquidator has not been appointed.

No material regulatory or disciplinary action by a stock exchange or regulatory authority in the past three years against the company.

There has been no change in the promoter/s of the Company in preceding one year from the date of filing application to BSE for listing on SME Segment.

We confirm that we comply with all the above requirements / conditions so as to be eligible to be listed on the SME Platform of the BSE Limited ("BSE SME").

SEBI DISCLAIMER CLAUSE

IT IS TO BE DISTINCTLY UNDERSTOOD THAT SUBMISSION OF DRAFT OFFER DOCUMENT/ OFFER DOCUMENT TO THE SECURITIES AND EXCHANGE BOARD OF INDIA (SEBI) SHOULD NOT IN ANY WAY BE DEEMED OR CONSTRUED THAT THE SAME HAS BEEN CLEARED OR APPROVED BY SEBI. SEBI DOES NOT TAKE ANY RESPONSIBILITY EITHER FOR THE FINANCIAL SOUNDNESS OF ANY SCHEME OR THE PROJECT FOR WHICH THE ISSUE IS PROPOSED TO BE MADE OR FOR THE CORRECTNESS OF THE STATEMENTS MADE OR OPINIONS EXPRESSED IN THE DRAFT OFFER DOCUMENT/ OFFER DOCUMENT. THE LEAD MERCHANT BANKER, SWARAJ SHARES AND SECURITIES PRIVATE LIMITED HAS CERTIFIED THAT THE DISCLOSURES MADE IN THE DRAFT OFFER DOCUMENT/ OFFER DOCUMENT ARE GENERALLY ADEQUATE AND ARE IN CONFORMITY WITH THE SEBI (ISSUE OF CAPITAL AND DISCLOSURE REQUIREMENTS) REGULATIONS, 2018 IN FORCE FOR THE TIME BEING. THIS REQUIREMENT IS TO FACILITATE INVESTORS TO TAKE AN INFORMED DECISION FOR MAKING INVESTMENT IN THE PROPOSED ISSUE.

IT SHOULD ALSO BE CLEARLY UNDERSTOOD THAT WHILE THE ISSUER IS PRIMARILY RESPONSIBLE FOR THE CORRECTNESS, ADEQUACY AND DISCLOSURE OF ALL RELEVANT INFORMATION IN THE DRAFT OFFER DOCUMENT/ OFFER DOCUMENT, THE LEAD MANAGER IS EXPECTED TO EXERCISE DUE DILIGENCE TO ENSURE THAT THE ISSUER DISCHARGES ITS RESPONSIBILITY ADEQUATELY IN THIS BEHALF AND TOWARDS THIS PURPOSE, THE LEAD MANAGER SWARAJ SHARES AND SECURITIES PRIVATE LIMITED HAS FURNISHED TO STOCK EXCHANGE/SEBI A DUE DILIGENCE CERTIFICATE DATED TUESDAY, MAY 16, 2023 IN THE FORMAT PRESCRIBED UNDER SCHEDULE V(A) OF THE SECURITIES AND EXCHANGE BOARD OF INDIA (ISSUE OF CAPITAL AND DISCLOSURE REQUIREMENTS) REGULATIONS, 2018.

THE FILING OF THE DRAFT OFFER DOCUMENT/OFFER DOCUMENT DOES NOT, HOWEVER, ABSOLVE OUR COMPANY FROM ANY LIABILITIES 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 LEAD MANAGER, ANY IRREGULARITIES OR LAPSES IN THE DRAFT OFFER DOCUMENT/OFFER DOCUMENT.

**ALL LEGAL REQUIREMENTS PERTAINING TO THIS ISSUE WILL BE COMPLIED WITH AT THE TIME OF FILING OF THE PROSPECTUS WITH THE REGISTRAR OF COMPANIES, AHMEDABAD, IN TERMS OF SECTION 26, 30, 32 AND SECTION 33 OF THE COMPANIES ACT, 2013.
DISCLAIMER CLAUSE OF THE SME PLATFORM OF BSE LIMITED**

As required, a copy of this Draft Prospectus has been submitted to BSE Limited. The Disclaimer Clause as intimated by the BSE Limited to us, post scrutiny of this Draft Prospectus will be produced by our Company in the Prospectus.

CAUTION- DISCLAIMER FROM OUR COMPANY, OUR DIRECTORS AND THE LM

Our Company, our Directors, and the Lead Manager accept no responsibility for statements made otherwise than in this Draft Prospectus or in the advertisements or any other material issued by or at our Company's instance and anyone placing reliance on any other source of information, including our Company's website: www.hungerchoice.com. or any website of any affiliate of our Company, any of the Group Companies, would be doing so at his or her own risk.

The Lead Manager accept no responsibility, save to the limited extent as provided in the Issuer Agreement and the Underwriting Agreement entered into between the Underwriters, and our Company. All information shall be made available by our Company and the Lead Manager to the public and investors at large including our website: www.hungerchoice.com and www.swarajshares.com would be doing so at their own risk 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 Bidding centres or elsewhere. None among our Company or any member of

the Syndicate is liable for any failure in uploading the Applications due to faults in any software/ hardware system or otherwise; the blocking of Application Amount in the ASBA Account on receipt of instructions from the Sponsor Bank on account of any errors, omissions or noncompliance by various parties involved in, or any other fault, malfunctioning or breakdown in, or otherwise, in the UPI Mechanism.

DISCLAIMER IN RESPECT OF JURISDICTION

This issue is being made in India to persons resident in India including Indian nationals resident in India who are not minors, HUFs, companies, corporate bodies and societies registered under the applicable laws in India and authorised to invest in shares, Indian mutual funds registered with SEBI, Indian financial institutions, commercial banks, regional rural banks, co-operative banks (subject to RBI permission), or trusts under the applicable trust law and who are authorized under their constitution to hold and invest in shares, any FII sub –account registered with SEBI which is a foreign corporate or foreign individual, permitted insurance companies and pension funds and to FIIs and Eligible NRIs. This Draft Prospectus does not, however, constitute an invitation to subscribe to Equity Shares offered hereby in any other jurisdiction to any person to whom it is unlawful to make an offer or invitation in such jurisdiction. Any person into whose possession the Prospectus comes is required to inform him or herself about and to observe, any such restrictions. Any dispute arising out of this Issue will be subject to the jurisdiction of appropriate court(s) in Ahmedabad only.

No action has been or will be taken to permit a public offering in any jurisdiction where action would be required for that purpose.

Accordingly, our Company’s Equity Shares, represented thereby may not be offered or sold, directly or indirectly, and Prospectus may not be distributed, in any jurisdiction, except in accordance with the legal requirements applicable in such jurisdiction. Neither the delivery of Prospectus nor any sale here under shall, under any circumstances, create any implication that there has been any change in our Company’s affairs from the date hereof or that the information contained herein is correct as of any time subsequent to this date.

DISCLAIMER CLAUSE UNDER RULE 144A OF THE U.S. SECURITIES ACT, 1933

The Equity Shares have not been and will not be registered under the U.S. Securities Act 1933, as amended (the “Securities Act”) or any state securities laws in the United States and may not be offered or sold within the United States or to, or for the account or benefit of, “U.S. persons” (as defined in Regulation S of the Securities Act), except pursuant to an exemption from, or in a transaction not subject to, the registration requirements of the Securities Act. Accordingly, the Equity Shares will be offered and sold (i) in the United States only to “qualified institutional buyers”, as defined in Rule 144A of the Securities Act, and (ii) outside the United States in offshore transactions in reliance on Regulation S under the Securities Act and in compliance with the applicable laws of the jurisdiction where those offers and sales occur.

Accordingly, the Equity Shares are being offered and sold only outside the United States in offshore transactions in compliance with Regulations under the Securities Act and the applicable laws of the jurisdictions where those offers and sales occur.

The Equity Shares have not been, and will not be, registered, listed or otherwise qualified in any other jurisdiction outside India and may not be offered or sold, and applications may not be made by persons in any such jurisdiction, except in compliance with the applicable laws of such jurisdiction. Further, each applicant, wherever requires, agrees that such applicant will not sell or transfer any Equity Share or create any economic interest therein, including any off-shore derivative instruments, such as participatory notes, issued against the Equity Shares or any similar security, other than pursuant to an exemption from, or in a transaction not subject to, the registration requirements of the Securities Act and in compliance with applicable laws and legislations in each jurisdiction, including India.

LISTING

The Equity Shares of our Company are proposed to be listed on SME Platform of BSE. Our Company has obtained in-principle approval from BSE by way of its letter dated [●] for listing of equity shares on SME Platform of BSE Limited.

BSE 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 SME Platform of BSE is not granted by BSE, our Company shall forthwith repay, without interest, all moneys received from the applicants in pursuance of this Draft 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 SME Platform of BSE 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 Subject to applicable law.

IMPERSONATION

Attention of the Applicants is specifically drawn to the provisions of sub-section (1) of Section 38 of the Companies Act, 2013 which is reproduced below:

“Any person who –

(a) makes or abets making of an application in a fictitious name to a company for acquiring, or subscribing for, its securities, or

(b) makes or abets making of multiple applications to a company in different names or in different combinations of his name or surname for acquiring or subscribing for its securities; or

(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 of Companies Act, 2013”

The liability prescribed under Section 447 of the Companies Act, 2013 - any person who is found to be guilty of fraud involving an amount of at least ten lakh rupees or one per cent. of the turnover of the company, whichever is lower shall be punishable with imprisonment for a term which shall not be less than six months but which may extend to ten years (provided that where the fraud involves public interest, such term shall not be less than three years) and shall also be liable to fine which shall not be less than the amount involved in the fraud, but which may extend to three times the amount involved in the fraud.

Provided further that where the fraud involves an amount less than ten lakh rupees or one per cent. of the turnover of the company, whichever is lower, and does not involve public interest, any person guilty of such fraud shall be punishable with imprisonment for a term which may extend to five years or with fine which may extend to fifty lakh rupees or with both.

CONSENTS

The written consents of Directors, Company Secretary and Compliance Officer, Chief Financial Officer, Statutory Auditor and Peer Review Auditor, Bankers to the Company, Legal Advisor to the Issue, the Lead Manager, Underwriter, Registrar, Market Makers and Banker's to Issue and Sponsor Bank to act in their respective capacities have been obtained.

Above consents will be filed along with a copy of the Prospectus with the ROC, as required under Sections 26 and 32 of the Companies Act, 2013 and such consents have not been withdrawn up to the time of filing of the Prospectus for registration with the ROC. – **NOTED FOR COMPLIANCE**

In accordance with the Companies Act and the SEBI (ICDR) Regulations, M/s Piyush Kothari & Associates, Chartered Accountants., Chartered Accountants., Peer Review Auditors, of the Company have agreed to provide their written consent to the inclusion of their report, restated financial statements dated March 18, 2023 and Statement of Tax Benefits dated March 18, 2023 which may be available to the Company and its shareholders, included in this Draft Prospectus in the form and context in which they appear therein and such consent and reports have not been withdrawn up to the time of delivery of the Prospectus with ROC.

Further, such consents and reports have not been withdrawn up to the time of filing of this Draft Prospectus. – **NOTED FOR COMPLIANCE**

EXPERT OPINION

Except for Peer Review Auditors' reports on the restated financial statements and Statement of Tax Benefits issued by M/s. Piyush Kothari & Associates Chartered; Accountants we have not obtained any other expert opinions.

PREVIOUS PUBLIC OR RIGHTS ISSUE

Company has not made any Public or Right issue during last five years.

COMMISSION OR BROKERAGE

We have not made any public issue in last five years. Hence, no sums have been paid or payable as Commission or Brokerage.

COMMISSION PAYABLE TO SCSBS

The brokerage and selling commission payable to SCSBs for the ASBA Application Forms procured by them would be at par as payable to brokers for the Application forms procured by them. However, in case, where ASBA Application Form are being procured by Syndicate Members / sub syndicate, then selling commission would be payable to Syndicate Members / sub syndicate and for processing of such ASBA Application Form, SCSBs would be given a prescribe fee of Rs.10.00/- per ASBA Application Form processed by them.

CAPITAL ISSUE DURING THE LAST THREE YEARS

The capital issues made by our company during the last 3 years are as follows:

| Date of Allotment | No. of Total Equity Shares allotted | Face Value (₹) | Issue Price (₹) | Name of Allottees | No. of Shares Allotted | Nature of Allotment | Benefit Accrued | Reason for Issue |
|-------------------|-------------------------------------|----------------|-----------------|---------------------------------|------------------------|---|--|---|
| March 17, 2022 | 3,00,000 | 10 | 60 | Maulik Khara | 2,07,500 | Conversion of Unsecured Loan into Equity Shares | Reduction in borrowings | Issued pursuant to conversion of loan of ₹ 1.80 Crores into equity shares, in accordance with the loan agreements |
| | | | | Nilesh R Prajapati | 92,500 | | | |
| March 22, 2022 | 13,95,000 | 10 | NA | Maulik Khara | 9,51,750 | Bonus Issue in the ratio of 9:2 | Retaining Interest of the Shareholders | Capitalisation of Reserves |
| | | | | Nilesh R Prajapati | 4,34,250 | | | |
| | | | | Swati Khara | 2,250 | | | |
| | | | | Urmilaben P Khara | 1,800 | | | |
| | | | | Ritesh Kumar Verma | 900 | | | |
| | | | | Himaniben Nileshkumar Prajapati | 2,250 | | | |
| | | | | Prajapati Rameshbhai Gordhandas | 1,800 | | | |

PERFORMANCE VIS-À-VIS objects;

Except as stated in the chapter titled “*Capital Structure*” beginning on page no. 55 of this Draft Prospectus, we have not made any previous rights and / or public issues during the last 5 years, except as mentioned in this draft prospectus and are an “Unlisted Issuer” in terms of SEBI (ICDR) Regulations and this Issue is an “Initial Public Issue” in terms of the SEBI (ICDR) Regulations, the relevant data regarding performance vis-à-vis objects is not available with the Company.

None of our Group Companies and Promoter Group Companies have their equity shares listed on any stock exchange.

PRICE INFORMATION AND THE TRACK RECORD OF THE PAST ISSUES HANDLED BY THE LEAD MANAGER

For details regarding the price information and track record of the past issue handled by **Swaraj Shares and Securities Private Limited**, as specified in the circular reference CIR/CFD/DIL/7/2015 dated October 30, 2015, issued by SEBI, and the website of Lead Manager at www.swarajshares.com

Swaraj Shares And Securities Private Limited

Disclosure of Price Information of Past Issues Handled By Swaraj Shares and Securities Private Limited

| Sr. No. | Issue Name | Issue Size (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. | N.A | N.A | N.A | N.A | N.A | N.A | N.A | N.A |
| 2. | N.A | N.A | N.A | N.A | N.A | N.A | N.A | N.A |

SUMMARY STATEMENT OF DISCLOSURE

| Financial year | Total no. of IPO | Total funds Raised (₹ Cr) | Nos of IPOs trading at discount on 30th Calendar day from listing date | | | Nos of IPOs trading at premium on 30th Calendar day from listing date | | | Nos of IPOs trading at discount on 180th Calendar day from listing date | | | Nos of IPOs trading at premium on 180th Calendar day from listing date | | |
|----------------|------------------|---------------------------|--|----------------|---------------|---|----------------|---------------|---|----------------|---------------|--|----------------|---------------|
| | | | Over 50% | Between 25-50% | Less than 25% | Over 50% | Between 25-50% | Less than 25% | Over 50% | Between 25-50% | Less than 25% | Over 50% | Between 25-50% | Less than 25% |
| 2023-24* | N.A | N.A | N.A | N.A | N.A | N.A | N.A | N.A | N.A | N.A | N.A | N.A | N.A | N.A |

For details regarding track record of the Lead Manager as specified in the Circular reference no. CIR/MIRSD/1/2012 dated January 10, 2012 issued by the SEBI, please refer the website of the Lead Manager at: www.swarajshares.com.

STOCK MARKET DATA FOR OUR EQUITY SHARES

This being an Initial Public Issue of the Equity Shares of our Company, the Equity Shares are not listed on any stock exchange.

MECHANISM FOR REDRESSAL OF INVESTOR GRIEVANCES

All grievances relating to the Issue may be addressed to the Registrar to the Issue, giving full details such as name, address of the applicant, application number, number of Equity Shares applied for, amount paid on application and the bank branch or collection centre where the application was submitted.

All grievances relating to the ASBA process and UPI may be addressed to the Registrar to the Issue with a copy to the relevant SCSB or the member of the Syndicate (in Specified Cities), as the case may be, where the Application Form was submitted by the ASBA Applicants, giving full details such as name, address of the applicant, application number, number of Equity Shares applied for, amount blocked on application and designated branch or the collection centre of the SCSBs or the member of the Syndicate (in Specified Cities) or Sponsor Bank, as the case may be, where the Application Form was submitted by the ASBA Applicants.

DISPOSAL OF INVESTOR GRIEVANCES BY OUR COMPANY

The Company has appointed Registrar to the Issue, to handle the investor grievances in co-ordination with our Company. All grievances relating to the present Issue may be addressed to the Registrar with a copy to the Compliance Officer, giving full details such as name, address of the Applicant, number of Equity Shares applied for, amount paid on application and name of bank and branch. The Company would monitor the work of the Registrar to the Issue to ensure that the investor grievances are settled expeditiously and satisfactorily. The Registrar to the Issue will handle investor's grievances pertaining to the Issue. A fortnightly status report of the complaints received and redressed by them would be forwarded to the Company. The Company would also be coordinating with the Registrar to the Issue in attending to the grievances to the investor.

All grievances relating to the ASBA process and UPI may be addressed to the SCSBs, giving full details such as name, address of the Applicant, number of Equity Shares applied for, amount paid on application and the Designated Branch of the SCSB where the Application Form was submitted by the ASBA Applicant. We estimate that the average time required by us or the Registrar to the Issue or the SCSBs for the redressal of routine investor grievances will be seven (7) business days from the date of receipt of the complaint. In case of non-routine complaints and complaints where external agencies are involved, we will seek to redress these complaints as expeditiously as possible.

The Registrar to the Issue shall obtain the required information from the SCSBs for addressing any clarifications or grievances of ASBA applicants or UPI Payment Mechanism Applicants. Our Company, the Lead Manager and the Registrar to the Issue accept no responsibility for errors, omissions, commission or any acts of SCSBs / Sponsor Bank including any defaults in complying with its obligations under applicable SEBI (ICDR) Regulations.

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 Company has constituted a Stakeholders Relationship Committee of the Board vide resolution passed on March 24, 2022. For further details, please refer the chapter titled "*Our Management*" on page no. 99 of Draft Prospectus.

Our Company has also appointed Sarfraz Taherbhai Mulla the Company Secretary and Compliance Officer of our company, for this Issue she may be contacted in case of any pre-issue or post-issue related problems at the following address:

Sarfraz Taherbhai Mulla
Hunger Choice Limited
B-413, Empire Business Hub,
Opp. Shakti Farma, Science City Road, Sola,
Ahmedabad, Gujarat-380060, India.
Tel No: +91- 75750 03868
E-mail: info@hungerchoice.com

SECTION IX – ISSUE 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 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 Government of India, the Stock Exchange, the Registrar of Companies, 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 Government of India, the Stock Exchange, the Registrar of Companies 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 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 Application forms. Investor may visit the official website of the concerned stock exchanges for any information on operationalization of this facility of form collection by the Registrar to the Issue and Depository Participants as and when the same is made available.

Authority for the Issue Size

This Issue has been authorized by a resolution of our Board of directors passed at their meeting held on February 27, 2023 subject to the approval of shareholders through a special resolution to be passed pursuant to Section 62 (1) I of the Companies Act, 2013 at the general meeting.

The shareholders have authorized the issue by a special resolution in accordance with Section 62 (1) (c) of the Companies Act, 2013 passed at the EGM of our Company held on March 10, 2023.

Ranking of Equity Shares

The Equity Shares being issued shall be subject to the provisions of the Companies Act, and our Memorandum of Association and Articles of Association and shall rank pari-passu in all respects with the existing Equity Shares of our Company including rights in respect of dividends and other corporate benefits, if any, declared by us after the date of Allotment. 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 the section titled '*Description of Equity Shares and Terms of Articles of Association*' beginning on page 200 of this Draft Prospectus.

Mode of Payment of Dividend

The declaration and payment of dividend will be as per the provisions of Companies Act, 2013, Article of Association, the provision of SEBI (Listing Obligations and Disclosure Requirements) Regulation, 2015 any other rules, regulations or guidelines as may be issued by Government of India in connection there to 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 dividend, in cash as per the provisions of the Companies Act and our Articles of Association. For further details in relation to dividends, please refer to sections titled, '*Dividend Policy*' and '*Description of Equity Shares and Terms of Articles of Association*', beginning on page 113 and 200 respectively, of this Draft Prospectus.

Face Value and Issue Price per Share

The face value of the Equity Shares is ₹10.00/- each and the Issue Price is ₹25.00/- per Equity Share. The Issue Price is determined by our Company in consultation with the Lead Manager and is justified under the section titled '*Basis of the Issue Price*' beginning on page 71 of this Draft Prospectus.

At any given point of time there shall be only one denomination for the Equity Shares of our Company, subject to applicable laws.

Compliance with SEBI (ICDR) Regulations

Our Company shall comply with all requirements of the SEBI (ICDR) Regulations, as amended from time to time. Our Company shall comply with all disclosure and accounting norms as specified by SEBI from time to time.

Compliance with Disclosure and Accounting Norms

Our Company shall comply with all disclosure and accounting norms as specified by SEBI from time to time.

Rights of the Equity Shareholders

Subject to applicable laws, rules, regulations and guidelines and the Articles of Association, the Equity Shareholders shall have the following rights:

- Right to receive dividend, if declared;
- Right to receive annual reports and notices to members;
- Right to attend general meetings and exercise voting rights, unless prohibited by law;
- Right to vote on a poll either in person or by proxy, in accordance with the provisions of the Companies Act, 2013;
- Right to receive offer for rights shares and be allotted bonus shares, if announced;
- Right to receive surplus on liquidation subject to any statutory and preferential claim being satisfied;
- Right of free transferability subject to applicable law, including any RBI rules and regulations; and
- Such other rights, as may be available to a shareholder of a listed public limited company under the Companies Act, 2013, the terms of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 and the Memorandum of Association and Articles of Association of our Company

For a detailed description of the main provisions of the Articles of Association relating to voting rights, dividend, forfeiture and lien and/or consolidation/splitting, please refer to the section titled '*Description of Equity Shares and Terms of Articles of Association*' beginning on page 200 of this Draft Prospectus.

Allotment in Dematerialized Form

As per the provisions of the Depositories Act, 1996 and the 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 offered can be applied for in the dematerialized form only.

In this context, two agreements have been signed among our Company, the respective Depositories and the Registrar to the Issue:

- Tripartite Agreement dated March 22, 2022 between NSDL, our Company and Registrar to the Issue; and
- Tripartite Agreement dated March 17, 2022 between CDSL, our Company and Registrar to the Issue.

Minimum Application Value

In terms of Section 29 of the Companies Act, 2013, the Equity Shares shall be allotted only in dematerialised form. As per the existing ICDR Regulations, the trading of the Equity Shares shall only be in dematerialized form for all Applicants. In this context, two agreements have been signed among our Company, the respective Depositories and the Registrar to the Issue:

- Tripartite Agreement dated March 22, 2022 between NSDL, our Company and Registrar to the Issue; and
- Tripartite Agreement dated March 17, 2022 between CDSL, our Company and Registrar to the Issue.

The ISIN no of the company is INE0L3P01017.

Market Lot and Trading Lot

Trading of the Equity Shares will happen in the minimum contract size of [●] Equity Shares in terms of the SEBI circular no. CIR/MRD/DSA/06/2012 dated February 21, 2012 and the same may be modified by BSE 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 subject to a minimum allotment of [●] Equity Shares to the successful Applicants. Further, in accordance with SEBI (ICDR) Regulations the minimum application size in terms of number of specified securities shall not be less than Rupees One Lakhs per application.

Minimum Number of Allottee's

In accordance with the Regulation 268 of ICDR Regulations. The minimum number of Allottee's in the Issue shall be 50 (Fifty) shareholders. In case the minimum number of prospective Allottee's is less than 50 (Fifty), no Allotment will be made pursuant to this Issue and the monies blocked by the SCSBs shall be unblocked forthwith.

Jurisdiction

Exclusive jurisdiction for the purpose of this Issue is with the competent courts / authorities in Surat, Gujarat.

The Equity Shares have not been and will not be registered under the U.S Securities Act, 1933 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 Regulations 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 shall be deemed to hold the same as joint holders with benefits of survivorship.

Nomination Facility to Investor

In accordance with Section 72 of the Companies Act, 2013, the First / Sole 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 this section shall upon the production of such evidence as may be required by the Board of Directors, elect either:

- a) To register himself or herself as the holder of the Equity Shares; or
- b) To make such transfer of the Equity Shares, as the deceased holder could have made.

Further, our Board may at any time give notice requiring any nominee to choose either to be registered himself or herself or to transfer the Equity Shares, and if the notice is not complied with within a period of 90 (ninety) days, our Board may thereafter withhold payment of all dividends, 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 this Issue will be made only in dematerialized mode there is no need to make a separate nomination with our Company. Nominations registered with respective depository participant of the applicant would prevail. If the Applicant wants to change the nomination, they are requested to inform their respective Depository Participant.

Period of Subscription List of Public Issue

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

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 Issue Closing Date). On the 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 Issue Closing Date maybe extended in consultation with the LM, RTA and BSE SME 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 Application Forms on the Issue Closing Date, Applicants are advised to submit their applications one (1) day prior to the Issue Closing Date and, in any case, not later than 3.00 p.m. (IST) on the Issue Closing Date. Any time mentioned in this Draft Prospectus is IST.

Applicants are cautioned that, in the event a large number of Application Forms are received on the Issue Closing Date, as is typically experienced in public issues, some Application Forms may not get uploaded due to the lack of sufficient time. Such Application Forms that cannot be uploaded will not be considered for allocation under this Issue. Applications will be accepted only on Working Days, i.e., Monday to Friday (excluding any public holidays). Neither our Company nor the Lead Manager is liable for any failure in uploading the 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 Application Forms prior to the Issue Closing Date. Allocation to Retail Individual Applicants, in this Issue will be on a proportionate basis.

In case of discrepancy in the data entered in the electronic book vis-à-vis the data contained in the physical Application Form, for a particular Applicant, the details as per the file received from Stock 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 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.

*In case of (i) any delay in unblocking of amounts in the ASBA Accounts (including amounts blocked through the UPI Mechanism) for cancelled/ withdrawn/ deleted ASBA Forms, the Applicant shall be compensated at a uniform rate of ₹ 100 per day or 15% per annum of the Application Amount, whichever is higher from the date on which the request for cancellation/ withdrawal/ deletion is placed in the BSE Limited Applying platform until the date on which the amounts are unblocked (ii) any blocking of multiple amounts for the same ASBA Form (for amounts blocked through the UPI Mechanism), the Applicant shall be compensated at a uniform rate ₹ 100 per day or 15% per annum of the total cumulative blocked amount except the original application amount, whichever is higher from the date on which such multiple amounts were blocked till the date of actual unblock; (iii) any blocking of amounts more than the Application

Amount, the Applicant shall be compensated at a uniform rate of ₹ 100 per day or 15% per annum of the difference in amount, whichever is higher from the date on which such excess amounts were blocked till the date of actual unblock; (iv) any delay in unblocking of non-allotted/ partially allotted Application, exceeding four Working Days from the Issue Closing Date, the Applicant shall be compensated at a uniform rate of ₹ 100 per day or 15% per annum of the Application Amount, whichever is higher for the entire duration of delay exceeding four Working Days from the Issue Closing Date by the SCSB responsible for causing such delay in unblocking. The post Issue Lead Manager shall be liable for compensating the Applicant at a uniform rate of ₹ 100 per day or 15% per annum of the Application Amount, whichever is higher from the date of receipt of the Investor grievance until the date on which the blocked amounts are unblocked. For the avoidance of doubt, the provisions of the SEBI circular no. SEBI/HO/CFD/DIL2/CIR/P/2021/2480/1/M dated March 16, 2021, as amended pursuant to SEBI circular no. SEBI/HO/CFD/DIL2/P/CIR/2021/570 dated June 2, 2021 shall be deemed to be incorporated in the deemed agreement of the Company with the SCSBs to the extent applicable.

Minimum Subscription and Underwriting

This Issue is not restricted to any minimum subscription level. This Issue is 100% underwritten. If the Issuer does not receive the subscription of 100% of the Issue through this offer document including devolvement of Underwriter within sixty days from the date of closure of the Issue, the Issuer shall forthwith refund the entire subscription amount received within the time limit as prescribed under the SEBI (ICDR) Regulations and Companies Act, 2013.

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, the Issue is 100% underwritten. For details of underwriting arrangement, kindly refer the chapter titled '**General Information**' on page 47 of this Draft Prospectus.

Further, in accordance with Regulation 267 of the SEBI (ICDR) Regulations, 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, our Company may migrate to the main board of BSE 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 for listing our shares on its Main Board subject to the fulfillment of the eligibility criteria for listing of specified BSE 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 Equity Shares issued through this Issue are proposed to be listed on the SME Platform of BSE (BSE SME), wherein the 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 BSE.

For further details of the agreement entered into between the Company, the Lead Manager and the Market Maker please refer to section titled '**General Information**' on page 47 of this Draft Prospectus.

Arrangements for Disposal of Odd Lots

The trading of the Equity Shares will happen in the minimum contract size of [●] Equity Shares in terms of the SEBI circular No. CIR/MRD/DSA/06/2012 dated February 21, 2012. However, the Market Maker shall buy the entire

shareholding of a shareholder in one lot, where value of such shareholding is less than the minimum contract size allowed for trading on the SME platform of BSE Limited.

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.

As Per the Extant Policy 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.

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 55 of this Draft 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 '*Description of Equity Shares And Terms Of Articles of Association*' beginning on page 200 of this Draft Prospectus.

New Financial Instruments

As on the date of this Draft Prospectus, there are no outstanding warrants, new financial instruments or any rights, which would entitle the shareholders of our Company, including our Promoter, to acquire or receive any Equity Shares after the Issue.

Pre-Issue Advertisement

Subject to Section 30 of the Companies Act, 2013 our Company shall, after registering the Prospectus with the Registrar of Companies 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.

The above information is given for the benefit of the Applicants. The Applicants are advised to make their own enquiries about the limits applicable to them. Our Company and the Lead Manager do not accept any responsibility for the completeness and accuracy of the information stated hereinabove. Our Company and the Lead Manager are not liable to inform the investors of any amendments or modifications or changes in applicable laws and regulations, which may occur after the date of this Draft Prospectus. Applicants are advised to make their independent investigations and ensure that the number of Equity Shares applied for do not exceed the applicable limits under laws and regulations.

ISSUE STRUCTURE

This Issue is being made in terms of Regulation 229(1) of Chapter IX of SEBI (ICDR) Regulations, as amended from time to time, whereby, an issuer whose post issue paid up capital is less than or equal to 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 SME platform of BSE Limited "BSE SME"). 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 166 and 174 respectively of this Draft Prospectus.

Public Issue of up to 12,50,000 Equity Shares for cash at a price of ₹[●] per Equity Shares (including a premium of ₹[●] per Equity Share) aggregating to ₹[●] Lakhs by our Company.

| Particulars | Net Issue to Public | Market Maker reservation portion |
|---|--|---|
| Number of Equity Shares | [●]* Equity Shares | [●]Equity Shares |
| Percentage of Issue Size available for allocation | [●]% of the Issue Size. [●]% of the Post Issue Paid up capital | [●]% of the Issue Size [●]% of the Post Issue Paid up capital |
| Basis of Allotment/ Allocation if respective category is oversubscribed | Proportionate subject to minimum allotment of [●] Equity Shares and Further allotment in multiples of [●] Equity Shares each. For further details, please refer to the section titled "Issue Procedure" on page 174 of this Draft Prospectus. | Firm Allotment |
| Mode of Application | Retail Individual Investors may apply through UPI Payment Mechanism. All other applicants and Retail Individual Investors (whose bank do not provide UPI Payment facility) shall apply through ASBA Only. | Through ASBA mode Only. |
| Minimum Application Size | <u>For QIB and NI:</u> Such number of Equity Shares in multiples of [●]Equity Shares such that the Application Value exceeds ₹2.00 Lakhs. <u>For Retail Individuals:</u> Such number of equity shares where application size is of at least 6,000 Equity Shares. | [●] Equity Shares |
| Maximum Bid | <u>For QIB and NI:</u> Such number of Equity Shares in multiples of [●] Equity Shares such that the Application Size does not exceed [●] Equity Shares subject to adhere under the relevant laws and regulations as applicable. <u>For Retail Individuals:</u> Such number of Equity Shares so that the Application Value does not exceed ₹2.00 Lakhs | [●] Equity Shares |
| Mode of Allotment | Compulsorily in dematerialized mode | Compulsorily in dematerialized mode |
| Trading Lot | [●] Equity Shares | [●] Equity Shares, However the Market Maker may accept odd lots if any in the market as required under the SEBI (ICDR) Regulations. |
| Terms of payment | In case of ASBA, the entire application amount shall be blocked at the time of submission of Application Form to the SCSBs and in case of UPI as an alternate mechanism, application amount shall be blocked at the confirmation of mandate collection request by the Applicant. | |

*50.00% of the Equity Shares issued in the Net Issue to Public portion are reserved for applications whose value is below ₹2.00 Lakhs and the balance 50.00% of the Equity Shares are available for applications whose value is above ₹2.00 Lakhs.

Note:

1. *In case of joint application, the Application Form should contain only the name of First Applicant whose name should also appear as the first holder of beneficiary account held in joint names. The signature of only such First Applicant would be Required in the Application Form and such First Applicant would be deemed to have signed on behalf of joint holders.*
2. *Applicants will be required to confirm and will be deemed to have represented to our Company, the LM, their respective directors, officers, agents, affiliates and representatives that they are eligible under applicable laws, rules, regulations, guidelines and approvals to acquire the Equity Shares in this Issue.*
3. *SCSBs applying in the Issue must apply through an ASBA Account maintained with any other SCSB.*

This Issue is being made in terms of Chapter IX of the SEBI (ICDR) Regulations. For further details, please refer chapter titled “*Issue Procedure*” beginning on page 174 of this Draft Prospectus.

ISSUE PROCEDURE

All Applicants should review the General Information Document for Investing in Public Issue, prepared and issued in accordance with the SEBI circular no CIR/CFD/DIL/12/2013 dated October 23, 2013 notified by SEBI and updated pursuant to SEBI Circular CIR/CFD/POLICYCELL/11/2015 dated November 10, 2015, the SEBI Circular SEBI/HO/CFD/DIL/CIR/P/2016/26 dated January 21, 2016, SEBI circular SEBI/HO/CFD/DIL2/CIR/P/2018/138 dated November 1, 2018 and updated pursuant to SEBI Circular SEBI/HO/CFD/DIL1/CIR/P/2020/37 dated March 17, 2020 (the “General Information Document”) which highlights the key rules, processes and procedures applicable to public issues in general in accordance with the provisions of the Companies Act, the SCRA, the SCRR and the SEBI (ICDR) Regulations. The General Information Document is available on the websites of Stock Exchange, the Company and the Lead Manager. Please refer to the relevant provisions of the General Information Document which are applicable to the Issue.

Additionally, all Applicants may refer to the General Information Document for information in relation to (i) category of investors eligible to participate in the Issue; (ii) maximum and minimum Bid size; (iii) price discovery and allocation; (iv) payment Instructions for ASBA Applicants; (v) issuance of Confirmation of Allocation Note (“CAN”) and Allotment in the Issue; (vi) price discovery and allocation; (vii) general instructions (limited to instructions for completing the Application Form); (viii) designated date; (ix) disposal of applications; (x) submission of Application Form; (xi) other instructions (limited to joint bids in cases of individual, multiple bids and instances when an application would be rejected on technical grounds); (xii) applicable provisions of Companies Act, 2013 relating to punishment for fictitious applications; (xiii) mode of making refunds; and (xiv) interest in case of delay in Allotment or refund.

Please note that the information stated/covered in this section may not be complete and/or accurate and as such would be subject to modification/change. Our Company, and Lead Manager do not accept any responsibility for the completeness and accuracy of the information stated in this section and the General Information Document. Our Company, and Lead Manager would not be able for any amendment, modification or change in applicable law, which may occur after the date of this Draft Prospectus. Applicants are advised to make their independent investigations and ensure that their applications are submitted in accordance with the applicable laws and do not exceed the investment limits or maximum number of Equity Shares that can be held by them under applicable law or as specified in this Draft Prospectus.

Pursuant to the SEBI (ICDR) Regulations, the ASBA process is mandatory for all investors excluding Anchor Investors and it allows the registrar, share transfer agents, depository participants and stock brokers to accept Application forms. SEBI through its circular (SEBI/HO/CFD/DIL2/CIR/P/2018/138) dated November 1, 2018 as amended from time to time, including pursuant to circular (SEBI/HO/CFD/DIL2/CIR/P/2019/50) dated April 3, 2019 (“UPI Circular”) in addition to ASBA Process has introduced an alternate payment mechanism using Unified Payments Interface (“UPI”), consequent reduction in timelines for listing in a phased manner. Further, SEBI vide its circular no. (SEBI/HO/CFD/DIL2/CIR/P/2019/76) dated June 28, 2019 has notified Phase II for detail implementation refers below “Phased implementation of Unified Payments Interface”. Applicants applying through the ASBA process or UPI Mechanism should carefully read the provisions applicable to such applications before making their application through the ASBA process. Please note that all Applicants are required to make payment of the full Application Amount along with the Application Form. In case of ASBA Applicants, an amount equivalent to the full Application Amount will be blocked by the SCSBs hence applicant shall ensure that ASBA Bank Account has sufficient Balance.

ASBA Applicants are required to submit ASBA Applications to the selected branches / offices of the RTAs, DPs, Designated Bank Branches of SCSBs. The lists of banks that have been notified by SEBI to act as SCSB (Self Certified Syndicate Banks) for the ASBA Process are provided on <http://www.sebi.gov.in>. For details on designated branches of SCSB collecting the Application Form, please refer the above-mentioned SEBI link. The list of Stock Brokers, Depository Participants (“DP”), Registrar to an Issue and Share Transfer Agent (“RTA”) that have been notified by Stock Exchange to act as intermediaries for submitting Application Forms are provided on the website of the Stock Exchange. For details on their designated branches for submitting Application Forms, please refer the above-mentioned Stock Exchange website.

Phased implementation of Unified Payments Interface

SEBI has issued the UPI Circulars in relation to streamlining the process of public issue of inter alia, equity shares. Pursuant to the UPI Circulars, the UPI Mechanism has been introduced in a phased manner as a payment mechanism (in addition to mechanism of blocking funds in the account maintained with SCSBs under ASBA) for applications by RIBs through Designated Intermediaries with the objective to reduce the time duration from public issue closure to listing from six Working Days to up to three Working Days. Considering the time required for making necessary changes to the systems and to ensure complete and smooth transition to the UPI payment mechanism, the UPI Circulars have introduced the UPI Mechanism in three phases in the following manner:

Phase I: This phase was applicable from January 1, 2019 until March 31, 2019 or floating of five main board public issues, whichever is later. Subsequently, the timeline for implementation of Phase I was extended till June 30, 2019. Under this phase, an RII had the option to submit the ASBA Form with any of the Designated Intermediary and use his/ her UPI ID for the purpose of blocking of funds. The time duration from public Issue closure to listing continued to be six working days.

Phase II: This phase has become applicable from July 1, 2019. SEBI vide its circular no. SEBI/HO/CFD/DCR2/CIR/P/2019/133 dated November 8, 2019 had extended the timeline for implementation of UPI Phase II till March 31, 2020. Further, SEBI vide its circular no. SEBI/HO/CFD/DIL2/CIR/P/2020 dated March 30, 2020 decided to continue Phase II of UPI with ASBA until further notice. Under this phase, submission of the ASBA Form by RIBs through Designated Intermediaries (other than SCSBs) to SCSBs for blocking of funds will be discontinued and will be replaced by the UPI Mechanism. However, the time duration from public Issue closure to listing would continue to be six Working Days during this phase.

Phase III: 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.

Furthermore, pursuant to SEBI circular no. SEBI/HO/CFD/DIL2/CIR/P/2022/45 dated April 5, 2022, all individual Investors in initial public issue (opening on or after May 1, 2022) whose application sizes are up to ₹500,000 shall use the UPI Mechanism.

For further details, refer to the General Information Document available on the websites of the Stock Exchange and the Lead Manager.

Fixed Price Issue Procedure

The Issue is being made under Chapter IX of SEBI (ICDR) Regulations, through a Fixed Price Process. Wherein a minimum 50% of the Net Issue is allocated for Retail Individual Applicants and the balance shall be issued to individual applicants other than Retail Individual Applicants and other investors including corporate bodies or institutions, QIBs and Non-Institutional Applicants. However, if the aggregate demand from the Retail Individual Applicants is less than 50%, then the balance Equity Shares in that portion will be added to the non-retail portion offered to the remaining investors including QIBs and NIIs and vice-versa subject to valid Applications being received from them at or above the Issue Price.

Additionally, if the Retail Individual Applicants category is entitled to more than fifty per cent on proportionate basis, the Retail Individual Applicants shall be allocated that higher percentage. However, the Application by an Applicant should not exceed the investment limits prescribed under the relevant regulations/statutory guidelines.

Subject to the valid Applications being received at the Issue Price, allocation to all categories in the Net Issue, shall be made on a proportionate basis, except for the Retail Portion where Allotment to each Retail Individual Applicants shall not be less than the minimum lot, subject to availability of Equity Shares in Retail Portion, and the remaining available Equity Shares, if any, shall be allotted on a proportionate basis. Under subscription if any, in any category, except in the QIB Portion, would be allowed to be met with spill over from any other category or a combination of categories at the discretion of our Company in consultation with the Lead Manager and the Stock Exchange are required to submit their Applications to the Application Collecting Intermediaries i.e. SCSB or Registered Brokers of BSE Limited or Registrar to the Issue and Share Transfer Agents (RTAs) or Depository Participants (DPs) registered with SEBI. In case of QIB Applicants, the Company in consultation with the Lead Manager may reject Applications at the time of acceptance of Application Form provided that the reasons for such rejection shall be provided to such Applicant in writing.

In case of Non-Institutional Applicants and Retail Individual Applicants, the Company would have a right to reject the Applications only on technical grounds. In case DP ID, Client ID and PAN mentioned in the Application Form and entered into the electronic system of the stock exchange, do not match with the DP ID, Client ID and PAN available in the depository database, the application is liable to be rejected.

Investors should note that Equity Shares will be allotted to successful Applicants in dematerialized form only. The Equity Shares on Allotment shall be traded only in the dematerialize segment of the Stock Exchange, as mandated by SEBI. Applicants will not have the option of getting allotment of the Equity Shares in physical form. However, the Investors may get the Equity Shares rematerialized subsequent to the allotment.

Availability of Draft Prospectus/Prospectus and Application Forms

Copies of the Application Form and the Draft prospectus / Prospectus will be available at the offices of the LM, the Designated Intermediaries at Bidding Centers, and Registered Office of our Company. An electronic copy of the

Application Form will also be available for download on the websites of the Stock Exchange(s), the SCSBs, the Registered Brokers, the RTAs and the CDPs at least one (1) day prior to the Issue Opening Date.

Applicants shall only use the specified Application Form for the purpose of making an Application in terms of the Draft Prospectus / Prospectus. All the Applicants (other than Anchor Investor and Retail Individual Investor using UPI Payment Mechanism) shall mandatorily participate in the Issue only through the ASBA process for application. ASBA applicants must provide bank account details and authorization to block funds in the relevant space provided in the Application Form and the Application Forms that do not contain such details are liable to be rejected.

Retail Individual Investors submitting their application form to any Designated Intermediaries (other than SCSBs) shall be required to bid using the UPI Mechanism and must provide the UPI ID in the relevant space provided in the Application Form. Retail Individual Investors submitting their application form to any Designated Intermediaries (other than SCSBs) failed to mention UPI ID are liable to be rejected. Retail Individual Investors may also apply through the SCSBs and mobile applications using the UPI handles as provided on the website of the SEBI.

ASBA Applicants shall ensure that the applications are made on Application Forms bearing the stamp of the Designated Intermediary, submitted at the Collection Centers only (except in case of electronic Bid cum Application Forms) and the Bid cum Application Forms not bearing such specified stamp are liable to be rejected.

The prescribed colour of the Application Form for various categories is as follows:

| Category | Colour of Application Form |
|--|----------------------------|
| Resident Indians and Eligible NRIs applying on a non-repatriation basis (ASBA)** | White* |
| Non-Residents and Eligible NRIs applying on a repatriation basis (ASBA)** | Blue* |

*Excluding electronic Application Form.

**Application Forms will also be available on the website of the BSE (www.bseindia.com). Same Application

Form applies to all ASBA Applicants/ Retail Individual Investors applying through UPI mechanism, irrespective of whether they are submitted to the SCSBs, to the Registered Brokers, to Registrars to an Issue and Share Transfer Agents, Depository Participants or to the Syndicate (in Specified Cities).

In case of ASBA Forms, Designated Intermediaries shall upload the relevant Application details in the electronic bidding system of the BSE Limited. Subsequently, for ASBA Forms (other than RIIs using UPI mechanism) Designated Intermediaries (other than SCSBs) shall submit/deliver the Application Form (except the Application Form from a RIIs using the UPI mechanism) to the respective SCSBs, where the Applicant has a bank account and shall not submit it to any non-SCSB bank or any Escrow Bank. For RIIs using UPI mechanism, the BSE Limited shall share the Application details (including UPI ID) with the Sponsor Bank on a continuous basis to enable the Sponsor Bank to initiate UPI Mandate Request to RIIs for blocking of funds.

Submission and Acceptance of Application Form

Pursuant to SEBI Circular No. CIR/CFD/POLICYCELL/11/2015 Dated November 10, 2015, an Investor, intending to subscribe to this Issue, shall submit a completed application form to any of the following Intermediaries (Collectively called "Designated Intermediaries").

| Sr No. | Designated Intermediaries |
|--------|--|
| 1. | An SCSB, with whom the bank account to be blocked, is maintained |
| 2. | A syndicate member (or sub-syndicate member) |
| 3. | A stock broker registered with a recognized stock exchange (and whose name is mentioned on the website of the stock exchange as eligible for this activity) ("broker") |
| 4. | A depository participant ("DP") (whose name is mentioned on the website of the stock exchange as eligible for this activity) |
| 5. | Registrar to an issue and share transfer agent ("RTA") (whose name is mentioned on the website of the stock exchange as eligible for this activity) |

The aforesaid intermediaries shall, at the time of receipt of application, give an acknowledgement to investor, by giving the counter foil or specifying the application number to the investor, as a proof of having accepted the application form, in physical or electronic mode, respectively.

Designated Intermediaries shall submit Application Forms to SCSBs only

The upload of the details in the electronic bidding system of stock exchange will be done by:

| | |
|---|---|
| For Applications submitted by investors to SCSB: | After accepting the form, SCSB shall capture and upload the relevant details in the electronic bidding system as specified by the stock exchange(s) and may by blocking funds available in the bank account specified in the form, to the extent of the application money specified. |
| For Applications submitted by investors to intermediaries other than SCSBs without use of UPI for payment: | After accepting the application form, respective intermediary shall capture and upload the relevant details in the electronic bidding system of stock exchange(s). Post uploading, they shall forward a schedule as per prescribed format along with the application forms to designated branches of the respective SCSBs for blocking of funds within one day of closure of Issue. |
| For applications submitted by investors to intermediaries other than SCSBs with use of UPI for payment: | After accepting the application form, respective intermediary shall capture and upload the relevant bid details, including UPI ID, in the electronic bidding system of stock exchange(s). Stock Exchange shall share bid details including the UPI ID with Sponsor Bank on a continuous basis, to enable Sponsor Bank to initiate mandate request on investors for blocking of funds. Sponsor Bank shall initiate request for blocking of funds through NPCI to investor. Investor to accept mandate request for blocking of funds, on his / her mobile application, associated with UPI ID linked bank account |

Stock exchange(s) shall validate the electronic bid details with depository's records for DP ID/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.

Who can apply?

In addition to the category of Applicants set forth under General Information Document, the following persons are also eligible to invest in the Equity Shares under all applicable laws, regulations and guidelines, including:

- FPIs other than Category III foreign portfolio investor;
- Category III foreign portfolio investors, which are foreign corporate or foreign individuals only under the Non-Institutional Investors (NIIs) category;
- Mutual Funds registered with SEBI;
- VCFs registered with SEBI;
- FVCIs registered with SEBI;
- Multilateral and bilateral development financial institutions;
- State Industrial Development Corporations;
- Insurance companies registered with Insurance Regulatory and Development Authority;
- Provident Funds with a minimum corpus of ` 250 million and who are authorised under their constitution to hold and invest in equity shares;
- Pension Funds with a minimum corpus of ` 250 million and who are authorised under their constitution to hold and invest in equity shares;
- National Investment Fund set up by resolution no. F.NO.2/3/2005-DDII dated November 23, 2005 of the GoI, published in the Gazette of India;
- Insurance funds set up and managed by the army, navy or air force of the Union of India and by the Department of Posts, India;
- Nominated Investor and Market Maker
- Scientific and/or industrial research organisations authorised in India to invest in the Equity Shares.
- Any other person eligible to apply in this Issue, under the laws, rules, regulations, guidelines and polices applicable to them.

Applications not to be made by:

1. Minors (except under guardianship)
2. Partnership firms or their nominees
3. Overseas Corporate Bodies

The Equity Shares have not been and will not be registered under the U.S Securities Act or any other applicable law of the United States and, unless so registered, and may not be offered or sold within the United States, except pursuant to an exemption from, or in a transaction not subject to, the registration requirements of the U.S Securities

Act and applicable state securities laws. Accordingly, the Equity Shares are only being offered and sold (i) within the United States only to persons reasonably believed to be “qualified institutional buyers” (as defined in Rule 144A under the U.S Securities Act and referred to in this Draft Prospectus as “U.S. QIBs”, for the avoidance of doubt, the term U.S. QIBs does not refer to a category of institutional investor defined under applicable Indian regulations and referred to in this Draft Prospectus as “QIBs”) in transactions exempt from, or not subject to, the registration requirements of the U.S Securities Act, and (ii) outside the United States in offshore transactions in reliance on Regulations S under the U.S Securities Act and the applicable laws of the jurisdiction where those offers and sales occur.

The Equity Shares have not been and will not be registered, listed or otherwise qualified in any other jurisdiction outside India and may not be offered or sold, and Applications may not be made by persons in any such jurisdiction, except in compliance with the applicable laws of such jurisdiction.

Participation by associates/affiliates of Lead Manager

The Lead Manager shall not be entitled to subscribe to this Issue in any manner except towards fulfilling their underwriting obligations. However, associates and affiliates of the Lead Manager may subscribe to Equity Shares in the Issue, either in the QIB Portion and Non-Institutional Category where the allotment is on a proportionate basis and such subscription may be on their own account or on behalf of their clients. All categories of investors, including associates or affiliates of the LM, shall be treated equally for the purpose of allocation to be made on a proportionate basis

Option to Subscribe to the Issue

1. Our Company shall allot the specified securities in dematerialised form only. Investors opting for allotment in dematerialised form may get the specified securities rematerialised subsequent to allotment.
2. The equity shares, on allotment, shall be traded on stock exchange in demat segment only.
3. A single application from any investor shall not exceed the investment limit/minimum number of specified securities that can be held by him/her/it under the relevant regulations/statutory guidelines.

Application By HUF

Hindu Undivided Families or HUFs, in the individual name of the Karta. The Applicant should specify that the Bid is being made in the name of the HUF in the Bid cum Application Form/Application Form as follows: “Name of sole or first Bidder/Applicant: XYZ Hindu Undivided Family applying through XYZ, where XYZ is the name of the Karta”. Bids/Applications by HUFs may be considered at par with Bids/Applications from individuals

Application by Mutual Funds

Application made by asset management companies or custodians of Mutual Funds shall specifically state names of the concerned schemes for which such Applications are made. In case of a mutual fund, a separate Application can be made in respect of each scheme of the mutual fund registered with SEBI and such Applications in respect of more than one (1) scheme of the mutual fund will not be treated as multiple Applications, provided, that the Applications clearly indicate the scheme concerned for which the Application has been made.

With respect to Applications by Mutual Funds, a certified copy of their SEBI registration certificate must be attached with the Application Form. Failing this, our Company reserves the right to reject their Application in whole or in part, in either case, without assigning any reason thereof.

No mutual fund scheme shall invest more than 10% of its net asset value in the equity shares or equity related instruments of any single company provided that the limit of 10% shall not be applicable for investments in index funds or sector or industry specific funds. No mutual fund under all its schemes should own more than 10% of any company’s paid-up share capital carrying voting rights

Application by Indian Public including eligible NRIs applying on Non-Repatriation

Application must be made only in the names of individuals, Limited Companies or Statutory Corporations/institutions and not in the names of Minors, Foreign Nationals, Non Residents (except for those applying on non-repatriation), trusts, (unless the trust is registered under the Societies Registration Act, 1860 or any other applicable trust laws and is authorized under its constitution to hold shares and debentures in a Company), An applicant in the Net Public Category cannot make an application for that number of Equity Shares exceeding the number of Equity Shares issued to the public.

Application by Eligible NRIs/FII's on Repatriation Basis

Eligible NRIs may obtain copies of Application Form from the Designated Intermediaries. Eligible NRI Applicants applying on a repatriation basis by using the Non-Resident Forms should authorize their SCSB to block their Non-Resident External (“NRE”) accounts, or Foreign Currency Non-Resident (“FCNR”) ASBA Accounts, and eligible NRI Applicants applying on a non-repatriation basis by using Resident Forms should authorize their SCSB to block their Non-Resident Ordinary (“NRO”) accounts for the full Application Amount, at the time of the submission of the Application Form.

Eligible NRIs applying on a repatriation basis are advised to use the Application Form meant for Non-Residents (blue in colour).

Eligible NRIs applying on non-repatriation basis are advised to use the Application Form for residents (white in colour).

Pursuant to the provisions of the FEMA regulations, investments by NRIs under the Portfolio Investment Scheme (“PIS”) is subject to certain limits, i.e., 10.00% of the paid-up equity share capital of the company. Such limit for NRI investment under the PIS route can be increased by passing a board resolution, followed by a special resolution by the shareholders, subject to prior intimation to the RBI. Our Company has not passed any resolution to increase this limit and hence investments by NRIs under the PIS will be subject to a limit of 10% of the paid-up equity capital of the Company.

Application by FPIs

In terms of the FPI Regulations, the issue of Equity Shares to a single FPI or an investor group (which means the same set of ultimate beneficial owner(s) investing through multiple entities) is not permitted to exceed 10% of our post- Issue Equity Share capital. Further, in terms of the FEMA Regulations, the total holding by each FPI shall be below 10% of the total paid-up Equity Share capital of our Company and the total holdings of all FPIs put together shall not exceed 24% of the paid-up Equity Share capital of our Company. The aggregate limit of 24% may be increased up to the sectoral cap by way of a resolution passed by our Board followed by a special resolution passed by the shareholders of our Company and subject to prior intimation to the RBI.

In case the total holding of an FPI increases beyond 10% of the total paid-up Equity Share capital of our Company, on a fully diluted basis or 10% or more of the paid-up value of any series of debentures or preference shares or share warrants issued that may be issued by our Company, the total investment made by the FPI will be re-classified as FDI subject to the conditions as specified by SEBI and the RBI in this regard and our Company and the investor will be required to comply with applicable reporting requirements.

FPIs are permitted to participate in the Issue subject to compliance with conditions and restrictions which may be specified by the Government from time to time.

Subject to compliance with all applicable Indian laws, rules, regulations, guidelines and approvals in terms of Regulation 21 of the FPI Regulations, an FPI, by virtue of their investment manager being appropriately regulated, may issue or otherwise deal in offshore derivative instruments (as defined under the FPI Regulations as any instrument, by whatever name called, which is issued overseas by a FPI against securities held by it that are listed or proposed to be listed on any recognized stock exchange in India, as its underlying) directly or indirectly, only in the event (i) such offshore derivative instruments are issued only to persons who are regulated by an appropriate regulatory authority; and (ii) such offshore derivative instruments are issued after compliance with ‘know your client’ norms. An FPI is also required to ensure that no further issue or transfer of any offshore derivative instrument is made by or on behalf of it to any persons that are not regulated by an appropriate foreign regulatory authority. In case of Applications made by FPIs, a verified true copy of the certificate of registration issued by the designated Depository Participant under the FPI Regulations is required to be attached along with the Application form, failing which our Company reserves the right to reject the Application without assigning any reasons thereof.

Application by SEBI registered VCFs, AIFs and FVCIs

SEBI VCF Regulations and SEBI FVCI Regulations inter alia prescribe the investment restrictions on the VCFs and FVCIs registered with SEBI. Further, SEBI AIF Regulations prescribe, among others, the investment restrictions on AIFs.

Accordingly, the holding by any individual VCF registered with SEBI in one (1) venture capital undertaking should not exceed 25% of the corpus of the VCF. Further, VCFs and FVCIs can invest only up to 33.33% of the investible funds, in the aggregate, in certain specified instruments, which includes subscription to an initial public issue.

Category I and II AIFs cannot invest more than 25% of their corpus in one (1) investee company. A category III AIF cannot invest more than 10% of their investible funds in one (1) investee company. A venture capital fund registered as

a category I AIF, as defined in SEBI AIF Regulations, cannot invest more than 1/3rd of its corpus by way of subscription to an initial public issue of a venture capital undertaking. Additionally, the VCFs which have not re-registered as an AIF under SEBI AIF Regulations shall continue to be regulated by SEBI VCF Regulations until the existing fund or scheme managed by the fund is wound up and such funds shall not launch any new scheme after the notification of SEBI AIF Regulations.

Further, according to SEBI (ICDR) Regulations, the shareholding of VCFs and category I AIFs or FVCI held in a company prior to making an initial public issue would be exempt from lock-in requirements provided that such equity shares held are locked in for a period of at least one (1) year from the date of purchase by such VCF or category I AIFs or FVCI.

All non-resident investors should note that refunds (in case of Anchor Investors), dividends and other distributions, if any, will be payable in Indian Rupees only and net of bank charges and commission.

Our Company or the Lead Manager will not be responsible for loss, if any, incurred by the Applicant on account of conversion of foreign currency. There is no reservation for Eligible NRIs, FPIs and FVCIs and all Applicants will be treated on the same basis with other categories for the purpose of allocation.

Application by provident funds/ pension funds

In case of Applications made by provident funds/pension funds, subject to applicable laws, with minimum corpus of ₹ 2,500 Lakhs, a certified copy of certificate from a chartered accountant certifying the corpus of the provident fund/ pension fund must be attached to the Application Form. Failing this, our Company reserves the right to reject their application, without assigning any reason thereof

Application by limited liability partnerships

In case of Applications made by limited liability partnerships registered under the Limited Liability Partnership Act, 2008, a certified copy of certificate of registration issued under the Limited Liability Partnership Act, 2008, must be attached to the Application Form. Failing this, our Company reserves the right to reject their application without assigning any reason thereof.

Application by Banking Companies

In case of Application made by banking companies registered with the RBI, certified copies of: (i) the certificate of registration issued by the RBI, and (ii) the approval of such banking company's investment committee are required to be attached to the Application Form, failing which our Company reserves the right to reject any Application by a banking company, without assigning any reason therefor.

The investment limit for banking companies in non-financial services companies as per the Banking Regulation Act, 1949, as amended (the "Banking Regulation Act"), and the Master Direction – Reserve Bank of India (Financial Services provided by Banks) Directions, 2016, is 10% of the paid-up share capital of the investee company or 10% of the banks' own paid-up share capital and reserves, whichever is less.

Further, the aggregate investment by a banking company in subsidiaries and other entities engaged in financial and non-financial services company cannot exceed 20% of the bank's paid-up share capital and reserves. A banking company may hold up to 30% of the paid-up share capital of the investee company with the prior approval of the RBI provided that the investee company is engaged in non-financial activities in which banking companies are permitted to engage under the Banking Regulation Act.

Application by Insurance Companies

In case of Application made by insurance companies registered with the IRDA, a certified copy of certificate of registration issued by IRDA must be attached to the Application Form. Failing this, our Company reserves the right to reject their application without assigning any reason thereof.

Insurance companies participating in this Issue, shall comply with all applicable regulations, guidelines and circulars issued by IRDAI from time to time including the Insurance Regulatory and Development Authority of India Investment) Regulations, 2016 ("IRDA Investment Regulations").

Application by SCSBs

SCSBs participating in the Issue are required to comply with the terms of SEBI circulars dated September 13, 2012 and January 2, 2013. Such SCSBs are required to ensure that for making applications on their own account using ASBA, they should have a separate account in their own name with any other SEBI registered SCSBs. Further, such account shall be

used solely for the purpose of making application in public issues and clear demarcated funds should be available in such account for ASBA applications.

Application by Systemically Important Non-Banking Financial Companies

In case of Application made by systemically important non-banking financial companies, a certified copy of the certificate of registration issued by the RBI, a certified copy of its last audited financial statements on a standalone basis and a net worth certificate from its statutory auditor(s), must be attached to the Application Form. Failing this, our Company reserves the right to reject any Application, without assigning any reason thereof. Systemically important non-banking financial companies participating in the Issue shall comply with all applicable regulations, guidelines and circulars issued by RBI from time to time.

Application under Power of Attorney

In case of Application made pursuant to a power of attorney or by limited companies, corporate bodies, registered societies, FIIs, FPIs, Mutual Funds, Eligible QFIs, insurance companies, insurance funds set up by the army, navy or air force of the Union of India, insurance funds set up by the Department of Posts, India or the National Investment Fund, provident funds with a minimum corpus of ₹2,500 Lakhs and pension funds with a minimum corpus of ₹2,500 Lakhs (in each case, subject to applicable law and in accordance with their respective constitutional documents), a certified copy of the power of attorney or the relevant resolution or authority, as the case may be, along with a certified copy of the memorandum of association and articles of association and/or bye laws, as applicable must be lodged along with the Application Form. Failing this, our Company reserves the right to accept or reject their application in whole or in part, in either case, without assigning any reasons thereof. In addition to the above, certain additional documents are required to be submitted by the following entities:

- With respect to Applications by FIIs and Mutual Funds, a certified copy of their SEBI registration certificate must be lodged along with the Application Form.
- With respect to Applications by insurance companies registered with the Insurance Regulatory and Development Authority, in addition to the above, a certified copy of the certificate of registration issued by the Insurance Regulatory and Development Authority must be lodged along with the Application Form.
- With respect to Applications made by provident funds with a minimum corpus of ₹2,500 Lakhs (subject to applicable law) and pension funds with a minimum corpus of ₹2,500 Lakhs, a certified copy of a certificate from a chartered accountant certifying the corpus of the provident fund/pension fund must be lodged along with the Application Form.
- With respect to Applications made by limited liability partnerships registered under the Limited Liability Partnership Act, 2008, a certified copy of certificate of registration issued under the Limited Liability Partnership Act, 2008, must be attached to the Application Form.
- Our Company in its absolute discretion, reserves the right to relax the above condition of simultaneous lodging of the power of attorney along with the Application form, subject to such terms and conditions that our Company and the Lead Manager may deem fit.

The Company, in its absolute discretion, reserves the right to permit the holder of the power of attorney to request the Registrar to the Issue that, for the purpose of printing particulars on the refund order and mailing of the Allotment Advice / CANs / letters notifying the unblocking of the bank accounts of ASBA applicants, the Demographic Details given on the Application Form should be used (and not those obtained from the Depository of the application). In such cases, the Registrar to the Issue shall use Demographic Details as given on the Application Form instead of those obtained from the Depositories

Application by OCBs

In accordance with RBI regulations, OCBs cannot participate in this Issue.

Maximum and Minimum Application Size

1. For Retails Individual Applicants

The Application must be for a minimum of [●] Equity Shares and in multiples of [●] Equity Shares thereafter, so as to ensure that the Application Price payable by the Applicant does not exceed ₹2.00 Lakhs. In case of revision of Applications, the Retail Individual Investors have to ensure that the Application Price does not exceed ₹2.00 Lakhs.

2. For Other than Retail Individual Investors (Non-Institutional Investors and QIBs):

The Application must be for a minimum of such number of Equity Shares that the Application Amount exceeds ₹2.00 Lakhs and in multiples of [●] Equity Shares thereafter. An application cannot be submitted for more than the Net Issue

Size. However, the maximum Application by a QIB investor should not exceed the investment limits prescribed for them by applicable laws. Under existing SEBI Regulations, a QIB Applicant and Non-Institutional Investor cannot withdraw its Application after the Issue Closing Date and is required to pay 100% Bid Amount upon submission of Application.

In case of revision in Applications, the Non-Institutional Applicants, who are individuals, have to ensure that the Application Amount is greater than ₹2.00 Lakhs for being considered for allocation in the Non-Institutional Portion.

Applicants are advised to ensure that any single Application from them does not exceed the investment limits or maximum number of Equity Shares that can be held by them under applicable law or regulation or as specified in this Draft Prospectus.

The above information is given for the benefit of the Applicants. The Company and the 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 Prospectus. Applicants are advised to make their independent investigations and ensure that the number of Equity Shares applied for do not exceed the applicable limits under laws or regulations

ISSUE PROCEDURE FOR ASBA (APPLICATION SUPPORTED BY BLOCKED ACCOUNT) APPLICANTS

In accordance with the SEBI circular no. CIR/CFD/POLICYCELL/11/2015 dated November 10, 2015 all the Applicants have to compulsorily apply through the ASBA Process. Our Company and the Lead Manager are not liable for any amendments, modifications, or changes in applicable laws or regulations, which may occur after the date of the Draft Prospectus. ASBA Applicants are advised to make their independent investigations and to ensure that the ASBA Application Form is correctly filled up, as described in this section.

Lists of banks that have been notified by SEBI to act as SCSB (Self-Certified Syndicate Banks) for the ASBA Process are provided on <http://www.sebi.gov.in>. For details on designated branches of SCSB collecting the Application Form, please refer the above-mentioned SEBI link.

ASBA Process

Resident Retail Individual Investor shall submit his Application through an Application Form, either in physical or electronic mode, to the SCSB with whom the bank account of the ASBA Applicant or bank account utilized by the ASBA Applicant ("ASBA Account") is maintained. The SCSB shall block an amount equal to the Application Amount in the bank account specified in the ASBA Application Form, physical or electronic, on the basis of an authorization to this effect given by the account holder at the time of submitting the Application.

The Application Amount shall remain blocked in the aforesaid ASBA Account until finalization of the Basis of Allotment in the Issue and consequent transfer of the Application Amount against the allocated shares to the ASBA Public Issue Account, or until withdrawal/failure of the Issue or until withdrawal/rejection of the ASBA Application, as the case may be.

The ASBA data shall thereafter be uploaded by the SCSB in the electronic IPO system of the Stock Exchange. Once the Basis of Allotment is finalized, the Registrar to the Issue shall send an appropriate request to the Controlling Branch of the SCSB for unblocking the relevant bank accounts and for transferring the amount allocable to the successful ASBA Applicants to the ASBA Public Issue Account. In case of withdrawal/failure of the Issue, the blocked amount shall be unblocked on receipt of such information from the Lead Manager.

ASBA Applicants are required to submit their applications, either in physical or electronic mode. In case of application in physical mode, the ASBA Applicant shall submit the ASBA Application Form at the Designated Branch of the SCSB or Registered Brokers or Registered RTA's or DPs registered with SEBI. In case of application in electronic form, the ASBA Applicant shall submit the Application Form either through the internet banking facility available with the SCSB, or such other electronically enabled mechanism for applying and blocking funds in the ASBA account held with SCSB, and accordingly registering such Applications.

APPLICATION FORM SHALL BEAR THE STAMP OF THE SYNDICATE MEMBER /SCSBS /REGISTRAR AND SHARE TRANSFER AGENTS /DEPOSITORY PARTICIPANTS /STOCK BROKERS AND IF NOT, THE SAME SHALL BE REJECTED.

Who can apply?

In accordance with the SEBI circular no. CIR/CFD/POLICYCELL/11/2015 dated November 10, 2015 all the Applicants have to compulsorily apply through the ASBA Process.

Mode of Payment

Upon submission of an Application Form with the SCSB, whether in physical or electronic mode, each ASBA Applicant shall be deemed to have agreed to block the entire Application Amount and authorized the Designated Branch of the SCSB to block the Application Amount, in the bank account maintained with the SCSB.

Application Amount paid in cash, by money order or by postal order or by stock invest, or ASBA Application Form accompanied by cash, draft, money order, postal order or any mode of payment other than blocked amounts in the SCSB bank accounts, shall not be accepted.

After verifying that sufficient funds are available in the ASBA Account, the SCSB shall block an amount equivalent to the Application Amount mentioned in the ASBA Application Form till the Designated Date.

On the Designated Date, the SCSBs shall transfer the amounts allocable to the ASBA Applicants from the respective ASBA Account, in terms of the SEBI Regulations, into the ASBA Public Issue Account. The balance amount, if any against the said Application in the ASBA Accounts shall then be unblocked by the SCSBs on the basis of the instructions issued in this regard by the Registrar to the Issue.

The entire Application Amount, as per the Application Form submitted by the respective ASBA Applicants, would be required to be blocked in the respective ASBA Accounts until finalization of the Basis of Allotment in the Issue and consequent transfer of the Application Amount against allocated shares to the ASBA Public Issue Account, or until withdrawal/failure of the Issue or until rejection of the ASBA Application, as the case may be.

Unblocking of ASBA Account

On the basis of instructions from the Registrar to the Issue, the SCSBs shall transfer the requisite amount against each successful ASBA Applicant to the ASBA Public Issue Account as per section 40(3) of the Companies Act, 2013 and shall unblock excess amount, if any in the ASBA Account.

However, the Application Amount may be unblocked in the ASBA Account prior to receipt of intimation from the Registrar to the Issue by the Controlling Branch of the SCSB regarding finalization of the Basis of Allotment in the Issue, in the event of withdrawal/failure of the Issue or rejection of the ASBA Application, as the case may be.

Terms of payment

The entire Issue price of ₹[●] per Equity Share is payable on application. In case of allotment of lesser number of Equity Shares than the number applied, the Registrar shall instruct the SCSBs to unblock the excess amount paid on Application to the Applicants. SCSBs will transfer the amount as per the instruction of the Registrar to the Public Issue Account, the balance amount after transfer will be unblocked by the SCSBs. The Applicants should note that the arrangement with Bankers to the Issue or the Registrar is not prescribed by SEBI and has been established as an arrangement between our Company, Banker to the Issue and the Registrar to the Issue to facilitate collections from the Applicants.

Payment Mechanism

The Applicants shall specify the bank account number in their Application Form and the SCSBs shall block an amount equivalent to the bid Amount (issue price) in the bank account specified in the Application Form. The SCSB shall keep the bid Amount in the relevant bank account blocked until withdrawal/ rejection of the Application or receipt of instructions from the Registrar to unblock the bid Amount. However, Non-Retail Investors shall neither withdraw nor lower the size of their applications at any stage. In the event of withdrawal or rejection of the Application Form or for unsuccessful Application Forms, the Registrar to the Issue shall give instructions to the SCSBs to unblock the application money in the relevant bank account within one day of receipt of such instruction. The Bid Amount shall remain blocked in the ASBA Account until finalization of the Basis of Allotment in the Issue and consequent transfer of the Bid Amount to the Public Issue Account, or until withdrawal/ failure of the Issue or until rejection of the Bid by the ASBA Bidder, as the case may be.

PROCEDURE FOR UNIFIED PAYMENT INTERFACE (UPI)

In accordance to the SEBI Circular no. SEBI/HO/CFD/DIL2/CIR/P/2019/76 dated June 28, 2019, to stream line the process of public issue of Equity Shares and convertibles, Phase II shall become effective from July 01, 2019, thereafter for applications by Retail Individual Investors through intermediaries, where the existing process of investor submitting application form with any intermediaries along with bank account details and movement of such application forms from intermediaries to self-certified Syndicate Banks (SCSBs) for blocking of funds, will be discontinued. For such applications only the UPI mechanism would be permissible mode.

Who can apply through UPI Mode:

Only Retail Individual Investors are allowed to use UPI for the payment in public issues. Qualified Institutional Buyers and High-Net worth Investors shall continue to apply as per the existing process.

Process

Applications through UPI in IPOs (Public Issue) can be made only through the SCSBs/mobile applications whose name appears on the SEBI website: www.sebi.gov.in.

Blocking of Funds:

- a) Investors shall create UPI ID
- b) Investors shall submit their IPO applications through intermediaries and the investors shall enter UPI ID in the application form
- c) Thereafter, intermediary shall upload the bid details and UPI ID in the electronic bidding system of the Stock Exchange
- d) Stock Exchange shall validate the bid details on the real time basis with depository's records and shall bring the inconsistencies to the notice of intermediaries for rectification and re-submission
- e) Stock Exchange shall share the details including UPI ID with Sponsor Bank, to enable the Sponsor Bank to initiate the request for the blocking of funds
- f) Thereafter the investor shall receive notification and shall confirm the request by entering valid UPI PIN and upon such acceptance of request, funds would get blocked and intimation shall be given to the investor regarding blocking of funds

Unblocking of Funds:

- a) After the issue close day, the RTA on the basis of bidding and blocking received from stock exchange undertake a reconciliation and shall prepare Basis of Allotment.
- b) Upon approval of such basis, instructions would be sent to the Sponsor Bank to initiate process for credit of funds in the public issue escrow account and unblocking of excess funds
- c) Based on authorization given by the investor using UPI PIN at the time of blocking of funds, equivalent to the allotment, would be debited from investors account and excess funds, if any, would be unblocked.

Further, RIIs would continue to have an option to modify or withdraw the bid till the closure of the issue period. For each such modification of application, RIIs shall submit a revised application and shall receive a mandate request from the Sponsor Bank to be validated as per the process indicated above. Hence, applications made through UPI ID for payment the same shall be revised by using UPI ID only.

Rejection grounds under UPI Payment Mechanism

An investor making application using any of channels under UPI Payments Mechanism, shall use only his/ her own bank account or only his/ her own bank account linked UPI ID to make an application in public issues. Applications made using third party bank account or using third party linked bank account UPI ID are liable for rejection. Sponsor Bank shall provide the investors UPI linked bank account details to RTA for purpose of reconciliation. RTA shall undertake technical rejection of all applications to reject applications made using third party bank account

List of Banks providing UPI facility

An investor shall ensure that when applying in the IPO using UPI facility, the name of his Bank shall appear in the list of SCSBs as displayed on the SEBI website.

A list of SCSBs and mobile application which are live for applying in public issues using UPI mechanism is provided on the SEBI Website at the following path:

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

Investors whose Bank is not live on UPI as on the date of the aforesaid circular, may use the other alternate channels available to them viz. submission of application form with SCSBs or using the facility of linked online trading, demat and bank account (Channel I or II at para 5.1 SEBI circular bearing no. SEBI/HO/CFD/DIL2/CIR/P/2018/138 dated November 01, 2018.

Unblocking of ASBA Account

On the basis of instructions from the Registrar to the Issue, the SCSBs shall transfer the requisite amount against each successful ASBA Applicant to the ASBA Public Issue Account as per section 40(3) of the Companies Act, 2013 and shall unblock excess amount, if any in the ASBA Account.

However, the Application Amount may be unblocked in the ASBA Account prior to receipt of intimation from the Registrar to the Issue by the Controlling Branch of the SCSB regarding finalization of the Basis of Allotment in the Issue, in the event of withdrawal/failure of the Issue or rejection of the ASBA Application, as the case may be.

Electronic Registration of Applications

1. The Designated Intermediary will register the Applications using the on-line facilities of the . There will be at least one on-line connectivity facility in each city, where a stock exchange is located in India and where Applications are being accepted. The Lead Manager, our Company and the Registrar are not responsible for any acts, mistakes or errors or omission and commissions in relation to, (i) the Applications accepted by the Designated Intermediary, (ii) the Applications uploaded by the Designated Intermediary, (iii) the Applications accepted but not uploaded by the Designated Intermediary or (iv) Applications accepted and uploaded without blocking funds.
2. The Designated Intermediary shall be responsible for any acts, mistakes or errors or omission and commissions in relation to, (i) the Applications accepted by the Designated Intermediary, (ii) the Applications uploaded by the Designated Intermediary, (iii) the Applications accepted but not uploaded by the Designated Intermediary and (iv) Applications accepted and uploaded without blocking funds. It shall be presumed that for Applications uploaded by the Designated Intermediary, the full Application Amount has been blocked.
3. In case of apparent data entry error either by the Designated Intermediary in entering the Application Form number in their respective schedules other things remaining unchanged, the Application Form may be considered as valid and such exceptions may be recorded in minutes of the meeting submitted to Stock Exchange(s)
4. The Designated Intermediary will undertake modification of selected fields in the Application details already uploaded within before 1.00 p.m. of the next Working Day from the Issue Closing Date.
5. BSE Limited will offer an electronic facility for registering Applications for the Issue. This facility will be available with the Designated Intermediary and their authorized agents during the Issue Period. The Designated Branches or the Agents of the Designated Intermediary can also set up facilities for off-line electronic registration of Applications subject to the condition that they will subsequently upload the off-line data file into the on-line facilities on a regular basis. On the Issue Closing Date, the Designated Intermediary shall upload the Applications till such time as may be permitted by the . This information will be available with the Lead Manager on a regular basis. Applicants are cautioned that a high inflow of high volumes on the last day of the Issue Period may lead to some Applications received on the last day not being uploaded and such Applications will not be considered for allocation.
6. At the time of registering each Application submitted by an Applicant, Designated Intermediary shall enter the following details of the investor in the on-line system, as applicable:
 1. Name of the Applicant;
 2. IPO Name;
 3. Application Form number;
 4. Investor Category;
 5. PAN (of First Applicant, if more than one Applicant);
 6. DP ID of the demat account of the Applicant;
 7. Client Identification Number of the demat account of the Applicant;
 8. UPI ID (RIIs applying through UPI Mechanism)
 9. Numbers of Equity Shares Applied for;
 10. Location of the Banker to the Issue or Designated Branch, as applicable, and bank code of the SCSB branch where the ASBA Account is maintained; and
 11. Bank account number
 12. In case of submission of the Application by an Applicant through the Electronic Mode, the Applicant shall complete the above-mentioned details and mention the bank account number, except the Electronic Application Form number which shall be system generated.
7. The Designated intermediaries shall, at the time of receipt of application, give an acknowledgement to investor, by giving the counter foil or specifying the application number to the investor, as a proof of having accepted the application form, in

physical or electronic mode, respectively. The registration of the Application by the Designated Intermediary does not guarantee that the Equity Shares shall be allocated / allotted either by our Company

8. Such acknowledgement will be non-negotiable and by itself will not create any obligation of any kind.
9. In case of QIB Applicants, the Lead Manager has the right to accept the Application or reject it. However, the rejection should be made at the time of receiving the Application and only after assigning a reason for such rejection in writing. In case on Non-Institutional Applicants and Retail Individual Applicants, Applications would be rejected on the technical grounds.
10. The permission given by the to use their network and software of the Online IPO system should not in any way be deemed or construed to mean that the compliance with various statutory and other requirements by our Company and/or the Lead Manager are cleared or approved by the ; nor does it in any manner warrant, certify or endorse the correctness or completeness of any of the compliance with the statutory and other requirements nor does it take any responsibility for the financial or other soundness of our Company, our Promoter, our management or any scheme or project of our Company; nor does it in any manner warrant, certify or endorse the correctness or completeness of any of the contents of this Draft Prospectus; nor does it warrant that the Equity Shares will be listed or will continue to be listed on the .
11. Only Applications that are uploaded on the online IPO system of the shall be considered for allocation/Allotment. The Designated Intermediary will be given time till 1.00 p.m. on the next working day after the Issue Closing Date to verify the PAN, DP ID and Client ID uploaded in the online IPO system during the Issue Period, after which the Registrar will receive this data from the and will validate the electronic Application details with depository's records. In case no corresponding record is available with depositories, which matches the three parameters, namely DP ID, Client ID and PAN, then such Applications are liable to be rejected.

Withdrawal of Applications

RIIs can withdraw their applications until Issue Closing Date. In case a RIIs wishes to withdraw the applications during the Issue Period, the same can be done by submitting a request for the same to the concerned Designated Intermediary who shall do the requisite, including unblocking of the funds by the SCSB or Sponsor Bank in the ASBA Account.

The Registrar to the Issue shall give instruction to the SCSB for unblocking the ASBA Account on the Designated Date. QIBs and NIIs can neither withdraw nor lower the size of their Bids at any stage.

Signing of Underwriting Agreement

The issue is 100% Underwritten. For further details please refer to Section titled "General Information" on page no. 47 of this Draft Prospectus.

Filing of the Issue Document with the ROC

For filing details, please refer Chapter titled "General Information" beginning on page 47 of this Draft Prospectus.

Pre-Issue Advertisement

Subject to Section 30 of the Companies Act, 2013, the Company shall, after filing the Prospectus with the ROC, publish a pre-Issue advertisement, in the form prescribed by the SEBI Regulations, in one widely circulated English language national daily newspaper; one widely circulated Hindi language national daily newspaper and one regional newspaper with wide circulation where registered office of the Company is situated.

Price Discovery & Allocation of Equity shares

- a) The Issue is being made through the Fixed Price Process where in up to Equity Shares shall be reserved for Market Maker. Equity shares will be allocated on a proportionate basis to Retail Individual Applicants, subject to valid Application being received from Retail Individual Applicants at the Issue Price. The balance of the Net Issue will be available for allocation on proportionate basis to Non-Retail Applicants.
- b) Under- subscription if any, in any category, would be allowed to be met with spill-over from any other category or combination of categories at the discretion of our Company in consultation with the Lead Manager and the Stock Exchange.
- c) Allocation to Non-Residents, including Eligible NRIs, Eligible QFIs, FIIs and FVCIs registered with SEBI, applying on repatriation basis will be subject to applicable law, rules, regulations, guidelines and approvals.

- d) In terms of SEBI Regulations, Non-Retail Investors shall not be allowed to either withdraw or lower the size of their applications at any stage.
- e) Allotment status details shall be available on the website of the Registrar to the Issue.

Issuance of Allotment Advice

Upon approval of the Basis of Allotment by the Designated stock exchange, the Registrar shall upload on its website. On the basis of approved basis of allotment, the Issuer shall pass necessary corporate action to facilitate the allotment and credit of equity shares. Applicants are advised to instruct their Depository Participants to accept the Equity Shares that may be allotted to them pursuant to the issue. Pursuant to confirmation of such corporate actions, the Registrar will dispatch Allotment Advice to the Applicants who have been allotted Equity Shares in the Issue.

1. The dispatch of allotment advice shall be deemed a valid, binding and irrevocable contract.
2. Issuer will that:
 - (i) the allotment of the equity shares; and
 - (ii) initiate corporate action for credit of shares to the successful applicant's Depository Account within 4 working days of the Issue Closing date. The Issuer also ensures the credit of shares to the successful Applicants Depository Account is completed within one working Day from the date of allotment, after the funds are transferred from ASBA Public Issue Account to Public Issue account of the issuer.
3. The Company will issue and dispatch letters of allotment/ or letters of regret along with refund order or credit the allotted securities to the respective beneficiary accounts, if any within a period of 4 working days of the Issue Closing Date. The Company will intimate the details of allotment of securities to Depository Participants immediately on allotment of securities under Section 56 of the Companies Act, 2013 or other applicable provisions, if any.

Issuance of Confirmation Allocation Note ("CAN")

- a) A physical book is prepared by the Registrar on the basis of the Application Forms received from Investors. Based on the physical book and at the discretion of the Company in consultation with the LM, selected Investors will be sent a CAN and if required, a revised CAN.
- b) In the event that the Issue Price is higher than the Investor Allocation Price: Investors will be sent a revised CAN within 1 (one) day of the Pricing Date indicating the number of Equity Shares allocated to such Investor and the pay-in date for payment of the balance amount. Investors are then required to pay any additional amounts, being the difference between the Issue Price and the Investor Allocation Price, as indicated in the revised CAN within the pay-in date referred to in the revised CAN. Thereafter, the Allotment Advice will be issued to such Investors.
- c) In the event the Issue Price is lower than the Investor Allocation Price: Investors who have been Allotted Equity Shares will directly receive Allotment Advice.

Designated Date

On the Designated date, the SCSBs shall transfers the funds represented by allocations of the Equity Shares into Public Issue Account with the Bankers to the Issue.

General Instructions

Applicants are requested to note the additional instructions provided below.

Do's:

1. Check if you are eligible to apply as per the terms of the Prospectus and under applicable law, rules, regulations, guidelines and approvals;
2. Read all the instructions carefully and complete the Application Form;
3. Ensure that the details about the PAN, DP ID and Client ID are correct and the Applicants depository account is active, as Allotment of the Equity Shares will be in the dematerialised form only;
4. Ensure that your Application Form, bearing the stamp of a Designated Intermediary is submitted to the Designated Intermediary at the Collection Centre within the prescribed time, except in case of electronic forms. Retail Individual Investors using UPI mechanism, may submit their ASBA forms with Designated Intermediary and ensure that it contains the stamp of such Designated Intermediary;
5. Ensure that the signature of the First Applicant in case of joint Applications, is included in the Application Forms;

6. If the first applicant is not the ASBA account holder (or the UPI- linked bank account holder as the case may be), ensure that the Application Form is signed by the ASBA account holder (or the UPI- linked bank account holder as the case may be). Ensure that you have mentioned the correct bank account number and UPI ID in the Application Form;
7. All Applicants (other than Anchor Investors and RII using UPI Mechanism) should apply through the ASBA process only. RII not using UPI mechanism, should submit their application form directly with SCSB's and not with any designated intermediary.
8. With respect to Applications by SCSBs, ensure that you have a separate account in your own name with any other SCSB having clear demarcated funds for applying under the ASBA process and that such separate account (with any other SCSB) is used as the ASBA Account with respect to your Application;
9. Ensure that you request for and receive a stamped acknowledgement of your Application;
10. Ensure that you have funds equal to the Application Amount in the ASBA Account maintained with the SCSB before submitting the ASBA Form to any of the Designated Intermediaries;
11. Instruct your respective banks to not release the funds blocked in the ASBA Account under the ASBA process. Retail Individual Investors using the UPI Mechanism, should ensure that they approve the UPI Mandate Request generated by the Sponsor Bank to authorise blocking of funds equivalent to application amount and subsequent debit of funds in case of allotment, in a timely manner
12. Submit revised Applications to the same Designated Intermediary, as applicable, through whom the original Application was placed and obtain a revised TRS;
13. Except for Applications (i) on behalf of the central or state governments and the officials appointed by the courts, who, in terms of SEBI circular dated June 30, 2008, may be exempt from specifying their PAN for transacting in the securities market and (ii) Applications by persons resident in the state of Sikkim, who, in terms of SEBI circular dated July 20, 2006, may be exempted from specifying their PAN for transacting in the securities market, all Applicants should mention their PAN allotted under the IT Act. The exemption for the central or the state government and officials appointed by the courts and for Applicants residing in the state of Sikkim is subject to (a) the demographic details received from the respective depositories confirming the exemption granted to the beneficiary owner by a suitable description in the PAN field and the beneficiary account remaining in "active status"; and (b) in the case of residents of Sikkim, the address as per the demographic details evidencing the same. All other applications in which PAN is not mentioned will be rejected.
14. Ensure that the Demographic Details are updated, true and correct in all respects;
15. Ensure that thumb impressions and signatures other than in the languages specified in the eighth schedule to the Constitution of India are attested by a magistrate or a notary public or a special executive magistrate under official seal;
16. Ensure that the name(s) given in the Application Form is/are exactly the same as the name(s) in which the beneficiary account is held with the Depository Participant. In case of joint application, the Application Form should contain only the name of the First Applicant whose name should also appear as the first holder of the beneficiary account held in joint names;
17. Ensure that the category and sub-category under which the Application is being submitted is clearly specified in the Application Form;
18. Ensure that in case of Applications under power of attorney or by limited companies, corporate, trust etc., relevant documents are submitted;
19. If you are resident outside India, ensure that Applications by you are in compliance with applicable foreign and Indian laws;
20. Applicants should note that in case the DP ID, the Client ID, UPI ID (where applicable) and the PAN mentioned in the Application Form and entered into the online IPO system of the Stock Exchange by the relevant Designated Intermediary, match with the DP ID, Client ID (where applicable) and PAN available in the Depository database otherwise liable to be rejected; Where the Application Form is submitted in joint names, ensure that the beneficiary account is also held in the same joint names and such names are in the same sequence in which they appear in the Application Form;
21. Ensure that the Application Forms are delivered by the Applicants within the time prescribed as per the Application Form and the Prospectus;
22. Ensure that you have correctly signed the authorisation/undertaking box in the Application Form, or have otherwise provided an authorisation to the SCSB via the electronic mode, for blocking funds in the ASBA Account equivalent to the Application Amount mentioned in the Application Form at the time of submission of the Application;
23. Ensure that you have mentioned the correct ASBA Account number (for all Bidders other than Retail Individual Investors Bidding using the UPI Mechanism) in the Bid cum Application Form and such ASBA account belongs to you and no one else. Further, Retail Individual Investors using the UPI Mechanism must also mention their UPI ID and shall use only his/her own bank account which is linked to his/her UPI ID;
24. Retail Individual Investors Bidding using the UPI Mechanism shall ensure that the bank, with which they have their bank account, where the funds equivalent to the application amount are available for blocking is UPI 2.0 certified by NPCI before submitting the ASBA Form to any of the Designated Intermediaries;
25. Retail Individual Investors Bidding using the UPI Mechanism through the SCSBs and mobile applications shall ensure that the name of the bank appears in the list of SCSBs which are live on UPI, as displayed on the SEBI website. Retail Individual Investors shall ensure that the name of the app and the UPI handle which is used for making the application

appears on the list displayed on the SEBI website. An application made using incorrect UPI handle or using a bank account of an SCSB or bank which is not mentioned on the SEBI website is liable to be rejected;

Don'ts:

1. Do not apply for lower than the minimum Application size;
2. Do not apply at a Price different from the Price mentioned herein or in the Application Form;
3. Do not pay the Application Amount in cash, cheque, by money order or by postal order or by stock invest or any mode other than stated herein;
4. Do not send Application / ASBA Forms by post, instead submit the same to the Designated Intermediary only;
5. Do not submit the Application Forms with the Banker(s) to the Issue (assuming that such bank is not a SCSB), our Company, the Lead Manager or the Registrar (assuming that the Registrar to the Issue is not one of the RTAs) or any non-SCSB bank;
6. Do not apply on an Application Form that does not have the stamp of the Designated Intermediary;
7. If you are a Retail Individual Applicant, do not apply for an exceeding ` 200,000;
8. Do not fill up the Application Form such that the Equity Shares applied for exceeds the Issue size and/or investment limit or maximum number of the Equity Shares that can be held under the applicable laws or regulations or maximum amount permissible under the applicable regulations or under the terms of the Prospectus;
9. Do not submit the General Index Register number instead of the PAN;
10. As an ASBA Applicant, do not submit the Application without ensuring that funds equivalent to the entire Application Amount are available to be blocked in the relevant ASBA Account and as in the case of Retail Individual Investors using the UPI Mechanism shall ensure that funds equivalent to the entire application amount are available in the UPI linked bank account where funds for making the bids are available.
11. As an ASBA Applicant, do not instruct your respective banks to release the funds blocked in the ASBA Account;
12. Do not submit incorrect details of the DP ID, Client ID and PAN or provide details for a beneficiary account which is suspended or for which details cannot be verified by the Registrar to the Issue;
13. Do not submit Applications on plain paper or on incomplete or illegible Application Forms or on Application Forms in a colour prescribed for another category of Applicant;
14. If you are a QIB, do not submit your Application after 3.00 pm on the Issue Closing Date for QIBs;
15. If you are a Non-Institutional Applicant or Retail Individual Applicant, do not submit your Application after 3.00 pm on the Issue Closing Date;
16. Do not submit an Application in case you are not eligible to acquire Equity Shares under applicable law or your relevant constitutional documents or otherwise;
17. Do not submit an Application if you are not competent to contract under the Indian Contract Act, 1872, (other than minors having valid depository accounts as per Demographic Details provided by the Depositories);
18. If you are a QIB or a Non-Institutional Applicant, do not withdraw your Application or lower the size of your Application (in terms of quantity of the Equity Shares or the Application Amount) at any stage;
19. Do not submit more than five (5) ASBA Forms per ASBA Account;
20. Do not submit ASBA Forms at a location other than the Specified Locations or to the brokers other than the Registered Brokers at a location other than the Broker Centres; and
21. Do not submit ASBA Forms to a Designated Intermediary at a Collection Centre unless the SCSB where the ASBA Account is maintained, as specified in the ASBA Form, has named at least one (1) branch in the relevant Collection Centre, for the Designated Intermediary to deposit ASBA Forms (a list of such branches is available on the website of SEBI at <http://www.sebi.gov.in>).The Application Form is liable to be rejected if the above instructions, as applicable, are not complied with.
22. Do not submit a Bid cum Application Form with third party UPI ID or using a third-party bank account (in case of Bids submitted by Retail Individual Investors using the UPI Mechanism)

The Application Form is liable to be rejected if the above instructions, as applicable, are not complied with.

Instructions for completing the Application Form

The Applications should be submitted on the prescribed Application Form and in BLOCK LETTERS in ENGLISH only in accordance with the instructions contained herein and in the Application Form. Applications not so made are liable to be rejected. Application forms submitted to the SCSBs should bear the stamp of respective intermediaries to whom the application form submitted. Application form submitted directly to the SCSBs should bear the stamp of the SCSBs and/or the Designated Branch. Application forms submitted by Applicants whose beneficiary account is inactive shall be rejected.

SEBI, vide Circular No. CIR/CFD/14/2012 dated October 04, 2012 has introduced an additional mechanism for investors to submit application forms in public issues using the stock broker ("broker") network of stock exchanges, who may not

be syndicate members in an issue with effect from January 01, 2013. The list of Broker Centre is available on the websites of Stock Exchange.

Applicant's Depository Account and Bank Details

Please note that, providing bank account details in the space provided in the Application Form is mandatory and applications that do not contain such details are liable to be rejected.

Applicants should note that on the basis of name of the Applicants, Depository Participant's name, Depository Participant Identification number and Beneficiary Account Number provided by them in the Application Form, the Registrar to the Issue will obtain from the Depository the demographic details including address, Applicants bank account details, MICR code and occupation (hereinafter referred to as 'Demographic Details'). These Bank Account details would be used for giving refunds to the Applicants. Hence, Applicants are advised to immediately update their Bank Account details as appearing on the records of the depository participant. Please note that failure to do so could result in delays in dispatch/ credit of refunds to Applicants at the Applicants' sole risk and neither the Lead Manager nor the Registrar to the Issue or the Escrow Collection Banks or the SCSB nor the Company shall have any responsibility and undertake any liability for the same. Hence, Applicants should carefully fill in their Depository Account details in the Application Form. These Demographic Details would be used for all correspondence with the Applicants including mailing of the CANs / Allocation Advice and printing of Bank particulars on the refund orders or for refunds through electronic transfer of funds, as applicable. The Demographic Details given by Applicants in the Application Form would not be used for any other purpose by the Registrar to the Issue. By signing the Application Form, the Applicant would be deemed to have authorized the depositories to provide, upon request, to the Registrar to the Issue, the required Demographic Details as available on its records.

Payment by Stock Invest

In terms of the Reserve Bank of India Circular No. DBOD No. FSC BC 42/ 24.47.00/ 2003 04 dated November 5, 2003; the option to use the stock invest instrument in lieu of cheques or bank drafts for payment of Application money has been withdrawn. Hence, payment through stock invest would not be accepted in this Issue.

Other Instructions

Joint Applications in the case of Individuals

Applications may be made in single or joint names (not more than three). In the case of joint Applications, all payments will be made out in favour of the Applicant whose name appears first in the Application Form or Revision Form. All communications will be addressed to the First Applicant and will be dispatched to his or her address as per the Demographic Details received from the Depository.

Multiple Applications

An Applicant should submit only one Application (and not more than one). Two or more Applications will be deemed to be multiple Applications if the sole or First Applicant is one and the same. In this regard, the procedures which would be followed by the Registrar to the Issue to detect multiple applications are given below:

- i. All applications are electronically strung on first name, address (1st line) and applicant 's status. Further, these applications are electronically matched for common first name and address and if matched, these are checked manually for age, signature and father/ husband 's name to determine if they are multiple applications.
- ii. Applications which do not qualify as multiple applications as per above procedure are further checked for common DP ID/ beneficiary ID. In case of applications with common DP ID/ beneficiary ID, are manually checked to eliminate possibility of data entry error to determine if they are multiple applications.
- iii. Applications which do not qualify as multiple applications as per above procedure are further checked for common PAN. All such matched applications with common PAN are manually checked to eliminate possibility of data capture error to determine if they are multiple applications.

In case of a mutual fund, a separate Application can be made in respect of each scheme of the mutual fund registered with SEBI and such Applications in respect of more than one scheme of the mutual fund will not be treated as multiple Applications provided that the Applications clearly indicate the scheme concerned for which the Application has been made. In cases where there are more than 20 valid applications having a common address, such shares will be kept in abeyance, post allotment and released on confirmation of know your client norms by the depositories. The Company reserves the right to reject, in its absolute discretion, all or any multiple Applications in any or all categories.

After submitting an ASBA Application either in physical or electronic mode, an ASBA Applicant cannot apply (either in physical or electronic mode) to either the same or another Designated Branch of the SCSB Submission of a second Application in such manner will be deemed a multiple Application and would be rejected. More than one ASBA Applicant may apply for Equity Shares using the same ASBA Account, provided that the SCSBs will not accept a total of more than five Application Forms with respect to any single ASBA Account.

Duplicate copies of Application Forms downloaded and printed from the website of the Stock Exchange bearing the same application number shall be treated as multiple Applications and are liable to be rejected. The Company, in consultation with the Book Running Lead Manager reserves the right to reject, in its absolute discretion, all or any multiple Applications in any or all categories. In this regard, the procedure which would be followed by the Registrar to the Issue to detect multiple Applications is given below:

- All Applications will be checked for common PAN. For Applicants other than Mutual Funds and FII subaccounts, Applications bearing the same PAN will be treated as multiple Applications and will be rejected.
- For Applications from Mutual Funds and FII sub-accounts, submitted under the same PAN, as well as Applications on behalf of the Applicants for whom submission of PAN is not mandatory such as the Central or State Government, an official liquidator or receiver appointed by a court and residents of Sikkim, the Application Forms will be checked for common DP ID and Client ID.

Permanent Account Number or PAN

Pursuant to the circular MRD/DoP/Circ 05/2007 dated April 27, 2007, SEBI has mandated Permanent Account Number (PAN) to be the sole identification number for all participants transacting in the securities market, irrespective of the amount of the transaction w.e.f. July 2, 2007. Each of the Applicants should mention his/her PAN allotted under the IT Act. Applications without the PAN will be considered incomplete and are liable to be rejected. It is to be specifically noted that Applicants should not submit the GIR number instead of the PAN, as the Application is liable to be rejected on this ground.

Our Company/ Registrar to the Issue, Lead Manager can, however, accept the Application(s) which PAN is wrongly entered into by ASBA SCSB's in the ASBA system, without any fault on the part of Applicant.

RIGHT TO REJECT APPLICATIONS

In case of QIB Applicants, the Company in consultation with the Lead Manager may reject Applications provided that the reasons for rejecting the same shall be provided to such Applicant in writing. In case of Non-Institutional Applicants, Retail Individual Applicants who applied, the Company has a right to reject Applications based on technical grounds. It should be noted that RIIs using third party bank account for the payment in the public issue using UPI facility or using third party UPI ID linked bank account are liable to be rejected.

Grounds for Technical Rejections

Applicants are requested to note that Application may be rejected on the following additional technical grounds.

- a. Amount paid does not tally with the amount payable for the highest value of Equity Shares applied for;
- b. In case of partnership firms, Equity Shares may be registered in the names of the individual partners and no firm as such shall be entitled to apply;
- c. Application by persons not competent to contract under the Indian Contract Act, 1872 including minors, insane persons;
- d. PAN not mentioned in the Application Form;
- e. GIR number furnished instead of PAN;
- f. Applications for lower number of Equity Shares than specified for that category of investors;
- g. Applications at a price other than the Fixed Price of the Issue;
- h. Applications for number of Equity Shares which are not in multiples as stated in the chapter titled "Issue Structure";
- i. Category not ticked;
- j. Multiple Applications as defined in the Prospectus;
- k. In case of Application under power of attorney or by limited companies, corporate, trust etc., where relevant documents are not submitted;
- l. Applications accompanied by Stock invest/ money order/ postal order/ cash;
- m. Signature of sole Applicant is missing;
- n. Application Forms are not delivered by the Applicant within the time prescribed as per the Application Forms, Issue Opening Date advertisement and the Prospectus and as per the instructions in the Prospectus and the Application Forms;
- o. In case no corresponding record is available with the Depositories that matches three parameters namely, names of the Applicants (including the order of names of joint holders), the Depository Participant's identity (DP ID) and the

- beneficiary's account number;
- p. Applications for amounts greater than the maximum permissible amounts prescribed by the regulations;
- q. Applications by OCBs;
- r. Applications by US persons other than in reliance on Regulations or "qualified institutional buyers" as defined in Rule 144A under the Securities Act;
- s. Applications not duly signed;
- t. Applications by any persons outside India if not in compliance with applicable foreign and Indian laws;
- u. Applications by any person that do not comply with the securities laws of their respective jurisdictions are liable to be rejected;
- v. Applications by persons prohibited from buying, selling or dealing in the shares directly or indirectly by SEBI or any other regulatory authority;
- w. Applications by persons who are not eligible to acquire Equity Shares of the Company in terms of all applicable laws, rules, regulations, guidelines, and approvals;
- x. Applications or revisions thereof by QIB Applicants, Non-Institutional Applicants where the Application Amount is in excess of ₹2.00 Lakhs, received after 3.00 pm on the Issue Closing Date;
- y. Applications not containing the details of Bank Account and/or Depositories Account.
- z. Applications under the UPI Mechanism submitted by Retail Individual Investors using third party bank accounts or using a third party linked bank account UPI ID (subject to availability of information regarding third party account from Sponsor Bank);
- aa. Application submitted by Retail Individual Investors using the UPI Mechanism through an SCSB and/or using a Mobile App or UPI handle, not listed on the website of SEBI.

Equity Shares in Dematerialized Form with NSDL or CDSL

To enable all shareholders of the Company to have their shareholding in electronic form, the Company had signed the following tripartite agreements with the Depositories and the Registrar and Share Transfer Agent:

- a) a tripartite agreement dated March 22, 2022 with NSDL, our Company and Registrar to the Issue;
- b) a tripartite agreement dated March 17, 2022 with CDSL, our Company and Registrar to the Issue;

The Company's shares bear an ISIN No: INE0L3P01017

- a) An applicant applying for Equity Shares in demat form must have at least one beneficiary account with the Depository Participants of either NSDL or CDSL prior to making the application.
- b) The applicant must necessarily fill in the details (including the Beneficiary Account Number and Depository Participant's Identification number) appearing in the Application Form or Revision Form.
- c) Equity Shares allotted to a successful applicant will be credited in electronic form directly to the Applicant's beneficiary account (with the Depository Participant).
- d) Names in the Application Form or Revision Form should be identical to those appearing in the account details in the Depository. In case of joint holders, the names should necessarily be in the same sequence as they appear in the account details in the Depository.
- e) If incomplete or incorrect details are given under the heading 'Applicants Depository Account Details' in the Application Form or Revision Form, it is liable to be rejected.
- f) The Applicant is responsible for the correctness of his or her demographic details given in the Application Form vis-à-vis those with their Depository Participant.
- g) It may be noted that Equity Shares in electronic form can be traded only on the stock exchanges having electronic connectivity with NSDL and CDSL. The Stock Exchange where our Equity Shares are proposed to be listed has electronic connectivity with CDSL and NSDL.
- h) The trading of the Equity Shares of our Company would be only in dematerialized form.

Communications

All future communications in connection with Applications made in this Issue should be addressed to the Registrar to the Issue quoting the full name of the sole or First Applicant, Application Form number, Applicants Depository Account

Details, number of Equity Shares applied for, date of Application form, name and address of the Banker to the Issue where the Application was submitted and a copy of the acknowledgement slip.

Investors can contact the Compliance Officer or the Registrar to the Issue in case of any pre-Issue or post Issue related problems such as non-receipt of letters of allotment, credit of allotted shares in the respective beneficiary accounts, etc.

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| Hunger Choice Limited Mr. Sarfraz Taherbhai Mulla Company Secretary and Compliance Officer B-413, Empire Business Hub Opp. Shakti Farma, Science City Road, Sola Ahmedabad - 380060 Gujarat, India. Telephone: +91 7575003868 Email id: info@hungerchoice.com Website: www.hungerschoice.in | Bigshare Services Private Limited Address: Office No. S6-2, 6th Floor, Pinnacle Business Park, Next to Ahura Center, Mahakali Caves Road, Andheri East, Mumbai-400093 Tel No: +91 22-62638200 Fax No +91 22-62638299 Website: www.bigshareonline.com E-Mail: ipo@bigshareonline.com Contact Person: Mr. Aniket Chindarkar SEBI Reg. No.: INR000001385 |
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Disposal of Applications

With respect to Investors, our Company shall ensure dispatch of Allotment Advice, refund orders (except for applicants who receive refunds through electronic transfer of funds) and give benefit to the beneficiary account of Depository Participants of the Applicants and submit the documents pertaining to the Allocation to the Stock Exchange(s) on the Investor Bidding Date. In case of Applicants who receive refunds through NECS, NEFT, direct credit or RTGS, the refund instructions will be given to the clearing system within 4 Working Days from the Issue Closing Date.

Impersonation

Attention of the Applicant is specifically drawn to the provisions of Sub-section (1) of Section 38 of the Companies Act, 2013, which is reproduced below:

“Any person who:

- 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”.

Section 447 of Companies Act, 2013 deals with ‘Fraud’ and prescribed a punishment of “imprisonment for a term which shall not be less than 6 (six) months but which may extend to 10 (ten) years and shall also be liable to fine which shall not be less than the amount involved in the fraud, but which may extend to 3 (three) times the amount involved in the fraud”.

Names of entities responsible for finalising the basis of allotment in a fair and proper manner

The authorised employees of the Stock Exchange, along with the Lead Manager and the Registrar, shall ensure that the Basis of Allotment is finalised in a fair and proper manner in accordance with the procedure specified in SEBI (ICDR) Regulations.

AT PAR FACILITY

Letters of Allotment or refund orders or instructions to Self-Certified Syndicate Banks in Application Supported by Blocked Amount process. The issuer shall ensure that “at par” facility is provided for encashment of refund orders for applications other than Application Supported by Blocked Amount process.

Grounds for Refund

Non-Receipt of Listing Permission

An Issuer makes an Application to the Stock Exchange(s) for permission to deal in/list and for an official quotation of the Equity Shares. All the stock exchanges from where such permission is sought are disclosed in Draft Prospectus. The designated Stock Exchange may be as disclosed in the Prospectus with which the Basis of Allotment may be finalised.

If the permission to deal in and official quotation of the Equity Shares are not granted by any of the Stock Exchange(s), the Issuer may forthwith repay, without interest, all money received from the Applicants in pursuance of the Prospectus.

In the event that the listing of the Equity Shares does not occur in the manner described in this Draft Prospectus, the Lead Manager and Registrar to the Issue shall intimate Public Issue bank/Bankers to the Issue and Public Issue Bank/Bankers to the Issue shall transfer the funds from Public Issue account to Refund Account as per the written instruction from lead Manager and the Registrar for further payment to the beneficiary Applicants.

If such money is not repaid within four days after the Issuer becomes liable to repay it, then the Issuer and every director of the Issuer who is an officer in default may, on and from such expiry of forth days, be liable to repay the money, with interest at such rate, as prescribed under Section 73 of the Companies Act, and as disclosed in the Prospectus.

Minimum Subscription

This Issue is not restricted to any minimum subscription level. This Issue is 100% underwritten. As per section 39 of the Companies Act, 2013, if the "Stated Minimum Amount" has not been subscribed and the sum payable on application money has to be returned within such period of 30 days from the date of the Prospectus, the application money has to be returned within such period as may be prescribed. If the Issuer does not receive the subscription of 100% of the Issue through this issue document including devolvement of underwriters within Sixty Days from the date of closure of the Issue, the Issuer shall Forthwith refund the entire subscription amount received. If there is a delay beyond four days after the Issuer become liable to pay the amount, the Issuer shall pay interest prescribed under section 73 of the Companies act, 1956 (or the Company shall follow any other substitutional or additional provisions as has been or may be notified under the Companies Act, 2013)

Minimum Number of Allottees

The Issuer may ensure that the number of Allottees to whom Equity Shares may be allotted may not be less than 50 failing which the entire application monies may be refunded forthwith.

Mode of Refunds

- d) **In case of ASBA Bids:** Within 6 (six) Working Days of the Issue Closing Date, the Registrar to the Issue may give instructions to SCSBs for unblocking the amount in ASBA Account on unsuccessful Bid, for any excess amount blocked on Application, for any ASBA Bids withdrawn, rejected or unsuccessful or in the event of withdrawal or failure of the Issue.
- e) In the case of Applicant from Eligible NRIs and FPIs, refunds, if any, may generally be payable in Indian Rupees only and net of bank charges and/ or commission. If so desired, such payments in Indian Rupees may be converted into U.S. Dollars or any other freely convertible currency as may be permitted by the RBI at the rate of exchange prevailing at the time of remittance and may be dispatched by registered post. The Company may not be responsible for loss, if any, incurred by the Bidder on account of conversion of foreign currency.
- f) **In case of Investors:** Within six Working Days of the Issue Date, the Registrar to the Issue may dispatch the refund orders for all amounts payable to unsuccessful Investors. In case of Investors, the Registrar to the Issue may obtain from the depositories, the Applicant's bank account details, including the MICR code, on the basis of the DP ID, Client ID and PAN provided by the Investors in their Investor Application Forms for refunds. Accordingly, Investors are advised to immediately update their details as appearing on the records of their depositories. Failure to do so may result in delays in dispatch of refund orders or refunds through electronic transfer of funds, as applicable, and any such delay may be at the Investors' sole risk and neither the Issuer, the Registrar to the Issue, the Escrow Collection Banks, may be liable to compensate the Investors for any losses caused to them due to any such delay, or liable to pay any interest for such delay.

Mode of making refunds for Applicants other than ASBA Applicants

The payment of refund, if any, may be done through various modes as mentioned below:

- (i) **NECS** - Payment of refund may be done through NECS for Applicants having an account at any of the centers specified by the RBI. This mode of payment of refunds may be subject to availability of complete bank account details including the nine-digit MICR code of the Bidder as obtained from the Depository;
- (ii) **NEFT** - Payment of refund may be undertaken through NEFT wherever the branch of the Applicants' bank is NEFT enabled and has been assigned the Indian Financial System Code ("**IFSC**"), which can be linked to the MICR of that particular branch. The IFSC Code may be obtained from the website of RBI as at a date prior to the date of payment of refund, duly mapped with MICR numbers. Wherever the Applicants have registered their nine-digit MICR number and their bank account number while opening and operating the demat account, the same may be duly mapped with the IFSC Code of that particular bank branch and the payment of refund may be made to the Applicants through this method. In the event NEFT is not operationally feasible, the payment of refunds may be made through any one of the other modes as discussed in this section;
- (iii) **Direct Credit** - Applicants having their bank account with the Refund Banker may be eligible to receive refunds, if any, through direct credit to such bank account;
- (iv) **RTGS** - Applicants having a bank account at any of the centres notified by SEBI where clearing houses are managed by the RBI, may have the option to receive refunds, if any, through RTGS. The IFSC code shall be obtained from the demographic details. Investors should note that on the basis of PAN of the bidder, DP ID and beneficiary account number provided by them in the Bid cum Application Form, the Registrar to the Issue will obtain from the Depository the demographic details including address, Applicants account details, IFSC code, MICR code and occupation (hereinafter referred to as "Demographic Details"). The bank account details for would be used giving refunds. Hence, Applicants are advised to immediately update their bank account details as appearing on the records of the Depository Participant. Please note that failure to do so could result in delays in dispatch/ credit of refunds to Applicants at their sole risk and neither the Lead Manager or the Registrar to the Issue or the Escrow Collection Banks nor the Company shall have any responsibility and undertake any liability for the same; and
- (v) Please note that refunds, on account of our Company not receiving the minimum subscription of 90% of the Issue, shall be credited only to the bank account from which the Applicant Amount was remitted to the Escrow Bank.

For details of levy of charges, if any, for any of the above methods, Bank charges, if any, for cashing such cheques, pay orders or demand drafts at other centers etc. Applicants may refer to Draft Prospectus.

INTEREST IN CASE OF DELAY IN ALLOTMENT OR REFUND

The Issuer shall make the Allotment within the period prescribed by SEBI. The Issuer shall pay interest at the rate of 15% per annum if Allotment is not made and refund instructions have not been given to the clearing system in the disclosed manner/instructions for unblocking of funds in the ASBA Account are not dispatched within such times as maybe specified by SEBI.

Completion of Formalities for listing & Commencement of Trading

The Issuer may ensure that all steps for the completion of the necessary formalities for listing and commencement of trading at all the BSE Limited are taken within 6 Working Days of the Issue Closing Date. The Registrar to the Issue may give instruction for credit of Equity Shares to the beneficiary account with DPs, and dispatch the allotment Advise within 6 Working Days of the Issue Closing Date.

BASIS OF ALLOTMENT

Allotment will be made in consultation with Stock Exchange (The Designated Stock Exchange). In the event of oversubscription, the allotment will be made on a proportionate basis in marketable lots as set forth here:

1. The total number of Shares to be allocated to each category as a whole shall be arrived at on a proportionate basis i.e., the total number of Shares applied for in that category multiplied by the inverse of the over subscription ratio (number of applicants in the category x number of Shares applied for).
2. The number of Shares to be allocated to the successful applicants will be arrived at on a proportionate basis in marketable lots (i.e., Total number of Shares applied for into the inverse of the over subscription ratio).
3. For applications where the proportionate allotment works out to less than [●] Equity Shares the allotment will be made as follows:

- a. Each successful applicant shall be allotted [●] Equity Shares ; and
 - b. The successful applicants out of the total applicants for that category shall be determined by the draw of lots in such a manner that the total number of Shares allotted in that category is equal to the number of Shares worked out as per (2) above.
4. If the proportionate allotment to an applicant works out to a number that is not a multiple of [●] Equity Shares , the applicant would be allotted Shares by rounding off to the lower nearest multiple of [●] Equity Shares subject to a minimum allotment of [●] Equity Shares.
 5. If the Shares allocated on a proportionate basis to any category is more than the Shares allotted to the applicants in that category, the balance available Shares for allocation shall be first adjusted against any category, where the allotted Shares are not sufficient for proportionate allotment to the successful applicants in that category, the balance Shares, if any, remaining after such adjustment will be added to the category comprising of applicants applying for the minimum number of Shares. If as a result of the process of rounding off to the lower nearest multiple of [●] Equity Shares, results in the actual allotment being higher than the Equity Shares issued, the final allotment may be higher at the sole discretion of the Board of Directors, up to 110% of the size of the offer specified under the Capital Structure mentioned in the Draft Prospectus.
 6. Since present issue is a fixed price issue, the allocation in the net offer to the public category in terms of Regulation 253 of the SEBI (ICDR) Regulations shall be made as follows:
 - a. A minimum of 50% of the net issue of Equity Shares to the Public shall initially be made available for allotment to retail individual investors as the case may be.
 - b. The balance net issue of Equity Shares to the public shall be made available for allotment to a) individual applicants other than retails individual investors and b) other investors, including Corporate Bodies/ Institutions irrespective of number of shares applied for.
 - c. The unsubscribed portion of the net to any one of the categories specified in (a) or (b) shall/may be made available for allocation to applicants in the other category, if so required.

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

Please note that the Allotment to each Retail Individual Investor shall not be less than the minimum application lot, subject to availability of Equity Shares in the Retail portion. The remaining available Equity Shares, if any in Retail portion shall be allotted on a proportionate basis to Retail individual Investor in the manner in this para titled 'Basis of Allotment' of this Draft Prospectus.

'Retail Individual Investor' means an investor who applies for shares of value of not more than Rs.2,00,000/- Investors may note that in case of over subscription allotment shall be on proportionate basis and will be finalized in consultation with the Stock Exchange.

Basis of Allotment in the event of Under subscription

In the event of under subscription in the Issue, the obligations of the Underwriters shall get triggered in terms of the Underwriting Agreement. The Minimum subscription of 100% of the Issue size which shall be achieved before our company proceeds to get the basis of allotment approved by the Designated Stock Exchange.

The Executive Director/Managing Director of the Stock Exchange in addition to Lead Manager and Registrar to the Public Issue shall be responsible to ensure that the basis of allotment is finalized in a fair and proper manner in accordance with the SEBI (ICDR) Regulations.

There is no reservation for Non-Residents, NRIs, FPIs and foreign venture capital funds and all Non-Residents, NRI, FPI and Foreign Venture Capital Funds applicants will be treated on the same basis with other categories for the purpose of allocation.

Undertaking by our Company

Our Company undertakes the following:

1. That the complaints received in respect of this Issue shall be attended to by our Company expeditiously and satisfactorily;

2. That all steps will be taken for the completion of the necessary formalities for listing and commencement of trading at the Stock Exchange where the Equity Shares are proposed to be listed within 6 (Six) working days of closure of the Issue;
3. that funds required for making refunds to unsuccessful applicants as per the mode(s) disclosed shall be made available to the Registrar to the Issue by us;
4. that the instruction for electronic credit of Equity Shares/ refund orders/intimation about the refund to non-resident Indians shall be completed within specified time; and
5. that no further issue of Equity Shares shall be made till the Equity Shares offered through the Draft Prospectus are listed or until the Application monies are refunded on account of non-listing, under subscription etc.
6. that Company shall not have recourse to the Issue proceeds until the approval for trading of the Equity Shares from the Stock Exchange where listing is sought has been received.
7. That if our Company does not proceed with the Issue after the Issue Closing Date, the reason thereof shall be given as a public notice which will be issued by our Company within two (2) days of the Issue Closing Date. The public notice shall be issued in the same newspapers where the pre-Issue advertisements were published. Stock Exchange on which the Equity Shares are proposed to be listed shall also be informed promptly;
8. The Equity Shares proposed to be issued by it in the Issue shall be allotted and credited to the successful applicants within the specified time in accordance with the instruction of the Registrar to the Issue;
9. If the Allotment is not made, application monies will be refunded/unblocked in the ASBA Accounts within fifteen (15) days from the Issue Closing Date or such lesser time as specified by SEBI, failing which interest will be due to be paid to the Applicants at the rate of 15% per annum for the delayed period
10. That if our Company withdraws the Issue after the Issue Closing Date, our Company shall be required to file a fresh draft prospectus with Stock Exchange/ RoC/ SEBI, in the event our Company subsequently decides to proceed with the Issue;
11. That the Promoters' contribution in full, if required, shall be brought in advance before the Issue opens for subscription and the balance, if any, shall be brought on a pro rata basis before the calls are made on Applicants in accordance with applicable provisions under SEBI (ICDR) Regulations;
12. That funds required for making refunds to unsuccessful applicants as per the mode(s) disclosed shall be made available to the Registrar to the Issue by our Company;
13. That adequate arrangements shall be made to collect all Applications Supported by Blocked Amount and to consider them similar to non-ASBA applications while finalizing the basis of Allotment; and
14. That it shall comply with such disclosure and account norms specified by SEBI from time to time

Utilization of Issue Proceeds

Our Board certifies that:

- 1) All monies received out of the Issue shall be credited/ transferred to a separate bank account other than the bank account referred to in sub section (3) of Section 40 of the Companies Act; 2013
- 2) Details of all monies utilized out of the Issue shall be disclosed and continue to be disclosed till any part of the issue proceeds remains unutilized under an appropriate separate head in the Company's balance sheet indicating the purpose for which such monies have been utilized;
- 3) Details of all unutilized monies out of the Issue, if any shall be disclosed under an appropriate head in the balance sheet indicating the form in which such unutilized monies have been invested and
- 4) Our Company shall comply with the requirements of section SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 and pursuant to section 177 of the Company's Act, 2013 in relation to the disclosure and monitoring of the utilization of the proceeds of the Issue respectively.
- 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.

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, from time to time, has made policy pronouncements on Foreign Direct Investment ("FDI") through press notes and press releases. The DIPP, has issued consolidated FDI Policy Circular of 2020 ("FDI Policy 2020"), effective from October 15, 2020, which consolidates and supersedes all previous press notes, press releases and clarifications on FDI Policy issued by the DIPP that were in force. The Government proposes to update the consolidated circular on FDI policy once every year and therefore, FDI Policy 2020 will be valid until the DIPP issues an updated circular.

The RBI also issues Master Circular on Foreign Investment in India every year. Presently, FDI in India is being governed by Master Circular on Foreign Investment dated July 01, 2015 as updated from time to time by RBI and Master Direction – Foreign Investment in India (updated upto March 08, 2019). In terms of the Master Circular, an Indian company may issue fresh shares to people resident outside India (who is eligible to make investments in India, for which eligibility criteria are as prescribed). Such fresh issue of shares shall be subject to inter-alia, the pricing guidelines prescribed under the Master Circular and Master Direction. The Indian company making such fresh issue of shares would be subject to the reporting requirements, inter-alia with respect to consideration for issue of shares and also subject to making certain filings including filing of Form FC-GPR.

In case of investment in sectors through Government Route, approval from competent authority as mentioned in Chapter 4 of the FDI Policy 2020 has to be obtained.

The transfer of shares between an Indian resident to a non-resident does not require the prior approval of the RBI, subject to fulfilment of certain conditions as specified by DIPP / RBI, from time to time.

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 and amendments from time to time thereupon, 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 Schedule 1, 2, 3, 6, 7, 8, 9, 10 and 11 of FEMA (Transfer or Issue of Security by Persons Resident outside India) Regulations, 2017 as amended from time to time. 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 recognized 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 Schedule 3 of the FEMA (Transfer or Issue of security by a person resident outside India) Regulations, 2017 as amended from time to time. 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, schedule 4 of FEMA (Transfer or Issue of Security by Persons Resident outside India) Regulations – 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.

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 Lead Manager are not liable for any amendments or modification or changes in applicable laws or regulations, which may occur after the date of the Draft 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 X – DESCRIPTION OF EQUITY SHARES AND TERMS OF ARTICLES OF ASSOCIATION

MAIN PROVISIONS OF ARTICLES OF ASSOCIATION OF HUNGER CHOICE LIMITED

| Title of Article | Article Number | Content |
|-------------------------|-----------------------|---|
| PRELIMINARY | 1 | Subject as hereinafter provided the Regulations contained in Table 'F' in the First Schedule to the Companies Act, 2013 shall apply to the Company except in so far as otherwise expressly incorporated herein below. |
| INTERPRETATION | | |
| | 2 | <p>In these Articles, the following words or expressions shall have the meanings set out herein below:</p> <p>(a) “Act” means the Companies Act, 2013 or any other Act / Law for the time being in force and applicable.</p> <p>(b) “Affiliate” of a shareholder shall mean:</p> <p>(i) in the case of any shareholder other than a natural person, any other Person that, either directly or indirectly through one or more intermediate Persons, Controls, is Controlled by or is under common Control with such shareholder;</p> <p>(ii) in the case of any shareholder that is a natural person, any other Person who is a Relative of such shareholder.</p> <p>(c) “Annual General Meeting” shall mean the annual general meeting of the Company.</p> <p>(d) “Approvals” shall mean any permission, approval, consent, licence, order, decree, authorisation, authentication of, or registration, qualification, designation, declaration or filing with or notification, exemption or ruling to or from any Governmental Authority required under any statute or regulation for the performance of their obligations under these Articles.</p> <p>(e) “Articles” shall mean these Articles of Association of Company as amended from time to time.</p> <p>(f) “Board” shall mean the collective body of the directors of the company.</p> <p>(g) “Business” shall mean</p> <p>i) Such Business activities as specified under object clause of MOA.</p> <p>ii) Such other business (es) undertaken by the Company and the subsidiaries with the consent of the shareholders of the respective company.</p> <p>(h) “Business Day” shall mean a day other than Sunday and on which banks are open for normal banking business in India.</p> <p>(i) “Company” shall mean HUNGER CHOICE LIMITED</p> <p>(j) “Control” shall include the right to appoint majority of the directors or to control the management or policy decisions exercisable by a person or persons acting individually or in concert, directly or indirectly, including by virtue of their shareholding or management rights or shareholders’ agreements or voting agreements or in any other manner.</p> <p>(k) “Director” shall mean a director appointed to the Board of the Company (including any duly appointed alternate director).</p> <p>(l) “Dividend” shall include any interim dividend.</p> <p>(m) “Encumbrance” shall mean (i) any mortgage, charge (whether fixed or floating), pledge, lien, hypothecation, assignment, deed of trust, title retention, security interest or other encumbrance of any kind securing or conferring any priority of payment in respect of any obligation of any Person, including any right granted by a transaction which, in legal terms, is not the granting of security but which has an economic or financial effect similar to the granting of security under applicable law, (ii) any proxy for exercising voting rights issued to third parties, power of attorney issued to third parties for transferring and/or exercising any rights, voting trust agreement, interest, option, right of first offer, refusal or transfer restriction in favour of any Person and (iii) any adverse claim as to title, possession or use.</p> <p>(n) “Equity Shares” shall mean the equity shares of the Company currently having a par value of Rs. 10/- per equity share in the Equity Share Capital.</p> <p>(o) “Extra-ordinary General Meeting” shall mean a meeting other than an Annual General Meeting.</p> <p>(p) “Financial Year” shall mean the financial year of the Company which ends on</p> |

| Title of Article | Article Number | Content |
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| | | <p>March 31 of each year.</p> <p>(q) “Fully Diluted Basis” shall mean that the calculation is to be made assuming that all outstanding convertible securities and stock options (whether or not by their terms then currently convertible, exercisable or exchangeable) have been so converted, exercised or exchanged.</p> <p>(r) “Governmental Authority” shall mean any governmental or statutory authority, government department, agency, commission, board, tribunal or court or other entity authorised to make laws, rules or regulations or pass directions having or purporting to have jurisdiction on any State or other subdivision thereof or any municipality, district or other subdivision thereof having jurisdiction pursuant to the Laws of India.</p> <p>(s) “India” shall mean the Republic of India.</p> <p>(t) “Intellectual Property” shall mean all patents, trademarks, service marks, logos, registered designs, domain names and utility models, copyrights, inventions, brand names, database rights, know-how, programming and business names and any similar rights situate in any country and the benefit (subject to the burden) of any of the foregoing (in each case whether registered or unregistered and including applications for the grant of any of the foregoing and the right to apply for any of the foregoing in any part of the world).</p> <p>(u) “Law” or “Laws” shall mean and include all applicable statutes, enactments, acts of legislature or parliament, laws, ordinances, rules, by-laws, regulations, notifications, guidelines, policies, directions, directives and orders of any Governmental Authority, tribunal, board, court or recognised stock exchange/s in India.</p> <p>(v) “Managing Director” means a director who, by virtue of articles of a company or an agreement with company or a resolution passed in its general meeting, or by its Board of Directors, is entrusted with substantial powers of management of affairs of the company and includes a director occupying the position of managing director, by whatever name called.</p> <p>(w) “Month” shall mean a calendar month.</p> <p>(x) “Office” shall mean the registered office of the Company for the time being.</p> <p>(y) “Person” shall mean any natural person, firm, company, joint venture, association, partnership or other entity (whether or not having separate legal personality).</p> <p>(z) “Proxy” means an instrument whereby any person is authorised to vote for a shareholder at a Shareholders’ Meeting on a poll and includes an attorney duly constituted under a power of attorney.</p> <p>(aa) “RBI” shall mean the Reserve Bank of India.</p> <p>(bb) “Relative”, with reference to any person, means anyone who is related to another, if</p> <p>(i) they are members of a Hindu Undivided Family;</p> <p>(ii) they are husband and wife; or</p> <p>(iii) one person is related to the other as per Rule 4 of the Companies (Specification of Definitions Details) Rules, 2014.</p> <p>(cc) “Rs.” or “Rupees” shall mean Rupees, the lawful currency of India.</p> <p>(dd) “SEBI” shall mean the Securities and Exchange Board of India.</p> <p>(ee) “SEBI Takeover Regulations” shall mean the Securities and Exchange Board of India (Substantial Acquisition of Shares and Takeovers) Regulations, 2011, as amended from time to time.</p> <p>(ff) “Securities” shall mean the Equity Shares or any securities of the Company convertible into Equity Shares, including any partially or fully convertible debentures or any warrants, options, coupons or instruments which may enable the holder thereof to acquire Equity Shares and/or any voting rights in the Company.</p> <p>(gg) “Share capital” shall mean the fully paid-up Equity Share capital and Preference Share Capital of the Company.</p> <p>(hh) “Shareholders’ Meeting” or “General Meeting” means the Annual General Meeting and the Extra-Ordinary General Meeting.</p> <p>(ii) “Seal” means the Common Seal for the time being of the Company.</p> <p>(jj) “Subsidiary Company” or “Subsidiary” shall have the meaning ascribed thereto in Section 2(87) of the Companies Act, 2013 and Rule 2(1)(r) of the Companies</p> |

| Title of Article | Article Number | Content |
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| | | <p>(Specification of Definition Details) Rules, 2014.</p> <p>(kk) "Transfer" shall mean and include any direct or indirect sale, assignment, lease, transfer, pledge, gift, Encumbrance or other disposition of or the subjecting to an Encumbrance of, any property, asset, rights or privilege or any interest therein or thereto.</p> <p>2.2 Reference to a shareholder shall, where the context permits, includes such shareholder's respective successors, legal representatives and permitted assigns and in the case of individuals will include their legal representatives, heirs and permitted assigns.</p> <p>2.3 The headings or interpretations are inserted for convenience only and shall not affect the construction of these Articles.</p> <p>2.4 Unless the context otherwise requires, words importing the singular include plural & vice versa, pronouns importing a gender include each of masculine, feminine & neuter genders.</p> <p>2.5 The terms "hereof", "herein", "hereby", "hereto" and derivative or similar words refer to these Articles or specified clauses of these Articles, as the case may be.</p> <p>2.6 Reference to statutory provisions shall be construed as meaning and including reference also to any amendment or re-enactment (whether before or after the date of these Articles) for the time being in force and to all statutory instruments or orders made pursuant to such statutory provisions.</p> <p>2.7 Reference to the word "include" shall be construed without limitation.</p> <p>2.8 The words "directly or indirectly" mean directly or indirectly through one or more intermediary persons or through contractual or other legal arrangements, and "direct or indirect" shall have the correlative meanings.</p> <p>2.9 The Marginal notes thereto shall not affect the construction thereof.</p> |
| SHARE CAPITAL AND VARIATION OF RIGHTS | | |
| SHARE CAPITAL | 3. | <p>3.1. The Authorised Share Capital of the Company shall be Rs. 3,00,00,000/- (Rupees Three Crores Only) divided into 30,00,000 (Thirty Lakh only) Equity Shares of Rs. 10/- each, with power to increase or reduce or modify the Share Capital and to divide the Securities for the time being of the Company into several classes and attach thereto preferential, deferred, qualified or special rights or conditions, as may be determined by or in accordance with these Articles and subject to applicable legislative provisions for the time being in force, and to vary, modify or abrogate any such rights, privileges or conditions in such manner as may for the time being be provided for by these Articles and subject to applicable legislative provisions for the time being in force.</p> <p>3.2. Subject to the provisions of these Articles, the Company may, by special resolution, reduce in any manner and with, and subject to, any incident authorised and consent required by law, its Share Capital, any capital redemption reserve account or any share premium account.</p> <p>3.3. The Securities shall be numbered progressively according to their several denominations and except in the manner hereinbefore mentioned, no security shall be sub-divided. Every forfeited or surrendered security shall continue to bear the number by which the same was originally distinguished.</p> <p>3.4. None of the funds of the Company shall be applied in the purchase of any Securities and it shall not give any financial assistance for or in connection with the purchase or subscription of any shares in the Company or in its holding company save as provided by Section 67 of the Companies Act, 2013 and these Articles.</p> |
| INCREASE OF SHARE CAPITAL BY THE COMPANY | 4. | <p>4.1. Subject to the provisions of these Articles, the Company at a Shareholders' Meeting may, from time to time, increase the Share Capital by creation of new Equity Shares. Such increase shall be of such aggregate amount and to be divided into Equity Shares of such respective amounts as the resolution shall prescribe.</p> <p>4.2. Subject to the provisions of the Act and the other provisions of these Articles, any Equity Share of the original or increased Share Capital shall be issued upon such terms and conditions and with such rights and privileges annexed thereto, as the Shareholders Meeting resolving upon the creation thereof, shall direct and if no direction be given, as the Directors shall determine and in particular, such Equity Shares may be issued with a preferential or qualified right to dividends and in the</p> |

| Title of Article | Article Number | Content |
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| | | <p>distribution of assets of the Company and with, and if the Act allows without, a right of voting at a Shareholders' Meeting in conformity with Sections 47 and 48 of the Companies Act, 2013. Whenever the Share Capital of the Company has been increased under the provisions of these Articles, the Directors shall comply with the provisions of Section 64 of the Companies Act, 2013 and these Articles.</p> <p>4.3. Where at any time Company proposes to increase the subscribed capital of the Company by issue of further shares, such further shares shall be offered: to the persons who, at the date of the offer, are holders of the equity shares of the Company in proportion, as nearly as circumstances admit, to the paid-up share capital on those shares by sending a letter of offer subject to the fulfillment of following conditions -;</p> <p>(a) the offer aforesaid shall be made by a notice specifying the number of shares offered and limiting a time not being less than fifteen (15) days and not exceeding thirty (30) days from the date of the offer within which the offer, if not accepted, will be deemed to have been declined;</p> <p>(b) unless otherwise provided in these Articles, the offer aforesaid shall be deemed to include a right exercisable by the person concerned to renounce the shares offered to him or any of them in favour of any other person and the notice referred to in Sub-clause (a) shall contain a statement of this right;</p> <p>(c) after the expiry of the time specified in the notice aforesaid or on receipt of earlier intimation from the person to whom such notice is given that he declines to accept the shares offered, the Board of Directors may dispose of them in such manner which is not disadvantageous to the shareholders and to the Company.</p> <p>4.4. The Company proposes to increase its subscribed capital by issue of further shares to employees under a scheme of employees' stock option subject to approval of special resolution passed by the Company and subject to conditions prescribed in Companies (Share Capital and Debentures) Rules, 2014.</p> <p>4.5. Issue of Sweat Equity Shares Subject to provisions of Companies Act 2013, read with Companies (Share Capital and Debentures) Rules, 2014, the Company may issue Sweat Equity Shares on such terms and in such manner as the Board may determine.</p> <p>4.6. Notwithstanding anything contained in Article 4.3 above, the further shares as aforesaid may be offered to any persons (whether or not those persons include the persons referred to in Article 4.3 hereof) either for cash or for a consideration other than cash, if the price of such shares is determined by the valuation report of a registered valuer subject to such conditions prescribed in Companies (Share Capital and Debentures) Rules, 2014.</p> <p>4.7. Nothing in Sub-clause (c) of Article 4.3 hereof shall be deemed: (a) to extend the time within which the offer should be accepted; or (b) to authorize any person to exercise the right of renunciation for a second time on the ground that the person in whose favour the renunciation was first made has declined to take the shares comprised in the renunciation.</p> <p>4.8. Nothing in these Articles shall apply to the increase of the subscribed capital of the Company caused by the exercise of an option as a term attached to the debentures issued or loans raised by the Company to convert such debentures or loans into shares in the Company, Provided that the terms of issue of such debentures or loan containing such an option have been approved before the issue of such debentures or the raising of loan by a special resolution passed by the Company in general meeting.</p> |
| ALTERATION OF CAPITAL | 5. | <p>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. Subject to provisions of section 61 of the Act, the Company may, by ordinary resolution, — a) consolidate and divide all or any of its share capital into shares of larger amount</p> |

| Title of Article | Article Number | Content |
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| | | <p>than its existing shares;</p> <p>b) convert all or any of its fully paid-up shares into stock, and reconvert that stock into fully paid-up shares of any denomination;</p> <p>c) sub-divide its existing shares or any of them into shares of smaller amount than is fixed by the memorandum;</p> <p>d) 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.</p> |
| SHARE WARRANTS | 6. | <p>The Company may issue share warrants subject to, and in accordance with, the provisions of the Act, and accordingly the Board may in its discretion, with respect to any share which is fully paid-up, on application in writing signed by the person registered as holder of the share, and authenticated by such evidence (if any) of the share and the amount of the stamp duty on the warrant and such fee as the Board may from time to time require, issue of a share warrant.</p> <p>The bearer of a share warrant may at any time, deposit the warrant in the office of the Company and so long as the warrant remains so deposited, the depositor shall have the same right of signing a requisition for calling a meeting of the Company, and of attending and voting and exercising the other privileges of a member at any meeting held after the expiry of two days from the time of deposit, as if his name were inserted in the register of members as the holder of the shares including in the deposited warrants. Not more than one person shall be recognized as depositor of the share warrant.</p> <p>The Company shall, on two days' written notice, return the deposited share warrants to the depositor.</p> <p>Subject herein otherwise expressly provided, no person shall, as bearer of a share warrant, sign a requisition for calling a member of the Company or attend or vote or exercise any other privilege of a member at a meeting of the Company, or be entitled to receive any notice from the Company.</p> <p>The bearer of share warrant shall be entitled in all other respects to the same privileges and advantages as if he were named in the register of members as the holders of shares included in the warrant, and he shall be a member of the Company.</p> <p>The Board may from time to time, make rules as to the terms on which (if it shall think fit) a new share warrant of coupon may be issued by way of renewal in case of defacement, loss or destruction.</p> |
| ISSUE OF DEBENTURES | 7. | <p>The Company shall have powers to issue any debentures, debenture-stock or other securities at Par, discount, premium or otherwise and may be issued on condition that they shall be convertible into shares of any denomination and with any privileges and conditions as to redemption, surrender, drawing, allotment of shares, attending the General Meetings (but not voting on any business to be conducted), appointment of Directors on Board and otherwise Debentures with the right to conversion into or allotment of shares shall be issued only with the consent of the company in the General Meeting by a Special Resolution.</p> |
| BUY-BACK OF SHARES | 8. | <p>Notwithstanding anything contained in these articles but subject to the provisions of sections 68 to 70 of the Companies Act, 2013 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.</p> |
| LIMITATION OF TIME FOR ISSUE OF CERTIFICATES: | 9. | <p>Every member shall be entitled without payment to one or more certificates in marketable lots for all the shares of each class or denomination registered in his name or if the Directors so approve (upon paying such fee as the Directors so determine) to several certificates each for one or more of such shares and the Company shall complete and have ready for delivery such certificates within two (2) months from the date of allotment, unless the conditions of issue thereof otherwise provide, or within one (1) month of the receipt of application of registration of transfer or transmission, subdivision, consolidation or renewal of any of its shares, as the case may be. Every certificate of shares shall be under the</p> |

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| | | <p>seal of the Company which shall be affixed in the presence of two directors or persons acting on behalf of the Directors under duly registered power of attorney and the secretary or some other person appointed by the Board for the purpose and two Directors or their attorney and the Secretary or other person shall sign the share certificate provided that if the composition of the Board so permits, at least one of the aforesaid two Directors shall be a person other than a Managing Director or Whole-time director. Every share certificate shall specify the number and distinctive number of shares in respect of which it is issued and amount paid-up thereon and shall be in such form as the Directors may prescribe and approve, provided that in respect of a share or shares held jointly by several persons, the Company shall not be bound to issue more than one certificate and delivery of a certificate of shares to one or several joint holders shall be a sufficient delivery to all such holders. Particulars of every certificate issued shall be entered in the Register of Members against the name of the person to whom it has been issued indicating the date of issue.</p> |
| NEW CAPITAL SAME AS EXISTING CAPITAL | 10. | <p>10.1. Except so far as otherwise provided by the conditions of issue or by these Articles, any Share Capital raised by the creation of new Equity Shares shall be considered as part of the existing Share Capital and shall be subject to the provisions contained in these Articles with reference to the payment of calls and installments, forfeiture, lien, surrender, transfer and transmission, voting and otherwise.</p> <p>10.2. The Board shall observe the restriction as to allotment of Equity Shares to the public contained in and shall file the return as to allotment provided for in Section 39 of the Companies Act, 2013 and Companies (Prospectus and Allotment of Securities) Rules, 2014.</p> |
| ACCEPTANCE OF EQUITY SHARES | 11. | <p>Any application signed by or on behalf of any applicant for Equity Shares followed by an allotment of Equity Shares shall be an acceptance of Equity Shares within the meaning of these Articles; and every Person who accepts any Equity Shares and whose name is on the Register of members shall, for the purpose of these Articles be a shareholder</p> |
| DEPOSIT AND CALL ON EQUITY SHARES | 12. | <p>12.1. The money (if any) which the Board shall, on the allotment of any Equity Shares being made by them, require or direct to be paid by way of deposit, call or otherwise in respect of any Equity Shares allotted by them, shall immediately on the inscription of the name of the allottee in the register of members as the holder of such Equity Shares become a debt due to and recoverable by the Company from the allottee thereof and shall be paid by the holder accordingly.</p> <p>12.2. Every shareholder or his heirs, executors or administrators shall pay to the Company the portion of the capital represented by his share or shares which may for the time being remain unpaid thereon, in such amounts, at such time or times and in such manner as the Board shall, from time to time, in accordance with the Company's regulations, require or fix for the payment thereof.</p> |
| PAYMENT IN ANTICIPATION OF CALL MAY CARRY INTEREST | 13. | <p>13.1. The Directors may, if they think fit, subject to the provisions of Section 50 of the Companies Act 2013 agree to and receive from any member, willing to advance the same, whole or any part of the moneys due upon the shares held by him beyond the sums actually called for, and upon the amount so paid or satisfied in advance, or so much thereof as from time to time exceeds the amount of the calls then made upon the shares in respect of which such advance has been made, the Company may pay interest at such rate, as the member paying such sum in advance and the Directors agree upon provided that money paid in advance of calls shall not confer a right to participate in profits or dividend. The Directors may at any time repay the amount so advanced. The members shall not be entitled to any voting rights in respect of the moneys so paid by him until the same would, but for such payment, become presently payable.</p> <p>13.2. The provisions of these Articles shall mutatis mutandis apply to the calls on debentures of the Company</p> |

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| SHARES AT THE DISPOSAL OF THE DIRECTORS | 14. | Subject to the provisions of Section 62 of the Companies Act 2013, Companies (Share Capital and Debentures) Rules, 2014 and these Articles, the shares in the capital of the Company for the time being shall be under the control of the Directors who may issue, allot or otherwise dispose of the same or any of them to such person, in such proportion and on such terms and conditions and either at a premium or at par or at such time as they may from time to time think fit and with sanction of the Company in the General Meeting to give to any person or persons the option or right to call for any shares either at par or premium during such time and for such consideration, as the Directors think fit, and may issue and allot shares in the capital of the Company on payment in full or part of any property sold and transferred or for any services rendered to the Company in the conduct of its business and any shares which may so be allotted may be issued as fully paid-up shares and if so issued, shall be deemed to be fully paid shares. Provided that option or right to call for shares shall not be given to any person or persons without the sanction of the Company in the General Meeting. |
| POWER TO PAY COMMISSION IN CONNECTION WITH THE SECURITIES ISSUED | 15. | <p>15.1. 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.</p> <p>15.2. 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.</p> <p>15.3. 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.</p> |
| VARIATIONS OF SHAREHOLDER'S RIGHTS | 16. | <p>16.1. 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.</p> <p>16.2. 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.</p> <p>16.3. 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.</p> |
| PREFERENCE SHARES | 17. | <p>17.1. Subject to the provisions of these Articles and Sections 43, 55 and other applicable provisions of the Companies Act 2013, the Company shall have power to issue preference shares which are, at the option of the Company, liable to be redeemed and the resolution authorizing such issue shall prescribe the manner, terms and conditions of redemption thereof.</p> <p>17.2. Upon the issue of redeemable preference shares under the provisions of Article 17.1, the following provisions shall apply:</p> <p>(a) no such preference shares shall be redeemed except out of the profits of the company which would otherwise be available for dividend or out of the proceeds of a fresh issue of shares made for the purpose of the redemption;</p> <p>(b) no such preference shares shall be redeemed unless they are fully paid;</p> <p>(c) the premium, if any, payable on redemption must have been provided for out of the profits of the Company or the Company's share premium account before the shares are redeemed;</p> <p>(d) where any such preference shares are redeemed otherwise than out of the proceeds of a fresh issue, there shall, out of profits which would otherwise have been available for dividend, be transferred to a reserve fund, to be called the "Capital Redemption Reserve Account", a sum equal to the nominal amount of the preference shares redeemed and the provisions of the Act relating to reduction of the share capital of the Company shall, except as provided in Section 55 of the</p> |

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| | | Companies Act, 2013 apply as if the Capital Redemption Reserve Account were paid-up share capital of the Company |
| SHARE CERTIFICATES | | |
| SHARE CERTIFICATES | 18. | <p>18.1. The certificates of title to Securities and duplicate thereof, when necessary, shall be issued under the Seal of the Company.</p> <p>18.2. Every person holding the Securities of the Company shall be entitled to one certificate for all the Securities registered in his name or, if the Directors so approve, to several certificates each for one or more of such Securities but in respect of each additional certificate, there shall be paid to the Company a fee of Rs. 20/- or such less sum as Directors may determine. Every certificate shall specify the number denoting numbers of the Securities in respect of which it is issued and the amount paid-up thereon. The Directors may, in any case or generally, waive the charging of such fees.</p> <p>18.3. If any certificate be worn out or defaced, then, upon production thereof to the Directors, they may order the same to be cancelled and may issue a new certificate in lieu thereof and if any certificate be lost or destroyed, then, upon proof thereof to the satisfaction of the Directors and on such indemnity as the Directors deem adequate being given, a new certificate in lieu thereof shall be given to the registered holder of the shares to which such lost or destroyed certificate shall relate; Provided That twenty rupees shall be charged for issue of new certificates in replacement of those which are old, defaced or worn out or where there is no further space on the back thereof for endorsement of transfer.</p> <p>18.4. Provided that, notwithstanding what is stated above, the Directors shall comply with rules or regulation or requirements of any Stock Exchange or the rules made under the Act or rules made under Securities Contracts (Regulation) Act, 1956 or any other Act, or rules applicable thereof in this behalf</p> |
| SHAREHOLDERS AND JOINT HOLDERS | 19. | <p>19.1. Except as required by law or ordered by a court of competent jurisdiction, no person shall be recognized by the Company as holding any Securities upon any trust and the Company shall not be bound by or be compelled in any way to recognize (even when having notice thereof) any benami, equitable, contingent, future or partial interest in any Securities or any interest in any fractional part of a Security (except only by these presents or by law otherwise provided) or any other rights in respect of any Security except in an absolute right to the entirety thereof in the registered holder.</p> <p>19.2. Where two or more persons are registered as holders of any Securities, they shall be deemed to hold the same as joint holders with benefits of survivorship subject to the following and other provisions contained in these Articles:</p> <p>(a) Securities may be registered in the name of any Person but not more than four Persons shall be registered jointly as a shareholder in respect of any Equity Shares;</p> <p>(b) the certificates of Securities registered in the names of two or more Persons shall be delivered to the Person first named on the Register;</p> <p>(c) the joint holders of a Security shall be jointly and severally liable to pay all calls in respect thereof;</p> <p>(d) if any Security stands in the names of two or more Persons, the Person first named in the register shall, as regards receipt of share certificates, dividends or bonus or service of notices and all or any other matter connected with the Company except voting at meetings and the transfer of the shares, be deemed the sole holder thereof but the joint holders of a Security shall be severally as well as jointly be liable for the payment of all installments and calls due in respect of such Security and for all incidents thereof according to the Company's regulations;</p> |

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| | | <p>(e) in the case of death of any one or more of the Persons named in the register of members as the joint holders of any Security, the survivors shall be the only persons recognized by the Company as having any title to or interest in such Security but nothing herein contained shall be taken to release the estate of a deceased joint holder from any liability on Securities held by him jointly with any other Person;</p> <p>(f) if there be joint registered holders of any Securities, any one of such Persons may vote at any meeting either personally or by proxy in respect of such Securities as if it were solely entitled thereto, provided that if more than one of such joint holders be present at any meeting either personally or by proxy, then one of the said Persons so present whose name stands higher on the register of members shall alone be entitled to vote in respect of such Securities but the other or others of the joint holders shall be entitled to be present at the meeting. Several executors or administrators of a deceased shareholder in whose name the Securities stand shall, for the purpose of these Articles, be deemed joint holders thereof;</p> <p>(g) a document or notice may be served or given by the Company on or to the joint holders of a Security by serving or giving the document or notice on or to the joint holder named first in the register of members in respect of the Security.</p> |
| FORFEITURE AND LIEN | | |
| FORFEITURE AND LIEN | 20. | <p>20.1. If any shareholder fails to pay any call or installment on or before the day appointed for the payment of the same, the Directors may at any time thereafter during such time as the call or installment remains unpaid, serve a notice on such shareholder requiring him to pay the same together with any interest that may have accrued and all expenses that may have been incurred by the Company by reason of such non-payment.</p> <p>20.2. The notice shall name a day (not being less than fourteen (14) days from the date of the notice) and a place on and at which such call or installment and such interest and expenses as aforesaid are to be paid. The notice shall also state that in the event of non-payment of at or before the time and at the place appointed, the Securities in respect of which such call was made or installment is payable will be liable to be forfeited.</p> <p>20.3. If the requisition of any such notice as aforesaid be not complied with, any Securities in respect of which such notice has been given may, at any time thereafter before payment of all calls or installments, interests, and expenses due in respect thereof, be forfeited by a resolution of the Directors to the effect such forfeiture shall include all dividends declared in respect of the forfeited Securities and not actually paid before the forfeiture.</p> <p>20.4. When any Security shall have been so forfeited, notice of the forfeiture shall be given to the shareholder in whose name it stood immediately prior to the forfeiture and an entry of the forfeiture with the date thereof shall forthwith be made in the register of members but no forfeiture shall be, in any manner, invalidated by any omission or neglect to give such notice or to make such entry as aforesaid.</p> <p>20.5. Any Security so forfeited shall be deemed to be property of the Company and the Directors may, subject to the provisions of these Articles, sell, re-allot or otherwise dispose of the same in such manner as they think fit.</p> <p>20.6. The Directors may, at any time before any Security so forfeited shall have been sold, re-allotted or otherwise disposed of, annul the forfeiture thereof on such conditions as they think fit.</p> <p>20.7. Any shareholder whose Securities have been forfeited shall, notwithstanding the forfeiture, be liable to pay and shall forthwith pay to the Company all calls, installments, interest and expenses, owing upon or in respect of such Securities at the time of the forfeiture together with interest thereon, from the time of forfeiture until payment, at twelve (12) per cent per annum and the Directors may enforce the payment thereof, without any deduction or allowance for the value of the Securities at the time of forfeiture, but shall not be under any obligation to do so.</p> <p>20.8. The forfeiture of Securities shall involve the extinction of all interest in and also of all claims and demands against the Company in respect of the Securities</p> |

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| | | <p>and all other rights incidental to the Securities except only such of those rights as, by these Articles, are expressly saved.</p> <p>20.9. A duly verified declaration in writing that the declarant is a Director or Secretary of the Company and that certain Securities in the Company have 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 Securities and such declaration and the receipt of the Company for the consideration, if any, given for the Securities on the sale or disposal thereof shall constitute a good title to such Securities and the Person to whom the Securities are sold shall be registered as the holder of such Securities and shall not be bound to see to the application of the purchase money nor shall his title to such Securities be affected by any irregularity or invalidity in the proceeding in reference to such forfeiture, sale or disposal.</p> <p>20.10. The Company shall have a first and paramount lien upon all the shares/debentures (not being fully paid-up) registered in the name of each shareholder (whether solely or jointly with others) and upon the proceeds of sale thereof (whether presently payable or not) for money called or payable at a fixed time in respect of such shares/debentures solely or jointly with any other person to the Company whether the period for the payment thereof shall have actually arrived or not and no equitable interest in any Security shall be created except upon the footing and condition that this Article is to have full effect and such lien shall extend to all dividends from time to time declared in respect of such Security. Unless otherwise agreed, the registration of a transfer of Securities shall operate as a waiver of the Company's lien, if any, on such Securities. The Directors may at any time declare any shares/debentures wholly or in part to be exempt from the provisions of this Article.</p> <p>20.11. For the purpose of enforcing such lien, the Directors may sell the Securities subject thereto in such manner as they think fit but no sale shall be made until such period as aforesaid shall have arrived and until notice in writing of the intention to sell shall have been served on such shareholder, his executors or administrators or his committee, curators bond or other legal curator and default shall have been made by him or them in the payment of moneys called in respect of such shares for seven days after such notice.</p> <p>20.12. The net proceeds of any such sale shall be received by the Company and applied in or towards payment of such part of the amount in respect of which the lien exists as is presently payable and residue, if any, shall (subject to a like lien for sums not presently payable, as existed upon the Securities before the sale) be paid to the person entitled to the shares at the date of the sale.</p> <p>20.13. Upon any sale after forfeiture or for enforcing a lien in purported exercise of the powers hereinbefore given, the Directors may appoint some person to execute an instrument of transfer of the Securities sold and cause the purchaser's name to be entered in the register in respect of the Securities sold and the purchaser shall not be bound to see to the regularity of the proceedings nor to the application of the purchase money after his name has been entered in the register of members. In respect of such Securities, the validity of the sale shall not be impeached by any Person and the remedy of any Person aggrieved by the sale shall be in damages only and against the Company exclusively.</p> <p>20.14. Upon any sale, re-allotment or other disposal under the provisions of the preceding Articles, the certificate or certificates originally issued in respect of the relative Securities shall (unless the sale shall, on demand by the Company, have been previously surrendered to it by the defaulting shareholder) stand cancelled and become null and void and have no effect and the Directors shall be entitled to issue a new certificate or certificates in respect of the said Securities to the Person or Persons entitled thereto distinguishing it or them in such manner as they may think fit from the old certificate or certificates</p> |
| TRANSFER AND TRANSMISSION | 21. | <p>21.1. The instrument of transfer of any share in or debenture of the Company shall be executed by or on behalf of both the transferor and the transferee.</p> |

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| | | 21.2. The transferor shall be deemed to remain a holder of the share or debenture until the name of the transferee is entered in the Register of Members or Register of Debenture holders in respect thereof. |
| DIRECTORS MAY REFUSE TO REGISTER TRANSFER | 22. | Subject to the provisions of Section 58 and 59 of the Companies Act 2013, these Articles and other applicable provisions of the Act or any law for the time being in force, the Board may refuse, pursuant of any power of the Company under these Articles, to register the transfer of or the transmission by operation of law of the right to any shares or interest of a member in shares or debentures of the Company. The Company shall within one (1) month from the date on which the instrument of transfer or the intimation of such transmission, as the case may be, was delivered to the Company, send notice of the refusal to the transferee and the transferor or to the person giving intimation of such transmission, as the case may be, giving reasons for such refusal. Provided that the registration of a transfer shall not be refused on the ground of the transferor being either alone or jointly with any other person or persons indebted to the Company on any account whatsoever except where the Company has a lien on shares. |
| CONDITIONS FOR TRANSFER | 23. | <p>23.1. The instrument of transfer of any shares in the Company shall be in writing and shall be duly stamped and executed both by the transferor and the transferee and the provisions of Section 56 of the Companies Act 2013, including any statutory modifications thereof, shall be duly complied with in respect of all transfer of shares and registrations thereof.</p> <p>23.2. The Company shall not register a transfer of shares or debentures of the Company unless proper instrument of transfer, duly stamped and executed by or on behalf of the transferor and transferee and specifying the name, address and occupation, if any, of the transferee, has been delivered to the Company along with the certificate relating to the shares or debentures or, if no such certificate is in existence, along with the letter of allotment of shares or debentures provided that where on an application made in writing to the Company by the transferee and bearing the stamp required for an instrument of transfer it is proved to the satisfaction of the Board that instrument of transfer signed by or on behalf of the transferor and transferee has been lost, the Company may register the transfer on such terms as to indemnity or otherwise, as the Board may think fit.</p> <p>23.3. The Board shall have power, on giving not less than seven (7) days' previous notice by advertisement in a newspaper circulating in the district in which the registered office of the Company is situated, to close the transfer books, the register of members or register of debenture holders at such time or times and for such period or periods not exceeding thirty (30) days at a time and not exceeding, in the aggregate, forty-five (45) days in each year, as it may deem expedient.</p> <p>23.4. The executors or administrators or holders of a succession certificate or the legal representatives of a deceased (not being one or two or more joint holders) shall be the only persons recognised by the Company as having any title to the shares registered in the name of such shareholder and the Company shall not be bound to recognise such executors or administrator or holders of succession certificate or the legal representatives unless they shall have first obtained probate or letters of administration or succession certificate or other legal representation, as the case may be, from a duly constituted court in India; provided that in any case where the Board in its absolute discretion thinks fit, the Board may dispense with production of probate or letters of administration or succession certificate upon such terms as to indemnity or otherwise as the Board, in its absolute discretion, may think necessary and under the next Article register the name of any person who claims to be absolutely entitled to the shares, standing in the name of a deceased shareholder, as a shareholder.</p> <p>23.5. Subject to the provisions of the Act and these Articles, any person becoming entitled to shares in consequence of the death, lunacy, bankruptcy or insolvency of any shareholder or by any lawful means, other than by transfer in accordance with these Articles, may, with the consent of the Board (which it shall not be under any obligation to give) upon producing such evidence that he sustains the character in</p> |

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| | | <p>respect of which he purports to act under those Articles or of his title as the Board thinks sufficient, either be registered himself as the holder of the shares or elect to have some Person nominated by him and approved by the Board registered as such holder, provided nevertheless that if such Person shall elect to have his nominee registered, he shall testify the election by executing in favour of his nominee an instrument of transfer in accordance with the provisions herein contained and until he does so he shall not be free from any liability in respect of the shares.</p> <p>23.6. Every instrument of transfer which is registered shall remain in the custody of the Company until destroyed by order of the Board.</p> <p>23.7. No fee shall be payable to the Company in respect of the transfer, transmission, probate, succession certificate and letters of administration, certificate of death and / or marriage, power of attorney or other similar documents.</p> <p>23.8. The Company shall incur no liability or responsibility whatever in consequence of its registering or giving effect to any transfer of shares made or purporting to be made by any apparent legal owner thereof (as shown or appearing in the Register of members) to the prejudice of Persons having or claiming any equitable right, title or interest to or in the said shares notwithstanding that the Company may have had notice of such equitable right, title or interest to notice prohibiting registration of such transfer and may have entered such notice or referred thereto, in any book of the Company and the Company shall not be bound or required to regard or attend or give effect to any notice which may be given to it of any equitable right, title or interest or be under any liability whatsoever for refusing or neglecting to do so, though it may have been entered or referred to in some book of the Company but the Company shall nevertheless be at liberty to regard and attend to any such notice and give effect thereto if the Board shall so think fit</p> |
| <p>DEMATERIALIZATION OF SECURITIES</p> | <p>24.</p> | <p>24.1. For the purposes of this Article, (a) "Beneficial Owner" means a person whose name is recorded as such with a Depository. (b) "Registered Owner" means the Depository whose name is entered as such in the records of the Company; (c) "Security" means such security as may be specified by the Securities and Exchange Board of India, from time to time.</p> <p>24.2. Notwithstanding anything contained in these Articles and subject to applicable Law, the Company shall be entitled to dematerialise/re-materialise its Securities and to offer Securities in the dematerialised form pursuant to the Depositories Act.</p> <p>24.3. All Securities held by a Depository shall be dematerialized and shall be in fungible form. No certificate shall be issued for the securities held by the Depository. Nothing contained in Sections 89 and 186 of the Companies Act, 2013 shall apply to a Depository in respect of the Securities held by it on behalf of the beneficial owners.</p> <p>24.4. Nothing contained in the Act or these Articles, regarding the necessity of having distinctive numbers / certificate numbers, shall apply to Securities held in a Depository. Notwithstanding anything contained in the Act or these Articles, where the Securities are held in a Depository, the records of the beneficial ownership may be served by such Depository on the Company by means of electronic mode and/or by delivery of floppies or disks.</p> <p>24.5. Where the Securities are dealt with in a Depository, the Company shall intimate the details of allotment or relevant Securities to the Depository on allotment of such Securities.</p> <p>24.6. The register of members and index of Beneficial Owners maintained by a Depository under the Depositories Act shall be deemed to be a register of members and other Security holders.</p> |

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| | | 24.7. As a registered owner the Depository shall not have any voting rights or any other rights in respect of the Securities held by it. Every Person whose name is entered as the Beneficial owner of shares in the records of the Depository shall be deemed to be a Shareholder. Every Beneficial owner of Securities shall be entitled to all the rights and benefits including voting rights and be subject to all the liabilities in respect of the securities which are held by the Depository. |
| NOMINATION OF SECURITIES | 25. | <p>25.1. In accordance with and subject to the provisions of Section 72 of the Companies Act 2013, every holder of Securities or holder of debentures of the Company may, at any time, nominate, in the prescribed manner, a Person to whom his Securities or debentures of the Company shall vest in the event of his death.</p> <p>25.2. Where the Securities or debentures of the Company are held by more than one Person jointly, the joint holders may together nominate, in the prescribed manner, a Person to whom all the rights in the Securities or debentures of the Company shall vest in the event of death of all the joint holders.</p> <p>25.3. Notwithstanding anything contained in any other law for the time being in force or in any disposition, whether testamentary or otherwise, in respect of such Securities or debentures of the Company, where a nomination made in the prescribed manner purports to confer on any Person the right to vest the Securities or debentures of the Company, or as the case may be, on the death of the joint holders, the nominee shall become entitled to all the rights in the Securities or debentures of the Company, or as the case may be, on the death of all the joint holders, in relation to such Securities or debentures of the Company, to the exclusion of all other Persons, unless the nomination is varied or cancelled in the prescribed manner</p> |
| TRANSMISSION IN CASE OF NOMINATION | 26. | <p>26.1. Any Person who becomes a nominee by virtue of the provisions of Article 25, upon the production of such evidence as may be required by the Board and subject as hereinafter provided, elect, either:</p> <p>(a) to be registered himself as holder of the Securities and/or debenture(s) as the case may be; or</p> <p>(b) to make such Transfer of the Securities and/or debenture(s), as the case may be, as the deceased shareholder and/or debenture-holder concerned or deceased jointholder as the case may be, could have made.</p> <p>26.2. If the Person being a nominee, so becoming entitled, elects himself to be registered as holder of the Securities and/or debenture(s), as the case may be, he shall deliver or send to the Company a notice in writing duly signed by him stating that the nominee concerned so elects and such notice shall be accompanied with the death certificate(s) of the deceased shareholder/debenture holder/joint holders, as the case may be.</p> <p>26.3. All the limitations, restrictions and provisions of the Articles relating to the right to Transfer and the registration of Transfer of Securities and/or debenture(s) shall be applicable to any such notice or Transfer as aforesaid as if the death of the shareholder/debenture-holder had not occurred and the notice or Transfer were signed by that shareholder and/or debenture-holder or joint-holder, as the case may be.</p> <p>26.4. A Person being a nominee, becoming entitled to the Securities and/or debenture(s) by reason of the death 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 Securities and/or debenture(s) except that he shall not, before being registered a shareholder in respect of his Securities, be entitled in respect of it to exercise any right conferred by membership in relation to meeting 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 Securities and/or debentures. If the notice is not complied with within ninety (90) days, the Board may thereafter withhold payments of all dividends, bonuses or other</p> |

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| | | moneys payable or rights accruing in respect of the Securities and/or debenture(s) until the requirements of the notice have been complied with |
| DEATH OF ONE OR MORE JOINT HOLDERS OF SECURITIES | 27 | <p>27.1. Every holder of Securities and/or debenture(s) of the Company may at any time nominate, in the manner prescribed under the Act, a person to whom his Securities and/or debenture(s) of the Company shall vest in the event of his death.</p> <p>27.2. Where the Securities and/or debenture(s) of the Company are held by more than one Person jointly, all the joint holders may together nominate, in the manner prescribed under the Act, a Person to whom all the rights in the Securities and/or debenture(s) of the Company, as the case may be, shall vest in the event of death of all the joint holders.</p> <p>27.3. Notwithstanding anything contained in any other law for the time being in force or in these Articles or in any disposition, whether testamentary or otherwise, in respect of such Securities and/or debenture(s) of the Company, where a nomination made in the manner prescribed under the Act purports to confer on any person the right to vest the Securities in and/or debenture(s) of the Company, the nominee shall, on the death of the shareholder and/or debenture holder concerned or on the death of all the joint holders, as the case may be, become entitled to all the rights in relation to such share(s) and/or debenture(s) to the exclusion of all other persons unless the nomination is varied / cancelled in the manner prescribed under the Act.</p> <p>27.4. Where the nominee is a minor, the holder of the Securities and/or debenture(s) of the Company can make a nomination in the manner prescribed under the Act to appoint any person to become entitled to the Securities and/or debentures(s) of the Company in the event of his death during the minority.</p> |
| NO TRANSFER TO AN INFANT, ETC. | 28 | No Equity Share or any other Security of the Company shall, in any circumstances, be transferred to any infant, insolvent or person of unsound mind. |
| PERSONS ENTITLED MAY RECEIVE DIVIDEND | 29 | A Person entitled to any Securities by transmission shall, subject to the right of the Directors to retain such dividends or money as hereinafter provided, be entitled to receive and may be given a discharge for any dividends or other moneys payable in respect of the Securities |
| COPIES OF MEMORANDUM AND ARTICLES TO BE SENT TO SHAREHOLDERS | 30 | Copies of the Memorandum of Association of the Company and Articles and other documents referred to in Section 17 of the Companies Act, 2013 shall be sent by the Company to every shareholder at his request within seven (7) days of the request on payment of the sum of Rupee One (Re.1/-) for each copy. |
| BORROWING POWERS | 31. | <p>31.1. Subject to the provisions of Sections 179 and 180 of the Companies Act, 2013 and of these Articles, the Board may from time to time at its discretion, by a resolution passed at a meeting of the Board, generally raise or borrow or secure the payment of any sum or sums of money for the Company. Provided however that, where the moneys to be borrowed together with the moneys already borrowed (apart from temporary loan obtained from the Company's bankers in the ordinary course of business) exceed the aggregate of the paid-up capital of the Company and its free reserves (not being reserves set apart for any specific purpose), the Board shall not borrow such moneys without the consent of the shareholders in Shareholders' Meeting.</p> <p>31.2. Subject to these Articles, the payment or repayment of moneys borrowed as aforesaid may be secured in such manner and upon such terms and conditions in all respects as the Board may think fit and in particular by a resolution passed at a meeting of the Board (and not by circular resolution) by the issue of debentures or debenture-stock of the Company charged upon all or any part of the property of the Company (both present and future) including its uncalled capital for the time being and debentures, debenture-stock and other Securities may be made assignable free from any equities between the Company and the person to whom the same may be issued.</p> |

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| | | <p>31.3. Subject to the provisions of these Articles, any debentures, debenture-stock or other Securities may be issued at a premium or otherwise and subject to the provisions of the Act, may be issued on condition that they shall be convertible into shares of any denomination and with any privileges or conditions as to redemption, surrender, drawing, allotment of shares and attending (but not voting) at General Meetings, appointment of Directors and otherwise. Debentures with the right to conversion into or allotment of Equity Shares shall be issued only with the consent of the shareholders in General Meeting.</p> <p>31.4. The Company shall, if at any time it issues debentures, keep a register and index of debenture-holders in accordance with Section 88 of the Companies Act, 2013. The Company shall have the power to keep in any State or country outside India, a branch register of debenture-holders resident in that State or Country.</p> <p>31.5. Subject to the provisions of these Articles, if any uncalled Share Capital is included in or charged by any mortgage or other securities, the Directors may, subject to the provisions of the Act and these presents, make calls on the shareholders in respect of such uncalled capital in trust to the Person in whose favour such mortgage or security is executed.</p> <p>31.6. The Company shall comply with all the provisions of the Act and these Articles in respect of the mortgages or charges created by the Company and the registration thereof and the Transfer of the debentures of the Company and the register required to be kept in respect of such mortgages, charges and debentures.</p> |
| RESERVE AND DEPRECIATION FUNDS | 32 | <p>32.1. Subject to the provisions of these Articles, the Directors may from time to time before recommending any dividend, set apart any and such portion of the profits of the Company as they think fit as a Reserve Fund to meet contingencies or for the liquidation of any debentures, debts or other liabilities of the Company, for equalization of dividends or for repairing, improving and maintaining any of the property of the Company and for such other purposes of the Company as the Directors in their absolute discretion think conducive to the interest of the Company and may, subject to Section 179 of the Companies Act 2013, invest the several sums so set aside upon such investments (other than Equity Shares) as they may think fit and from time to time, deal with and vary such investments and dispose of all or any part thereof for the benefit of the Company and may divide the Reserve Fund into such special funds as they think fit, with full power to transfer the whole or any portion of a Reserve Fund to another Reserve Fund or a division of a Reserve Fund and also with full power to employ the Reserve Funds or any part thereof in the business of the Company and without being bound to keep the same separate from the other assets and without being bound to pay interest on the same, with power, however, to the Board in its discretion, to pay or allow to the credit of such funds, interest at such rate as the Board may think proper.</p> <p>32.2. Subject to the provisions of these Articles, the Directors may from time to time before recommending any dividend, set apart any and such portion of the profits of the Company, as they think fit, as depreciation fund applicable at the discretion of the Directors, for providing against any depreciation in the investments of the Company or for re-building, restoring, replacing or for altering any part of the buildings, work, plant, machinery or other property of the Company, destroyed or damaged by fire, flood, storm, tempest, earthquake, accident, riot, wear and tear or any other means whatsoever and for repairing, altering and keeping in good condition the property of the Company or for extending and enlarging the building, machinery and property of the Company with full power to employ the assets constituting such depreciation fund in the business of the Company and without being bound to keep the same separate from the other assets.</p> <p>32.3. All moneys earned to any reserve fund and depreciation fund respectively shall nevertheless remain and be profits of the Company applicable subject to due provisions being made for actual loss or depreciation, for the payment of dividend and such moneys and all the other moneys of the Company may be invested by the Directors in or upon such investments or Securities as they may select or may be used as working capital or may be kept at any bank on deposit or otherwise as the Directors may from time to time think proper.</p> |

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| ANNUAL GENERAL MEETINGS | 33. | <p>33.1. In addition to any other meetings, General Meetings shall be held at such intervals as are specified in Section 96 of the Companies Act, 2013 and subject to the provisions of Section 96 (2) of the Companies Act 2013, at such times and places as may be determined by the Board.</p> <p>33.2. Each such General Meeting shall be called an Annual General Meeting. Every Annual General Meeting shall be called for a time during business hours, that is, between 9 a.m. and 6 p.m. on a day that is not a National Holiday and shall be held either at the Registered Office of the Company or at some other place within the city, town or village in which the Registered Office of the Company is situated</p> |
| EXTRAORDINARY GENERAL MEETING | 34 | <p>34.1. All other meetings of the Company other than those referred to in the preceding Article 33 shall be called Extraordinary General Meeting.</p> <p>34.2. Subject to the provisions of these Articles, the Directors may, whenever they think fit and they shall, on the requisition of the holders of not less than one-tenth of the paid-up Share Capital of the Company as at the date earns right of voting in regard to the matter in respect of which the requisition is made, forthwith proceed to convene an Extra-Ordinary General Meeting and in the case of such requisition, the provisions of Section 100 of the Companies Act, 2013 shall apply.</p> <p>34.3. Any valid requisition so made by the shareholders must state the object or objects of the meeting proposed to be called and must be signed by the holders making the requisition and be deposited at the office provided that such requisition may consist of several documents in like form, each signed by one or more holders making the requisition.</p> <p>34.4. Subject to the provisions of these Articles, upon the receipt of any such requisition, the Board shall forthwith call an Extra-ordinary General Meeting and if they do not proceed within twenty one (21) days from the date of the requisition being deposited at the registered office to cause a meeting to be called on a day not later than forty five (45) days from the date of deposit of the requisition, the shareholders making the requisition, or such of their number as represent either a majority in value of the Share Capital held by all of them or not less than one-tenth of such of the Share Capital as is referred to in Section 100(4) of the Companies Act 2013, whichever is less, may themselves call the General Meeting, but in either case, any General Meeting so called shall be held within three (3) months from the date of the delivery of the requisition as aforesaid.</p> <p>34.5. Any meeting called under the foregoing Articles by the shareholders making the requisition shall be called in the same manner, as nearly as possible, as that in which meetings are to be called by the Board.</p> <p>34.6. A minimum twenty-one (21) days' prior written notice shall be given to all the shareholders of any Shareholders' Meeting accompanied by the agenda for such meeting.</p> <p>34.7. In the case of all the shareholder Meetings and in the case of any other meeting in any event, there shall be annexed to the notice of the meeting a statement setting out all the material facts concerning each such items of business, including in particular, the nature and extent of the interest, if any, therein of every Director, the manager (if any) and of any other person as may be prescribed. Where any item of business consists of the accord of approval to any documents by the meeting, the time and place where the document can be inspected shall be specified in the statement aforesaid.</p> <p>34.8. The accidental omission to give any such notice to or the non-receipt of notice by any of the shareholders or persons entitled to receive the same shall not invalidate the proceedings at any such meeting.</p> |

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| QUORUM IN A SHAREHOLDERS' MEETING | 35 | <p>35.1. Subject to the provisions of Section 103 of the Companies Act, 2013 and the Articles, five (5) members personally present shall constitute quorum in Shareholder's Meetings of the Company if number of members as on date of meeting is not more than One Thousand; Fifteen (15) members personally present shall constitute quorum in Shareholder's Meetings of the Company if number of members as on date of meeting is more than One Thousand but up to Five Thousand; Thirty (30) members personally present shall constitute quorum in Shareholders' Meetings of the Company if number of members as on date of meeting exceeds five thousand.</p> <p>35.2. In the absence of a valid quorum at any Shareholders' Meeting, such Shareholders' Meeting shall be adjourned to the same place and time seven (7) days later. If at the adjourned meeting also a valid quorum is not present, then, the members present at such meeting shall be deemed to be the valid quorum and the Shareholders' Meeting shall continue and proceed with its agenda. The meeting, if called by requisitionists under Section 100(2) of the Companies Act, 2013, shall stand cancelled.</p> <p>35.3. The Chairman (if any) of the Board of Directors appointed in terms of Article 43 shall be entitled to take the Chair at every General Meeting, whether Annual or Extra-ordinary. If there be no such Chairman of the Board of Directors or if at any meeting he or other Persons specified in Article 43 shall not be present within ten minutes of the time appointed for holding such meeting or shall decline to take the Chair, then any other Director present thereat shall be entitled to take the Chair and the shareholders present shall elect that Director as Chairman and if no Director be present or if all the Directors present decline to take the Chair, then the shareholders present shall elect one of them to be the Chairman.</p> <p>35.4. The election of the Chairman, if necessary, shall be carried out in accordance with Section 104 of the Companies Act, 2013. No business shall be discussed at any General Meeting except for the matter relating to the election of Chairman, whilst the Chair is vacant.</p> <p>35.5. The Chairman with the consent of the shareholders in a General Meeting may and shall, if so directed by the meeting, adjourn any meeting from time to time and from place to place but no business shall be transacted at any adjourned meeting other than the business left unfinished at the meeting from which the adjournment took place. Subject to the provisions of the Act and these Articles, it shall not be necessary to give any notice of an adjournment or of the date, the time or the place of the adjourned meeting or of the business to be transacted thereat</p> |
| DECISIONS AT GENERAL MEETINGS | 36 | <p>Subject to any additional requirements under the Act and these Articles, at a duly called General Meeting, all decisions shall be approved if passed only with the affirmative vote of shareholders present at the meeting and representing more than fifty percent (50%) of the Equity Shares held by all shareholders present at the meeting, duly called and for which the requisite quorum is present, as required under these Articles or the Act, as the case may be.</p> |
| DECISIONS BY POLL | 37 | <p>37.1. At any General Meeting, a resolution put to the vote of the meeting shall be decided by poll if so demanded by the shareholders. The poll may be by open voting or by ballot as the Chairman shall direct and either at once or after an interval or adjournment or otherwise and the result of the poll shall be deemed to be the resolution of the meeting.</p> <p>37.2. Where a poll is to be taken, the Chairman of the meeting shall appoint two scrutinizers to scrutinize the votes given on the poll and to report thereon to him. One of the scrutinizers so appointed shall always be a shareholder (not being an officer or employee of the Company) present at the meeting provided that a shareholder is available and willing to be appointed. The Chairman shall have the power at any time before the result of the poll is declared to remove a scrutinizer from the office and fill the vacancy in the office of the scrutinizer arising from such removal or from any other cause.</p> <p>37.3. Any poll duly demanded on the election of a Chairman of a General Meeting or on any question of adjournment shall be taken forthwith at the General Meeting.</p> |

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| | | <p>37.4. Subject to the provisions of the Act, the Chairman of the General Meeting shall have power to regulate the manner in which a poll shall be taken. The result of the poll shall be deemed to be the decision of the meeting on the resolution on which the poll was taken.</p> <p>37.5. Subject to the provisions of Section 110 of the Companies Act, 2013 read with the Companies (Management and Administration) Rules, 2014, the Company may pass resolutions by way of postal ballot from time to time.</p> |
| VOTES OF SHAREHOLDERS | 38 | <p>38.1. No shareholder shall be entitled to vote either personally or by proxy for another shareholder at any General Meeting or meeting of a class of shareholders either upon a show of hands or upon poll in respect of any shares registered in his name on which any calls or other sums presently payable by him have not been paid or in regard to which the Company has any right of lien and has exercised the same.</p> <p>38.2. Subject to these Articles, on a show of hands, every holder of Equity Shares entitled to vote and present in person shall have one vote and on a poll the voting right of every holder of Equity Shares, whether present in person or by proxy, shall be in proportion to his share of the Share Capital.</p> <p>38.3. The voting rights of the holders of preference shares shall be in accordance with Section 47 of the Companies Act, 2013.</p> <p>38.4. On a poll taken at a meeting of the Company, a shareholder entitled to more than one vote, or his proxy, or other person entitled to vote for him, as the case may be, need not, if he votes, use all his votes or cast in the same way, all the votes he uses.</p> <p>38.5. A shareholder of unsound mind or in respect of whom an order has been made by any court having jurisdiction in lunacy, may vote, whether on a show of hands or on a poll, by his committee or other legal guardian and any such committee or guardian may, on a poll, vote by proxy. If any shareholder be a minor, the vote in respect of his shares shall be by his guardian or any one of his guardians.</p> <p>38.6. Subject to the provisions of these Articles, votes may be given either personally or by proxy. A corporation being a shareholder may vote by representative duly authorised in accordance with Section 113 of the Companies Act, 2013 and such representative shall be entitled to speak, demand a poll, vote, appoint a proxy and in all other respects exercise the rights of a shareholder and shall be reckoned as a shareholder for all purposes.</p> <p>38.7. Every proxy (whether a shareholder or not) shall be appointed in writing under the hand of the appointer or his attorney or if such appointer is a corporation, under the common seal of such corporation or the hand of its officer or an attorney, duly authorised by it and any committee or guardian may appoint such proxy. The proxy so appointed shall not have any right to speak at the meeting.</p> <p>38.8. The instrument appointing a proxy and the power of attorney or other authority (if any) under which it is signed or a notarially certified copy of that power or authority shall be deposited at the registered office not less than 48 hours before the time for holding the meeting at which the person named in the instrument proposes to vote and in default, the instrument of proxy shall not be treated as valid. No instrument appointing a proxy shall be valid after the expiration of twelve (12) months from the date of its execution.</p> <p>38.9. Every instrument of proxy, whether for a specified meeting or otherwise, shall, as nearly as circumstances will admit, be in the form set out in Form No. MGT.11 of Companies (Management and Administration) Rules, 2014.</p> <p>38.10. A vote given in accordance with the terms of an instrument of proxy shall be valid notwithstanding the previous death of the principal or revocation of the proxy or of any power of attorney under which such proxy was signed or the transfer of the share in respect of which the vote is given provided that no intimation in writing of the death, revocation or transfer shall have been received at the office of the Company before the meeting.</p> <p>38.11. An instrument of proxy may appoint a proxy either for the purpose of a particular meeting specified in the instrument and any adjournment thereof or it may appoint for the purpose of every meeting of the Company or of every meeting</p> |

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| | | <p>to be held before a date specified in the instrument and every adjournment of any such meeting.</p> <p>38.12. A shareholder present by proxy shall be entitled to vote only on a poll.</p> <p>38.13. No objection shall be made to the validity of any vote, except at the meeting or poll at which such vote shall be tendered, and every vote, whether given personally or by proxy, not disallowed at such meeting or poll, shall be deemed valid for all purposes of such meeting or poll whatsoever.</p> <p>38.14. The Chairman of any meeting shall be the sole judge of the validity of every vote tendered at such meeting. The Chairman present at the time of taking of a poll shall be the sole judge of the validity of every vote tendered at such poll. A declaration by the Chairman in pursuance of Section 107 of the Companies Act 2013 that, on a show of hands, a resolution has or has not been carried either unanimously or by a particular majority and an entry to that effect in the books containing the minutes of the proceedings of the Company shall be conclusive evidence of the fact without proof of the number or proportion of the votes cast in favour of or against such resolution.</p> <p>38.15. Any Person who transfers any shares in terms of these Articles may vote at any General Meeting in respect thereof in the same manner as if he were the registered holder of such shares provided that forty-eight (48) hours at least before the time of holding the meeting or adjourned meeting, as the case may be, at which he proposes to vote, he shall satisfy the Directors of his right to Transfer such shares and give such indemnity (if any) as the Directors may require or the Directors shall have previously admitted his right to vote at such meeting in respect thereof</p> <p>38.16. A person appointed as proxy shall act on behalf of shareholders not exceeding fifty and holding not more than 10% of the aggregate share capital carrying voting rights. The shareholder holding more than 10% of the total share capital of the Company carrying voting rights may appoint a single person as proxy and in that case, person appointed as proxy for such shareholder cannot act as proxy for any other person or shareholder.</p> |
| MINUTES OF MEETINGS | 39 | <p>Subject to the provisions of Section 118 of the Companies Act 2013, the Company shall cause to be kept minutes of all proceedings of General Meetings which shall contain a fair and correct summary of the proceedings thereat and a book containing such minutes shall be kept at the registered office of the Company and shall be open during business hours for such periods not being less in the aggregate than two (2) hours in each day as the Directors may determine for the inspection of any shareholder without charge. The minutes aforesaid shall be kept by making within thirty (30) days of the conclusion of every such meeting concerned entries thereof in the said book which shall have its pages consecutively numbered. Each page of the book shall be initialed or signed and the last page of the record of the proceedings of each meeting in the book shall be dated and signed by the Chairman of the same meeting within the aforesaid period of thirty days or in the event of the death or inability of the Chairman to sign as aforesaid within that period, by a Director duly authorised by the Board for that purpose. In no case shall the minutes be attached to any such book by pasting or otherwise</p> |
| BOARD OF DIRECTORS | 40 | <p>40.1. The following are the first Directors of the Company.</p> <p>(1) Mr. Khara Maulik</p> <p>(2) Mr. Nileshkumar Rameshkumar Prajapati</p> <p>40.2. Subject to the provisions of these Articles and the Act, the number of Directors on the Board shall be not less than three (3) Directors and not more than fifteen (15) Directors.</p> <p>40.3. Subject to the provisions of these Articles and the Act, the Board of the Company shall be responsible for the management, supervision, direction and control of the Company.</p> <p>41.4. Where notice is given of a resolution to remove a Director under this Article and the Director concerned makes, with respect thereto, representations in writing to the Company (not exceeding reasonable length) and requests their notification to</p> |

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| | | <p>Members of the Company, the Company shall, unless the representations are received by it too late for it to do so:</p> <p>(a) in the notice of the resolution given to the Members of the Company, state the fact of the representations having been made; and</p> <p>(b) send a copy of the representations to every Member of the Company to whom notice of the Meeting is sent (before or after the receipt of the representations by the Company) and if a copy of the representations is not sent as aforesaid because they were received too late or because of the Company's default, the Director may (without prejudice to his right to be heard orally) require that the representations shall be read out at the Meeting; provided that copies of the representations need not be sent or read out at the Meeting if on the application, either of the Company or of any other person who claims to be aggrieved, the Company Law Board is satisfied that the rights conferred by this Sub-clause are being abused to secure needless publicity for defamatory matter.</p> <p>41.5. A vacancy created by the removal of the Director under this Article may, if he had been appointed by the Company in General Meeting or by the Board, in pursuance of these Articles or Section 169 of the Companies Act 2013, be filled by the appointment of another Director in his place by the Meeting at which he is removed, provided special notice of the intended appointment has been given under these Articles. A Director so appointed shall hold office until the date upto which his predecessor would have held office if he had not been removed as aforesaid.</p> <p>41.6. If the vacancy is not filled as mentioned above, it may be filled as a casual vacancy in accordance with the provisions, in so far as they are applicable, of these Articles or Section 161 of the Companies Act, 2013 and all the provisions of that Article and Section shall apply accordingly.</p> <p>41.7. A Director who was removed from office under this Article shall not be re-appointed as a Director by the Board of Directors.</p> <p>41.8. Nothing contained in this Article shall be taken: -</p> <p>(a) as depriving a person removed hereunder of any compensation or damages payable to him in respect of the termination of his appointment as Director; or</p> <p>(b) as derogating from any power to remove a Director which may exist apart from this Article</p> |
| DIRECTOR'S ACCESS | 42 | Each Director shall be entitled to examine the books, accounts and records of the Company and shall have free access, at all reasonable times and with prior written notice, to any and all properties and facilities of the Company. |
| CHAIRMAN OF THE BOARD | 43 | The Chairman of the Company shall be the Chairman at meetings of the Board. In the event of chairman is not available for a Board Meeting, then such Director as appointed by the Board from amongst the Directors present at such Board Meeting shall be the Chairman of such Board Meeting. In case of an equality of votes, the Chairman of the Board shall have a second or casting vote. |
| ALTERNATE DIRECTOR | 44. | Subject to the provisions of Section 161(2) of the Companies Act, 2013, each Director shall be entitled to nominate an Alternate Director, not being a person holding any alternate directorship for any other director in the Company, to act in accordance with the Act. No person shall be appointed as an Alternate Director for an Independent Director unless he is qualified to be appointed as an Independent Director under the provisions of the Act. Each Director shall also have a right to withdraw the nominated Alternate Director and nominate another in his/her place. The shareholders shall take all such actions, including exercising their votes in relation to the equity shares controlled by them, as may be required to cause any Alternate Director nominated pursuant to this Article 44 to be duly elected or appointed. |
| 45. POWER TO APPOINT OFFICIO DIRECTORS | 45 | Subject to the provisions of these Articles, whenever Directors enter into a contract with any Government, Central, State or Local, any bank or financial institution or any Person or Persons (hereinafter referred to as "the appointer") for borrowing any money or for providing any guarantee or security or for technical collaboration or assistance or for underwriting or entering into any other arrangement whatsoever, the Directors shall have, subject to the provisions of Section 161 of the Act, the power to agree that such appointer shall have the right to appoint or |

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| | | nominate by a notice in writing addressed to the Company, one or more Directors on the Board for such period and upon such conditions as may be mentioned in the agreement and that such Director or Directors may not be liable to retire by rotation nor be required to hold any qualification shares. The Directors may also agree that any such Director or Directors may be removed from time to time by the appointer entitled to appoint or nominate them and the appointer may fill any vacancy that may occur as a result of any such Director or Directors ceasing to hold that office for any reason whatsoever. The Directors appointed or nominated under this Article shall be entitled to exercise and enjoy all or any of the rights and privileges exercised and enjoyed by the Directors of the Company including payment of remuneration and travelling expenses to such Director or Directors as may be agreed by the Company with the appointer. |
| DEBENTURE DIRECTORS | 46 | If it is provided by the trust deed, securing or otherwise, in connection with any issue of debentures of the Company, that any Person or Persons shall have power to nominate a Director of the Company, then in the case of any and every such issue of debentures, the Person or Persons having such power may exercise such power from time to time and appoint a Director accordingly (“Debenture Director”). A Debenture Director may be removed from office at any time by the Person or Persons in whom for the time being is vested the power under which he was appointed and another Director may be appointed in his place. A Debenture Director shall not be bound to hold any qualification shares. |
| DIRECTORS' POWER TO ADD TO THE BOARD | 47 | Subject to the provisions of Sections 161 and 152 of the Companies Act, 2013 and these Articles, the Board shall have power at any time and from time to time to appoint any other qualified person to be an additional Director, but so that the total number of Directors shall not at any time exceed the maximum fixed under the Act. Any such additional Director shall hold office only up to the date of the next Annual General Meeting. |
| DIRECTORS' POWER TO FILL CASUAL VACANCIES | 48 | Subject to the provisions of Sections 152 and 161 of the Companies Act, 2013 and these Articles, the Board shall have power at any time and from time to time to appoint any other qualified person to be a Director to fill a casual vacancy. Any person so appointed shall hold office only up to the date up to which the Director in whose place he is appointed would have held office if it had not been vacated by him. |
| REMUNERATION OF DIRECTORS | 49. | <p>49.1. Subject to the provisions of the Act and these Articles, the Executive Chairman or a Managing Director or Director, who is in the whole-time employment of the Company may be paid remuneration either by way of a monthly payment or at a specified percentage of the net profits of the Company or partly by one way and partly by the other.</p> <p>49.2. Subject to the provisions of the Act, a Director other than the Executive Chairman or a Director in the whole-time employment or a Managing Director may be paid remuneration either:</p> <p>(a) by way of monthly, quarterly or annual payment with the approval of the Central Government; or</p> <p>(b) by way of commission, if the Company has, by a special resolution, authorised such payment.</p> <p>49.3. The fee payable to a Director (including the Executive Chairman or a Managing or Whole-time director, if any) for attending a meeting of the Board or Committee thereof shall be decided by the Board from time to time within the limit of such fee that may be prescribed by the Central Government under the proviso to Section 197 of the Companies Act, 2013</p> |
| EXPENSES | 50. | The reasonable costs of attendance of Directors at Board Meetings (including costs of business class airfare, hotel accommodation and local transportation) shall be borne by the Company |
| DIRECTORS MAY ACT NOTWITHSTANDING ANY VACANCY | 51. | The continuing Directors may act notwithstanding any vacancy, so long as their number is not reduced below the minimum number fixed by these Articles and the continuing Directors, being not less than two, for the purpose of increasing the number of Directors to that number, or for summoning a Shareholders Meeting, but for no other purpose. |

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| WHEN OFFICE OF DIRECTORS TO BECOME VACANT | 52. | <p>Subject to Sections 164, 167 and 188 of the Companies Act, 2013 and these Articles, the office of a Director shall become vacant if:</p> <p>(a) he is found to be of unsound mind by a Court of competent jurisdiction; or</p> <p>(b) he applies to be adjudicated as an insolvent; or</p> <p>(c) he is adjudged an insolvent; or</p> <p>(d) he has been convicted by a court of any offence, whether involving moral turpitude or otherwise, and sentenced in respect thereof to imprisonment for not less than six months and a period of five years has not elapsed from date of expiry of the sentence;</p> <p>Provided that if a person has been convicted of any offence and sentenced in respect thereof to imprisonment for a period of seven years or more, he shall not be eligible to be appointed as a director in any Company, or</p> <p>(e) he fails to pay any call made on him in respect of the shares held by him, whether alone or jointly with others, within six (6) months from the date fixed for the payment of such call; or</p> <p>(f) he becomes disqualified by an order of the Court or Tribunal and the order is in force; or</p> <p>(g) he has been convicted of the offence dealing with related party transactions under section 188 of the Companies Act, 2013 at any time during the last preceding five years; or</p> <p>(h) he has not complied with sub-section (3) of section 152.</p> |
| DIRECTOR MAY CONTRACT WITH COMPANY | 53. | <p>A related party as defined in Section 2(76) of the Companies Act, 2013 may enter into any contract or arrangement with respect to items specified in Section 188 of the Companies Act, 2013 with the Company subject to the provisions of these Articles and provisions of Section 188 of the Companies Act, 2013 and Companies (Meetings of Board and its Powers) Rules, 2014.</p> |
| DISCLOSURE OF INTEREST | 54. | <p>A Director of the Company who is in any way, whether directly or indirectly, concerned or interested in a contract or arrangement or proposed contract or arrangement entered into or to be entered into by or on behalf of the Company, shall disclose the nature of his concern or interest at a meeting of the Board in which the contract or arrangement is discussed and such interested director shall not participate in any discussion of, or vote on, any contract, arrangement or proposal in which he is interested in the manner provided in Section 184 of the Companies Act, 2013 provided that it shall not be necessary for a Director to disclose his concern or interest in any contract or arrangement entered into or to be entered into with any other company where any of the Directors of the Company or two or more of them together holds or hold not more than two percent (2%) of the paid up share capital in any such other Company.</p> |
| GENERAL NOTICE OF INTEREST | 55. | <p>Every director shall at the first meeting of the Board of Directors in which he participates as a director and thereafter at the first meeting of the Board of Directors in every financial year or if there is any change in disclosures already made by director, then at the first board meeting held after such change, disclose his concern or interest in any Company or Companies or Bodies Corporate, firms or other association of individual along with shareholding details as prescribed in Companies (Meetings of Board and it Powers) Rules, 2014.</p> |
| INTERESTED DIRECTORS NOT TO PARTICIPATE OR VOTE IN BOARD'S PROCEEDINGS | 56. | <p>No Director shall, as a Director, take any part in the discussion of or vote on any contract or arrangement entered into or to be entered into by or on behalf of the Company, if he is in any way, whether directly or indirectly, concerned or interested in such contract or arrangement, nor shall his presence count for the purpose of forming a quorum at the time of any such discussion or vote and if contract or arrangement is entered into by the Company without disclosure as per Article 54 or with participation by a director who is concerned or interested in any way, directly or indirectly, in the contract or arrangement then such contract or arrangement shall be voidable at the option of the Company. Provided however, that nothing herein contained shall apply to:</p> <p>any contract or arrangement entered into or to be entered into between two Companies where any of the directors of the one Company or two or more of</p> |

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| | | them together holds or hold not more than two percent of the paid-up share capital in the other Company. |
| REGISTER OF CONTRACTS IN WHICH DIRECTORS ARE INTERESTED | 57. | The Company shall keep a register in accordance with Section 189 of the Companies Act 2013 and shall within the time specified in Section 189(2) of the Companies Act 2013, enter therein such of the particulars as may be relevant having regard to the application thereto of Section 184(2) or Section 188 of the Companies Act 2013, as the case may be. The register aforesaid shall also specify, in relation to each Director or Key Managerial Personnel of the Company, the names of the bodies corporate and firms of which notice has been given by him under Article 55. The register shall be kept at the registered office of the Company and shall be open to inspection at such office and extracts may be taken therefrom and copies thereof may be required by any member of the Company, to the same extent, in the same manner and on payment of the same fee, as in the case of register of members of the Company and the provisions of Section 94 of the Act shall apply accordingly. |
| DIRECTORS MAY BE DIRECTORS OF COMPANIES PROMOTED BY THE COMPANY | 58. | A Director may be or become a Director of any company promoted by the Company or in which he may be interested as vendor, shareholder or otherwise, and no such Director shall be accountable for any benefits received as a director or shareholder of such company except in so far as Section 197 or Section 188 of the Companies Act, 2013 may be applicable. |
| RETIREMENT OF DIRECTORS BY ROTATION | 59 | At every Annual General Meeting, one third of such of the Directors for the time being as are liable to retire or if their number is not three or a multiple of three, the number nearest to one third, shall retire from office |
| DETERMINATION OF DIRECTORS RETIRING BY ROTATION AND FILLING OF VACANCIES | 60 | Subject to the provisions Section 152 of the Companies Act, 2013, the Directors to retire by rotation under Article 59 at every Annual General Meeting shall be those who have been longest in office since their last appointment but as between persons who become Directors on the same day, those who are to retire, shall, in default of and subject to any agreement among themselves, be determined by lot. |
| ELIGIBILITY FOR RE ELECTION | 61 | A retiring Director shall be eligible for re-election. |
| COMPANY TO APPOINT SUCCESSORS | 62 | The Company at the Shareholders' Meeting at which a Director retires in manner aforesaid, may fill up the vacated office by electing a person thereto |
| PROVISION IN DEFAULT OF APPOINTMENT | 63 | <p>63.1. If the place of the retiring Director is not so filled up and the meeting has not expressly resolved not to fill the vacancy, the meeting shall stand adjourned till the same day in the next week, at the same time and place or if that day is a national holiday, till the next succeeding day which is not a national holiday, at the same time and place.</p> <p>63.2. If at the adjourned meeting also, the place of the retiring Director is not filled up and that meeting also has not expressly resolved not to fill the vacancy, the retiring Director shall be deemed to have been reappointed at the adjourned meeting, unless:</p> <p>(a) at that meeting or at the previous meeting, resolution for the reappointment of such Director has been put to the meeting and lost;</p> <p>(b) the retiring Director has, by a notice in writing addressed to the Company or its Board, expressed his unwillingness to be re-appointed;</p> <p>(c) he is not qualified or he is disqualified for appointment;</p> <p>(d) a resolution, whether special or ordinary, is required for the appointment or re-appointment by virtue of any provisions of the Act; or</p> <p>(e) the proviso to Sub-section (2) of Section 162 of the Companies Act, 2013 is applicable to the case.</p> |
| COMPANY MAY INCREASE OR REDUCE THE NUMBER OF DIRECTORS | 64 | Subject to the provisions of Section 149 of the Companies Act 2013, the Company may by special resolution, from time to time, increase the number of Directors and may by ordinary resolution, remove the number of directors (subject to the provisions of Section 169 of the Companies Act, 2013) before the expiration of his period of office and appoint another qualified person in his stead. The person |

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| | | so appointed shall hold office during such time as the Director in whose place he is appointed would have held the same if he had not been removed. |
| NOTICE OF CANDIDATE FOR OFFICE OF DIRECTOR EXCEPT IN CERTAIN CASES | 65 | 65.1. No person, not being a retiring Director, shall be eligible for appointment to the office of Director at any Shareholders' Meeting unless he or some shareholders intending to propose him has, not less than fourteen (14) days before the meeting, left at the registered office of the Company, a notice in writing under his hand signifying his candidature for the office of Director or the intention of such shareholders to propose him as a candidate for that office along with a deposit of one lakh rupees which shall be refunded to such person or, as the case may be, to such shareholder, if the person succeeds in getting elected as a Director or gets more than twenty-five percent of the total valid votes cast either on show of hands or on poll on such resolution.. 65.2. Every person (other than a director retiring by rotation or otherwise or a person who has left at the office of the Company a notice under Section 160 of the Companies Act, 2013 signifying his candidature for the office of a Director) proposed as a candidate for the office of Director shall sign and file with the Company, the consent in writing to act as a Director, if appointed. |
| REGISTER OF DIRECTORS ETC. AND NOTIFICATION OF CHANGE TO REGISTRAR | 66 | The Company shall keep at its registered office a register containing the particulars of its Directors and Key Managerial Personnel and shall otherwise comply with the provisions of Section 170 in all respects. |
| REGISTER OF SHARES OR DEBENTURES HELD BY DIRECTORS | 67 | The Company shall in respect of each of its Director and Key Managerial Personnel keep at its registered office a register as required by Section 170 of the Companies Act, 2013 and shall otherwise duly comply with the provisions of the said Section in all respects. |
| DISCLOSURE BY A DIRECTOR OF APPOINTMENT TO ANY OTHER BODY CORPORATE | 68 | Every director and Key Managerial Personnel within a period of thirty days of his appointment, or relinquishment of his office, as the case may be, disclose to the Company the particulars specified in sub-section (1) of Section 184 relating to his concern or interest in any company or companies or bodies corporate (including shareholding interest), firms or other association which are required to be included in the register under Section 189 of the Companies Act, 2013. |
| DISCLOSURE BY A DIRECTOR OF HIS HOLDING OF SHARES AND DEBENTURES OF THE COMPANY, ETC | 69 | Every Director and Key Managerial Personnel shall give notice to the Company of such matters relating to himself as mentioned in Article 68 for the purpose of enabling the Company to comply with the provisions of Section 189 of the Companies Act, 2013. |
| MANAGEMENT | | |
| MANAGEMENT | 70 | 70.1. Subject to the provisions of the Act and of these Articles, the Board shall have power to appoint from time to time any of its members as Managing Director or Managing Directors or whole time director of the Company upon such terms and conditions as the Board thinks fit and the Board may by resolution vest in such Managing Director or Managing Directors or whole time director such of the powers hereby vested in the Board generally as it thinks fit and such powers may be made exercisable for such period or periods and upon such conditions and subject to such restrictions as it may determine. The remuneration of the Managing Director or Managing Directors or whole time director may be by way of monthly payment, fee for each meeting or participation in profits or by any or all these modes or any other mode not expressly prohibited by the Act and shall be subject to such limitations as may be prescribed by the Act. The Directors may whenever they appoint more than one Managing Director, designate one or more of them as "Joint Managing Director" or "Joint Managing Directors" or "Deputy Managing Director" or "Deputy Managing Directors", as the case may be, and accordingly the expression "Managing Director" shall also include and be deemed to include "Joint Managing Director" or "Deputy Managing Director" as the case may be. |

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| | | <p>70.2. The Managing Director or Managing Directors who are in the whole-time employment of the Company shall, subject to supervision and control of the Board of Directors, exercise such powers as are vested in them by the Board.</p> <p>70.3. The Company shall not appoint or employ or continue the appointment or employment of a person as its Chairman or Managing or Whole-time director who, (a) is an un-discharged insolvent or has at any time been adjudged an insolvent; (b) suspends or has at any time suspended payment to his creditors or makes or has at any time made a composition with them; or (c) is or has at any time been convicted by a Court of an offence involving moral turpitude.</p> <p>70.4. If Executive Chairman, Vice Chairman or Managing Director ceases to hold the office of Director, he shall ipso facto and immediately cease to be a Chairman, Vice Chairman or a Managing Director.</p> <p>70.5. Subject to the provisions of the Act and these Articles, the Managing Director or Managing Directors shall not, while he or they continue to hold that office, be subject to retirement by rotation..</p> |
| BOARD MEETINGS | | |
| BOARD MEETINGS | 71 | <p>The Board of the Company will meet not less than once a quarter in every year in such a manner that not more than one hundred and twenty days shall intervene between two consecutive meetings of the Board: The Board Meeting of the Company shall be held in Ahmedabad or any other location as may be agreed by the Directors.</p> |
| QUORUM FOR BOARD MEETINGS | 72. | <p>Subject to the terms set out in these Articles and the provisions of the Act, two (2) Directors or 1/3rd of its total strength (any fraction in that one-third being rounded off as one) whichever is higher and the participation of the directors by video conferencing or by other audio visual means would also constitute a quorum for the Board Meetings of the Company. In the absence of a valid quorum at a Board Meeting, such a Board Meeting shall be adjourned to the same place and time seven (7) days later or if that day is national holiday, till the next succeeding day, which is not a national holiday, at the same time and place. If at the adjourned meeting also a valid quorum is not present, then the Directors present at such meeting shall be deemed to be the valid quorum and the Board Meeting shall continue and proceed with its agenda, subject to their being a valid quorum as per the provisions of the Act.</p> |
| NOTICE OF BOARD MEETINGS | 73 | <p>A meeting may be called by the Chairman of the Board of the Company or any other Director giving notice in writing to the Company Secretary specifying the date, time and agenda for such meeting. The Company Secretary of the Company shall upon receipt of such notice give a copy of such notice to all Directors of such meeting, accompanied by a written agenda specifying the business of such meeting and copies of all papers relevant for such meeting. The Company shall ensure that sufficient information is sent with such notice to the Directors to enable each Director to make a decision on the issue in question at such meeting. Not less than a minimum seven (7) days' prior notice shall be given to each Director of any Board Meeting of the Company, as the case may be, accompanied by the agenda for the Board meeting by hand delivery or by post or by electronic means. The meeting may be called at shorter notice to transact business on urgent basis subject to the condition that at least one independent director shall be present at the meeting. In case of absence of independent directors from such a meeting of the Board, decisions taken at such a meeting shall be circulated to all the directors and shall be final only on ratification thereof by at least one independent director. The quorum for the Board Meeting of the Company shall be in accordance with these Articles including Articles 72 herein above</p> |
| VOTING AT BOARD MEETINGS | 74 | <p>74.1. At any Board Meeting, each Director may exercise one (1) vote. The matters shall be decided in the manner set out in Article 76 herein below.</p> <p>74.2. The Directors may participate in Board meetings through video conferencing or other audio visual means, which are capable of recording and recognizing the participation of the directors and of recording and storing the proceedings of such meetings along with date and time. However certain matters specifically</p> |

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| | | prohibited by the Act shall not be dealt with in a meeting through video conferencing or other audio visual means. |
| DECISION BY CIRCULATION | 75. | A written resolution (physical or electronic mode) circulated to all the Directors or members of committees of the Board, whether in India or overseas, and signed (physical or electronic mode) by a majority of them as approved, shall (subject to compliance with the relevant requirements of the Act) be as valid and effective as a resolution duly passed at a meeting of the Board or committee of the Board called and held in accordance with these Articles (provided that it has been circulated in draft form, together with the relevant papers, if any, to all the Directors). |
| DECISION AT BOARD MEETINGS | 76. | Subject to any additional requirements under the Act and these Articles, at a duly called Board Meeting, all decisions shall be taken by a simple majority (the affirmative vote greater than fifty percent (50%) of the Directors present at a meeting duly called and for which requisite quorum is present) as required under these Articles or under the Act, as the case may be. |
| DAY TO DAY MANAGEMENT | 77 | The day to day management of the Company may be delegated by the Board to the Managing Director who shall exercise such powers as may be delegated by the Board of Directors subject to its overall supervision and control. |
| POWER OF THE BOARD MEETINGS | 78 | A meeting of the Board for the time being at which a quorum is present shall be competent to exercise all or any of the authorities, powers and discretion which by or under the Act or these Articles are for the time being vested in or exercisable by the Board generally. |
| DIRECTORS MAY APPOINT COMMITTEE | 79. | 79.1. Subject to the provisions of these Articles and the restrictions contained in Section 179 of the Companies Act 2013, the Board may delegate any of its powers to committees of the Board consisting of such member or members of its body as it thinks fit and it may from time to time revoke and discharge any such committee of the Board either wholly or in part and either as to persons or purposes, but every committee of the Board so formed shall, in the exercise of the powers so delegated, conform to any regulations that may from time to time be imposed on it by the Board. All acts done by any such committee of the Board in conformity with such regulations and in fulfillment of the purpose of its appointment but not otherwise, shall have the like force and effect as if done by the Board. 79.2. The Company shall have a separate executive committee of the Board of Directors consisting of such number of Directors and such personnel of the Company as may be deemed necessary by the Board of Directors of the Company (the "Executive Committee"). The Executive Committee will meet every month or at any time as the Directors deem necessary to, inter alia, discuss the ongoing business developments of the Company. 79.3. The Company shall have a separate transfer committee of the Board of Directors and of its Subsidiaries consisting of such number of Directors and such personnel of the Company as may be deemed necessary by the Board of Directors of the Company (the "Transfer Committee"). The Transfer Committee shall maintain the records of the Transfers of the Equity Shares made by the shareholders of the Company and/or the Subsidiaries. |
| MEETING OF COMMITTEE HOW TO BE GOVERNED | 80 | The meeting and proceedings of any such committee of the Board shall be governed by the provisions herein contained for regulating the meeting and proceedings of the Directors so far as the same are applicable thereto and are not superseded by any regulations made by the Directors. |
| ACTS OF BOARD OR COMMITTEE VALID NOTWITHSTANDING INFORMAL APPOINTMENT | 81 | All acts done by any meeting of the Board or by a committee of the Board or by any person acting as a Director shall, notwithstanding that it shall afterwards be discovered that there was some defect in the appointment of such Director or persons acting as aforesaid or that they or any of them were disqualified or had vacated office or that the appointment of any of them had been terminated by virtue of any provisions contained in the Act or in these Articles, be as if every such person had been duly appointed and was qualified to be a Director and had not vacated his office or his appointment had not been terminated; provided that nothing in this Article shall be deemed to give validity to acts done by a Director after his appointment has been shown to the Company to be invalid or to have terminated. |

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| MINUTES OF BOARD MEETINGS | 82. | <p>82.1. The Company shall cause minutes of all proceedings of every meeting of the Board and committee thereof to be kept by making within thirty (30) days of the conclusion of every such meeting entries thereof in books kept for that purpose with their pages consecutively numbered.</p> <p>82.2. Each page of every such book shall be initialed or signed and the last page of the record of proceedings of each meeting in such book shall be dated and signed by the Chairman of the said meeting or the Chairman of the next succeeding meeting.</p> <p>82.3. In no case the minutes of proceedings of a meeting shall be attached to any such book as aforesaid by pasting or otherwise.</p> <p>82.4. The minutes of each meeting shall contain a fair and correct summary of the proceedings thereat.</p> <p>82.5. All appointments of officers made at any of the meetings aforesaid shall be included in the minutes of the meeting.</p> <p>82.6. The minutes shall also contain:</p> <p>(a) the names of the Directors present at the meeting; and</p> <p>(b) in case of each resolution passed at the meeting, the names of the Directors, if any, dissenting from or not concurring in the resolution.</p> <p>82.7. Minutes of meetings kept in accordance with the aforesaid provisions shall be evidence of the proceedings recorded therein.</p> |
| POWERS OF THE BOARD | 83. | <p>Subject to the provisions of the Act and these Articles, the control of the Company shall be vested in the Board who shall be entitled to exercise all such powers and to do all such acts and things as the Company is authorised to exercise and to do provided that the Board shall not exercise any power or do any act or thing which is directed or required, whether by the Act or in other statute or by the Memorandum of Association of the Company or by these Articles or otherwise, to be exercised or done by the Company in general meeting provided further that in exercising any such power or doing any such act or things, the Board shall be subject to the provisions in that behalf contained in the Act or in any other Act or in the Memorandum of Association of the Company or these Articles or any regulations not inconsistent therewith and duly made thereunder including regulations made by the Company in General Meeting but no regulations made by the Company in General Meeting shall invalidate any prior act of the Board which would have been valid if those regulations had not been made</p> |
| CHIEF EXECUTIVE OFFICER, MANAGER, COMPANY SECRETARY OR CHIEF FINANCIAL OFFICER | 84. | <p>84.1 Subject to the provisions of the Act, —</p> <p>a. 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;</p> <p>b. A director may be appointed as chief executive officer, manager, Company secretary or chief financial officer.</p> <p>84.2 A provision of the Act or these regulations requiring or authorizing a thing to be done by or to a director and chief executive officers, 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.</p> |
| DIVIDENDS | 85. | <p>85.1. Subject to the provisions of these Articles and subject to the rights of the shareholders entitled to shares (if any) with preferential or social rights attached thereto, the profits of the Company which it shall, from time to time, determine to divide in respect of any year or other period shall be applied in the payment of a dividend on the Equity Shares of the Company but so that a partly paid-up share shall only entitle the holder with respect thereto to such proportion of the distribution upon a fully paid-up share as the amount paid thereon bears to the nominal amount of such share and so that, where capital is paid-up in advance of calls upon the footing that the same shall carry interest, such capital shall not, whilst carrying interest, confer a right to participate in profits.</p> <p>85.2. The Company in General Meeting may declare a dividend to be paid to the members according to their rights and interest in the profits and may fix the time for payment.</p> |

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| | | <p>85.3. No larger dividend shall be declared than is recommended by the Directors but the Company in General Meeting may declare a smaller dividend.</p> <p>85.4. No dividend shall be payable except out of the profits of the Company for the year or any other undistributed profits and no dividend shall carry interest as against the Company.</p> <p>85.5. Where any assets, business or property is bought by the Company as from a past date upon the terms that the Company shall as from that date take the profits and bear the losses thereof, such profits and losses, as the case may be, shall, at the discretion of the Directors, be so credited or debited wholly or in part to the profit and loss account and in that case the amounts so credited or debited shall for the purpose of ascertaining the fund available for dividend be treated as a profit or loss arising from the business of the Company and available for dividend accordingly. If any shares or securities are purchased with dividend or interest, such dividend or interest when paid may at the discretion of the Directors be treated as revenue and it shall not be obligatory to capitalize the same or any part thereof.</p> <p>85.6. The declaration of the Directors as to the amount of the net profits of the Company shall be conclusive.</p> <p>85.7. The Directors may from time to time pay to the members such interim dividends as in their judgments, the position of the Company justifies.</p> <p>85.8. The Directors may retain dividends on which the Company has a lien and may apply the same in or towards satisfaction of the debts, liabilities or engagements in respect of which the lien exists.</p> <p>85.9. Any General Meeting declaring a dividend may make a call on the members of such amount as the meeting fixes, but so that the call on each member shall not exceed the dividend payable to him and so that the call be made payable at the same time as the dividend and the dividend may, if so arranged between the Company and the members, be set off against the call.</p> <p>85.10. No shareholder shall be entitled to receive payment of any interest or dividend in respect of his share or shares whilst any money may be due or owing from him to the Company in respect of such share or shares or otherwise howsoever either alone or jointly with any other Person or Persons and the Board may deduct from the interest or dividend payable to any member all sums of money due from him to the Company.</p> <p>85.11. A transfer of shares shall not pass the right to any dividend declared thereon before the registration of the transfer.</p> <p>85.12. Unless otherwise directed, any dividend may be paid by cheque or warrant or by a payslip or receipt or by any electronic mode having the force of a cheque or warrant, sent through the post to the registered address of the member or Person entitled or in case of joint-holders, to that one of them who is first-named in the register of members in respect of the joint-holding. Every such cheque or warrant shall be made payable to the order of the Person to whom it is sent. The Company shall not be liable or responsible for any cheque or warrant or payslip or receipt lost in transmission or for any dividend lost to the member or person entitled thereto by the forged endorsement of any cheque or warrant or the forged signature of any payslip or receipt or the fraudulent recovery of the dividend by any other means. If several persons are registered as joint-holders of any shares, any one of them can give effectual receipts for any dividends or other moneys payable in respect thereof. No unclaimed dividend shall be forfeited before the claim thereto becomes barred by law. The Directors may annul such forfeiture and pay any such dividend.</p> <p>85.13. Where the Company has declared a dividend but which has not been paid or claimed within 30 days from the date of declaration, the Company shall transfer the total amount of dividend which remains unpaid or unclaimed within the said period of 30 days, to a special account to be opened by the Company in that behalf in any scheduled bank to be called "Unpaid Dividend Account". The Company</p> |

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| | | shall within a period of ninety days of making any transfer of an amount to the Unpaid Dividend Account, prepare a statement containing the names, their last known addresses and the unpaid dividend to be paid to each person and place it on the website of the Company and also on any other website approved by the Central Government, for this purpose. Any money transferred to the unpaid dividend account of a Company which remains unpaid or unclaimed for a period of seven (7) years from the date of such transfer, shall be transferred by the Company to the Fund known as Investor Education and Protection Fund established under Section 125 of the Companies Act, 2013. No unclaimed or unpaid dividend shall be forfeited by the Board. |
| CAPITALISATION | 86 | <p>86.1. Subject to the provisions of these Articles, the Company may at any General Meeting resolve that any moneys, investments or other assets forming part of the undivided profits of the Company standing to the credit of any reserve or any capital redemption reserve fund or in the hands of the Company and available for dividend or representing premiums received on the issue of shares and standing to the credit of the share premium account be capitalized and distributed amongst such of the shareholders as would be entitled to receive the same if distributed by way of dividend. The distribution shall be made in the same proportion on the footing that they become entitled thereto as capital. All or any part of such capitalized fund may be applied on behalf of such shareholders in paying up in full any un-issued shares, debentures or debenture-stock of the Company which shall be distributed accordingly or in or towards payment of the uncalled liability on any issued shares and that such distribution or payment shall be accepted by such shareholders in full satisfaction of their interest in the said capitalized sum. Provided that any sum standing to the credit of a share premium account or a capital redemption reserve fund may, for the purpose of this Article only, be applied in the paying up of unissued shares to be issued to members of the Company as fully paid bonus shares.</p> <p>86.2. A General Meeting may resolve that any surplus moneys arising from the realization of any capital assets of the Company or any investment representing the same or any other undistributed profits of the Company, not subject to charge for income-tax, be distributed among the members on the footing that they receive the same as capital.</p> <p>86.3. For the purpose of giving effect to any resolution under the preceding two Articles, the Board may settle any difficulty which may arise in regard to the distribution, as they think expedient and in particular, may issue fractional certificates and may fix the value for distribution of any specific assets and may determine what cash payments shall be made to any members upon the footing of the value so fixed in order to adjust the rights of all parties and may vest such cash or specific assets in trustees upon such trusts for the persons entitled to the dividend or capitalized fund as may seem expedient to the Board. Where requisite, a proper contract shall be filed in accordance with the Act and the Board may appoint any person to sign such contract on behalf of the Persons entitled to the dividend or capitalized fund and such appointment shall be effective</p> |
| BOOKS AND DOCUMENTS | 87. | <p>87.1. The Company shall, and the Company shall cause its Subsidiaries and Affiliates to, keep proper, complete and accurate books of account in rupees in accordance with Indian accounting standards. Further, the Directors shall cause to be kept proper books of account in accordance with Section 128 of the Companies Act, 2013 with respect to:</p> <ul style="list-style-type: none"> (a) all sums of money received and expended by the Company and the matters in respect of which the receipt and expenditure take place; (b) all sales and purchases of goods by the Company; and (c) the assets and liabilities of the Company. <p>87.2. The books of account shall be kept at the registered office or subject to the proviso to Section 128 of the Companies Act, 2013 at such other place as the Directors think fit and shall be open to inspection by the Directors during the business hours.</p> <p>87.3. The Directors shall from time to time determine whether and to what extent and at what time and places and under what conditions or regulations the accounts</p> |

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| | | <p>and books of the Company or any of them shall be open to the inspection of the members not being Directors and no member (not being a Director) shall have any right of inspecting any account or book or document of the Company except as conferred by law or authorised by the Directors.</p> <p>87.4. The Directors shall from time to time in accordance with Sections 129 and 134 of the Act, cause to be prepared and to be laid before Company in General Meeting such profit and loss account and balance sheet as are referred to in those Sections.</p> <p>87.5. A copy of every such profit and loss account and balance sheet (including the auditor's report and every other document required by law to be annexed or attached to the balance sheet) shall, at least twenty-one (21) days before the same are to be laid before the members, be sent to every member of the Company, to holders of debentures issued by the Company (not being debentures which ex-facie are payable to the bearer thereof), to trustees for the holders of such debentures and to all persons entitled to receive notices of General Meetings of the Company.</p> |
| AUDIT | 88 | <p>88.1. The auditors of the Company shall be appointed and their rights and duties regulated in accordance with Sections 139 and 147 of the Companies Act, 2013 and these Articles.</p> <p>88.2. Every account of the Company when audited and approved by General Meeting shall be conclusive except as regards any error discovered therein within three (3) months next after the approval thereof. When any such error is discovered within that period, the accounts shall forthwith be corrected and thenceforth shall be conclusive.</p> |
| CODE OF CONDUCT | 89. | <p>The Board shall lay down a code of conduct for all the Board members and the senior management of the Company. All members of the Board and the senior management shall affirm compliance with the code of conduct on an annual basis.</p> |
| COMMON SEAL | 90 | <p>90.1. The Board shall provide a common seal for the purpose of the Company and shall have powers from time to time to destroy the same and substitute a new seal in lieu thereof and the Board shall provide for the safe custody of the seal for the time being and the seal shall never be used except by the authority of the Board or a committee of the Board previously given and in the presence of a Director of the Company or some other person appointed by the Directors for the purpose.</p> <p>90.2. Every Deed or other instruments to which the Seal of the Company is required to be affixed shall be invalid unless the same is signed by one Director or some other person appointed by the Board for the purpose, provided nevertheless that certificate of shares may be sealed in accordance with the provisions of the Companies (Issue of Share Certificates) Rules, 1960 or the statutory modification or re-enactment thereof for the time being in force.</p> |
| DOCUMENTS AND NOTICE | 91 | <p>91.1. A document or notice may be served or given by the Company on any member or an officer thereof either in writing or through electronic mode.</p> <p>91.2. Where a document or notice is sent by post, service of the document or notice shall be deemed to be effected by properly addressing, pre-paying and posting a letter containing the document or notice, provided that where a member has intimated to the Company in advance that documents or notices should be sent to him under a certificate of posting or by registered post with or without acknowledgement due and has deposited with the Company a sum sufficient to defray the expenses of doing so, service of the document or notice shall not be deemed to be effected unless it is sent in the manner intimated by the member and such service shall be deemed to have been effected in the case of a notice of a meeting, at the expiration of fortyeight hours after the letter containing the document or notice is posted and in any other case, the time at which the letter would be delivered in the ordinary course of post.</p> <p>91.3. A document or notice advertised in a newspaper circulating in the neighborhoods of the Registered Office shall be deemed to be duly served or sent on the day on which</p> |

| Title of Article | Article Number | Content |
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| | | <p>the advertisement appears, on or to every member who has no registered address in India and has not supplied to the Company any address within India for the service of documents on him or the sending of notice to him.</p> <p>91.4. A document or notice may be served or given by the Company on or to the persons entitled to a share in consequence of the death or insolvency of a member by sending it through the post in a pre-paid letter addressed to him by name or by the title of representative of the deceased or assignee of the insolvent or by any like description, at the address (if any) in India supplied for the purpose by the person claiming to be so entitled or (until such an address has not so been supplied) by serving the document or notice in any manner in which the same might have been given if the death or insolvency had not occurred.</p> <p>91.5. Documents or notice of every General Meeting shall be served in the same manner hereinbefore authorised on or to (a) every member (b) every person entitled to a share in consequence of the death or insolvency of a member and (c) the auditor or auditors for the time being of the Company.</p> <p>91.6. Every Person who, by operation of law, transfer or other means whatsoever, shall become entitled to any Share, shall be bound by every document or notice in respect of each share received by him prior to his name and address being entered on the register of members, if it is duly served on the person from whom he derives his title to such Share.</p> <p>91.7. Any document or notice to be served or given by the Company may be signed by a Director or some person duly authorised by the Board for such purpose and the signature may be written, printed or lithographed.</p> <p>91.8. All documents or notices to be served or given by members on or to the Company or any officer thereof shall be served or given by sending them to the Company or officer at the Office by post under a certificate of posting or by registered post or by leaving it at the Office.</p> |
| AUTHENTICATION OF DOCUMENTS | 92 | Save as otherwise expressly provided in the Act or these Articles, documents or proceedings requiring authentication by the Company may be signed by a Director or an authorised officer of the Company and need not be under its Seal. |
| WINDING UP | 93 | The liquidator on any winding-up (whether voluntary, under supervision or compulsory) may, with the sanction of a special resolution but subject to the rights attached to any preference share capital, divide amongst the members in specie or kind the whole or any part of the assets of the Company (whether they shall consist of the kind or not) and may for such purpose set such value as he deems fair upon any property to be divided as aforesaid and may determine how such division shall be carried out as between the members or different classes of members. The liquidator may, with the like sanction, vest the whole or any part of such assets in trustees upon such trust for the benefit of the contributories as the liquidator, with the like sanction, shall be compelled to accept on shares or other securities whereon there is any liability. |
| INDEMNITY AND RESPONSIBILITY | 94. | <p>94.1. The Company may, in its discretion and to the fullest extent permitted under applicable law, rule or regulation, indemnify any Director or officer or Secretary of the Company or any Person employed by the Company or auditor against any liability incurred by him by reason of any contract entered into or act or thing done by him as an officer, Director or Secretary or in any way in the discharge of his duties, or in defending any bona fide proceedings, whether civil or criminal, in which judgment is given in his favour or in which he is acquitted or discharged or in connection with any application under Section 463 of the Act in which relief is granted to him by the Court. Such indemnity shall immediately attach as a lien on the property of the Company and have priority as between the Members over all other claims.</p> <p>94.2. Subject to the provisions of the Act, no Director, Auditor or other officer of the Company shall be liable for the act, receipts, neglects or defaults of any other Director or officer or for joining in any receipts or other act for the sake of conformity or for any loss or expenses happening to the Company through the insufficiency or deficiency of any security in or upon which any of the moneys of the Company shall be invested or for any loss or damage arising from the</p> |

| Title of Article | Article Number | Content |
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| | | bankruptcy, insolvency or tortuous act of any person, firm or company to or with whom any moneys, securities or effects shall be entrusted or deposited or for any loss occasioned by any error of judgment, omission, default or oversight on his part or for any other loss, damage or misfortune whatsoever which shall happen in relation to the execution of the duties of his office or in relation thereto unless the same shall happen through his own dishonesty. |
| WAIVER | 95 | In the event any requirement or condition as stipulated in these Articles are waived or amended in the manner as mutually agreed by shareholders by passing a special resolution, then such requirement or condition as set out in these Articles shall also be deemed to have been waived or amended to that extent |

SECTION XI – OTHER INFORMATION

MATERIAL CONTRACTS AND DOCUMENTS FOR INSPECTION

The copies of the following documents and contracts which have been entered into or are to be entered into by our Company (not being contracts entered into in the ordinary course of business carried on by our Company or contracts entered into more than two years before the date of this Draft Prospectus) which are or may be deemed material will be attached to the copy of the Prospectus which will be delivered to the RoC for filing. Copies of the contracts and also the documents for inspection referred to hereunder, may be inspected at the Registered Office of our Company located at D B-413, Empire Business Hub, Opp. Shakti Farma, Science City Road, Sola, Ahmedabad, Gujarat-380060, India between 10:00 a.m. and 5:00 p.m. (IST) on all Working Days from the date of this Draft Prospectus until the Issue Closing Date.

Any of the contracts or documents mentioned in this Draft Prospectus may be amended or modified at any time if so, required in the interest of our Company or if required by the other parties, without reference to the shareholders, subject to compliance of the provisions contained in the Companies Act and other applicable law.

A) Material contracts for the Issue

1. Issue Agreement dated Friday, May 12, 2023, between our Company and the Lead Manager.
2. Registrar Agreement dated Friday, May 12, 2023 between our Company and Registrar to the Issue.
3. Underwriting Agreement dated [●], 2023 amongst our Company, the Underwriter and the Lead Manager.
4. Market Making Agreement dated [●], 2023 amongst our Company, Market Maker and the Lead Manager.
5. Bankers to the Issue Agreement dated [●] amongst our Company, the Lead Manager, Banker(s) to the Issue and the Registrar to the Issue.
6. Tripartite agreement dated March 17, 2022 amongst our Company, Central Depository Services (India) Limited and Registrar to the Issue.
7. Tripartite agreement dated March 22, 2022 amongst our Company, National Securities Depository Limited and Registrar to the Issue.

B) Material documents for the Issue

1. Certified true copy of Certificate of Incorporation, the Memorandum of Association and Articles of Association of our Company, as amended.
2. Resolutions of the Board of Directors dated February 27, 2023 in relation to the Issue and other related matters.
3. Shareholders' resolution dated March 10, 2023 in relation to the Issue and other related matters.
4. Consents of our Directors, Company Secretary and Compliance Officer, Chief Financial Officer, Statutory & Peer Reviewed Auditor, Lead Manager, Legal Advisor to the Issue, Registrar to the Issue, Underwriters to the Issue, Bankers to our Company, Banker to our Issue and Market Maker to include their names in this Draft Prospectus and to acting their respective capacities.
5. Peer Review Auditors Report dated January 10, 2023 on Restated Financial Statements of our Company for the period ended on November 30 2022 and years ended on March 31 2022, 2021 and 2020.
6. The Report dated March 18, 2023 from the Statutory Auditors of our Company, confirming the Statement of Tax Benefits available to our Company and its Shareholders as disclosed in this Draft Prospectus.
7. Copy of Approval dated [●] from the SME Platform of BSE (BSE SME) to use their name in the prospectus for listing of Equity Shares.
8. Agreement dated March 17, 2022 entered into by our Company with Mr. Maulik Khara appointment as a Managing Director of the company.
9. Due diligence certificate submitted to BSE Limited dated Tuesday, May 16, 2023 from Lead Manager to the Issue.

Any of the contracts or documents mentioned in this Draft Prospectus may be amended or modified at any time, if so required, in the interest of our Company or if required by the other parties, without reference to the Equity Shareholders, subject to compliance with applicable law.

DECLARATION

We hereby certify and declare that all relevant provisions of the Companies Act, 2013/1956 and the guidelines/regulations issued by the Government of India or the guidelines/regulations issued by the Securities and Exchange Board of India, established under section 3 of the Securities and Exchange Board of India Act, 1992, as the case may be, have been complied with and no statement made in this Draft Prospectus is contrary to the provisions of the Companies Act, 2013, the Securities and Exchange Board of India Act, 1992 or the rules made or guidelines or regulations issued there under, as the case may be. We further certify that all statements are true and correct.

Signed by the Directors of the Company:

| Name | Designation | Signature |
|-----------------------|----------------------|------------------|
| Maulik Khara | Managing Director | |
| Nileshkumar Prajapati | Whole Time Director | |
| Kaushik Modi | Director | |
| Hemang Solanki | Independent Director | |
| Parul Patel | Independent Director | |
| Pooja Momin | Independent Director | |

Signed by:

| Name | Designation | Signature |
|---------------|--|------------------|
| Riya Panchal | Chief Financial Officer | |
| Sarfraz Mulla | Company Secretary and Compliance Officer | |

Place: Ahmedabad

Date: Tuesday, May 16, 2023