



SCAN ME



Prospectus  
Dated: February 27, 2023  
Please read section 26 and 32 of the Companies Act, 2013  
Fixed Price Issue

# PROSPECT

PROSPECT COMMODITIES LIMITED  
CIN: U01400GJ2022PLC128482  
Incorporated on January 06, 2022 at Ahmedabad

REGISTERED OFFICE		CONTACT PERSON	
417, Sun Orbit B/h. Rajpath Club Road, Bodakdev, Ahmedabad - 380054, Gujarat, India.		Bhargavi Pandya Company Secretary and Compliance Officer	
EMAIL	TELEPHONE NO.	WEBSITE	
info@prospectcommodities.com	079-48000696	www.prospectcommodities.com	
OUR PROMOTERS OF THE COMPANY			
Vimal Mishra and Priyanka Mishra			
Type	Fresh Issue Size (₹In Lakhs)	Eligibility 229(1) / 229(2) & Share Reservation among NII & RII	
Fresh Issue	₹ 747.86 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 less than or equal to ten crore rupees	
RISK IN RELATION TO THE FIRST ISSUE			
This being the first public issue of our company, there has been no formal market for the securities of our company. The face value of the shares is ₹10.00 per equity shares and the issue price is 6.1 times of the face value. The issue price (is determined by our company in consultation with the lead manager) as stated in the chapter titled on "Basis for Issue Price" beginning on page no. 56 of this 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 and/or sustained trading in the equity shares of our company nor regarding the price at which the equity shares will be traded after listing.			
GENERAL RISKS			
Investments in equity and equity-related securities involve a degree of risk and investors should not invest any funds in this Issue unless they can afford to take the risk of losing their 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 offered in the Issue have neither been recommended nor approved by Securities and Exchange Board of India nor does Securities and Exchange Board of India guarantee the accuracy or adequacy of this Prospectus. Specific attention of the investors is invited to the section titled "Risk Factors" beginning on page no.18 of this Prospectus.			
ISSUER'S ABSOLUTE RESPONSIBILITY			
The Issuer, having made all reasonable inquiries, accepts responsibility for and confirms that this 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 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 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 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, 2018, as amended from time to time. Our Company has received an In Principal Approval Letter dated February 22, 2023 from BSE Limited (BSE) 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 BSE Limited ("BSE").			
LEAD MANAGER TO THE ISSUE		REGISTRAR TO THE ISSUE	
 <p><b>INTERACTIVE FINANCIAL SERVICES LIMITED</b> Address: 612, 6th Floor, Shree Balaji Heights, Kokilaben Vyas Marg, Ellisbridge, Ahmedabad – 380 009, Gujarat, India Tel No.: 079 46019796 (M) +91-9898055647 Web Site: <a href="http://www.ifinservices.in">www.ifinservices.in</a> Email: <a href="mailto:mbd@ifinservices.in">mbd@ifinservices.in</a> Investor Grievance Email: <a href="mailto:info@ifinservices.in">info@ifinservices.in</a> Contact Person: Pradip Sandhir SEBI Reg. No.:INM000012856</p>		 <p><b>BIGSHARE SERVICES PRIVATE LIMITED</b> Address: Office No. S6-2, 6th Floor, Pinnacle Business Park, Next to Ahura Centre, Mahakali Caves Road, Andheri (East), Mumbai - 400093 Tel No.: +91 22-62638200 Fax No.: +91 22-62638299 Website: <a href="http://www.bigshareonline.com">www.bigshareonline.com</a> E-Mail: <a href="mailto:ipo@bigshareonline.com">ipo@bigshareonline.com</a> Investor Grievance Email: <a href="mailto:investor@bigshareonline.com">investor@bigshareonline.com</a> Contact Person: Aniket Chindarkar SEBI Reg. No.: INR000001385</p>	
ISSUE PROGRAMME			
ISSUE OPENS ON: March 08, 2023 (Wednesday)		ISSUE CLOSES ON: March 10, 2023 (Friday)	

# P R O S P E C T

**PROSPECT COMMODITIES LIMITED**  
 CIN: U01400GJ2022PLC128482

Our Company was originally incorporated as “Prospect Commodities Private Limited” is registered under the provisions of Companies Act, 2013 vide Certificate of Incorporation dated January 06, 2022 bearing Corporate Identification Number U01400GJ2022PTC128482 issued by the Registrar of Companies, Central Registration Centre, our Company has acquired running business of firm “M/s Fortune Exports”, registered as a partnership firm under the Partnership Act, 1932 (“Partnership Act”). Subsequently, our Company was converted into a public limited Company pursuant to a special resolution passed by our shareholders at the EGM held on December 29, 2022 and consequently the name of our Company was changed to “Prospect Commodities Limited” and a fresh certificate of incorporation was issued by the Registrar of Companies, Ahmedabad dated January 03, 2023. The CIN of the Company is U01400GJ2022PLC128482.

**Registered office:** 417, Sun Orbit B/h. Rajpath Club Road, Bodakdev, Ahmedabad - 380054, Gujarat, India.  
**Tel No.:** 079-48000696; **Website:** www.prospectcommodities.com; **E-Mail:** [info@prospectcommodities.com](mailto:info@prospectcommodities.com)  
**Contact Person:** Bhargavi Pandya, Company Secretary and Compliance Officer

**PROMOTER OF THE COMPANY: Vimal Mishra and Priyanka Mishra**

## THE ISSUE

INITIAL PUBLIC ISSUE OF 12,26,000 EQUITY SHARES OF FACE VALUE OF ₹10/- EACH OF PROSPECT COMMODITIES LIMITED (“PCL” OR THE “COMPANY” OR THE “ISSUER”) FOR CASH AT A PRICE OF ₹61/- PER EQUITY SHARE INCLUDING A SHARE PREMIUM OF ₹51/- PER EQUITY SHARE (THE “ISSUE PRICE”) AGGREGATING TO ₹747.86 LACS (“THE ISSUE”), OF WHICH 62,000 EQUITY SHARES OF FACE VALUE OF ₹ 10/- EACH FOR CASH AT A PRICE OF ₹ 61/- PER EQUITY SHARE INCLUDING A SHARE PREMIUM OF ₹51/- PER EQUITY SHARE AGGREGATING TO ₹ 37.82 LACS 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 11,64,000 EQUITY SHARES OF FACE VALUE OF ₹10/- EACH AT A PRICE OF ₹61/- PER EQUITY SHARE AGGREGATING TO ₹ 710.04 LACS IS HEREIN AFTER REFERRED TO AS THE “NET ISSUE”. THE ISSUE AND THE NET ISSUE WILL CONSTITUTE 29.97% AND 28.46% RESPECTIVELY OF THE POST ISSUE PAID UP EQUITY SHARE CAPITAL OF OUR COMPANY. FOR FURTHER DETAILS, PLEASE REFER TO SECTION TITLED “TERMS OF THE ISSUE” BEGINNING ON PAGE NO. 142 OF THIS PROSPECTUS.

## THE FACE VALUE OF THE EQUITY SHARES IS ₹ 10 EACH AND THE ISSUE PRICE IS 6.1 TIMES OF THE FACE VALUE

This issue is being made through Fixed Price Process in terms of Chapter IX of the Securities And Exchange Board of India (Issue of Capital and Disclosure Requirements) Regulations, 2018 as amended (“SEBI ICDR Regulations”) and allocation in the net issue to the public will be made in terms of regulation 253 of the SEBI ICDR Regulations. In terms of the Regulation 19(2)(B)(I) of the Securities Contracts (Regulations) Rules, 1957, as amended (the “SCRR”), the issue is being made for at least 25% of the post-paid-up Share capital of our Company. All the bidders, shall participate in the issue through the Application Supported by Blocked Amount (“ASBA”) process by providing details of their respective bank account (including UPIID for RIIs using UPI Mechanism) wherein the bid amount will be blocked by the SCSBs or under the UPI mechanism, as the case may be, to the extent of respective Bid amounts. For details Please refer to chapter titled “Issue Procedure” beginning on Page 151 of this Prospectus.

All potential investors shall participate in the Issue only through an Application Supported by Blocked Amount (“ASBA”) process providing details about the bank account and UPI ID in case of RIIs, if applicable, in which the application amount shall be blocked by the Self-Certified Syndicate Banks (“SCSBs”) or under UPI Mechanism as the case may be. For details in this regard, specific attention is invited to chapter titled “Issue Procedure” on page 151 of this Prospectus.

## RISK IN RELATION TO THE FIRST ISSUE

This being the first Public Issue of our Company, there has been no formal market for the securities of our Company. The face value of the shares is ₹10/- per Equity Shares and the Issue price is 6.1 times of the face value. The Issue Price (as determined by our Company in consultation with the Lead Manager) as stated in the chapter titled on “Basis for Issue Price” beginning on page no. 56 of this 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 of our Company nor regarding the price at which the Equity Shares will be traded after listing.

## GENERAL RISKS

Investments in equity and equity-related securities involve a degree of risk and investors should not invest any funds in this Issue unless they can afford to take the risk of losing their investment. Investors are advised to read the risk factors carefully before taking an investment decision in this offering. For taking an investment decision, investors must rely on their own examination of our Company and the Issue including the risks involved. The Equity Shares offered in the Issue have neither been recommended nor approved by Securities and Exchange Board of India nor does Securities and Exchange Board of India guarantee the accuracy or adequacy of this Prospectus. Specific attention of the investors is invited to the section titled “Risk Factors” beginning on page no.18 of this Prospectus.

## ISSUER’S ABSOLUTE RESPONSIBILITY

The Issuer, having made all reasonable inquiries, accepts responsibility for and confirms that this 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 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 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 Prospectus are proposed to be listed on the BSESME Platform. In terms of the Chapter IX of the SEBI (ICDR) Regulations, 2018, as amended from time to time. Our Company has received an approval letter dated February 22, 2023 from BSE for using its name in this offer document for listing of our shares on the SME Platform of BSE. For the purpose of this Issue, the designated Stock Exchange will be the BSE Limited (“BSE”).

## LEAD MANAGER



**INTERACTIVE FINANCIAL SERVICES LIMITED**  
**Address:** 612, 6th Floor, Shree Balaji Heights, Kokilaben Vyas Marg, Ellisbridge, Ahmedabad – 380 009, Gujarat, India  
**Tel No.:** 079 46019796  
**(M) +91-9898055647**  
**Web Site :** [www.ifinservices.in](http://www.ifinservices.in)  
**Email :** [mbd@ifinservices.in](mailto:mbd@ifinservices.in)  
**Investor Grievance Email:** [info@ifinservices.in](mailto:info@ifinservices.in)  
**Contact Person:** Pradip Sandhir  
**SEBI Reg. No.:** INM000012856

## REGISTRAR TO THE ISSUE



**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  
**Tel No.:** +91 22-62638200  
**Fax No +91 22-62638299**  
**Website:** [www.bigshareonline.com](http://www.bigshareonline.com)  
**E-Mail:** [ipo@bigshareonline.com](mailto:ipo@bigshareonline.com)  
**Investor Grievance Email:** [investor@bigshareonline.com](mailto:investor@bigshareonline.com)  
**Contact Person:** Aniket Chindarkar  
**SEBI Reg. No.:** INR000001385

## ISSUE PROGRAMME

ISSUE OPENS ON: March 08, 2023 (Wednesday)

ISSUE CLOSES ON: March 10, 2023 (Friday)

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## SECTION I – GENERAL

### DEFINITIONS AND ABBREVIATIONS

This 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 Prospectus, but not defined herein shall have the meaning ascribed to such terms under SEBI ICDR Regulations, 2018 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 Tax Benefits”, “Restated Financial Statements”, “Outstanding Litigation and Material Developments” and section titled “Main Provisions of Articles of Association” beginning on page nos. 58, 101, 127 and 179, respectively, shall have the meanings ascribed to such terms in the respective sections.

#### GENERAL TERMS

Term	Description
“PCL”, “PROSPECT”, “our Company”, “we”, “us”, “our”, “the Company”, “the Issuer Company” or “the Issuer”	Prospect Commodities Limited, a public limited company incorporated under the Companies Act, 2013 and having Registered Office at 417, Sun Orbit B/H. Rajpath Club Road, Bodakdev Ahmedabad, Gujarat-380054, India
Promoters	Vimal Mishra and Priyanka Mishra
Promoter Group	Companies, individuals and entities (other than companies) as defined under Regulation 2 sub-regulation (pp) of the SEBI ICDR Regulations, 2018.
“you”, “your” or “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 of the Company	The Statutory auditors of our Company, being M/s C. R. Shredalal & Co., Chartered Accountants.
Audit Committee	Audit Committee of our Company constituted in accordance Section 177 of the Companies Act, 2013 and as described in the chapter titled “Our Management” beginning on page 88 of this 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
Company Secretary and Compliance Officer	The Company Secretary of our Company, being Ms. Bhargavi Pandya.
Chief Financial Officer/ CFO	The Chief Financial Officer of our Company, being Vimal Mishra.
Act or Companies Act	Companies Act, 1956 and/ or the Companies Act, 2013, as amended from time to time.
CIN	Corporate Identification Number
CMD	Chairman and Managing Director
Depositories Act	The Depositories Act, 1996, as amended from time to time
Director(s)	Director(s) of Prospect Commodities Limited unless otherwise specified
Equity Shares	Equity Shares of our Company having Face Value of ₹ 10 each unless otherwise specified in the context thereof

Equity Shareholders / Shareholders	Persons /entities holding Equity Shares of our Company
ED	Executive Director
Fresh Issue	The fresh issue of 12,26,000 Equity Shares at a price of Rs. 61 per equity share aggregating to Rs. 747.86 lakhs to be issued by our Company as part of the Offer, in terms of the 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 covered under the applicable accounting standards, and as disclosed in “Financial Information of Our Group Companies” on page 133 of this 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 “Our Management” beginning on page 88 of this Prospectus
Indian GAAP	Generally Accepted Accounting Principles in India
ISIN	International Securities Identification Number is INE00KG01017
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 “Our Management” on page no. 88 of this Prospectus
MD	Managing Director
Materiality Policy	The policy on identification of group companies, material creditors and material litigation, adopted by our Board on January 04, 2023 in accordance with the requirements of the SEBI (ICDR)Regulations, 2018 as amended from time to time
MOA/ Memorandum / Memorandum of Association	Memorandum of Association of our Company as amended from time to time
Nomination & Remuneration Committee	The Nomination and Remuneration Committee of our Board described in the chapter titled “Our Management” on page 88 of this Prospectus.
Registered Office	The Registered office of our Company, located at 417, Sun Orbit B/H. Rajpath Club Road, Bodakdev Ahmedabad, Gujarat-380054, India
ROC/Registrar of Companies	Registrar of Companies, Ahmedabad.
Restated Financial Statements	The restated audited financial statements of our Company for the Period ended November 30, 2022 and Financial Years ended March 31, 2022 which comprises of the restated audited balance sheet, restated audited statement of profit and loss and the restated audited cashflow statement, together with the annexures and notes thereto disclosed in chapter titled “Restated Financial Statements” on page 101 of this Prospectus
Peer Review Auditor	Independent Auditor having a valid Peer Review certificate in our case being M/s C. R. Sharedalal & Co., Chartered Accountants
PLC	Public Limited Company
PTC	Private Limited Company
Stakeholder’s Relationship Committee	The Stakeholders Relationship Committee of the Board of Directors constituted as the Company’s Stakeholder’s Relationship Committee in accordance with Section 178(5) of the Companies Act, 2013 read with the Companies (Meetings of Board and its Powers) Rules, 2014 and described in the chapter titled “Our Management” on page 88 of this Prospectus.
WTD	Whole Time Director

#### ISSUE RELATED TERMS

Terms	Description
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Abridged Prospectus	Abridged Prospectus to be issued under Regulation 255 of SEBI ICDR Regulations and appended to the Application Form
Acknowledgement Slip	Unless the context otherwise requires, allotment of the Equity Shares pursuant to the Issue of Equity Shares to the successful Applicants.
Applicant	Any prospective investor who makes an application for Equity Shares in terms of the Prospectus
Application Form	The Form in terms of which the applicant shall apply for the Equity Shares of our Company
Application Lot	2000 Equity Shares and in multiples thereof
Application Amount	The amount at which the Applicant makes an application for Equity Shares of our Company in terms of the Draft Prospectus / Prospectus
Application Supported by Blocked Amount / ASBA	An application, whether physical or electronic, used by applicants to make an application authorising a SCSB to block the application amount in the ASBA Account maintained with the SCSB.
ASBA Account	An account maintained with the SCSB and specified in the application form submitted by ASBA applicant for blocking the amount mentioned in the application form.
Allot / Allotment / Allotted / Allotment of Equity Shares	Unless the context otherwise requires, allotment of the Equity Shares pursuant to the Issue of Equity Shares to the successful Applicants.
Allottee(s)	The successful applicant to whom the Equity Shares are being / have been issued
Allotment Advice	Note or advice or intimation of Allotment sent to each successful applicant who have been or are to be Allotted the Equity Shares after approval of the Basis of Allotment by the Designated Stock Exchange
Allotment Date	Date on which the Allotment is made
Basis of Allotment	The basis on which equity shares will be allotted to successful applicants under the Issue and which is described in the section "Issue Procedure - Basis of allotment" on page no. 174 of this Prospectus
Bankers to our Company	HDFC Bank Limited
Banker to the Issue / Refund Banker / Public Issue Bank	ICICI Bank Limited
Business Day	Any day on which commercial banks are open for the business.
CAN /Confirmation of Allocation Note	A note or advice or intimation sent to Investors, who have been allotted the Equity Shares, after approval of Basis of Allotment by the Designated Stock Exchange
Client ID	Client Identification Number of the Applicant 's Beneficiary Account
Collection Centers	Broker Centers notified by Stock Exchange where bidders can submit the Application Forms to a Registered Broker. The details of such Broker Centers, along with the names and contact details of the Registered Brokers, are available on the website of the BSE.
Collecting Depository Participant or CDP	A depository participant as defined under the Depositories Act, 1996, registered with SEBI and who is eligible to procure Application Forms at the Designated CDP Locations in terms of circular no.GR/CFD/POLICYCELL/11/2015 dated November 10, 2015 issued by SEBI
Controlling Branches/Controlling Branches of the SCSBs	Such branches of the SCSBs which co-ordinate Application Forms by the ASBA Bidders with the Registrar to the Issue and the Stock Exchange and a list of which is available at <a href="http://www.sebi.gov.in">www.sebi.gov.in</a> or at such other website as may be prescribed by SEBI from time to time
Demographic Details	The demographic details of the Applicant such as their address, PAN, occupation, bank account details and UPI ID (as applicable).
Depositories	National Securities Depositories Limited (NSDL) and Central Depository Services Limited (CDSL) or any other Depositories registered with SEBI under the Securities and Exchange Board of India (Depositories and Participants) Regulations, 1996, as amended from time to time.
Depository Participant/DP	A depository participant registered with SEBI under the Depositories Act
Designated CDP Locations	Such locations of the CDPs where Applicant can submit the Application Forms to

	Collecting Depository Participants. The details of such Designated CDP Locations, along with names and contact details of the Collecting Depository Participants eligible to accept Application Forms are available on the website of the Stock Exchange i.e., <a href="http://www.bseindia.com">www.bseindia.com</a> .
Designated Date	The date on which amounts blocked by the SCSBs are transferred from the ASBA Accounts, as the case may be, to the Public Issue Account or the Refund Account, as appropriate, in terms of the Prospectus, following which the Board may Allot Equity Shares to successful Bidders in the Issue
CAN /Confirmation of Allocation Note	A note or advice or intimation sent to Investors, who have been allotted the Equity Shares, after approval of Basis of Allotment by the Designated Stock Exchange
Designated Intermediaries	The members of the Syndicate, sub-syndicate/agents, SCSBs, Registered Brokers, CDPs and RTAs, who are categorized to collect Application Forms from the Applicant, in relation to the Issue
Designated Market Maker	Beeline Broking Limited will act as the Market Maker and has agreed to receive or deliver the specified securities in the market making process for a period of three years from the date of listing of our Equity Shares or for a period as may be notified by amendment to SEBI ICDR Regulations
Designated RTA Locations	Such locations of the RTAs where applicant 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 Application Forms are available on the websites of the Stock Exchange i.e. <a href="http://www.bseindia.com">www.bseindia.com</a>
Designated SCSB Branches	Such branches of the SCSBs which shall collect the ASBA Application Form from the Applicant sand a list of which is available on the website of SEBI at <a href="https://www.sebi.gov.in/sebiweb/other/OtherAction.do?doRecognised=yes">https://www.sebi.gov.in/sebiweb/other/OtherAction.do?doRecognised=yes</a> . Recognized Intermediaries or at such other website as may be prescribed by SEBI from time to time.
Designated Stock Exchange	SME Exchange of BSE Limited (“BSE SME”) (BSE)
Draft Prospectus	This Draft Prospectus dated January 25, 2023 filed with the SME Platform of BSE, prepared and issued by our Company in accordance with SEBI ICDR Regulations
Eligible NRI	NRIs from jurisdictions outside India where it is not unlawful to make an issue or invitation under the Issue and in relation to whom the Draft Prospectus /Prospectus constitutes an invitation to subscribe to the Equity Shares Allotted herein.
Eligible QFIs	Qualified Foreign Investors from such jurisdictions outside India where it is not unlawful to make an offer or invitation to participate in the Issue and in relation to whom the Draft Prospectus /Prospectus constitutes an invitation to subscribe to Equity Shares issued thereby, and who have opened dematerialized accounts with SEBI registered qualified depository participants, and are deemed as FPIs under SEBI FPI Regulations
Electronic Transfer of Funds	Refunds through ECS, NEFT, Direct Credit or RTGS as applicable
Escrow Account(s)	Account opened with the Escrow Collection Bank(s) and in whose favour the Investors will transfer money through direct credit/NEFT/RTGS/NACH in respect of the Applicant Amount
Escrow Agreement	An agreement to be entered among our Company, the Registrar to the Issue, the Escrow Collection Bank(s), Refund Bank(s) and the Lead Manager for the collection of Application Amounts and where applicable, for remitting refunds, on the terms and conditions thereof.
Escrow Collection Bank(s)	Banks which are clearing members and registered with SEBI as bankers to an issue and with whom the Escrow Accounts will be opened, in this case being ICICI Bank Limited.
First Applicant	Applicant whose name appears first in the Application Form in case of a joint application form and whose name shall also appear as the first holder of the beneficiary account held in joint names or in any revisions thereof
Foreign Portfolio Investor	Foreign Portfolio Investor as defined under SEBI FPI Regulations

/FPIs	
General Information Document/ GID	The General Information Document for investing in public issues prepared and issued in accordance with the circular no. SEBI/HO/CFD/DIL1/CIR/P/2020/37 dated March 17, 2020, notified by SEBI, suitably modified and included in the chapter titled "Issue Procedure" on page 151 of this Prospectus
Issue Agreement	The agreement dated January 23, 2023 between our Company and the Lead Manager, pursuant to which certain arrangements are agreed to in relation to the Issue
Issue Opening Date	The date on which the Issue opens for subscription
Issue Closing date	The date on which the Issue closes for subscription.
Issue Period	The periods between the Issue Opening Date and the Issue Closing Date (inclusive of such date and the Issue Opening Date) during which prospective bidders can submit their Application Forms, inclusive of any revision thereof. Provided however that the applications shall be kept open for a minimum of three (3) Working Days for all categories of bidders.
IPO	Initial Public Offering
Issue / Issue Size / Public Issue	The Public Issue of 12,26,000 Equity Shares of Face Value of ₹ 10 each at Rs. 61 (including premium of Rs. 51) per Equity Share aggregating to Rs. 747.86 Lacs by Prospect Commodities Limited.
Issue Price	The price at which the Equity Shares are being issued by our Company under this Prospectus being Rs. 61.
Issue Proceeds	The proceeds from the Issue based on the total number of equity shares allotted under the issue
LM / Lead Manager	Lead Manager to the Issue, in this case being Interactive Financial Services Limited
Listing Agreement	The Listing Agreement to be signed between our Company and SME Platform of BSE Limited ("BSE SME")
Market Making Agreement	The Market Making Agreement dated January 23, 2023 between our Company, Lead Manager and Market Maker
Market Maker Reservation Portion	The reserved portion of 62,000 Equity Shares of face value of ₹10.00/- each fully paid-up for cash at a price of Rs. 61 per Equity Share including a share premium of Rs. 51 per Equity Share aggregating to Rs. 37.82 Lakhs for the Market Maker in this Issue
MSME	Micro Small and Medium Enterprises
Mutual Fund(s)	Mutual fund(s) registered with SEBI pursuant to SEBI (Mutual Funds) Regulations, 1996, as amended from time to time
NBFC	Non- Banking Financial Companies
Net Issue	The Issue (excluding the Market Maker Reservation Portion) of 11,64,000 Equity Shares of ₹10 each at Rs. 61 per Equity Share aggregating to Rs. 710.04 Lacs by Prospect Commodities Limited.
Net Proceeds	The Issue Proceeds less the Issue related expenses. For further details, please refer to chapter titled "Objects of the Issue" on page 50 of this Prospectus
Non-Institutional Bidders / Non-Institutional Investor / NIB/ NII	All Applicants (including Eligible NRIs), who are not QIBs or Retail Individual Bidders and who have applied for Equity Shares for an amount of more than ₹ 2,00,000.
NPCI	National Payments Corporation of India (NPCI), a Reserve Bank of India (RBI) initiative, is an umbrella organization for all retail payments in India. It has been set up with the guidance and support of the Reserve Bank of India and Indian Banks Association (IBA)
Non-Resident	A person resident outside India, as defined under FEMA and includes Eligible NRIs, Eligible QFIs, FIIs registered with SEBI and FVCIs registered with SEBI
Person or Persons	Any individual, sole proprietorship, unincorporated association, unincorporated organization, body corporate, corporation, company, partnership firm, limited liability partnership firm, 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 may require.
Prospectus	The Prospectus dated February 27, 2023 issued in accordance with Companies Act filed with the SME Platform of BSE Limited (“BSE SME”) under SEBI (ICDR) Regulations 2018.
Public Issue Account	An Account of the Company under Section 40 of the Companies Act, 2013 where the funds shall be transferred by the SCSBs from bank accounts of the ASBA Investors.
Qualified Institutional Buyers / QIBs	Qualified Institutional Buyers as defined under Regulation 2(1) (ss) of SEBI ICDR Regulations
Refund Account	Account opened / to be opened with a SEBI Registered Banker to the Issue from which the refunds of the whole or part of the Application Amount, if any, shall be made.
Refund through electronic transfer of funds	Refunds through NECS, NEFT, direct credit, NACH or RTGS, as applicable.
Registered Brokers	Stock brokers registered with SEBI as trading members (except Syndicate/sub-Syndicate Members) who hold valid membership of BSE Limited having right to trade in stocks listed on Stock Exchange and eligible to procure Application Forms in terms of SEBI circular no. CIR/CFD/14/2012 dated October 4, 2012
Registrar Agreement	The agreement dated January 23, 2023 entered between our Company and the Registrar to the Issue, in relation to the responsibilities and obligations of the Registrar pertaining to the Issue.
Registrar and Share Transfer Agents or RTAs	Registrar and Share Transfer Agents registered with SEBI and eligible to procure Applications at the Designated RTA Locations in terms of circular no. CIR/CFD/POLICYCELL/11/2015 dated November 10, 2015 issued by SEBI
Registrar/ Registrar to the Issue	Registrar to the Issue being Bigshare Services Private Limited
Regulations	Unless the context specifies something else, this means the SEBI (Issue of Capital and Disclosure Requirement) Regulations, 2018 as amended from time to time.
Retail Individual Investors	Individual investors (including HUFs, in the name of Karta and Eligible NRIs) who apply for the Equity Shares of a value of not more than Rs 2,00,000.
Revision Form	The form used by the Applicant, to modify the quantity of Equity Shares or the Application Amount in any of their Application Forms or any previous Revision Form(s) QIB Applicant and Non-Institutional Applicant are not allowed to lower their Application Forms (in terms of quantity of Equity Shares or the Application Amount) at any stage. Retail Individual Bidder can revise their Application Forms during the Issue Period and withdraw their Application Forms until Issue Closing Date
SCSB	A Self Certified Syndicate Bank registered with SEBI under the SEBI (Bankers to an Issue) Regulations, 1994 and offers the facility of ASBA, including blocking of bank account. A list of all SCSBs is available on the website of SEBI at <a href="https://www.sebi.gov.in/sebiweb/other/OtherAction.do?doRecognised=yes">https://www.sebi.gov.in/sebiweb/other/OtherAction.do?doRecognised=yes</a> or at such other website as may be prescribed by SEBI from time to time.
SME Platform of BSE	The SME platform of BSE, approved by SEBI as an SME Exchange for listing of equity shares issued under Chapter IX of the SEBI ICDR Regulations.
Sponsor Bank	A Banker to the Offer which is registered with SEBI and is eligible to act as a Sponsor Bank in a public issue in terms of applicable SEBI requirements and has been appointed by the Company and the Selling Shareholder, in consultation with the LM to act as a conduit between the Stock Exchanges and NPCI to push the UPI Mandate Request in respect of RIIs as per the UPI Mechanism, in this case being ICICI Bank Limited.
Syndicate Member	Intermediaries registered with the SEBI eligible to act as syndicate member and who is permitted to carry on the activity as an underwriter.
TRS / Transaction Registration Slip	The slip or document issued by the Designated Intermediary (only on demand), to the Applicant, as proof of registration of the Application Form

UPI	Unified Payments Interface (UPI) is an instant payment system developed by the NPCI. It enables merging several banking features, seamless fund routing & merchant payments into one hood. UPI allows instant transfer of money between any two persons' bank accounts using a payment address which uniquely identifies a person's bank a/c.
UPI Circulars	SEBI circular number SEBI/HO/CFD/DIL2/CIR/P/2018/138 dated November 1, 2018, SEBI circular number SEBI/HO/CFD/DIL2/CIR/P/2019/50 dated April 3, 2019, SEBI circular number SEBI/HO/CFD/DIL2/CIR/P/2019/76 dated June 28, 2019, SEBI circular number SEBI/HO/CFD/DIL2/CIR/P/2019/85 dated July 26, 2019, SEBI circular number SEBI/HO/CFD/DCR2/CIR/P/2019/133 dated November 8, 2019, SEBI circular number SEBI/HO/CFD/DIL2/CIR/P/2020 dated March 30, 2020, SEBI circular number SEBI/HO/CFD/DIL2/OW/P/2021/2481/1/M dated March 16, 2021, SEBI circular number SEBI/HO/CFD/DIL1/CIR/P/2021/47 dated March 31, 2021, SEBI circular number SEBI/HO/CFD/DIL2/P/CIR/2021/570 dated June 2, 2021, SEBI circular number SEBI/HO/CFD/DIL2/CIR/P/2022/45 dated April 5, 2022, SEBI circular number SEBI/HO/CFD/DIL2/CIR/P/2022/51 dated April 20, 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 NPCI.
UPI Mandate Request	A request (intimating the RIB (Retail Individual Bidder) by way of a notification on the UPI application and by way of a SMS directing the RIB to such UPI mobile application) to the RIB initiated by the Sponsor Bank to authorise blocking of funds on the UPI application equivalent to application Amount and subsequent debit of funds in case of Allotment
UPI Mechanism	The bidding mechanism that may be used by a RII to make a Bid in the Issue in accordance with the UPI Circulars.
UPI PIN	Password to authenticate UPI transactions.
Underwriter	Underwriters to the issue is Interactive Financial Services Limited.
Underwriting Agreement	The Agreement entered into between the Underwriters and our Company dated January 23, 2023
U.S Securities Act	U.S Securities Act of 1933, as amended
Wilful Defaulter	Wilful defaulter as defined under Regulation 2(1) (III) of the SEBI ICDR Regulations.
Working Days	In accordance with Regulation 2(1)(mmm) of SEBI ICDR Regulations, working days means, all days on which commercial banks in the city as specified in the Prospectus are open for business. 1. However, in respect of announcement of price band and Bid/ Offer period, working day shall mean all days, excluding Saturdays, Sundays and public holidays, on which commercial banks in the city as notified in the Prospectus are open for business. 2. In respect to the time period between the Bid/ Offer closing date and the listing of the specified securities on the stock exchange, working day shall mean all trading days of the stock exchange, excluding Sundays and bank holidays in accordance with circular issued by SEBI.

#### TECHNICAL AND INDUSTRY RELATED TERMS

Term	Description
APEDA	Agricultural and Processed Food Products Export Development Authority
AO	Anacardium Occidentale
BSM	Buyer-Seller Meet
B2B	Business-to-Business
B2C	Business-to-Consumer
CEPCI	Cashew Export Promotion Council of India
CNSL	Cashew Nutshell Liquid
DAC&FW	Department of Agriculture, Cooperation and Farmers Welfare

DCCD	Directorate of Cashew nut & Cocoa Development
DFTP	Duty-Free Tariff Preference
DW	Dessert wholes cashew
LDC	Least Developed Countries
MT	Million Tonnes
MAI	Market Access Initiative
NHB	National Horticulture Board
RCN	Raw Cashew Nut
RKVY	Rashtriya Krishi Vikas Yojana
SION	Standard Inputs Output Norms
SW	Scorched Wholes

#### CONVENTIONAL AND GENERAL TERMS/ ABBREVIATIONS

Term	Description
A/c	Account
Act or Companies Act	Companies Act, 1956 and/or the Companies Act, 2013, as amended from time to time
AGM	Annual General Meeting
AIF(s)	Alternative Investment Funds as defined in and registered with SEBI under SEBI AIF Regulations
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
BHIM	Bharat Interface for Money
BSE	BSE Limited
CAGR	Compounded Annual Growth Rate
CAN	Confirmation Allocation Note
CARO	Companies (Auditor's Report) Order, 2016, as amended
CDSL	Central Depository Services (India) Limited
CFO	Chief Financial Officer
CIN	Corporate Identity Number
CIT	Commissioner of Income Tax
CRR	Cash Reserve Ratio
Depositories	NSDL and CDSL
Depositories Act	The Depositories Act, 1996 as amended from time to time
Depository	A depository registered with SEBI under the SEBI (Depositories and Participants) Regulations, 2018, as amended from time to time
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 there-under 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.

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
FPI	Foreign Portfolio Investor
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
GST Act	The Central Goods and Services Tax Act, 2017
GST	Goods and Services Tax
GSTIN	GST Identification Number
HUF	Hindu Undivided Family
HNI	High Net Worth Individual
ICAI	Institute of Chartered Accountants of India
ICSI	Institute of Company Secretaries of India
IFRS	International Financial Reporting Standard
I.T. Act	Income Tax Act, 1961, as amended from time to time
Indian GAAP	Generally Accepted Accounting Principles in India
INR/ Rs. / Rupees / ₹	Indian Rupees, the legal currency of the Republic of India
IPO	Initial Public Offering
KMP	Key Managerial Personnel
Ltd.	Limited
LM	Lead Manager
MCA	Ministry of Corporate Affairs
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
NACH	National Automated Clearing House
NAV	Net Asset Value
NEFT	National Electronic Fund Transfer
NPCI	National Payments Corporation of India
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
OCB / Overseas Corporate Body	A company, partnership, society or other corporate body owned directly or indirectly to the extent of at least 60% by NRIs including overseas trusts, in which not less than 60% of beneficial interest is irrevocably held by NRIs directly or indirectly and which was in existence on October 3, 2003 and immediately before such date had taken benefits under the general permission granted to OCBs under FEMA. OCBs are not allowed to invest in the Issue.
p.a.	Per annum

P/E Ratio	Price/ Earnings Ratio
PAN	Permanent Account Number 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
RBI	Reserve Bank of India
R & D	Research and Development
RBI Act	Reserve Bank of India Act, 1934, as amended from time to time
RONW	Return on Net Worth
ROCE	Return on Capital Employed
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	SEBI (Prohibition of Insider Trading) Regulations, 2015, as amended from time to time, including instructions and clarifications issued by SEBI from time to time.
SEBI ICDR Regulations /ICDR Regulations/SEBI ICDR / ICDR	Securities and Exchange Board of India (Issue of Capital and Disclosure Requirements) Regulations, 2018, as amended from time to time
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.
SENSEX	Stock Exchange Sensitive Index
SICA	Sick Industrial Companies (Special Provisions) Act, 1985, as amended from time to time
SME	Small And Medium Enterprises
SME Exchange	SME Platform of BSE Limited
Stamp Act	The Indian Stamp Act, 1899, as amended from time to time
State Government	The Government of a State of India
Stock Exchanges	Unless the context requires otherwise, refers to, the BSE Limited
STT	Securities Transaction Tax
TAN	Tax Deduction Account Number
TDS	Tax Deducted at Source
TIN	Tax payer Identification Number
Tn	Trillion
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.
YoY	Year on Year

## FORWARD LOOKING STATEMENTS

This 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 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 Prospectus regarding matters that are not historical facts. These forward-looking statements and any other projections contained in this 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”, “Business Overview” and “Management’s Discussion and Analysis of Financial Condition and Results of Operations” on pages nos. 18, 66 and 120 of this Prospectus, respectively. By their nature, certain market risk disclosures are only estimates and could be materially different from what actually occurs in the future. As a result, actual 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 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 the Stock Exchange.

## **PRESENTATION OF FINANCIAL, INDUSTRY AND MARKET DATA**

### **Certain Conventions**

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

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

### **Financial Data**

Unless stated otherwise, the financial data in this 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, 2018 and the Indian GAAP which are included in this Prospectus, and set out in the section titled ‘Restated Financial Information’ beginning on page no. 101 of this 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 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 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 Prospectus should accordingly be limited.

Any percentage amounts, as set forth in the sections / chapters titled ‘Risk Factors’, ‘Business Overview’ and ‘Management's Discussion and Analysis of Financial Condition and Results of Operations’ beginning on page nos.18, 66 and 120 respectively of this Prospectus and elsewhere in this Prospectus, unless otherwise indicated, have been calculated on the basis of our restated financial statements prepared in accordance with Indian GAAP, the Companies Act and restated in accordance with the SEBI (ICDR) Regulations, 2018 and the Indian GAAP.

### **Industry and Market Data**

Unless stated otherwise, industry data used throughout this 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 Prospectus is reliable, it has not been independently verified.

Further, the extent to which the industry and market data presented in this 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 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, EURO or “€” are Euro currency,

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’.

## SUMMARY OF ISSUE DOCUMENT

### SUMMARY OF BUSINESS

In 2015, Our Promoter and Managing Director, Vimal Mishra with his wife has started partnership firm named “M/s Fortune Exports” to get into the international trade of “Agro Products”. His more than a decade experience in different field like sales in charge, project manager and working with the logistic company helped him to expand his business in the international market. From 2015 to 2017, the partnership firm was mainly in trading of pulses viz Mung. In 2017, the partnership firm has started importing the Cashew Husk from Vietnam and selling the same to various units of tanning industry in India Only. From 2018 to 2020 the Partnership Firm was in trading of Fruits like Banana, Dragon Fruit, Water Mallon & Musk Mallon etc. & Dry Fruits like Walnuts & Cashew. Dragon Fruit & Walnuts were imported from the Vietnam and were traded in the Pan India Market. In the Year 2018 the partnership firm had achieved turnover of ₹336.89 lacs and the profit before the remuneration to partners was ₹12.97 lacs.

In the year F.Y. 2021, the partnership firm had started the cashew processing plant of 150 ton per annum nearby Ahmedabad and in the same year the firm had achieved turnover of ₹ 987.89 lacs out of which the turnover of Agri Products was of ₹784.87 lacs. The growth of the firm was almost 107% in F.Y. 2021 in compare to the F.Y. 2020. By looking forward to the demand of our product & growth of the firm, our Promoter had enhanced the production capacity of the cashew processing plant from 150 tonnes per annum to 600 tons per annum. The partners of the firm have decided to do business in corporate structure and have formed the Company Viz. Prospect Commodities Private Limited. The Company had taken over the running business of partnership firm with all assets and liabilities from 1<sup>st</sup> April, 2022 by entering in to Memorandum of understanding dated March 29, 2022. The consideration for acquiring the business was paid by issue of 24,00,000 Equity shares of the Company at a price of Rs. 10 per share.

The Company is in the business of trading of cashew in to B2B Market. The Company is selling the Cashew to the wholesalers in the state of Gujarat only. Currently, the Company is not able to cater the demand of Gujarat State, hence it has not ventured to supply or develop market out of Gujarat. The cashews are packed in tin of 10 KG.

For more details, please refer chapter titled “Business Overview” on page 66 of this Prospectus.

### SUMMARY OF INDUSTRY

Cashew – a native of Brazil was introduced to the world by the Portuguese. Portuguese spread this tree to other parts of the world, including India. In India, Cashew was first introduced in Goa during 16th century – the then Portuguese colony. It was noticed that the tree grew on poor sandy soils along the coastal belt and was used by the Portuguese in Africa and India as an anti-soil erosion measure. (Russel,1969; McGovern, 2001). The tree has prospered and spread naturally, particularly in east Africa and India and the crop from the progeny of these wild cashew trees form the basis of the raw material for the cashew industry. Even though initially Cashew trees were planted for preventing soil erosion, later on it was discovered that Cashew Kernels extracted out of Raw Cashew Nuts (RCN) was a valuable food ingredient. In fact, India was the first country which started commercial processing of Cashew Nuts. Today, India has the largest crop of cashews in the world.

The Cashew Tree (Scientific Name - Anacardium Occidentale) produces cashew nut, a kidney shaped fruit, called the nut, born exteriorly attached to the swollen fleshy peduncle called the Cashew Apple. The cashew fruit (Figure 1) is unusual in comparison with other tree nuts since the nut is outside the fruit. In its raw state, the shell of the nut is leathery, not brittle. It is this Raw Nut which is used for extracting Cashew Kernels.

For more details, please refer chapter titled “Industry Overview” on page 61 of this Prospectus.

### PROMOTERS

The Promoters of our Company are Vimal Mishra and Priyanka Mishra.

For detailed information please refer chapter titled, “Our Promoters” and “Our Promoter Group” on page 97 of this Prospectus.

### ISSUE SIZE



Initial Public Issue of 12,26,000 Equity Shares of face value of ₹10/- each of Prospect Commodities Limited (“PCL” or the “Company” or the “Issuer”) for cash at a price of ₹61/- per Equity Share including a share premium of ₹51/- per equity share (the “issue price”) aggregating to ₹747.86 lacs (“the issue”), of which 62,000 Equity Shares of face value of ₹10/- each will for cash at a price of ₹ 61/- per Equity Share including a share premium of ₹51/- per equity share aggregating to ₹37.82 lacs 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 11,64,000 Equity Shares of face value of ₹10/- each at a price of ₹61/- per equity share aggregating to ₹ 710.04 lacs is herein after referred to as the “Net Issue”. The issue and the net issue will constitute 29.97% and 28.46% respectively of the post issue paid up equity share capital of our company.

## OBJECTS OF THE ISSUE

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

### Net Proceeds

The details of the proceeds of the issue are summarized in the table below:

Sr. No.	Particulars	Estimated Amount (₹ In lakhs)
1.	Gross proceeds from the issue	747.86
2.	Less: Issue related expenses	97.86
<b>Net proceeds of the issue</b>		<b>650.00</b>

### Requirement of funds and utilization of Net Proceeds

Sr. No.	Particulars	Estimated Amount (₹ In lakhs)
1.	Repayment of Unsecured Loans	50.00
2.	Long term Working capital requirement	440.00
3.	General corporate purposes	160.00
<b>Total utilization of net proceeds</b>		<b>650.00</b>

## PRE-ISSUE SHAREHOLDING OF PROMOTERS AND PROMOTER GROUP AS A PERCENTAGE OF THE PAID-UP SHARE CAPITAL OF THE COMPANY

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
<b>(i) Promoter</b>					
1.	Vimal Mishra	12,05,000	42.07	12,05,000	29.46
2.	Priyanka Mishra	12,05,000	42.07	12,05,000	29.46
	<b>TOTAL (A)</b>	<b>1,54,99,800</b>	<b>84.13</b>	<b>1,54,99,800</b>	<b>58.92</b>
<b>(ii) Promoter Group</b>					
3.	Prakash Mishra	1,00,000	3.49	1,00,000	2.44
4.	Kalpana Mishra	13,500	0.47	13,500	0.33
5.	Kishoriben Mishra	10,000	0.35	10,000	0.24
	<b>TOTAL (B)</b>	<b>1,23,500</b>	<b>4.31</b>	<b>1,23,500</b>	<b>3.02</b>
<b>(iii) Public</b>					
6.	Thakar Kuldip Bhupatbhai	1,00,000	3.49	1,00,000	2.44
7.	Thakar Linaben	1,00,000	3.49	1,00,000	2.44
8.	Seema Mishra	33,000	1.15	33,000	0.81
9.	Riddhi Bharatkumar Vasita	26,500	0.93	26,500	0.65
10.	Rana Mittal	10,000	0.35	10,000	0.24

11.	Maheshkumar B Solanki	10,000	0.35	10,000	0.24
12.	Chirag Vinodbhai Patel	10,000	0.35	10,000	0.24
13.	Barot Tusharbhai Harshadrai	6,500	0.23	6,500	0.16
14.	Jigarbhai R Shah	5,000	0.17	5,000	0.12
15.	Sanjay Madan	10,000	0.35	10,000	0.24
16.	Chandani Amit Kumar	10,000	0.35	10,000	0.24
17.	Tyagraj Manohar Gramin	10,000	0.35	10,000	0.24
	IPO	-	-	12,26,000	29.97
	<b>TOTAL (C)</b>	<b>3,31,000</b>	<b>11.56</b>	<b>15,57,000</b>	<b>38.06</b>
	<b>TOTAL (A+B+C)</b>	<b>28,64,500</b>	<b>100.00</b>	<b>40,90,500</b>	<b>100.00</b>

#### SUMMARY OF FINANCIAL INFORMATION

Particulars	For the Period ended on November 30, 2022	For the Year ended on March 31, 2022
Share Capital (₹ in Lakhs)	241.00	1.00
Net worth (₹ in Lakhs)	293.70	0.85
Revenue from Operation (₹ in Lakhs)	839.98	0.00
Other Income (₹ in Lakhs)	0.00	0.00
Profit after Tax (₹ in Lakhs)	52.85	-0.15
Earnings per share (Basic & diluted) (₹)	16.78	-1.50
Net Asset Value per Equity Share (Basic & diluted)	12.19	8.50
Total borrowings (₹ in Lakhs)	363.57	0.05

#### QUALIFICATIONS OF AUDITORS

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

#### SUMMARY OF OUTSTANDING LITIGATIONS & MATERIAL DEVELOPMENTS

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

Particular	Nature of cases	No of outstanding cases	Amount involved (₹ in lacs)
Litigation against Company	Income Tax	1	38.95
Litigation against the Director of the Company	-	0	0
Litigation filed by the promoter and directors of the Company	-	0	0
Litigation against Group Company	-	0	0

For further details, please refer chapter titled “Outstanding Litigations & Material Developments” beginning on page 127 of this Prospectus.

#### RISK FACTORS

For details relating to risk factors, please refer section titled “Risk Factors” on page 18 of this Prospectus.

#### SUMMARY OF CONTINGENT LIABILITIES OF OUR COMPANY

As on the date of filing this Prospectus there is no contingent liability on the Company.

For detailed information of Contingent Liabilities of our Company, please refer chapter titled “Restated Financial Statement” beginning on page 101 of this Prospectus.

#### SUMMARY OF RELATED PARTY TRANSACTIONS

##### a) Name of Related Party & Nature of Relationship:

Description of relationship	Names of related parties
KMP	Vimal Sureshbhai Mishra, Priyanka Vimal Mishra
Enterprises over which Directors have Control (EDC)	Global Logistics

##### b) Transactions with Related Parties during the period:

(Currency: Indian Rupees in Lakhs)

Nature of Transactions	Vimal Sureshbhai Mishra	Priyanka Vimal Mishra	Global Logistics	Total
Loan taken	207.85	3.00	0.00	210.85
(Previous period)	0.00	0.00	0.00	0.00
Loans Repaid	111.30	0.00	0.00	111.30
(Previous period)	0.45	0.00	0.00	0.45
Director remuneration	4.32	4.32	0.00	8.64
(Previous period)	0.00	0.00	0.00	0.00
Sales of Goods (Debtors)	0.00	0.00	10.26	10.26
(Previous period)	0.00	0.00	0.00	0.00

##### c) Outstanding Balances of Related Parties at the end of the period:

Nature of Transactions	Vimal Sureshbhai Mishra	Priyanka Vimal Mishra	Global Logistics	Total
Loans and Borrowings	96.10	3.00	0.00	99.10
(Previous period)	-0.45	0.00	0.00	0.00
Creditors for Remuneration	4.32	1.08	0.00	5.40
(Previous period)	0.00	0.00	0.00	0.00
Sales of Goods (Debtors)	0.00	0.00	2.01	0.00
(Previous period)	0.00	0.00	0.00	0.00

For detailed information on the related party transaction executed by our Company, please refer chapter titled “Restated Financial Statement” beginning on page 101 of this Prospectus.

#### FINANCING ARRANGEMENTS

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

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

The promoters have not acquired any Equity Shares in the last one (1) year preceding the date of this Prospectus other than stated below:

Sr. No	Name of Promoter	No of Equity Shares acquired in the last one year from the date of this Prospectus	Weighted Average Cost of Acquisition (in Rs)
1.	Vimal Mishra	5,000	10.00
2.	Priyanka Mishra	5,000	10.00

#### AVERAGE COST OF ACQUISITION

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

Sr. No.	Name of Promoters	No. of Equity Shares held	Average Cost of Acquisition in ₹
1.	Vimal Mishra	12,05,000	10.00
2.	Priyanka Mishra	12,05,000	10.00

#### DETAILS OF PRE-ISSUE PLACEMENT

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

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

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 (Rs.)	Issue Price (Rs.)	Name of Allottees	No. of Shares Allotted	Nature of Allotment
October 31, 2022	24,00,000	10	10	Vimal Mishra	12,00,000	Preferential allotment pursuant to Takeover of Partnership Firm "M/s Fortune Export"
				Priyanka Mishra	12,00,000	

#### SPLIT / CONSOLIDATION OF EQUITY SHARES IN THE LAST ONE YEAR

Our Company has not undertaken a split or consolidation of the Equity Shares in last one year.

## SECTION II – RISK FACTORS

*Investment in the Equity Shares involves a high degree of risk. You should carefully consider all of the information in this Prospectus, including the risks and uncertainties described below and the Financial Statements incorporated in this 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 66 and 120, respectively of this Prospectus, as well as the other financial and statistical information contained in this 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 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 Prospectus. For further details, please refer to chapter titled “Forward-Looking Statements” beginning on page 11 of this 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 101 of this Prospectus.*

### **INTERNAL RISK FACTORS:**

- 1. The top ten Buyers of Our Product and top ten suppliers for raw material contribute our total revenue and source of Raw Material. We do not have long term agreement with the customer or supplier. The loss of any Customer or a decrease in the volume of order by any customer or any disruption in supply of raw material by any supplier may adversely affect our revenues and profitability.***

The Company had taken running business of M/s Fortune Exports and in the partnership firm, we have relied upon top ten Buyers of Our Product and top ten suppliers for raw material for our revenue and source of raw material.

In the FY 2022-23 (upto November 30, 2022) the Revenue from top Five customers was 97.13% of the total turnover (including tax). The loss of any customer or a decrease in the volume of orders 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. The Management is of the view that due to lower production capacity we are unable to fulfil the demand of our existing customers where in case of loss of

any customer we shall have ready buyer with us due to extremely high demand of the product. 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.

In the FY 2022-23 (upto November 30, 2022) the purchase of Raw Material from top 5 suppliers was 82.40% of the total purchase of material. The loss of any supplier due to any reason or disruption of the supply by the supplier, if we are not able to agree with the terms and conditions for the supply of material or we are not able to find the alternative supplier of raw material with same terms and conditions at which we are buying the material, may severely affect our revenue and profitably.

**2. *We do not own registered office from which we operate.***

Our Registered Office is situated at 417, Orbit, B/h. Rajpath Club, Rajpath Road, Bodakdev, Ahmedabad. The registered office is not owned by us. Our company has taken premises on lease basis and has entered into lease agreement with Jagjeetkaur Ajay Sharma. The premises have been taken by us on lease for a period of 11 months and 29 days commencing from January 07, 2022 with a condition that both the parties to this agreement may renew after the expiration thereof. The Company had not renewed the Rent Agreement after the expiration of the same.

There can be no assurance that the term of the agreements will be either continued or renewed for further period, and in such event the lessor/licensor terminates or does not renew the agreements, we may require to vacate the registered office and identify alternative premises and enter into fresh lease or leave and license agreement. Such a situation could result in loss of business, time overruns and may adversely affect our operations and profitability and Brand image also.

**3. *Our factory premises are on rental basis.***

Our factory is situated at Shed No 7 and 8, Sadbhav Industrial Park, Village Dhamtavan, Tal. Daskroi, Dist. Ahmedabad. We have taken shed no. 7 on lease basis from Sunilbhai Jaggannath More and Harshadbhai Govindbhai Patel for a period 11 months and 29 days w.e.f. July 11, 2022 at a monthly rent of Rs.12,500/- p.m., however it can be renewed with 10% rise in rent if both the party agrees. We have taken Shed no. 8 on lease basis from Vaishali Zaverbhai Patel and Nitaben Zaverbhai Patel for a period 11 months w.e.f. April 01, 2022 at a monthly rent of Rs.40,000/- p.m., however it can be renewed with the 10% rise in the rent if both the party agrees.

There can be no assurance that the term of the lease agreements will be either continued or renewed for further period, and in such event the lessor/licensor terminates or does not renew the agreements, we may require to vacate the factory premises and identify alternative premises and enter into fresh lease or leave and license agreement. Such a situation could result in loss of production, business, time overruns and may adversely affect our operations and profitability and Brand image also.

**4. *We have expanded our production capacity from 150 TPA to 1200 TPA.***

In the Financial year 2022 inspired by the growth, demand of the product and acceptance of the product the firm had enhanced the cashew processing plant from 150 tonnes per annum to 1200 tons per annum. Our existing production capacity in 2022 was increased from 150 TPA to 1200 TPA, means production capacity is increased by 300%. To keep our factory operated at 100% capacity, we have to vigorously increased our marketing efforts and also expand our operation beyond the state of Gujarat. If we are not able to concentrate fully on marketing and increased our sales, our production capacity will be at underutilized level, which will adversely affect our turnover, revenue and profitability.

**5. *If We are not able to procure Quality Raw Material in a timely manner, our business, results of Operations and financial conditions may be adversely affected.***

The main Raw Material required is Raw Cashew Nuts (RCN) for our products. The RCN is agro based product and are subject to price fluctuations as a result of seasonality, weather, demand in local and international market and other factors. We try to keep our raw material cost by timing our purchases and delivery months. We typically do not enter into long term supply arrangements for procurement of raw materials. We enter into short term contracts for procurement of raw material. Several criteria can be used to specify the cashew nuts quality such as colour, shape, brightness, exterior aspect. Our profitability will depend upon on our ability to anticipate and react to changes in the cost of our material and to procure raw material in time. If we are not able to procure the raw

material in timely manner, the cost of raw material will increase and we may not be able to get the desired quality of raw material and which will adversely affect our business, results of operation and financial conditions.

**6. *The Processing of Raw Cashew nuts involve no of stages and during the process the cashew nuts broken.***

Raw Cashew Nuts are processed through number of stages, such as cleaning, Boiling and Cooling, De shelling, drying, Moistening and peeling, sorting, drying and grading. It consists of deshelling the raw cashew nutshell to free the kernel, without splitting the precious whole kernel, then various other process is to be done. During the above various stages of process Cashew Nuts may get broken. So whole process is required to be handled with utmost care by trained and skilled workers. If it is not handled with due care, during process the cashew nuts will be broken. If the percentage of such broken nuts are increased, we have to sell the broken cashew nuts at lesser price than what the whole cashew nut gets and it will have adverse effect on our sale and profitability.

**7. *We have limited Geographical Presence in the market. Our operations are limited to the state of Gujarat.***

We are supplying our products to the wholesale customers spread over with the state of Gujarat. Looking to the good quality of our products, we are able to sale our entire production within Gujarat. We are supplying our products to the wholesalers only. The Company is not able to cater the demand of Gujarat State, hence it has not ventured to supply or develop market out of Gujarat. Recently the company had started supplying the cashew directly to the customers who are leading chain restaurant in the North India. In the event of any natural or manmade calamity in the state of Gujarat, our entire business operation comes to stand still. Under the circumstances our business, revenue and our profitability will be adversely affected.

**8. *If we are unable to accurately estimate the demand for our products, our business, financial condition and results of operation may be adversely affected.***

The purchase of raw materials for our products is based primarily on forecasts, projections and requirements prepared by our marketing team. These forecasts are based on past sales as well as anticipated demand, which is based to a certain extent on the subjective assessment by our marketing team. If we are unable to accurately forecast demand for our products it would lead to excess supply or a shortage in supply of raw materials from our suppliers, which would have a material adverse impact on our business, financial condition and results of operations.

**9. *If we are not able to attract and retain sufficient qualified and trained personnel at our processing and packaging units which may adversely affect our business.***

The processing of Raw Cashew nut required skilled employees so that the Company can get less quantity of broken cashew nuts. The company has employed skilled staff for the processing of cashew nuts. The Company has to keep Good Human Resources policy and the incentives to keep the skilled staff for a longer period. There can be no assurance that efficiency rates of our personnel will increase or maintained throughout their working. We have migrated from manual to automation in our plant however we still require Semi skilled Resources to perform the job which are readily available and enough resources are available to train them within our premises. Any significant adverse change efficiency in our personnel could also affect our productivity adversely, which may result in to loss of customers, revenue, profitability etc. If we are not able to replace the required skilled staff in case of labour unrest in timely manner then our business operation may be severely affected, financial condition and results of operations may be adversely affected.

**10. *We are dependent on third party transportation service providers for delivery of raw material to us from our suppliers and delivery of our products to our customers.***

The supply of Raw material and delivery of goods in timely manner is the crux for the reputation of the Company, growth of business and retention of the customers. The demand for our products is high during the festival period and the customers want the delivery of goods in time. We have to rely upon third party transportation service providers for the delivery of raw material to us from our suppliers and delivery of our products to the customers. Any default or delay by the third-party transportation service providers in transporting the raw material or to deliver the same to our customers in a timely, efficient and reliable manner could adversely affect our business, results of operations and financial condition. The hike in the fare by the third-party transportation service providers due to change in the Government Policy for fuel and if we are not able to transfer the hike in the price of the Finished Good to the customers the profitability of the Company will be affected.

Further, we have not entered into any agreements or contracts with our transporters and the costs of transportation are generally based on mutual terms and the prevailing market price. In the absence of such agreements, we cannot assure that the transporters services will be always timely available at reasonable rates, which could adversely affect our business, results of operations and financial condition.

***11. Our Company has not entered into any written agreements or contracts with our customers for sale of our products.***

We sell our major production to the wholesalers in the state of Gujarat. Generally, we do not sell our products to retailers or end-users directly. Though, we are directly dealing with the wholesalers, we have not entered into any type of long/short agreement with any of the buyer. Though, we are getting orders on a regular basis from our customers, we cannot assure you that in the future we will be getting the orders from all the customers on a regular basis. In the absence of any type of written agreement with our customers, we are always at the risk of losing customers in this competitive market. Loss of any of the significant customer will lead our company into a loss of business, revenue and financial conditions.

***12. Any failure in our quality control and procurement process may adversely affect our business, results of operations and financial condition.***

The success of our business depends upon the procurement of qualitative Raw Material from the market. Several criteria can be used to specify the cashew nuts quality such as colour, shape, brightness, exterior aspect. The most important criterion is the quality of the kernel inside the shell. There are four main criteria used to assess the quality of the RCN: the Out-turn, the defective nut rate, the nut count, and moisture. We procure our raw material from the supplier of Gujarat who are importing from other countries and also from Kolam, Tuticorin and Mangalore. We check the quality of RCN before buying from the suppliers. The quality of raw material has a direct impact on the quality of finished products. If we are not able to maintain control on the check of quality of raw material then our customers may lose faith in the quality of our products and could in turn refuse to further deal in our products, which could have a severe impact on our revenue and business operations.

***13. We have been recently converted into a public limited company and any non-compliance with the provisions of Companies Act, 2013 may attract penalties against our Company which could impact our financial and operational performance and reputation.***

The promoters of the Company were running the partnership firm and they have incorporated the Private Limited Company on January 22, 2022. The Company was converted into a Limited Company pursuant to a special resolution passed by our shareholders at the EGM held on December 29, 2022 and consequently the name of our Company was changed to "Prospect Commodities Limited" and a fresh certificate of incorporation was issued by the Registrar of Companies, Ahmedabad dated January 03, 2023. However, consequent to the aforesaid conversion, our Company is required to observe compliance with various provisions pertaining to public limited companies of the Companies Act. Further, our Company is going to the public for further requirement of funds and needs to comply with provisions of SEBI ICDR Regulations and SEBI (LODR) Regulations. Though our Company will take due care to comply with the provisions of the Companies Act and other applicable laws and regulations. In case of our inability to timely comply with the requirements or in case of any delay, we may be subject to penal action from the concerned authorities which may have an adverse effect on our financial and operational performance and reputation.

***14. The procurement of raw material is subject to seasonal factors. Consequently, our inability to accurately forecast demand for our products, may have an adverse effect on our business, results of operations, cash flows and financial condition.***

RCN is an agricultural product and cultivation of the raw material is seasonal. The cashew nuts are harvested during February – May. On account of seasonality of the raw material, forecasting the demand for the finished goods and procurement of raw material for production is very important. Any misjudgment in the procurement of Raw Material will result in either a shortage of stock of raw material at a competitive price or a surplus in stock which will block the working capital funds in turn affect the business, results of operations, cash flow and financial conditions.

***15. The occurrence of natural or man-made disasters could adversely affect our results of operations and financial condition.***



The occurrence of natural disasters, including floods, earthquakes, fires, explosions, pandemic disease and man-made disasters, including acts of terrorism and military actions, could adversely affect our results of operations or financial condition. The spread of pandemic diseases, or the occurrence of natural disasters, in India or the international markets from which our suppliers purchase, could restrict the level of economic activities generally or slow down or disrupt our business activities, which could in turn adversely affect our business, financial condition and results of operations.

**16. Our ability to maintain our competitive position and to implement our business strategy is dependent to a significant extent on our senior management team and other key personnel, in particular, our Promoter.**

We depend on our current senior management for the implementation of our strategy and the operation of our day-to-day activities. Furthermore, relationships of members of senior management are important to the conduct of our business. Competition for experienced management personnel in the business sectors we operate in is intense, the pool of qualified candidates is limited, and we may not be able to retain our senior executives or key personnel or attract and retain skilled senior executives or key personnel in the future. Consequently, there can be no assurance that these individuals will continue to make their services available to us in the future. Any significant loss of senior management or key personnel could materially and adversely affect our business, financial condition, results of operations and prospects. In addition, if any member of our senior management team or any of our other key personnel joins a competitor or forms a competing business unit, we may consequently lose our proprietary know-how for the benefit of our competitors. Our success depends heavily upon the continuing services of our Promoter who has been the leader since our inception. Our Promoter currently serves as our Managing Director and his experience and vision have played a key role in obtaining our current market position. If our Promoter is unable or unwilling to continue to serve in his present position, we may not be able to replace him with an executive of similar capacity or at all, and our business, financial condition, results of operations and prospects may be materially and adversely affected.

**17. We have to update the name of our company in some of the statutory approvals and certificates due to the Change in the name upon conversion of our Company in to Public Limited Company.**

Some of our statutory approvals and certificates are in the name of Prospect Commodities Private Limited. Since 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 December 29, 2022 and consequently the name of our Company was changed as "Prospect Commodities Limited" we have to update the name Prospect Commodities Limited on the statutory approvals and certificates. We cannot assure that we will be able to update the said documents in a timely manner.

For more information about the licenses required in our business, please refer section "Government and other statutory approvals" beginning on page no. 131 of this Prospectus.

**18. Our business requires us to obtain and renew certain registrations, licenses and permits from government and regulatory authorities and the failure to obtain and renew them in a timely manner may adversely affect our business operations.**

Our business operations require us to obtain and renew certain approvals, licenses, registration and permits from time to time from the different domestic authorities and from different foreign countries, some of which may expire and for which we may have to make an application for obtaining the approval or its renewal. If we fail to maintain such registrations and licenses or comply with applicable conditions, then such respective regulatory can impose fine on our company or suspend and/or cancel the approval/licenses which may affect our business adversely.

For more information about the licenses required in our business, please refer section "Government and other statutory approvals" beginning on page no. 131 of this Prospectus.

**19. We have issued Equity Shares during the last one year at a price lower than the Issue Price. We have issued Equity Shares to promoter and public during the last 12 months preceding the date of this Prospectus at a price lower than the Issue Price as detailed in the following table:**

Date Allotment	No. of Equity Shares Allotted	Face Value (₹)	Issue Price (₹)	Consideration	Remarks
October 31,2022	24,00,000	10	10	Other than	In consideration of take over

				Cash	the Partnership Business
December 23, 2022	4,54,500	10	10	Cash	Right Issue

20. ***There is one outstanding litigation against our Company which if determined against us, could adversely impact financial conditions.***

There is outstanding litigation against our Company. The summary details of this legal proceeding is given below in the following table:

Particular	Nature of cases	No of outstanding cases	Penalty Amount involved (₹ in lacs)
Litigation against Company	demand of differential duty by Director of Revenue Intelligent	1	38.95 plus interest and penalty

For further details regarding outstanding litigations by and against company please refer the chapter "Outstanding Litigations and Material Development" on page no. 127 of this Prospectus.

21. ***Our company has availed credit facilities from the HDFC Bank Ltd., as per sanction terms and conditions, there are certain restrictive covenants imposed on the issuer company.***

We have been sanctioned various credit facilities from the HDFC Bank Ltd., totalling to Rs. 160.00 Lakhs. As a part of the conditions, cash credit limit will be released gradually on basis of shifting of business in new company, till that time the limit will be restricted to ₹60 lakhs. No dividend to be declared or withdrawal by the directors by way of remuneration or commission in case of overdue to the bank ,no withdrawal of unsecured loan in case of over due to the bank , No interest on the unsecured loan in case of over due to the bank, Guarantors no to issue any personal guarantee for any other loan without prior written permission from the bank except car loans , personal Loans, Education Loans and Housing loans for personal and family, Convert unsecured loan in to equity/capital as and when required to maintain a positive tangible Net worth, Bank has right to appoint nominee in certain circumstances, promoters Prime/ Collateral securities shall be comprehensively insured with usual Bank clause, with beneficiary clause in favour of our Bank from Bank's Corporate Tie up. Personal guarantee of Directors is to be provided. These covenants may have an adverse effect on the functioning of our Company.

22. ***We may not be successful in implementing our business strategies.***

The success of our business depends substantially on our ability to implement our business strategies effectively. Even though we have successfully executed our business strategies in the past, there is no guarantee that we can implement the same on time and within the estimated budget going forward or that we will be able to meet the expectations of our targeted end customers. Changes in regulations applicable to us and the change of end customers taste may also make it difficult to implement our business strategies. Failure to implement our business strategies successfully would have a material adverse effect on our business and results of operations.

23. ***We have unsecured loans from promoters, directors and their relatives, which are repayable on demand. Any demand from lenders for repayment of such unsecured loans, may adversely affect our liquidity and business operations.***

As per our restated financial statements, as on November 30, 2022, we have unsecured loan of ₹100.18lakhs from erstwhile promoters, directors and their relatives which is repayable on demand. Any demand from them for repayment of such unsecured loans, may adversely affect our liquidity and business operations. For further details of these unsecured loans, please refer to Chapter titled "Restated Financial Statements" beginning on page 101 of this Prospectus.

24. ***Our Company does not have intellectual property rights over its corporate logo.***

We have our corporate Trademark "PROSPECT", but the same is not registered with the Trade Marks and patents Authority. We have applied for registration of the same with the Trade Marks and patents Authority. We operate in an extremely competitive environment, we are dealing in the business of Cashew nuts and other dry fruits, where name and reputation has much more value, we have created our image and reputation and reorganization among our buyers, which is a significant element of our business strategy and success. Currently, our logo is not Registered with the Authority. In absence of our Registered Logo or Trademark there are chances of getting damage to our business prospects, reputation and goodwill and misuse of our designs also.

**25. 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 processing and trading of Cashew Nuts. For the current year i.e. FY 2022-23 the Company's net working capital requirement is ₹730.92 lakhs as against the ₹520.92 lakhs as on November 30, 2022. Our net working capital requirement for the FY 2023-24 is estimated at ₹910.92. As on the date of this 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	30.11.2022	FY 2022-23 (Current Year)	FY 2023-24 (Estimated)
Current Assets			
Raw Material	69.30	107.67	138.08
Packing Material	0.50	10.0	10.00
Finished Goods	98.20	188.53	245.00
Trade Receivables	574.44	538.67	700.00
Cash and Bank Balance	17.83	20.74	25.34
Short Term Loans and Advances	50.38	90.00	85.00
Other Current Assets	30.08	40.00	40.00
Total Currents Assets (A)	840.73	995.61	1243.42
Less: Current Liabilities			
Trade Payables	213.11	204.69	262.50
Other Current Liabilities	64.88	40.00	40.00
Short Term Provisions	41.82	20.00	30.00
Total Current Liabilities (B)	319.81	264.69	332.50
Net Working Capital	520.92	730.92	910.92

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

**26. We have experienced negative cash flows in previous year. Any operating losses or negative cashflows in the future could adversely affect our results of operations and financial condition.**

Our Company had negative cash flows from our operating activities in the FY 2021-22, as per the Restated Financial Statements and the same are summarized as under.

(₹ In Lacs)

Particulars	March 31, 2022
Net Cash Generated from Operating Activities	(0.45)

**27. We have entered into certain transactions with related parties. These transactions or any future transactions with our related parties could potentially involve conflicts of interest.**

We have entered into certain transactions with related parties with our Promoter, Promoter Group, Directors, their relatives, Group Entities and may continue to do so in future. Our Company has entered into such transactions due to easy proximity and quick execution. Additionally, our company belief that all our related party transactions have been conducted on an arm's length basis, but we cannot provide assurance that we could have achieved more favorable terms had such transactions been entered with third parties. Our Company may enter into such transactions in future also and we cannot assure that in such events there would be no adverse effect on results of our operations, although going forward, all related party transactions that we may enter will be subject to board or shareholder approval, as under the Companies Act, 2013 and the Listing Regulations. For details of transactions, please refer to "Annexure 26" Related Party Transactions" 101 of Restated Financial Information of this Prospectus.

**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 66 and 97 respectively and the chapter titled “*Annexure 26 - Related Party Transactions*” on page 116 under chapter titled “*Restated Financial Statements*” beginning on page 101 of this 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 61.94% 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. *Sale of shares by our promoters or other significant shareholder(s) may adversely affect the trading price of the Equity Shares.***

The sale of shares by the promoters or other significant shareholder(s) may significantly affect the trading price of our Equity shares. Further the market price generally may be adversely affected on account of the news about the sale of shares by the promoters. However, the closing of trading windows during the period of financial results may restrict the promoters from selling the shares in the open market.

**31. *The issue price of the Equity Shares may not be indicative of market price of our equity shares after the issue and the market price of our Equity shares may decline below the issue price.***

The issue price of our Equity shares is decided on the basis of both qualitative and quantitative factors. The Company had made good progress in establishing its name in the Cashew Nuts production and trading. All such points have been considered in deciding the issue price of the Equity Shares. Please refer chapter titled “*Basis for Issue Price*” beginning on the page no 56 of the prospectus. The market price of our equity shares could be subject to change after the issue and may decline the below the issue price.

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

As per SEBI (ICDR) Regulations, 2018, as amended, appointment of monitoring agency is required only for Issue size above Rs. 100 cr. Hence, we have not appointed any monitoring agency to monitor the utilization of Issue proceeds. However, the audit committee of our Board will monitor the utilization of Issue proceeds in terms of Listing Agreement. Further, our Company shall inform about material deviations in the utilization of Issue proceeds to the Stock Exchange.

**33. *We have not identified any alternate source of financing the ‘Objects of the Issue’. If we fail to mobilize resources as per our plans, our growth plans may be affected.***

We have not identified any alternate source of funding and hence any failure or delay on our part to raise money from this Issue which may delay in the implementation schedule and could adversely affect our growth plans. For further details of object of Issue and schedule of implementation please refer to the chapter titled “*Objects of the Issue*” on page 50 of this Prospectus.

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

Our future ability to pay dividends will depend on our earnings, financial condition and capital requirements. There can be no assurance that we will generate sufficient income to cover the operating expenses and pay dividends to the shareholders. Our ability to pay dividends will also depend on our expansion plans. We may be unable to pay dividends in the near or medium term, and the future dividend policy will depend on the capital requirements and financing arrangements for the business plans, financial condition and results of operations.

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

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

**36. *Our funding requirements and proposed deployment of the Net Proceeds are based on management estimates and have not been independently appraised, and may be subject to change based on various factors, some of which are beyond our control.***

Our funding requirements and deployment of the Net Proceeds are based on internal management estimates based on current market conditions, and have not been appraised by any bank or financial institution or another independent agency. Furthermore, in the absence of such independent appraisal, our funding requirements may be change subject to the approval of shareholders by passing special resolution pursuant to section 27 of Companies Act, 2013 through postal ballot or subject to an authority given by the Company in general meeting by way of special resolution and based on various factors which are beyond our control. For further details, please see the section titled “Objects of the Issue” beginning on page no. 50 of this Prospectus.

**37. *Any future issuance of Equity Shares may dilute the shareholding of the Investor or any sale of Equity Shares by our Promoter or other significant shareholder(s) may adversely affect the trading price of the Equity Shares.***

Any future issuance of Equity Shares by our Company could dilute the shareholding of the investor. Any such future issuance of our Equity Shares or sales of our Equity Shares by any of our significant shareholders may adversely affect the trading price of our Equity Shares and could impact our ability to raise capital through an offering of our securities. While the entire post-Issue paid-up share capital, held by our Promoters or other shareholders will be locked-in for a period of 1 (one) year and minimum promoter contribution subject to a minimum of 20% of our post-Issue paid-up capital will be locked-in for a period of 3 (three) years from the date of allotment of Equity Shares in the Issue, upon listing of our Equity Shares on the Stock Exchanges. For further information relating to such Equity Shares that will be locked-in, please refer to the section titled “Capital Structure” beginning on page 40 of this Prospectus. Any future issuance or sale of the equity shares of our Company by our Promoter or by other significant shareholder(s) or any perception or belief that such sales of Equity Shares might occur may significantly affect the trading price of our Equity Shares.

## **EXTERNAL RISK FACTORS**

**After this Issue, the price of the Equity Shares may be highly volatile, or an active trading market for the Equity Shares may not develop.**

The price of the Equity Shares on the stock exchange may fluctuate as a result of the factors, including:

- Volatility in the India and global capital market;
- Company’s results of operations and financial performance;
- Performance of Company’s competitors;
- Adverse media reports on Company;
- Changes in our estimates of performance or recommendations by financial analysts;
- Significant developments in India’s economic and fiscal policies; and

- Significant developments in India’s environmental regulations.

Current valuations may not be sustainable in the future and may also not be reflective of future valuations for our industry and our Company. There can be no assurance that an active trading market for the Equity Shares will develop or be sustained after this Issue or that the price at which the Equity Shares are initially traded will correspond to the price at which the Equity Shares will trade in the market subsequent to this Issue.

**1. *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. These factors include interest rates, rates of economic growth, fiscal and monetary policies of governments, change in regulatory framework, inflation, deflation, foreign exchange fluctuations, consumer credit availability, consumer debt levels, unemployment trends, terrorist threats and activities, worldwide military and domestic disturbances and conflicts, and other matters that influence consumer confidence, spending and tourism.

**2. *Any changes in the regulatory framework could adversely affect our operations and growth prospects.***

Our Company is subject to various regulations and policies. For details see section titled “*Key Industry Regulations and Policies*” beginning on page 78 of this Prospectus. Our business and prospects could be materially adversely affected by changes in any of these regulations and policies, including the introduction of new laws, policies or regulations or changes in the interpretation or application of existing laws, policies and regulations. There can be no assurance that our Company will succeed in obtaining all requisite regulatory approvals in the future for our operations or that compliance issues will not be raised in respect of our operations, either of which could have a material adverse effect on our business, financial condition and results of operations.

**3. *Civil disturbances, extremities of weather, regional conflicts and other political instability may have adverse effects on our operations and financial performance.***

Certain events that are beyond our control such as earthquake, fire, floods and similar natural calamities may cause interruption in the business undertaken by us. Our operations and financial results and the market price and liquidity of our equity shares may be affected by changes in Indian Government policy or taxation or social, ethnic, political, economic or other adverse developments in or affecting India.

**4. *Our 100% Revenue is derived from business in India and a decrease in economic growth in India could materially affect and cause our business to suffer.***

We derive 100% of our revenue from our operations in India and, consequently, our performance and the quality and growth of our business are dependent on the health of the economy of India. However, the Indian economy may be adversely affected by factors such as adverse changes in liberalization policies, social disturbances, terrorist attacks and other acts of violence or war, natural calamities or interest rates changes, which may also affect the microfinance industry. Any such factor may contribute to a decrease in economic growth in India which could adversely impact our business and financial performance.

**5. *The price of our Equity Shares may be volatile, or an active trading market for our Equity Shares may not develop.***

Prior to this Issue, there has been no public market for our Equity Shares. Our Company and the Lead Manager have appointed Beeline Broking Limited as Designated Market maker for the equity shares of our Company. However, the trading price of our Equity Shares may fluctuate after this Issue due to a variety of factors, including our results of operations and the performance of our business, competitive conditions, general economic, political and social factors, the performance of the Indian and global economy and significant developments in India’s fiscal regime, volatility in the Indian and global securities market, performance of our competitors, the Indian Capital Markets and Finance industry, changes in the estimates of our performance or recommendations by financial analysts and announcements by us or others regarding contracts, acquisitions, strategic partnership, joint ventures, or capital commitments.

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

Taxes and other levies imposed by the Central or State Governments in India that impact our industry include income tax and GST and other taxes, duties or surcharges introduced on a permanent or temporary basis from time to time. There can be no assurance that these tax rates/slab will continue in the future. Any changes in these tax rates/slabs could adversely affect our financial condition and results of operations.

**SECTION - III –INTRODUCTION  
THE ISSUE**

The following table summarizes the Issue details:

Particulars	Details of Equity Shares
<b>Issue of Equity Shares by our Company</b>	12,26,000 Equity Shares of face value of ₹10.00/- each fully paid-up for cash at price of ₹ 61.00/- per Equity Share aggregating to ₹ 747.86 Lakhs
<i>Of Which</i>	
<b>Market Maker Reservation Portion</b>	62,000 Equity Shares of face value of ₹ 10.00/- each fully paid-up for cash at price of ₹ 61.00/- per Equity Share aggregating to ₹ 37.82 Lakhs
<b>Net Issue to the Public*</b>	11,64,000 Equity Shares of face value of ₹ 10.00/- each fully paid-up for cash at price of ₹ 61.00/- per Equity Share aggregating to ₹ 710.04 Lakhs
<i>Of Which</i>	
<b>(A) Retail Portion</b>	5,82,000 Equity Shares of face value of ₹ 10.00/- each fully paid-up for cash at price of ₹ 61.00/- per Equity Share aggregating to ₹ 355.02 Lakhs i.e. 50% of the Net Issue shall be available for allocation Retail Individual Investors
<b>(B) Non – Institutional Portion</b>	5,82,000 Equity Shares of face value of ₹ 10.00/- each fully paid-up for cash at price of ₹ 61.00/- per Equity Share aggregating to ₹ 355.02 Lakhs i.e. 50% of the Net Issue shall be available for allocation for Investors other than Retail Individual Investors.
<b>Pre-and Post-Issue Equity Shares</b>	
<b>Equity Shares outstanding prior to the Issue</b>	28,64,500 Equity Shares of face value of ₹10.00/- each
<b>Equity Shares outstanding after the Issue</b>	40,90,500 Equity Shares of face value of ₹ 10.00/- each
<b>Use of Issue Proceeds</b>	For details, please refer chapter titled “ <i>Objects of the Issue</i> ” beginning on page 50 of this Prospectus.

The Issue has been authorized by the Board of Directors vide a resolution passed at its meeting held on January 04, 2023 and approved by the shareholders of our Company vide a special resolution at the Extra Ordinary General Meeting held on January 05, 2023 pursuant to section 62(1)(c) of the Companies Act. This Issue is being made in terms of Chapter IX of SEBI (ICDR) Regulations, 2018, as amended. For further details, please refer to section titled “Issue Structure” beginning on page 149 of this Prospectus.

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

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

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

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



## SUMMARY OF OUR FINANCIAL INFORMATION

### Annexure: 1 RESTATED STANDALONE STATEMENT OF ASSETS AND LIABILITIES

(Currency: Indian Rupees in Lakhs)

Particulars	Annexure No.	As at 30-11-2022	As at 31-03-2022
<b>EQUITY AND LIABILITIES</b>			
<b>Shareholders' Funds</b>			
Share Capital	5	241.00	1.00
Reserves and Surplus	6	52.70	-0.15
		<b>293.70</b>	<b>0.85</b>
<b>Non-Current Liabilities</b>			
Long term borrowings	7	192.76	0.05
		<b>192.76</b>	<b>0.05</b>
<b>Current Liabilities</b>			
Short Term Provisions	8	41.82	0.15
Short Term Borrowings	9	170.80	0.00
Trade Payable:	10		
Payable to MSE			
Payable to other than MSE		213.11	0.00
Other Current liabilities	11	64.88	0.00
		<b>490.61</b>	<b>0.15</b>
<b>TOTAL</b>		<b>977.07</b>	<b>1.05</b>
<b>ASSETS</b>			
<b>Non - Current Assets</b>			
Property, Plant and Equipment	12		
Property, Plant and Equipment		65.94	0.00
Intangible Assets		68.96	0.00
Deffered tax assets	13	1.44	0.00
		<b>136.34</b>	<b>0.00</b>
<b>Current Assets</b>			
Inventory	14	168.00	0.00
Trade Receivable	15	574.44	0.00
Short term loan and advances	16	50.38	0.00
Cash and Cash Equivalents	17	17.83	0.55
Other Current Assets	18	30.08	0.50
		<b>840.73</b>	<b>1.05</b>
<b>TOTAL</b>		<b>977.07</b>	<b>1.05</b>

### Annexure: 2 RESTATED STANDALONE STATEMENT OF PROFIT AND LOSS ACCOUNT

(Currency: Indian Rupees in Lakhs)

Particulars	Annexure No.	Period Ended 30-11-2022	Period Ended 31-03-2022
<b>INCOME</b>			
Revenue from Operations	19	839.98	0.00
<b>TOTAL INCOME</b>		<b>839.98</b>	<b>0.00</b>
<b>EXPENSES</b>			
Cost of Material Consumed	20	164.83	0.00
Purchase of traded goods		475.69	0.00
Employees Benefits Expenses	21	20.66	0.00
Depreciation and Amortization Expenses	12	31.47	0.00
Finance Costs	22	18.72	0.00
Other Expenses	23	54.30	0.15
<b>TOTAL EXPENSES</b>		<b>765.68</b>	<b>0.15</b>
<b>Profit (Loss) before tax</b>		<b>74.30</b>	<b>-0.15</b>

Tax Expenses:			
a) Current Income tax	29	22.89	0.00
b) Deferred Tax Expense / (Income)	13	-1.44	0.00
<b>Profit / (Loss) for the Period</b>		<b>52.85</b>	<b>-0.15</b>
<b>Earning per equity share:</b>			
<b>Basic &amp; diluted</b>	24	<b>16.78</b>	<b>-1.50</b>

**Annexure: 3 RESTATED STANDALONE CASH FLOW STATEMENT**

(Currency: Indian Rupees in Lakhs)

Particulars	Period Ended 30-11-2022	Period Ended 30-11-2022	Period Ended 31-03-2022	Period Ended 31-03-2022
<b>CASH FLOWS FROM OPERATING ACTIVITIES</b>				
<b>Net profit/(loss) before tax</b>		74.30		-0.15
<b>Adjustments for</b>				
Depreciation & Amortization expense	31.47		0.00	
(Profit)/Loss on sale of fixed assets	1.70		0.00	
Finance Costs	18.72		0.00	
		51.89		0.00
<b>Operating profit/(loss) before working capital changes</b>		126.20		-0.15
(Increase)/Decrease in Trade Receivables	-290.72		0.00	
(Increase)/Decrease in Inventories	-44.09		0.00	
(Increase)/Decrease in Other Current Assets	-29.58		-0.50	
Increase/(Decrease) in Trade Payables	176.37		0.00	
(Increase)/Decrease in Loans & Advances	20.41			
Increase/(Decrease) in Borrowings	153.55			
Increase/(Decrease) in Other liabilities	-33.84		0.20	
		-47.91		-0.30
<b>Cash Generated from operations</b>		78.29		-0.45
Taxes		0.00		0.00
<b>NET CASH FROM OPERATING ACTIVITIES</b>		<b>78.29</b>		<b>-0.45</b>
<b>CASH FLOWS FROM INVESTING ACTIVITIES</b>				
Proceeds from Sale of Fixed assets	24.55		0.00	
Purchase of Fixed Assets	-66.02		0.00	
		-41.47		0.00
<b>NET CASH FROM INVESTING ACTIVITIES</b>		<b>-41.47</b>		<b>0.00</b>
<b>CASH FLOWS FROM FINANCING ACTIVITIES</b>				
Increase/(Decrease) in Borrowings	-7.13		0.00	
Increase of share capital			1.00	
Finance Costs	-18.72		0.00	
		-25.85		1.00
<b>NET CASH FROM FINANCING ACTIVITIES</b>		<b>-25.85</b>		<b>1.00</b>
<b>NET CASH FLOWS</b>		<b>10.96</b>		<b>0.55</b>
<b>Cash &amp; Cash Equivalents at the beginning of the period</b>	0.55			<b>0.00</b>
<b>Add: Cash &amp; Cash Equivalents received from Fortune Export</b>	6.32			
<b>Total Cash &amp; Cash Equivalents on 1 April 2022</b>		<b>6.87</b>		
<b>Cash &amp; Cash Equivalents at the end of the period</b>		<b>17.83</b>		<b>0.55</b>

## GENERAL INFORMATION

Our Company was originally incorporated as “Prospect Commodities Private Limited” is registered under the provisions of Companies Act, 2013 vide Certificate of Incorporation dated January 06, 2022 bearing Corporate Identification Number U01400GJ2022PTC128482 issued by the Registrar of Companies, Central Registration Centre, our Company has acquired running business of firm “M/s Fortune Exports”, registered as a partnership firm under the Partnership Act, 1932 (“Partnership Act”). Subsequently, our Company was converted into a public limited Company pursuant to a special resolution passed by our shareholders at the EGM held on December 29, 2022 and consequently the name of our Company was changed to “Prospect Commodities Limited” and a fresh certificate of incorporation was issued by the Registrar of Companies, Ahmedabad dated January 03, 2023. For further details, please refer the chapter titled “History and Certain Corporate Matters” beginning on page 85 of this Prospectus.

The Corporate Identification Number of our Company is U01400GJ2022PLC128482.

### Registered of our Company

#### PROSPECT COMMODITIES LIMITED

**Address:** 417, Sun Orbit B/h. Rajpath Club Road, Bodakdev, Ahmedabad - 380054, Gujarat, India.

**Tel No:** +91 79-48000696

**Website:** [www.prospectcommodities.com](http://www.prospectcommodities.com)

**E-mail:** [info@prospectcommodities.com](mailto:info@prospectcommodities.com)

### ADDRESS OF REGISTRAR OF COMPANIES

#### Registrar of Companies

Our Company is registered with the Registrar of Companies, Ahmedabad located at:

Registrar of Companies

ROC Bhavan, Opp. Rupal Park Society,

Behind Ankur Bus Stop, Naranpura,

Ahmedabad - 380013, Gujarat, India

### Board of Directors of our Company

Our Board of Directors comprises of the following directors as on the date of filing of this Prospectus

Sr No	Name	Designation	DIN	Address
1.	Vimal Mishra	Managing Director	06820041	A-704 Gala Marvella Opp. Orchid Elegance , Nr. Sobo Center, South Bopal, Ahmedabad – 380058, Gujarat, India
2.	Priyanka Mishra	Executive Director	09459276	A-704, Gala Marvella Opp. Orchid, Elegance, Nr Sobo Center, South Bopal, Ahmedabad – 380058, Gujarat, India
3.	Riddhi Vasita	Non-Executive Director	06876566	A-403, Arjun Grace, Near Swaminarayan Sanskar Dham, Naranpura, Ahmedabad – 380013, Gujarat, India
4.	Nevil Soni	Independent Director	08206415	2nd Floor, 14th Jay Gayatri Society, Opp Umasut Flat, Vasna, Ahmedabad – 380007, Gujarat, India.
5.	Divya Shah	Independent Director	09842159	2, Adishver Flat, Near Jain Derasar, Zaveri Park, Naranpura, Ahmedabad – 380013, Gujarat, India

For further details of our directors, please refer chapter titled “Our Management” beginning on page 88 of this Prospectus.

**Company Secretary and Compliance Officer**  
**Bhargavi Pandya**

**PROSPECT COMMODITIES LIMITED**

**Address :** 417, Sun Orbit B/h. Rajpath Club Road, Bodakdev,  
Ahmedabad - 380054, Gujarat, India.

**Tel No:** +91 79-48000696

**Website:** [www.prospectcommodities.com](http://www.prospectcommodities.com)

**E-mail:** [Info@prospectcommodities.com](mailto:Info@prospectcommodities.com)

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

**ALL GRIEVANCES RELATING TO THE ASBA PROCESS AND UPI PAYMENT MECHANISM MAY BE ADDRESSED TO THE REGISTRAR TO THE ISSUE, WITH A COPY TO THE RELEVANT DESIGNATED INTERMEDIARY WITH WHOM THE ASBA FORM WAS SUBMITTED. THE APPLICANT SHOULD GIVE FULL DETAILS SUCH AS NAME OF THE SOLE OR FIRST APPLICANT, ASBA FORM NUMBER, APPLICANT DP ID, CLIENT ID, UPI ID (IF APPLICABLE), PAN, DATE OF THE ASBA FORM, ADDRESS OF THE APPLICANT, NUMBER OF EQUITY SHARES APPLIED FOR AND THE NAME AND ADDRESS OF THE DESIGNATED INTERMEDIARY WHERE THE ASBA FORM WAS SUBMITTED BY THE ASBA APPLICANT.**

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

<b>Lead Manager to the Issue</b>	<b>Registrar to the Issue</b>
<b>Interactive Financial Services Limited</b> <b>Address:</b> 612, 6th Floor, Shree Balaji Heights, Kokilaben Vyas Marg, Ellisbridge, Ahmedabad - 380 009, Gujarat, India <b>Tel No.:</b> +91 079- 4601 9796 <b>(M):</b> +91-9898055647 <b>Web Site:</b> <a href="http://www.ifinservices.in">www.ifinservices.in</a> <b>Email:</b> <a href="mailto:mbd@ifinservices.in">mbd@ifinservices.in</a> <b>Investor Grievance Email:</b> <a href="mailto:info@ifinservices.in">info@ifinservices.in</a> <b>Contact Person:</b> Pradip Sandhir <b>SEBI Registration No:</b> INM000012856	<b>Bigshare Services Private Limited</b> <b>Address:</b> Office No. S6-2, 6th Floor, Pinnacle Business Park, Next to Ahura Center, Mahakali Caves Road, Andheri East, Mumbai-400093 <b>Tel No:</b> +91 22-62638200 <b>Fax No</b> +91 22-62638299 <b>Website:</b> <a href="http://www.bigshareonline.com">www.bigshareonline.com</a> <b>E-Mail:</b> <a href="mailto:ipo@bigshareonline.com">ipo@bigshareonline.com</a> <b>Investor Grievance Email:</b> <a href="mailto:investor@bigshareonline.com">investor@bigshareonline.com</a> <b>Contact Person:</b> Aniket Chindarkar <b>SEBI Reg. No.:</b> INR000001385
<b>Legal Advisor to the Issue</b>	<b>Statutory And Peer Reviewed Auditor</b>
<b>Mauleen N. Marfatia</b> <b>Address:</b> 1222, 12th. floor, I-SQUARE, Next to Shukan Mall, Science City Road, Ahmedabad – 380060, Gujarat, India. <b>Tel No.:</b> 9898917167 <b>E-Mail:</b> <a href="mailto:mauleenmarfatia9898@gmail.com">mauleenmarfatia9898@gmail.com</a> <b>Contact Person:</b> Mauleen Marfatia <b>Bar Council No.:</b> G/1585/2008	<b>C.R. Sharedalal CO., Chartered Accountants</b> <b>Address:</b> 304 & 305 North Tower, One42, Near Ashok Vatika, Ambli Bopal Road, Ahmedabad– 380054, Gujarat, India <b>Tel No.:</b> +91 9824055181 <b>Email:</b> <a href="mailto:info@crsharedalalco.com">info@crsharedalalco.com</a> <b>Membership No.:</b> 138022 <b>Firm Registration No.:</b> 109943W <b>Peer Review No.:</b> 013233 <b>Contact Person:</b> Anuj J. Sharedalal
<b>Bankers to the Company</b>	<b>Bankers to the Issue and Refund Banker and Sponsor Bank</b>
<b>HDFC Bank Limited</b> <b>Address:</b> HDFC Bank House, Senapati Bapat Marg, Lower Parel, Mumbai – 400013 <b>Tel:</b> 022-61606161 <b>Email id:</b> <a href="mailto:Loanssupport@hdfcbank.com">Loanssupport@hdfcbank.com</a> <b>Contact person:</b> Kartikey Panchal	<b>ICICI Bank Limited</b> <b>Address:</b> Capital Market Division, 1st Floor, 5th Floor, HT Parekh Marg, Churchgate, Mumbai- 400020 <b>Tel:</b> 022-68052182 <b>Fax No.:</b> NA <b>Email id:</b> <a href="mailto:sagar.welekar@icicibank.com">sagar.welekar@icicibank.com</a> <a href="mailto:/ipocmg@icicibank.com">/ipocmg@icicibank.com</a> <b>Contact Person:</b> Sagar Welekar

### **SYNDICATE MEMBER(s)**

No Syndicate Member have been appointed as on the date of this Prospectus

### **DESIGNATED INTERMEDIARIES**

#### **Self-Certified Syndicate Banks**

The list of banks that have been notified by SEBI to act as SCSBs for the ASBA process is provided on <https://www.sebi.gov.in/sebiweb/other/OtherAction.do?doRecognisedFpi=yes&intmId=35>.

Details relating to designated branches of SCSBs collecting the ASBA application forms are available at the above-mentioned link.

The list of banks that have been notified by SEBI to act as SCSBs for the UPI process provided on <https://www.sebi.gov.in/sebiweb/other/OtherAction.do?doRecognisedFpi=yes&intmId=40>. The list of Branches of the SCSBs named by the respective SCSBs to receive deposits of the application forms from the designated intermediaries will be available on the website of the SEBI ([www.sebi.gov.in](http://www.sebi.gov.in)) and its updated from time to time.

#### **Registered Broker**

In terms of SEBI circular no. CIR/CFD/POLICYCELL/11/2015 dated November 10, 2015, Applicant can submit Application form through stock broker network of the Stock Exchange i.e Registered Broker at the Broker center.

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

#### **Registrar to the Issue and Share Transfer Agents**

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

#### **Collecting Depository Participants**

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

#### **Inter-Se Allocation of Responsibilities**

Interactive Financial Services Limited being the sole Lead Manager to this issue shall be undertaking all activities in relation to this issue. Hence, the statement of inter-se allocation of responsibilities among Lead Manager is not required.

#### **Credit Rating**

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

#### **IPO Grading**

Since the Issue is being made in terms of Chapter IX of SEBI (ICDR) Regulations, 2018, there is no requirement of appointing an IPO grading agency.

### **Monitoring Agency**

As per regulation 262(1) of SEBI (ICDR) Regulations, the requirement of monitoring agency is not mandatory if the Issue size is up to Rs. 10,000 Lakhs. Since the Issue size is only of Rs. 747.86 Lakhs, our Company has not appointed any monitoring agency for this Issue. However, as per section 177 of the Companies Act, the Audit Committee of our Company, would be monitoring the utilization of the proceeds of the issue.

### **APPRAISING ENTITY**

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

### **Expert Opinion**

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

Our Company has received a written consent from our Statutory & Peer Review Auditor, M/s. C. R. Shredalal & Co., Chartered Accountants, with respect to their report on the Restated Financial Statements dated December 31, 2022 and with respect to the Statement of Tax Benefits dated January 23, 2023, to include their name in this Prospectus, as required under Companies Act read with SEBI ICDR Regulations as “Expert”, defined in section 2(38) of the Companies Act and such consent has not been withdrawn as on the date of this Prospectus. However, the term “Expert” shall not be construed to mean an “Expert” as defined under the U.S. Securities Act.

### **Trustee**

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

### **Changes in Auditors During the Last Three Years**

There is no change in Auditor of the company since incorporation.

### **Filing of Draft Offer Document/ Offer Document**

- a) The Draft Prospectus and Prospectus shall be filed with SME Platform of BSE Limited (“BSE SME”) situated at Exchange Plaza, Plot no. C/1, G Block, Bandra-Kurla Complex Bandra (E), Mumbai - 400 051, India.
- b) A soft copy of Prospectus shall be submitted to SEBI. However, SEBI will not issue any observation on the offer document in term of Regulation 246(2) of the SEBI (ICDR) Regulations, 2018. Further, a soft copy of the Draft Prospectus and Prospectus along with relevant documents shall be filed with SEBI pursuant to SEBI Circular Number SEBI/HO/CFD/DIL1/CIR/P/2018/011 dated January 19, 2018, through SEBI Intermediary Portal at <https://siportal.sebi.gov.in>.
- c) A copy of the Prospectus along with the material contracts and documents referred elsewhere in the Prospectus required to be filed under Section 26 of the Companies Act, 2013 will be delivered to the Registrar of Companies, Ahmedabad, Gujarat, India situated at RoC Bhavan, Opp. Rupal Park Society, Behind Ankur Bus-Stop, Naranpura, Ahmedabad – 380 013, Gujarat, India.

### **Underwriter**

Our Company and the LM to the Issue hereby confirm that the Issue is 100% Underwritten. The Underwriting agreement is dated January 23, 2023 Pursuant to the terms of the Underwriting Agreement; the obligations of the Underwriter are several and are subject to certain conditions specified therein. The Underwriter have indicated their intention to underwrite the following number of specified securities being offered through this Issue:

<b>Name and Address of the Underwriter</b>	<b>Indicative Number of Equity Shares Underwritten*</b>	<b>Amount Underwritten (₹in Lakhs)</b>	<b>% of the Net Issue size Underwritten</b>
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<b>Interactive Financial Services Limited</b> <b>Address:</b> 612, 6th Floor, Shree Balaji Heights, Kokilaben Vyas Marg, Ellisbridge,Ahmedabad - 380009,Gujarat, India <b>Tel No.:</b> +91 079- 4601 9796 (M): +91-9898055647 <b>Web Site:</b> <a href="http://www.ifinservices.in">www.ifinservices.in</a> <b>Email:</b> <a href="mailto:mbd@ifinservices.in">mbd@ifinservices.in</a> <b>Investor Grievance Email:</b> <a href="mailto:info@ifinservices.in">info@ifinservices.in</a> <b>Contact Person:</b> Pradip Sandhir <b>SEBI Registration No:</b> INM000012856	12,26,000	747.86	100.00%
<b>Total</b>	<b>12,26,000</b>	<b>747.86</b>	<b>100.00%</b>

*\*Includes 62,000 Equity Shares of the Market Maker Reservation Portion which are to be subscribed by the Market Maker on its own account in order to comply with the requirements of Regulation 261 of SEBI (ICDR) Regulations 2018.*

In the opinion of our Board of Directors of the Company, the resources of the above-mentioned Underwriter is sufficient to enable them to discharge the underwriting 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 (2) days of the Issue Closing Date or such other time as may be prescribed by SEBI, providing reasons for not proceeding with the Issue. The Lead Manager, through the Registrar to the Issue, shall notify the SCSBs to unblock the bank accounts of the ASBA Applicants within one (1) day of receipt of such notification. Our Company shall also promptly inform 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 from Stock Exchange, which our Company shall apply for after Allotment. If our Company withdraws the Issue after the Issue Closing Date and thereafter determines that it will proceed with an IPO, our Company shall be required to file a fresh Prospectus.

#### **Market Maker**

Our Company and the Lead Manager have entered into an agreement dated January 23, 2023 with the following Market Maker, duly registered with BSE to fulfill the obligations of Market Making:

##### **Beeline Broking Limited**

Samudra Complex, Office no. 701-702,  
Nr. Girish Cold Drinks, off. C G Road,  
Navrangpura, Ahmedabad – 380009  
Gujarat, India

Tel No: +079- 66664040

**Email:** [pcs@beelinebroking.com](mailto:pcs@beelinebroking.com)

**Investor Grievance Email ID:** [support@beelinebroking.com](mailto:support@beelinebroking.com)

**Contact Person:** Pradip R. Sandhir

**SEBI Registration No:** INZ000000638

Beeline Broking Limited is registered with BSE SME as a Market Maker and has agreed to receive or deliver the Equity Shares in the market making process for a period of three (3) years from the date of listing of our Equity Shares or for a period as may be notified by any amendment to SEBI ICDR Regulations.

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

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

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

1. The Market Maker(s) (individually or jointly) shall be required to provide a 2-way quote for 75% of the trading hours in a day. The same shall be monitored by the stock exchange. Further, the Market Maker(s) shall inform the exchange in advance for each and every black out period when the quotes are not being offered by the Market Maker(s).
2. The prices quoted by Market Maker shall be in compliance with the Market Maker Spread Requirements and other particulars as specified or as per the requirements of BSE SME (SME platform of BSE) and SEBI from time to time.
3. The minimum depth of the quote shall be ₹ 1,00,000/-. However, the investors with holdings of value less than ₹ 1,00,000/- shall be allowed to offer their holding to the Market Maker 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 minimum lot size in the IPO is 2,000 Equity Shares, thus, the minimum depth of the quote shall be such an amount that the minimum lot of 2,000 Equity Shares is met, until the same is revised by Stock exchange.
4. The Market Maker shall not sell in lots less than the minimum contract size allowed for trading on the SME Platform (in this case currently the minimum trading lot size is 2,000 equity shares; however, the same may be changed by the SME Platform of stock exchange from time to time).
5. After a period of three (3) months from the market making period, the Market Maker would be exempted to provide quote if the Shares of Market Maker in our company reaches to 25% of Issue Size (including the 62,000 Equity Shares to be allotted under this Issue to the Market Maker). Any Equity Shares allotted to Market Maker under this Issue over and above 5% of Issue Size would not be taken into consideration of computing the threshold of 25% of Issue Size. As soon as the Shares of Market Maker in our Company reduces to 24% of Issue Size, the Market Maker will resume providing 2-way quotes.
6. There shall be no exemption/threshold on downside. However, in the event the Market Maker exhausts his inventory through market making process, the stock exchange may intimate the same to SEBI after due verification.
7. There shall be no exemption/threshold on downside. However, in the event the Market Maker exhausts his inventory through market making process, the stock exchange 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.
8. There would not be more than five (5) Market Makers for a scrip of the company at any point of time and the Market Makers may compete with other Market Makers for better quotes to the investors.
9. The Market Maker shall start providing quotes from the day of the listing / the day when designated as the Market Maker for the respective scrip and shall be subject to the guidelines laid down for market making by the Exchange.
10. The Equity Shares of the Issuer will be traded in continuous trading session from the time and day the Issuer gets listed on BSE SME and Market Maker will remain present as per the guidelines mentioned under BSE Limited and SEBI circulars or amended from time to time.
11. The Market Maker shall not buy the Equity Shares from the Promoters or Promoter Group of the Issuer or any person who has acquired Equity Shares from such Promoter or Promoter Group, during the Compulsory Market Making Period
12. The Promoters' holding of the Issuer which is locked-in shall not be eligible for offering to Market Maker during the Compulsory Market Making period. However, the Promoters' holding of the Issuer which is not locked in as per SEBI ICDR Regulations can be traded with prior permission of the BSE SME, in the manner specified by SEBI from time to time.
13. The LM, if required, has a right to appoint a nominee director on the Board of the Issuer any time during the Compulsory Market Making period provided it meets requirements of the SEBI ICDR Regulations.



14. The Market Maker shall not be responsible to maintain the price of the Equity Shares of the Issuer at any particular level and is purely supposed to facilitate liquidity on the counter of the Issuer via its 2-way quotes. The price shall be determined and be subject to market forces.
15. 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 withdrawal on account of force-majeure will be applicable for non-controllable reasons. The decision of the Exchange for deciding controllable and non-controllable reasons would be final.
16. The Market Maker shall have the right to terminate said arrangement by giving a six month notice or on mutually acceptable terms to the Lead Manager, who shall then be responsible to appoint a replacement Market Maker.
17. 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 SEBI (ICDR) Regulations, 2018, as amended. 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 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 office from 11.00 a.m. to 5.00 p.m. on working days.
18. **Risk containment measures and monitoring for Market Makers:** BSE SME Exchange 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.
19. **Punitive Action in case of default by Market Makers:** BSE SME Exchange 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 Equity Shares of the Company as per the specified guidelines. These penalties / fines will be set by the Exchange from time to time. The Exchange will impose a penalty on the Market Maker in case he is not present in the market (offering two-way quotes) for at least 75% of the time. The nature of the penalty will be monetary as well as suspension in market making activities / trading membership.

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

20. 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
  - i. In case equilibrium price is discovered in the Call Auction, the price band in the normal trading session shall be 5% of the equilibrium price.
  - ii. In case equilibrium price is not discovered in the Call Auction, the price band in the normal trading session shall be 5% of the issue price.
21. 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 BSE SME.

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

22. After completion of the first three months of market making, in terms of SEBI Circular No. CIR/MRD/DSA/31/2012 dated November 27, 2012; the Market Maker shall be exempt from providing buy quote on attaining the prescribed threshold limits (including the mandatory allotment of 5% of Equity Shares of the Offer). Further, the Market Maker can offer buy quotes only after the Market Maker complies with prescribed re-entry threshold limits. Only those Equity Shares which have been acquired by the Market Maker on the platform of the SME Exchange during market making process shall be counted towards the Market Maker's threshold. The Market Maker shall be required to provide two-way quotes during the first three months of the market making irrespective of the level of holding.
23. Additionally, the trading shall take place in TFT segment for first 10 days from commencement of trading. 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. The call auction is not applicable of those companies, which are listed at SME platform.
24. 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.
25. Further, the following shall apply to Market Maker while managing its inventory during the process of market making:
  - a) The exemption from threshold as per table below shall not be applicable for the first three (3) months of the Compulsory Market Making Period and the Market Maker shall be required to provide two-way quotes during this period irrespective of the level of holding.
  - b) Threshold for market making as per table below will be inclusive of mandatory inventory of 5% of Issue Size at the time of Allotment in the Issue.
  - c) Any initial holdings over and above such 5% of Issue size would not be counted towards the inventory levels prescribed
  - d) Apart from the above mandatory inventory, only those Equity Shares which have been acquired on the platform of the Exchange during market making process shall be counted towards the Market Maker's threshold.
  - e) Threshold limit will be taken into consideration, the inventory level across market makers.
  - f) The Market Maker shall give two-way quotes till it reaches the upper limit threshold, thereafter it has the option to give only sell quotes.
  - g) Two-way quotes shall be resumed the moment inventory reaches the prescribed re-entry threshold.
  - h) In view of the market making obligation, there shall be no exemption/threshold on downside. However, in the event the market maker exhausts his inventory through market making process on the platform of the Exchange, the Exchange may intimate the same to SEBI after due verification.

Issue Size	Buy quote exemption threshold (including mandatory initial inventory of 5% of Issue size)	Re-entry threshold for buy quotes (including mandatory initial inventory of 5% of Issue size)
Upto ₹ 2,000 Lakhs	25 %	24 %
₹. 2,000 Lakhs to ₹. 5,000 Lakhs	20 %	19 %
₹. 5,000 Lakhs to ₹. 8,000 Lakhs	15 %	14 %
Above ₹.8,000 Lakhs	12 %	11 %

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

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

## CAPITAL STRUCTURE

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

Amount (₹ in Lacs except share data)

Sr. No.	Particulars	Aggregate nominal value	Aggregate value at Issue Price
<b>A.</b>	<b>AUTHORISED SHARE CAPITAL</b>		
	41,00,000 Equity Shares of face value of ₹10 each	410.00	
<b>B.</b>	<b>ISSUED, SUBSCRIBED &amp; PAID-UP SHARE CAPITAL BEFORE THE ISSUE</b>		
	28,64,500 fully paid Equity Shares of face value of Rs. 10 each	286.45	
<b>C.</b>	<b>PRESENT ISSUE IN TERMS OF THIS PROSPECTUS</b>		
	Issue of 12,26,000 Equity Shares of face value of ₹10 each at a premium of ₹ 51 per share	122.60	747.86
(I)	Reservation for Market Maker 62,000 Equity Shares of face value of ₹10 each at a premium of Rs. ₹ 51 will be available for allocation to Market Maker	6.20	37.82
(II)	Net Issue to the Public 11,64,000 Equity Shares of face value of ₹10 each at a premium of ₹51 per share	116.40	710.04
	<b>Of Net Issue to the Public</b>		
(I)	5,82,000 Equity Shares of face value of ₹10 each at a premium of ₹51 per share shall be available for allocation for Investors applying for a value of upto ₹2 Lakh	58.20	355.02
(II)	5,82,000 Equity Shares of face value of ₹10 each at a premium of ₹51 per share shall be available for allocation for Investors applying for a value above ₹2 Lakh	58.20	355.02
<b>D.</b>	<b>ISSUED, SUBSCRIBED AND PAID-UP CAPITAL AFTER THE PRESENT ISSUE</b>		
	40,90,500 Equity Shares of ₹10 each	409.05	
<b>E.</b>	<b>SHARE PREMIUM ACCOUNT</b>		
	Share Premium account before the Issue		0.00
	Share Premium account after the Issue		625.26

### 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 (January 06, 2022)	-	The authorized capital of our company on incorporation comprised of ₹ 1,00,000/- consisting of 10,000 Equity shares of Rs. 10/- each.
2.	October 12, 2022	EGM	The authorized share capital of ₹1,00,000/- consisting of 10,000 Equity shares of Rs. 10 each was increased to ₹ 4,00,00,000/- consisting of 40,00,000 Equity shares of ₹10/- each.
3.	January 05, 2023	EGM	The authorized share capital of ₹4,00,00,000/- consisting of 40,00,000 Equity shares of Rs. 10 each was increased to ₹ 4,10,00,000/- consisting of 41,00,000 Equity shares of ₹10/- each.

**Note:**

The present Public Issue of 12,26,000 Equity Shares in terms of this Prospectus has been authorized by the Board of Directors of our Company at its meeting held on January 04, 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 January 05, 2023.

The company has one class of share capital i.e., Equity Shares of Face value of Rs.10/- each only. All equity shares issued are fully paid-up.

Our Company has no outstanding Convertible Instruments as on date of this Prospectus.

**NOTES TO THE CAPITAL STRUCTURE:****1. Share Capital History:**

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

Date of Allotment	No. of Equity Shares allotted	Face Value (Rs.)	Issue Price (Rs.)	Nature of Consideration	Reason / Nature of Allotment	Cumulative No. of Equity Shares
On Incorporation (January 06, 2022)	10,000	10	10	Cash	Subscription to MoA <sup>1</sup>	10,000
October 31, 2022	24,00,000	10	10	Other than Cash	@Preferential allotment <sup>2</sup>	24,10,000
December 23, 2022	4,54,500	10	10	Cash	Right Issue <sup>3</sup>	28,64,500

@ The shares allotted pursuant to Takeover of partnership firm "M/s Fortune Export".

1. Initial Subscribers to Memorandum of Association subscribed 10,000 Equity Shares of face value of ₹10/- each fully paid at par as per the details given below:

Sr. No	Name of the Person	No of Shares Subscribed
1.	Vimal Mishra	5,000
2.	Priyanka Mishra	5,000
<b>Total</b>		<b>10,000</b>

2. Further Allotment on Preferential basis pursuant to Takeover of partnership firm "M/s Fortune Export" as on October 31, 2022 of 24,00,000 Equity Shares of face value of ₹ 10 each fully paid up at par as per the details given below:

Sr. No	Name of the Person	No of Shares Subscribed
1.	Vimal Mishra	12,00,000
2.	Priyanka Mishra	12,00,000
<b>Total</b>		<b>24,00,000</b>

3. Further Allotment on Right basis as on December 23, 2022 of 4,54,500 Equity Shares of face value of ₹ 10 each fully paid up at par as per the details given below:

Sr. No	Name of the Person	No of Shares Subscribed
1.	Thakar Kuldip Bhupatbhai	1,00,000
2.	Linaben Thakar	1,00,000
3.	Seema Mishra	33,000
4.	Riddhi Bharatkumar Vasita	26,500
5.	Prakash Mishra	1,00,000
6.	Kalpana Pawan Mishra	13,500
7.	Rana Mittal	10,000

8.	Maheshkumar B Solanki	10,000
9.	Chirag Vinodbhai Patel	10,000
10.	Barot Tusharbhai Harshadrai	6,500
11.	Jigarbhai R Shah	5,000
12.	Sanjay Madan	10,000
13.	Chandni Amit Kumar	10,000
14.	Tyagraj Manohar Gramin	10,000
15.	Kishoriben Mishra	10,000
<b>Total</b>		<b>4,54,500</b>

**2. Equity Share Issued for consideration other than cash:**

a) 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 (Rs.)	Issue Price (Rs.)	Name of Allottees	No. of Shares Allotted	Nature of Allotment / Reason	Benefit Accrued
October 31, 2022	24,00,000	10	10	Vimal Mishra	12,00,000	Preferential allotment pursuant to Takeover of Partnership Firm "M/s Fortune Export"	The Established Business has been Transferred to the company
				Priyanka Mishra	12,00,000		

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

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

4. 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.

5. Our Company has not issued any Equity Shares during a period of one year preceding the date of the Prospectus at a price lower than the Issue price Except as set out below.

Date of Allotment	Total No. of Equity Shares allotted	Face Value (Rs.)	Issue Price (Rs.)	Nature of Allotment	Name of the Person	No of Shares Subscribed	Whether part of the promoter group	Reasons
December 23, 2022	4,54,500	10	10	Allotment on Right basis	Thakar Kuldip Bhupatbhai	1,00,000	No	The company had offered Right issue of shares and the price decided was Rs. 10 The Shares have been allotted to all the persons in whose favor renunciation
					Linaben Thakar	1,00,000	No	
					Seema Mishra	33,000	No	
					Riddhi Bharatkumar Vasita	26,500	No	
					Prakash Mishra	1,00,000	Yes	
					Kalpna Pawan Mishra	13,500	Yes	
					Rana Mittal	10,000	No	

					Maheshkumar B Solanki	10,000	No	was made.
					Chirag Vinodbhai Patel	10,000	No	
					Barot Tusharbhai Harshadrai	6,500	No	
					Jigarbhai R Shah	5,000	No	
					Sanjay Madan	10,000	No	
					Chandni Amit Kumar	10,000	No	
					Tyagraj Manohar Gramin	10,000	No	
					Kishoriben Mishra	10,000	Yes	

**6. Our Shareholding Pattern:**

The shareholding pattern of our company in accordance with Regulation 31 of SEBI (LODR) Regulations, 2015, as on February 27, 2023:

**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 held (b)	No. (a)	As a % of total shares held (b)	
(A)	Promoter & Promoter Group	5	25,33,500	0	0	25,33,500	88.44	25,33,500	88.44	0	0	0	0	0	0	2433500
(B)	Public	12	3,31,000	0	0	3,31,000	11.56	3,31,000	11.56	0	0	0	0	0	0	240000
(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
	<b>TOTAL</b>	<b>17</b>	<b>28,64,500</b>	<b>0</b>	<b>0</b>	<b>28,64,500</b>	<b>100</b>	<b>28,64,500</b>	<b>100.00</b>	<b>0</b>	<b>0</b>			<b>N.A</b>	<b>N.A</b>	<b>0</b>

**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.

**7. The 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
<b>(i) Promoter</b>					
1.	Vimal Mishra	12,05,000	42.07	12,05,000	29.46
2.	Priyanka Mishra	12,05,000	42.07	12,05,000	29.46
	<b>TOTAL (A)</b>	<b>1,54,99,800</b>	<b>84.13</b>	<b>1,54,99,800</b>	<b>58.92</b>
<b>(ii) Promoter Group</b>					
3.	Prakash Mishra	1,00,000	3.49	1,00,000	2.44
4.	Kalpana Mishra	13,500	0.47	13,500	0.33
5.	Kishoriben Mishra	10,000	0.35	10,000	0.24
	<b>TOTAL (B)</b>	<b>1,23,500</b>	<b>4.31</b>	<b>1,23,500</b>	<b>3.02</b>
<b>(iii) Public</b>					
6.	Thakar Kuldip Bhupatbhai	1,00,000	3.49	1,00,000	2.44
7.	Thakar Linaben	1,00,000	3.49	1,00,000	2.44
8.	Seema Mishra	33,000	1.15	33,000	0.81
9.	Riddhi Bharatkumar Vasita	26,500	0.93	26,500	0.65
10.	Rana Mittal	10,000	0.35	10,000	0.24
11.	Maheshkumar B Solanki	10,000	0.35	10,000	0.24
12.	Chirag Vinodbhai Patel	10,000	0.35	10,000	0.24
13.	Barot Tusharbhai Harshadrai	6,500	0.23	6,500	0.16
14.	Jigarbhai R Shah	5,000	0.17	5,000	0.12
15.	Sanjay Madan	10,000	0.35	10,000	0.24
16.	Chandani Amit Kumar	10,000	0.35	10,000	0.24
17.	Tyagraj Manohar Gramin	10,000	0.35	10,000	0.24
	IPO	-	-	12,26,000	29.97
	<b>TOTAL (C)</b>	<b>3,31,000</b>	<b>11.56</b>	<b>15,57,000</b>	<b>38.06</b>
	<b>TOTAL (A+B+C)</b>	<b>28,64,500</b>	<b>100.00</b>	<b>40,90,500</b>	<b>100.00</b>

**8. Details of Major Shareholders**

- i. List of Shareholders holding 1.00% or more of the Paid-up Capital of the Company as on date of the Prospectus:**

Sr. No.	Name of shareholder	No. of Shares	% of Pre Issue Shares Capital
1.	Vimal Mishra	12,05,000	42.07
2.	Priyanka Mishra	12,05,000	42.07
3.	Prakash Mishra	1,00,000	3.49
4.	Thakar Kuldip Bhupatbhai	1,00,000	3.49
5.	Linaben Thakar	1,00,000	3.49
6.	Seema Mishra	33,000	1.15
<b>TOTAL</b>		<b>27,43,000</b>	<b>95.76</b>



ii. **List of Shareholder holding 1.00% or more of the paid-up capital of the company ten days prior to the date of the Prospectus:**

Sr. No.	Name of shareholder	No. of Shares	% of Shares Capital
1.	Vimal Mishra	12,05,000	42.07
2.	Priyanka Mishra	12,05,000	42.07
3.	Prakash Mishra	1,00,000	3.49
4.	Thakar Kuldip Bhupatbhai	1,00,000	3.49
5.	Linaben Thakar	1,00,000	3.49
6.	Seema Mishra	33,000	1.15
<b>TOTAL</b>		<b>TOTAL</b>	<b>27,43,000</b>

- iii. List of Shareholder holding 1.00% or more of the paid-up capital of the company one years prior to the date of the Prospectus: Not Applicable\*\*
- iv. List of Shareholder holding 1.00% or more of the paid-up capital of the company two years prior to the date of the Prospectus: Not Applicable\*\*

**\*\* Note: Our Company was incorporated on January 06, 2022, hence shareholders holding 1% or more of the paid up capital of the Company as mention in above in point no. iii & iv is not applicable.**

9. As on date of this Prospectus, there are no outstanding warrants, options or rights to convert debentures, loans or other financial instruments into our Equity Shares.
10. 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 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.

**11. Share Capital Build-up of our Promoters & Lock-in**

Our Promoters 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 (Rs.)	Issue/ Transfer Price	% of total Capital		Lock In
							Pre-Issue	Post-Issue	
<b>Vimal Mishra</b>									
January 06, 2022	Subscriber to MOA	Cash	5,000	5,000	10	10	0.17	0.12	1 Year
October 31, 2022	Preferential Allotment	Other than Cash	5,00,000	5,05,000	10	10	17.46	12.22	1 Year
			7,00,000	12,05,000			24.44	17.11	3 Year
	<b>TOTAL (A)</b>		<b>12,05,000</b>				<b>42.07</b>	<b>29.46</b>	
<b>Priyanka Mishra</b>									
January 06, 2022	Subscriber to MOA	Cash	5,000	5,000	10	10	0.17	0.12	1 Year
October 31, 2022	Preferential Allotment	Other than Cash	10,81,900	10,86,900	10	10	37.77	26.45	1 Year
			1,18,100	12,05,000			4.12	2.89	3 Year

Date of Allotment / Transfer	Nature of Issue/ Allotment (Bonus, Rights etc)	Consideration	No. of Equity Shares	Cumulative No. of Equity Shares	Face Value (Rs.)	Issue/ Transfer Price	% of total Issued Capital		Lock In
							Pre-Issue	Post-Issue	
	<b>TOTAL (B)</b>		<b>12,05,000</b>				<b>42.07</b>	<b>29.46</b>	

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 is pledged.

12. 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 Prospectus:
13. 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 Prospectus.
14. The average cost of acquisition of or subscription to Equity Shares by our Promoters are set forth in the table below:\*

Sr. No.	Name of Promoters	No. of Equity Shares held	Average Cost of Acquisition in ₹
1.	Vimal Mishra	12,05,000	10
2.	Priyanka Mishra	12,05,000	10

**15. 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., 8,18,100 equity shares shall be locked in by our Promoters 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 Promoters under the SEBI (ICDR) Regulations, 2018. Our Company has obtained written consent from our Promoters for the lock-in of 8,18,100 Equity Shares for three years. The Equity Shares that are being locked in are not ineligible for minimum promoter contribution in terms of Regulation 237 of the SEBI (ICDR) Regulations, 2018. In connection, we confirm the following.

- The equity shares offered for minimum 20% promoters contribution have not been acquired in the 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 utilisation 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 offered 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% (8,18,100) 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. 15,91,900 Equity Shares, would be locked-in for a period of one year from the date of Allotment in the proposed Initial Public Offering as provided in clause (b) of Regulations 238 of SEBI (ICDR) Regulations, 2018.

**16. Lock-in of securities held by persons other than the promoters:**

In terms of Regulation 239 of the SEBI (ICDR) Regulations, 2018, 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, 4,54,500 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.

**17. Transferability of Lock-in securities:**

- a) In terms of Regulation 243 of the SEBI (ICDR) Regulations, 2018, the Equity Shares held by our Promoters which are locked in as per the provisions of Regulation 238 of the SEBI (ICDR) Regulations, 2018, may be transferred to another Promoter or any person of the promoter group or a new promoter or a person in control of the issuer 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, 2018, the Equity Shares held by persons other than the Promoters' prior to the Issue may be transferred to any other person holding the Equity Shares which are locked-in as per Regulation 239 of the SEBI (ICDR) Regulations, 2018 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.

**18. Other requirements in respect of 'lock-in'**

In terms of Regulation 242 of the SEBI (ICDR) Regulations, 2018 the locked-in Equity Shares held by our Promoters 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, 2018, 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, 2018, and the pledge of specified securities is one of the terms of sanction of the loan.
19. In terms of regulations 241 of the SEBI (ICDR) Regulations, 2018, our Company confirms the securities issued in dematerialized form then the lock-in is recorded by the depository.
  20. 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.
  21. All the Equity Shares of our Company are fully paid up equity shares as on the date of this 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.
  22. Neither the Lead Manager, nor their associates hold any Equity Shares of our Company as on the date of this Prospectus.
  23. 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.
  24. 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 LM

and Designated Stock Exchange. Such inter-se spill over, if any, would be affected in accordance with applicable laws, rules, regulations and guidelines.

25. As per RBI regulations, OCBs are not allowed to participate in this Issue.
26. 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.
27. Our Company undertakes that at any given time, there shall be only one denomination for our Equity Shares, unless otherwise permitted by law.
28. 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.
29. 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.
30. Our Promoters and the members of our Promoter Group will not participate in this Issue.
31. As on date of this 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.
32. Our Company shall ensure that transactions in the Equity Shares by the Promoter Group between the date of registering Prospectus with the Registrar of Companies and the Issue Closing Date shall be reported to the Stock Exchanges within twenty-four hours of such transaction.
33. None of our Key Managerial person holds any Equity Shares in our Company.
34. As on the date of this Prospectus, our Company has 17 Shareholders.

## SECTION IV - PARTICULARS OF THE ISSUE

### OBJECTS OF THE ISSUE

The present Public Issue of 12,26,000 Equity Shares at an issue price of ₹61 per Equity Share.

**Our Company proposes to utilize the Net Proceeds from the issue towards the following objects:**

1. Repayment of Unsecured Loans
2. Long-term working capital requirement
3. General Corporate Purpose,
4. Meeting Public Issue Expenses.

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

The main objects clause and the objects ancillary to the main objects clause as set out in the Memorandum of Association enables our Company to undertake its existing activities and the activities for which funds are being raised by our Company through the Fresh Issue.

### Net Proceeds

The details of the proceeds of the issue are summarized in the table below:

Sr. No.	Particulars	Estimated Amount (₹ In lakhs)
1.	Gross proceeds from the issue	747.86
2.	Less: Issue related expenses	97.86
<b>Net proceeds of the issue</b>		<b>650.00</b>

### Requirement of funds and utilization of Net Proceeds

Sr. No.	Particulars	Estimated Amount (₹ In lakhs)
1.	Repayment of Unsecured Loans	50.00
2.	Long term working capital requirement	440.00
3.	General corporate purposes	160.00
<b>Total utilization of net proceeds</b>		<b>650.00</b>

The fund requirements mentioned above are based on internal management estimates of our Company and have not been verified by the lead manager or appraised by any bank or financial institution or any other external agency. Given the dynamic nature of our business and our Company, we may have to revise the estimates from time to time on account of various factors beyond our control, such as market conditions, competitive environment and interest rate fluctuations. Consequently, the fund requirements of our Company are subject to revisions in the future at the discretion of the management. In addition, the estimated dates of completion of various plans as described herein are based on management’s current expectations and are subject to change due to various factors, some of which may not be in our control.

In the event of shortfall of funds for the activities proposed to be financed out of the Net Proceeds as stated above, our Company may re-allocate the Net Proceeds to the activities where such shortfall has arisen, subject to compliance with applicable laws. Further, in case of shortfall in the Net Proceeds or cost overruns, our management may explore a range of options including utilizing our internal accruals or seeking debt financing.

For further details on the risks involved in our proposed fund utilization as well as executing our business strategies, please see the section titled “*Risk Factors*” beginning on page. 18 of this Prospectus.

### Schedule of implementation and Deployment of Net Proceeds

We propose to deploy the Net Proceeds for the aforesaid purposes in accordance with the estimated schedule of implementation and deployment of funds set forth in the table below:

(₹ In lakhs)

Sr. No.	Particulars	Total Estimated Cost	Amount already deployed	Estimated utilization of net proceeds in FY 2022-2023	Estimated utilization of net proceeds in FY 2023-2024
1.	Repayment of Unsecured Loans	50.00	0	50.00	0.00
	Long-term Working capital requirement	440.00	0	260.00	180.00
2.	General corporate purposes <sup>1</sup>	160.00	0	160.00	0.00
	<b>Total</b>	<b>650.00</b>	<b>0</b>	<b>470.00</b>	<b>180.00</b>

<sup>1</sup>The amount utilized for general corporate purposes shall not exceed 25.00% of the gross proceeds of the issue.

As indicated above, our Company proposes to deploy the entire Net Proceeds towards the objects as described in the Financial Year 2022-23. In the event that the estimated utilization of the Net Proceeds in a Financial Year 2022-23 is not completely met, the same shall be utilized, in part or full, in the next Financial Year or a subsequent period towards the Objects.

#### Means of Finance

In the event of a shortfall in raising the requisite capital from the Net Proceeds, towards meeting the objects of the Issue, the extent of the shortfall will be met by internal accruals or debt. In case of any surplus of monies received in relation to the Fresh Issue, we may use such surplus towards general corporate purposes.

We confirm that there is no requirement to make firm arrangements of finance under Regulation 230(1)(e) of the SEBI ICDR Regulations 2018 and Clause 9(C) of Part A of Schedule VI of the SEBI ICDR Regulations, 2018 through verifiable means towards at least 75% of the stated means of finance, excluding the amounts to be raised through the issue.

#### DETAILS OF THE OBJECTS OF THE ISSUE

##### Repayment of Unsecured Loan

The Company had availed temporarily availed unsecured loan from the various NBFC for working capital requirement due to enhancement of installed capacity of the plant.

(₹ In Lacs)

Sr. No.	Name of the Bank/NBFC	Amount Sanctioned	Outstanding amount as on 30.11.2022
	<b>Working Capital</b>		
1	BAFL Loan	23.51	23.50
2	TATA Capital Financial Services Limited	20.00	6.96
3	EP Money Pvt Ltd Flexi Loan	20.00	14.44
4	Aditya Birla Finance Loan	16.00	5.68
5	Aditya Birla Covid Loan	3.00	1.90
6	Hero Fincorp	15.15	5.63
7	Hero Fincorp Covid Loan	3.03	2.00
	<b>Total</b>	<b>100.68</b>	<b>60.11</b>

Note:

For the terms and conditions of the above stated outstanding loans please refer chapter titled “Financial Indebtedness” on page no. 123 of this Prospectus.

We intend to utilise the amount of Rs. 50.00 lacs from the net proceeds towards repayment of loans borrowed by the Company from Banks and NBFCs. The cash accruals of the Company can be utilised for further expansion of the business. The reduction of the debt service coverage ratio and enhancement of Reserve and surplus will help the company to be eligible for bidding bigger projects.

### 1) LONG TERM WORKING CAPITAL REQUIREMENTS

As on November 30, 2022 the Company's net working capital consisted of ₹. 520.92 Lakhs, Net working capital requirement for current financial year F.Y. 2022-23 is estimated to be ₹730.92 Lakhs. As on the date of this 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.

Basis of estimation of working capital requirement and estimated working capital requirement:

(₹ In Lacs)

Particulars	November 30, 2022	F.Y 2022-23 (Current Year)	F.Y 2023-24 (Estimated)
Current Assets			
Raw Material	69.30	107.67	138.08
Packing Material	0.50	10.0	10.00
Finished Goods	98.20	188.53	245.00
Trade Receivables	574.44	538.67	700.00
Cash and Bank Balance	17.83	20.74	25.34
Short Term Loans and Advances	50.38	90.00	85.00
Other Current Assets	30.08	40.00	40.00
Total Currents Assets (A)	840.73	995.61	1243.42
Less: Current Liabilities			
Trade Payables	213.11	204.69	262.50
Other Current Liabilities	64.88	40.00	40.00
Short Term Provisions	41.82	20.00	30.00
Total Current Liabilities (B)	319.81	264.69	332.50
Net Working Capital	520.92	730.92	910.92
Less: Bank Borrowing	10.6.94	106.94	106.94
Balance	413.98	623.98	803.98
Financed through Capital Internal Cash Accruals	222.19	222.19	222.19
Long term and short-term borrowings	191.79	141.79	141.79
Fund Through IPO 2022-23		260.00	260.00
2023-24			180.00

### Assumptions for working capital requirements

Particulars	For the Period Ended on 30.11.2022	Current Financial Year (2022-23)	F.Y 2023-24	Justification
Raw Material (No of Days)	32	32	32	Estimate for the current year and next projection year is on the basis of for the period ended on 30 <sup>th</sup> November 2022
Finished Goods (No of Days)	35	35	35	Estimate for the current year and next projection year is on the basis of for the period ended on 30 <sup>th</sup> November 2022
Receivables (No of Days)	205	100	100	The receivables for the period were too

Days)				high but generally the company is providing average credit of 90 days and on that basis the estimate for the current year and next projection year is for 100 days.
Trade Payables (No of Days)	100	50	50	The Payables for the period was too high on account of delay in getting the payment from customers but generally the company is getting average credit of 50 days and on that basis the estimate for the current year and next projection year is for 50 days.

## 2. General Corporate Purposes

In terms of the SEBI ICDR Regulations, the extent of the Net Proceeds proposed to be used for general corporate purposes is estimated not to exceed 25.00% of the proceeds of the issue.

Our management will have flexibility in applying Rs.160.00 lakhs of the Net Proceeds towards general corporate purposes, including but not restricted to financing working capital requirements, capital expenditure, acquiring business premises, meeting exigencies etc or any other purpose as may be approved by our Board, subject to compliance with the necessary provisions of the Companies Act.

Our management in accordance with the policies of the Board, will have flexibility in utilizing any amounts for general corporate purposes under the overall guidance and policies of our Board. The quantum of utilization of funds towards any of the purposes will be determined by the Board, based on the amount actually available under this head and the business requirements of our Company from time to time.

### Issue Related Expenses

The total expenses of the Issue are estimated to be approximately ₹60.00 lakhs. The expenses of this include, among others, underwriting and lead manager fees, printing and distribution expenses, advertisement expenses, legal fees and listing fees. The estimated issue expenses are as follows:

Activity	Estimated expenses (₹ in lakhs)	As a % of total estimated issue related expenses	As a % of Gross Issue Size
Lead Manger Fees including Underwriting Commission.	24.00	24.52	3.21
Brokerage, selling commission and Marketing fees	40.00	40.87	5.35
Registrar to the Issue	1.00	1.02	0.13
Legal Advisors	3.00	3.07	0.40
Advertising and marketing expenses	4.86	4.97	0.65
Regulators including stock exchanges	10.00	10.22	1.34
Printing and distribution of issue stationary	3.00	3.07	0.40
Others (Market Making fees etc.)	12.00	12.26	1.60
<b>Total estimated issue related expenses</b>	<b>97.86</b>	<b>100.00</b>	<b>13.09</b>

#### Notes:

1. The fund deployed up to January 20, 2023 is Rs. Nil towards issue expenses vide certificate dated January 23, 2023 having UDIN: 23138022BGVVVH9478 received from M/s C. R. Sharedalal & Co., Chartered Accountants.
2. Structure for commission and brokerage payment to the SCSBs Syndicate, RTAs, CDPs and SCSBs

ASBA applications procured directly from the applicant and Bided (excluding ₹ 10 per application on wherein
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applications made using the UPI Mechanism, and in case the Offer is made as per Phase I of UPI Circular)	shares are allotted
Syndicate ASBA application procured directly and bided by the Syndicate members (for the forms directly procured by them)	₹ 10 per application on wherein shares are allotted
Processing fees / uploading fees on Syndicate ASBA application for SCSBs Bank	₹10 per application on wherein shares are allotted
Sponsor Bank shall be payable processing fees on UPI application processed by them	₹ 5 per application on wherein shares are allotted

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

### **Interim use of Net Proceeds**

Our Company in accordance with the policies established by the Board from time to time, will have flexibility to deploy the Net Proceeds. The Net Proceeds pending utilization for the purposes described above, in accordance with the SEBI ICDR Regulations, our Company shall deposit the funds only in one or more Scheduled Commercial Banks included in the Second Schedule of Reserve Bank of India Act, 1934.

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

### **Bridge Financing Facilities**

Our Company has not raised any bridge loans from any bank or financial institution as on the date of this Prospectus which are proposed to be repaid from the Net Proceeds.

### **Appraisal Report**

None of the objects for which the Issue Proceeds will be utilized have been financially appraised by any financial institutions / banks.

### **Monitoring Utilization of Funds**

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

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

Pursuant to SEBI Listing Regulations, our Company shall disclose to the Audit Committee of the Board of Directors the uses and applications of the Net Proceeds. Our Company shall prepare a statement of funds utilized for purposes other than those stated in this Prospectus and place it before the Audit Committee of the Board of Directors, as required under applicable law. Such disclosure shall be made only until such time that all the Net Proceeds have been utilized in full. The statement shall be certified by the statutory auditor of our Company. Furthermore, in accordance with the Regulation 32 of the SEBI Listing Regulations, our Company shall furnish to the Stock Exchange on a quarterly basis, a statement indicating (i) deviations, if any, in the utilization of the proceeds of the Issue from the Objects; and (ii) details of category wise variations in the utilization of the proceeds from the Issue from the Objects. This information will also be published in newspapers simultaneously with the interim or annual financial results, after placing the same before the Audit Committee of the Board of Directors.

**Variation in Objects**

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

None of our suppliers / service providers for utilization of Issue proceeds for various Objects of the Issue are associated in any manner with our Company or any other related party directly or indirectly.

No part of the Net Proceeds of the Issue will be utilized by our Company as consideration to our Promoters, members of the Promoter Group, Directors, Group Companies or Key Managerial Employees. Our Company has not entered into or is not planning to enter into any arrangement / agreements with Promoters, Directors, key management personnel, associates or Group Companies in relation to the utilization of the Net Proceeds of the Issue.

**Other Confirmation**

No part of the proceeds of the Issue will be paid by us to the Promoters and Promoter Group, the Directors, Associates, Key Management Personnel or Group Companies except in the normal course of business and in compliance with the applicable law.

## BASIS FOR ISSUE PRICE

The Issue Price of ₹61/- per Equity Share is determined by our Company, in consultation with the Lead Manager on the basis of the following qualitative and quantitative factors. The face value of the Equity Share is ₹10.00/- per Equity Share and Issue Price is ₹61/- per Equity Share. The Issue Price is 6.1 (Six point One) times the face value.

Investors should refer sections / chapters titled “Risk Factors”, “Restated Financial Statements”, “Management Discussion and Analysis of Financial Condition and Results of Operations” and “Business Overview” beginning on page 18, 101, 120 and 66 respectively of this Prospectus to get an informed view before making an investment decision.

The trading price of the Equity shares of our Company could decline due to risk factors and you may lose all or part of your investments.

### Qualitative Factors

Some of the Qualitative Factors, which form the basis for computing the price was

- In depth International Market knowledge of Promoter
- Existing client relationship
- Strategically located manufacturing facilities with modern machines.
- Quality Service

For further details, please refer to the paragraph titled “Our Competitive Strengths” in the chapter titled “Business Overview” beginning on page 66 of this Prospectus.

### Quantitative Factors

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

#### 1) Basic and Diluted Earnings Per Share (EPS)

Year ended	Basic and Diluted EPS
EPS November 30, 2022	16.78

*\*Not Annualized*

**Note:** Basic and Diluted EPS = Net Profit (Loss) after tax as restated attributable to Equity Shareholders / weighted average no of equity shares outstanding during the year as per restated financials.

#### 2) Price to Earnings (P/E) ratio in relation to Issue Price ₹61/- per Equity Share of ₹10.00/- each fully paid up

Particulars	P/E ratio
P/E ratio based on Basic and diluted EPS as at November 30, 2022*	3.64
<b>Industry</b>	
Highest	104.35
Lowest **	
Average **	

*\*Not Annualized*

\*\* There are not much listed companies in India that is engaged in a business similar to that of our Company and comparable to our scale of operations. Therefore, it is not possible to provide an industry comparison in relation to our Company

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

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

Year Ended	RONW (%)
November 30, 2022*	17.99

\*Not Annualized

Note: Return on Net Worth has been calculated as per the following formula:

- 1) Return on Net Worth (%) = Net Profit after tax attributable to owners of the Company, as restated / Net worth as restated as at year end.
- 2) Weighted average = Aggregate of year-wise weighted RoNW divided by the aggregate of weights i.e. (RoNW x Weight) for each year/Total of weights.

#### 4) Net Asset Value (NAV)

Particulars	₹ per share
Net Asset Value per Equity Share as of November 30, 2022	12.19
Net Asset Value per Equity Share after IPO	26.58
Issue Price	61

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

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

#### 5) Comparison with industry peers

Companies	CMP	EPS	PE Ratio	RONW (%)	NAV (Per Share)	Face Value	Total Income (₹ in Lakhs)
Prospects Commodities Limited	**61	16.78	3.64	17.99	12.19	10.00	839.98
<b>Peer Group</b>							
Empyren Cashews Limited	242.00	2.32	104.35	8.05	21.33	10.00	5228.54

\*\* CMP of our Company is considered as an Issue Price

\*CMP as on January 02, 2023

Source: [www.nseindia.com](http://www.nseindia.com)

#### Notes:

- a) Considering the nature and size of the business of our Company the peers are not strictly comparable. However, above company is included for broad comparison.
- b) The figures for Prospects Commodities Limited are based on the restated standalone financial statements for the period ended on November 30, 2022.
- c) The figures are based on the Standalone financial statements for the year ended March 31, 2022 of Empyren Cashews Limited (filed with NSE Stock Exchange)
- d) CMP of the peer group is as per the closing price as available on [www.nseindia.com](http://www.nseindia.com) for the Empyren Cashews Limited)
- e) NAV is computed as the closing net worth divided by the closing outstanding number of equity shares. Net worth has been computed as the aggregate of share capital and reserves and surplus (excluding Revaluation Reserves) and as attributable to the owners of the Company.
- f) P/E Ratio for the peer has been computed based on the closing market price of respective equity shares as on January 02, 2023 sourced from website of Stock Exchange as divided by the Basic/diluted EPS as applicable.
- g) RoNW is computed as net profit after tax, as attributable to the owners of the Company divided by closing net worth. Net worth has been computed as the aggregate of share capital and reserves and surplus (excluding Revaluation Reserves) and as attributable to the owners of the Company.

For further details, please refer section titled “Risk Factors” beginning on page 18 of this Prospectus and the financials of the Company including important profitability and return ratios, as set out in the section titled “Restated Financial Statements” beginning on page 101 of this Prospectus to have more informed view about the investment proposition. The Face Value is Rs. 10.00/- per Equity Share and the Issuer Price Rs. 61/- has been determined by the Issuer in consultation with the Lead Manager and is justified by the company in consultation with the Lead Manager on the basis of above information.

## STATEMENT OF TAX BENEFITS

To,  
**The Board of Directors,**  
**Prospect Commodities Limited**  
417, Sun Orbit B/H. Rajpath Club Road,  
Bodakdev, Ahmedabad-380054, Gujarat, India.

Dear Sir,

**Sub: Statement of Possible Special Tax Benefits available to Prospect Commodities Limited (‘the Company’) and its shareholders prepared in accordance with the requirements in Schedule VI of the Securities and Exchange Board of India (Issue of Capital and Disclosure Requirements) Regulations 2018, as amended (“SEBI ICDR Regulations”)**

We hereby report that the enclosed annexure, prepared by the management of the company, states the possible special tax benefits available to the Company and the shareholders of the Company under the Income - Tax Act, 1961 read with Income Tax Rules, Circulars, Notifications (‘Act’) as amended by the Finance Act, 2022, presently in force in India. Several of these benefits are dependent on the Company or its shareholders fulfilling the conditions prescribed under the Act. Hence, the ability of the Company or its shareholders to derive the special tax benefits is dependent upon fulfilling such conditions which, based on business imperatives which the Company may face in the future, the Company may or may not choose to fulfil.

The benefits discussed in the enclosed annexure cover only special tax benefits available to the Company and its shareholders and do not cover any general tax benefits available to the Company or its shareholders. This statement is only intended to provide general information to the investors and is neither designed nor intended to be a substitute for professional tax advice. A shareholder is advised to consult his/ her/ its own tax consultant with respect to the tax implications arising out of his/her/its participation in the proposed issue, particularly in view of ever-changing tax laws in India.

Our views are based on the existing provisions of the Act and its interpretations, which are subject to change or modification by subsequent legislative, regulatory, administrative or judicial decisions. Any such change, which could also be retroactive, could have an effect on the validity of our views stated herein. We assume no obligation to update this statement on any events subsequent to its issue, which may have a material effect on the discussions herein.

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

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

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

No assurance is given that the revenue authorities/ courts will concur with the views expressed herein. The views are based on the existing provisions of law and its interpretation, which are subject to change from time to time. We do not assume responsibility to update the views, consequence to such change. We shall not be liable to Company for any claims, liabilities or expenses relating to this assignment except to the extent of fees relating to this assignment, as finally judicially determined to have resulted primarily from bad faith or intentional misconduct.

We conducted our examination in accordance with the “Guidance Note on Reports or Certificates for Special Purposes (Revised 2016)” (“Guidance Note”) issued by the Institute of Chartered Accountants of India. The Guidance Note requires that we comply with ethical requirements of the Code of Ethics issued by the Institute of Chartered Accountants of India.

This report including enclosed annexure is intended for your information and for inclusion in the Draft Prospectus / Prospectus in connection with the proposed issue of equity shares and is not to be used, referred to or distributed for any other purpose without our written consent.

**For, C. R. Sharedalal & Co.**  
**Chartered Accountants**  
**Firm Reg No: No. 109943w**

**Sd/-**  
**Anuj J. Sharedalal**  
**Partner**  
**Membership No:138022**  
**UDIN: 23138022BGVVVI7914**

**Place: Ahmedabad**  
**Date: 23<sup>rd</sup> January 2023**

## ANNEXURE

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

Outlined below are the possible special tax benefits available to Company and its shareholders under Income Tax Act 1961("the Act") presently in force in India.

#### **A. SPECIAL TAX BENEFITS TO THE COMPANY UNDER THE INCOME TAX ACT, 1961 (THE ACT")**

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

#### **B. SPECIAL TAX BENEFITS TO THE SHAREHOLDERS UNDER THE INCOME TAX ACT, 1961 (THE "ACT")**

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

#### **Note:**

- The above statement of Direct Tax Benefits sets out the special tax benefits available to the Company and its shareholders under the current tax laws presently in force in India.
- The above statement covers only above-mentioned tax laws benefits and does not cover any indirect tax law benefits or benefit under any other law.
- Our views expressed in this statement are based on the facts and assumptions as indicated in the statement. No assurance is given that the revenue authorities/courts will concur with the views expressed herein. Our views are based on the existing provisions of law and its interpretation, which are subject to change from time to time. We do not assume responsibility to update the views consequent to such changes.

## SECTION V – 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 Prospectus, including the information in the sections "Risk Factors" and "Restated Financial Statements" on pages 18 and 101, respectively of the 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 18 of the Prospectus. Accordingly, investment decisions should not be based on such information.*

#### **A BRIEF HISTORY:**

Cashew – a native of Brazil was introduced to the world by the Portuguese. Portuguese spread this tree to other parts of the world, including India. In India, Cashew was first introduced in Goa during 16th century – the then Portuguese colony. It was noticed that the tree grew on poor sandy soils along the coastal belt and was used by the Portuguese in Africa and India as an anti-soil erosion measure. (Russel,1969; McGovern, 2001). The tree has prospered and spread naturally, particularly in east Africa and India and the crop from the progeny of these wild cashew trees form the basis of the raw material for the cashew industry. Even though initially Cashew trees were planted for preventing soil erosion, later on it was discovered that Cashew Kernels extracted out of Raw Cashew Nuts (RCN) was a valuable food ingredient. In fact, India was the first country which started commercial processing of Cashew Nuts. Today, India has the largest crop of cashews in the world.

The Cashew Tree (Scientific Name - Anacardium Occidentale) produces cashew nut, a kidney shaped fruit, called the nut, born exteriorly attached to the swollen fleshy peduncle called the Cashew Apple. The cashew fruit (Figure 1) is unusual in comparison with other tree nuts since the nut is outside the fruit. In its raw state, the shell of the nut is leathery, not brittle. It is this Raw Nut which is used for extracting Cashew Kernels.

#### **THE CASHEW FRUIT WITH NUT OUTSIDE THE FRUIT**



The Cashew Industry in India provides employment to more than 10 lakh people in farms and factories, most of them in the rural areas. Thus, apart from its economic significance, the cashew industry plays a leading role in social and financial upliftment of the rural India.

**(Source: A Roadmap For 20 Lakhs M.T. By 2025, issued by CEPCI, Sponsored by Ministry of Commerce and Industry, Government of India)**

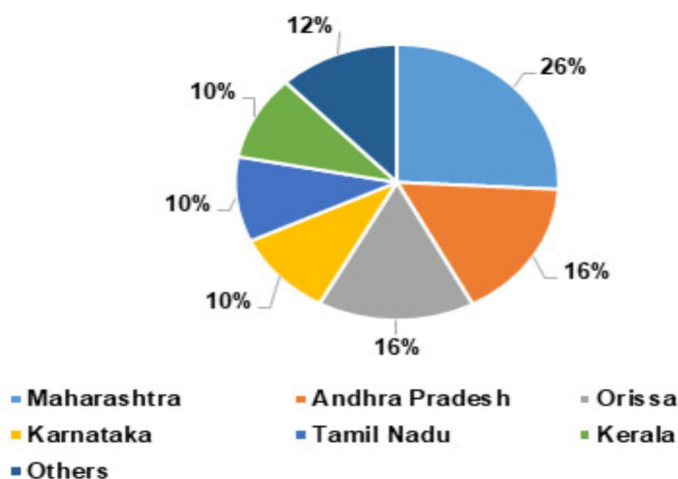
#### **INDIA CASHEW INDUSTRY:**



India is among the largest cashew-producing countries in the world. The cashew industry has large economic significance as it employs more than 10 lakh people on farms and factories in rural areas. The cultivation of cashew in India covers a total of 0.7 million hectares of land, and the country produces over 0.8 million tonnes (MT) annually. Between 2019-20 and 2021-22, India's cashew nut production grew from 0.70 million tonnes (MT) to 0.77 million tonnes (MT). In India, cashew cultivation spread along the coastal regions of the peninsula. Cashew is mainly grown in states like Maharashtra, Kerala, Karnataka, Tamil Nadu, Andhra Pradesh, Goa, Odessa, West Bengal, and some parts of the North-Eastern region. According to data published by the National Horticulture Board (NHB), Maharashtra stands first in annual cashew nut production during 2021-22 at 0.20 million tonnes (MT), growing from 0.19 million tonnes cashew nut produced in 2020-21.

Besides the vast scale of cashew production, India is also known for pioneering cashew processing and exporting cashew kernels across the globe. The cashew processing industry was earlier concentrated in Kollam (Kerala), Mangalore (Karnataka), Goa, and Vettapalam (Andhra Pradesh), but now it is spread across many states of India. Over the years, India has emerged as the global processing hub for the cashew industry.

#### STATE-WISE SHARE OF CASHEW PRODUCTION IN INDIA (2021-2022)



#### EXPORT TREND

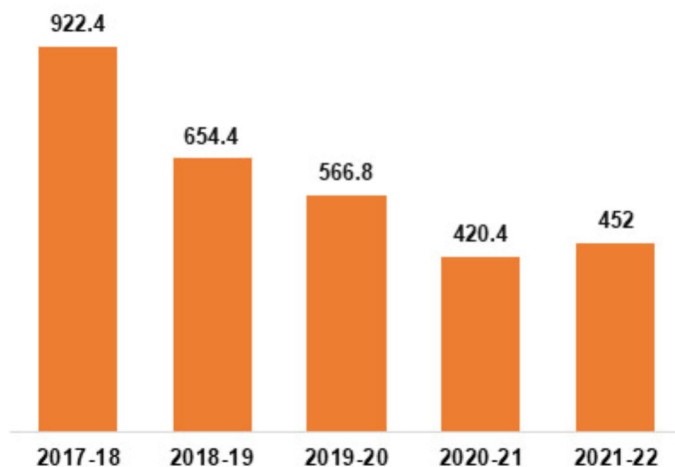
India is the largest cashew exporter, with more than 15% of the world's export share. India primarily exports Cashew Kernels and very small quantities of Cashewnut shell liquid. During 2021-22, the cashew exports by value grew from US\$ 420 million in 2020-21 to US\$ 452 million in 2021-22, witnessing a growth of 7%. Between April-August 2022, cashew exports stood at US\$ 134.38 million.

In terms of volume, India's cashew exports recorded an increase of 9% from 70.5 million kg in 2020-21 to reach 76.8 million kg in 2021-22. Between April-August 2022, cashew exports volume stood at 18 million kg.

In March 2022, the country exported cashews worth US\$ 40.0 million, up from US\$ 33.6 million in February 2022.

Importing of raw cashew nuts has played a key role in the growth of the Indian cashew industry, which accounts for almost half of the domestic and export demand for cashew kernels in the country. To address the same, the Department of Agriculture, Cooperation and Farmers Welfare (DAC&FW), under the Mission for Integrated Development of Horticulture (MIDH) and Rashtriya Krishi Vikas Yojana (RKVY), had implemented various initiatives that led to increased domestic production of cashew. It includes massive area expansion under cashew cultivation and replacing senile cashew plantations with high-yielding varieties in traditional and non-traditional states. DAC&FW has also approved the roadmap program to extend the cashew cultivation area by 1.20 lakh hectare presented by the Directorate of Cashew nut & Cocoa Development (DCCD).

#### INDIA'S CASHEW EXPORT TREND (US \$ MILLION)

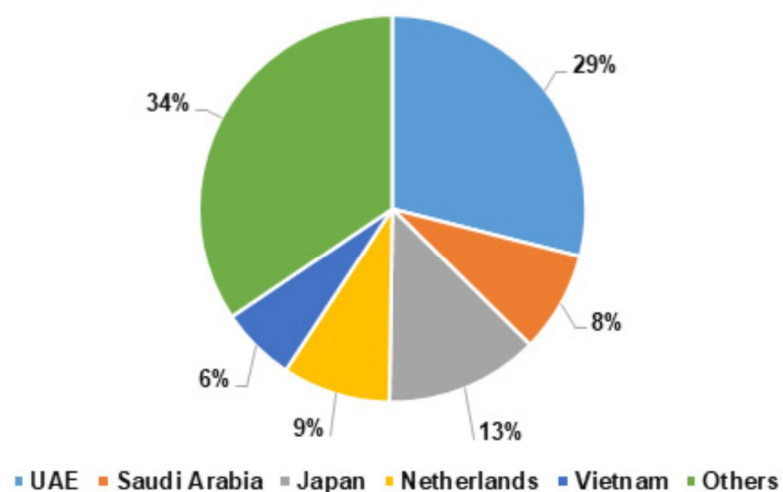


### EXPORT DESTINATIONS

India exports cashews to over 60 countries spread across different parts of the world. The key export destinations for India are UAE, Japan, Netherland, Saudi Arabia, the USA, the UK, Canada, France, Israel, and Italy. As per the APEDA statistics on the exports of cashew kernels and Cashewnut shell liquid, UAE is the largest importer of Indian cashews, valued at US\$ 131.5 million, accounting for 29% of overall exports during 2021-22 as compared to US\$ 98.5 million in the previous year. In volume terms, India's cashew exports to UAE stood at 16.6 million kg, growing by 29% from 12.8 million kg of exports recorded in the previous year.

Japan and Netherland are among the top 3 importers of Indian cashews, with a share of exports at 13% and 9%, respectively. India's cashew kernels and Cashewnut shell liquid exports to Japan and Netherland are valued at US\$ 58.1 million and US\$ 41.1 million, respectively. Vietnam, a key importer of Indian cashews, has consistently grown in imports of India's cashew at a CAGR of 7% from 2016-17 to 2021-22. The top 10 importing countries of Indian cashew have a share of 84% of the total exports, which implies the huge significance of traditional markets. This strong growth in cashew exports across export destinations continues to drive economic growth and employment generation in India's key cashew-growing states.

### COUNTRY-WISE SHARE OF INDIA'S CASHEW EXPORTS (2021-2022)



(Source: <https://www.ibef.org/exports/cashew-industry-india>)

### CASHEW KERNELS

Cashew kernels are obtained through processing (roasting / steaming, shelling and peeling) of raw cashew nuts. Cashew Kernels, for commercial purposes, are graded based on their color, shape and size. Cashew Kernels are graded into white/scorched wholes, pieces, splits, butts etc., depending on the shape, size & color of the kernel. The Govt. of India Act prescribes 33 different grades of cashew kernels. Only 26 grades are commercially available and exported. They are:

The individual products under this sub-head are as below:

- W - 180, is the ' King of Cashew ' - They are larger in size and very expensive.
- W - 210, are popularly known as ' Jumbo ' nuts.
- W - 240, it is an attractive grade which is reasonably priced.
- W - 320, are the most popular among cashew kernels and highest in terms of availability, worldwide.
- W - 450, are the smallest and cheapest white whole kernels and hence the favorite among low priced whole grades.

Scorched wholes are another grade of cashew kernels, which have a slight brown colour due to longer roasting. They have all the other characteristics of white kernels and have the same nutritional qualities.

Butts, splits and pieces are priced lower and are ideal for cooking, preparation of sweets and savoury snacks.

Cashew kernels are also available as roasted, salted, flavoured and coated with spices, honey, etc. Value added products like cashew powder, cashew butter; cashew drink, etc. are also available in the market.

### India Export

The country has exported 140175.19 MT of Cashew Kernels to the world for the worth of Rs. 6224.45 crores/ 840.86 USD Millions during the year 2020-21.

Major Export Destinations (2020-21): The major importing countries of Cashew Kernels from India are U Arab Emts, Saudi Arab, Japan, Netherland, and Vietnam.

### CASHEW NUT SHELL LIQUID (CNSL)

The Cashewnut Shell Liquid (CNSL) is a by-product obtained while processing raw cashewnuts to produce cashew kernels. It is the oil obtained by crushing the cashew shell.

CNSL is a versatile industrial oil with its applications in the manufacture of brake linings, friction dust, resins, paint and laquer, etc.

### India Export

The country has exported 859.64 MT of Cashew Nut Shell Liquid (CNSL) to the world for the worth of Rs. 2.91 crores/ 0.39 USD Millions during the year 2020-21.

Major Export Destinations (2020-21): The major importing countries of Cashew Nut Shell Liquid (CNSL) from India are Korea Rp, Belgium, Japan, Mexico and Nepal.

### INDIA EXPORT OF AGRO FOOD PRODUCTS:

Product	2019-20		2020-21		2021-22	
	Qty	Value	Qty	Value	Qty	Value
Cashew kernel, whole	64,836.00	374,033.42	48,575.63	284,038.63	51,907.75	309,681.10
Cashew Nuts Fresh/Dried in Shell	16,315.59	14,597.83	19,831.59	19,975.15	21,652.75	20,221.00
Cashew kernel, broken	2,287.72	11,524.30	1,417.18	6,662.64	1,193.61	6,292.36
CPurified and distilled Cashew shell liquid	3,884.01	2,040.32	3,306.09	1,826.87	3,575.59	2,558.95

(CNSL), Cardanol						
Other Cashew kernel	888.30	1,679.15	263.19	545.96	668.49	1,545.98
Cashew shell liquid (CNSL), crude	721.07	268.99	429.82	145.29	1,368.06	692.03
<b>Total</b>	<b>88,932.69</b>	<b>404,144.01</b>	<b>73,823.50</b>	<b>313,194.54</b>	<b>80,366.25</b>	<b>340,991.42</b>

#### INDIA IMPORT OF AGRO FOOD PRODUCTS:

Product	2019-20		2020-21		2021-22	
	Qty	Rs. Lacs	Qty	Rs. Lacs	Qty	Rs. Lacs
Cashew Nuts Fresh/Dried in Shell	936,113.06	877,683.58	831,231.07	733,128.14	935,573.50	914,516.88
Cashew kernel, whole	1,410.65	8,972.33	2,872.54	15,376.42	3,188.40	18,113.22
Cashew shell liquid (CNSL), crude	8,661.92	2,133.35	2,198.93	581.35	6,523.32	2,083.41
Cashew kernel, broken	642.74	1,997.27	289.01	588.24	339.61	1,156.57
CPurified and distilled Cashew shell liquid (CNSL), Cardanol	3.60	160.30	2.10	135.51	3.10	204.78
Another Cashew kernel	3,249.76	13,980.80	7.04	28.67	97.01	50.00
<b>Total</b>	<b>950,081.73</b>	<b>904,927.63</b>	<b>836,600.69</b>	<b>749,838.33</b>	<b>945,724.94</b>	<b>936,124.86</b>

(Source: <https://agriexchange.apeda.gov.in/India%20Production/India%20Productions.aspx?hscod=1093>)

#### GOVERNMENT INITIATIVES

The Government of India and the cashew export promotion council have undertaken several initiatives for the ease of exports and growth of the cashew industry. As non-financial assistance to exporters, many trade delegations, buyer-seller meets, fairs, development workshops, and research and development data are provided. Additionally, in 2018, the Basic Customs Duty on raw cashew nut was reduced to 2.5% from the previous 5%, and the Goods and Services Tax (GST) on the same was reduced to 5% from 12%.

As the cashew industry's domestic demand and exports are heavily dependent on imported raw cashew nuts, the Government of India has taken several steps to support efficient sourcing. These include:

- Changes in import policy for cashew kernel (both broken and whole)
- Revision of the standard inputs output norms (SION) for cashew exports
- Approval of Medium-Term Framework scheme for process mechanization and automation of cashew processing units with a financial outlay of Rs. 60 crore (US\$ 8 million)
- Allowing duty-free import of raw cashew nuts under Duty-Free Tariff Preference (DFTP) Scheme from least developed countries (LDCs)
- The government has also extended financial assistance to the Cashew Export Promotion Council of India (CEPCI) for organizing buyer-seller meet (BSM) and participation in international fairs under Market Access Initiative (MAI) scheme, which supports tapping new markets.

#### GOVERNMENT BODY

##### The Cashew Export Promotion Council of India (CEPCI)

The Government of India established the CEPCI in 1955 with the objective of promoting cashew kernels and cashew nut shell liquid in India. The council provides trade information and statistics to its members and is operating the government's five-year plan scheme for providing financial assistance to the member exporters.

(Source: <https://www.ibef.org/exports/cashew-industry-india>)

## **BUSINESS OVERVIEW**

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 Prospectus, including the information contained in the section titled “Risk Factors” on page 18 of this 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 18, 101 and 120 of this Prospectus.

In this chapter, unless the context requires otherwise, any reference to the terms “We”, “Us”, “Our” and “Prospect” are to M/s. Prospect Commodities 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 Prospectus.

### **OVERVIEW**

#### **Company Background**

Our promoter and Managing Director, Vimal Mishra in the year 2006 has started his career in the logistic service industry. In the said job, he got the experience of attending to enquiries and implementing marketing and sales strategies to meet set targets for international business and providing total logistic solutions to direct shipper as well as to CHA’s (Custom House Agent). He has also handled cross trade international business in his service tenure where he has also acted as a Project Manager position. In 2014, moving out from service sector, he was one of the director and pioneer of logistic company named “Globizz Translogistics Pvt Ltd”. The company was in logistic business only.

In 2015, Our Promoter and Managing Director, Vimal Mishra with his wife has started partnership firm named “M/s Fortune Exports” to get into the international trade of “Agro Products”. His more than a decade experience in different field like sales in charge, project manager and working with the logistic company helped him to expand his business in the international market. From 2015 to 2017, the partnership firm was mainly in trading of pulses viz Mung. In 2017, the partnership firm has started importing the Cashew Husk from Vietnam and selling the same to various units of tanning industry in India Only. From 2018 to 2020 the Partnership Firm was in trading of Fruits like Banana, Dragon Fruit, Water Mallon & Musk Mallon etc. & Dry Fruits like Walnuts & Cashew. Dragon Fruit & Walnuts were imported from the Vietnam and were traded in the Pan India Market. In the Year 2018 the partnership firm had achieved turnover of ₹336.89 lacs and the profit before the remuneration to partners was ₹12.97 lacs.





In the year F.Y. 2021, the partnership firm had started the cashew processing plant of 150 ton per annum nearby Ahmedabad and in the same year the firm had achieved turnover of ₹ 987.89 lacs out of which the turnover of Agri Products was of ₹784.87 lacs. The growth of the firm was almost 107% in F.Y. 2021 in compare to the F.Y. 2020. By looking forward to the demand of our product & growth of the firm, our Promoter had enhanced the production capacity of the cashew processing plant from 150 tonnes per annum to 600 tons per annum. The partners of the firm have decided to do business in corporate structure and have formed the Company Viz. Prospect Commodities Private Limited. The Company had taken over the running business of partnership firm with all assets and liabilities from 1<sup>st</sup> April, 2022 by entering in to Memorandum of understanding dated March 29, 2022. The consideration for acquiring the business was paid by issue of 24,00,000 Equity shares of the Company at a price of Rs. 10 per share.

The Company is in the business of trading of cashew in to B2B Market. The Company is selling the Cashew to the wholesalers in the state of Gujarat only. Currently, the Company is not able to cater the demand of Gujarat State, hence it has not ventured to supply or develop market out of Gujarat. The cashews are packed in tin of 10 KG.

The Company had instead of importing the RCN (Raw Cashew Nut) from other countries, which require to import in larger quantity and blocking of the Working Capital Fund, started buying the RCN from Gujarat who are importing from other countries and also from Kolam, Tuticorin and Manglore.

#### **Our products:**

Our product includes Cashews of different grades and packed in 10 KG tin pack. The Grade of the cashew nuts are on the basis of size of the cashew nuts and colour of the cashew nuts. Our Company has following premium grades such as W400, W320, W240, W210 and W180, DW and SW. During the Production the company also get the Broken cashew nuts, split cashew nuts which are also sold in the market. The products are processed under hygienic condition following the specific food grade standards recommended by the industry.

<p><b>W-320</b></p>	
<p><b>W-240</b></p>	
<p><b>W-210</b></p>	
<p><b>W-180</b></p>	

The cashew husk which is after processing RCN is also by product and the same is also sold to Tannery Industries by the Company. Company also sells Cashew Nut shell which is the basic raw material to produce CNSL Oil which is useful in many industries like Paint / Oil / Laminates etc.

The financial performance of the partnership firm which was taken over by the Company for last three years is as follow.

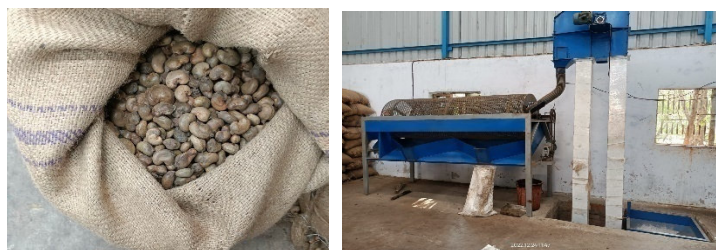
Particulars	March 31, 2022	March 31, 2021	March 31, 2020
Income from Operations	1092.93	987.88	477.60
EBDITA (including remuneration to partners)	86.28	60.09	26.97
PBT	13.48	13.13	4.69
Capital	160.49	173.60	74.27

## COVID-19

Due to COVID-19, the price of cashew fell to the lowest it has been in the last 10-12 years. The value addition activities were affected negatively as a disrupted distribution channel tends to lower the value of end-products of cashew nuts in the market. The extended lockdown has hit consumption in India as well as demand. The Cashew Export Promotion Council of India (CEPCI) has urged the Union Government to allocate sufficient funds and put forward a few schemes to increase the production of cashews in the country; this initiative is projected to drive the cashew market.

### Process:

#### 1. Cleaning:



The first processing operation is the removal of foreign matter and dirt from the nuts. Processing Raw Cashew Nuts into Dust Cleaner to remove Foreign Matters and Dirt and taking the material directly to Tank for Boiling.

#### 2. Boiling and Cooling:



Once Raw Cashew Nuts are dust cleaned, it's getting load thru Elevator in Tank for steaming thru IBR. The process of steam boiling helps in soften the outer shell and removal of this shell with minimal effort. On completion of Boiling all nuts been offloaded in trolley and leave for cooling period.

#### 3. De shelling:



De-shelling is at the heart of cashew processing. It consists of breaking the raw cashew nutshell to free the kernel, without splitting the precious whole kernel. We are using Hitech Cutting Machines to have minimum damage to kernel and to cut the Fruit. Once cutting is done, Elevator is taking the nut and shell on Scooping Line to separate Nut and Shell. At one end Nuts are being collected and at other end shells have been separated. Few Nuts which are not separated in 1st Process is taking into 2nd Vibrator to separate Nuts and Shell.

#### 4. Drying:



Separated Nuts collected from Scooping Line are filling in Tray and Trolley and loaded in Dryer to remove Oil from Husk of the cashew. Drying process vary between 350 Minutes to 480 Minutes depending on the Raw Material.

#### 5. Moisture and Peeling:



After completion of Drying, Trolley to be moved into Moisture chamber to give moisture to Nuts. Moisture helps Husk to soften where in Peeling Husk can be removed. General Moisture time is between 3 hours to 4 hours. After



Moisture, Trolley is moved to Peeling Machine to remove husk from it. All trays to be offload in hooper from where Elevator is taking Nuts into Peeling Machine as per the set time. In Peeling Machine, Approx 9 Kg of Air Pressure from Compressor helps to remove Husk from kernel and separate it from kernel. Kernel is moved into Separator where Broken kernel / Whole kernels are being separated.

#### **6. Sorting:**



After Peeling, All Kernels (Whether Whole or Broken) are being processed thru Colour Sorter to remove Rejection / Oily Kernel / Dotted Cashew Kernels / Kernels with Minimum Husk and to separate clean Kernels.

#### **7. Drying:**

After Colour Sorter we are again drying the material for couple of hours to remove moisture from kernels. This process helps us to remove moisture and to get the natural colour of Kernels which can be further process for grading with more accuracy.

#### **8. Grading:**



After sorting and Drying, Kernels have been processed thru Nano pix grading Machine. In this process, We are able to separate Kernels into Different Grades with the help of Hitech Camara used in this machine.

#### **9. Manual Sorting and Grading:**



After completion of Grading, Material is being given for manual sorting and grading to ensure on quality check prior to dispatch the material.

#### 10. Drying before Dispatch:

Before packing the material, we always ensure to dry the material which makes each Kernel Crunchy and safe to eat.

#### 11. Packing and Dispatch:

After drying we do weighing of each grade and do packing in 10 KG TIN with seal on it. We are using corrugated Boxes to pack 2 X 10 KG Tin in single Box and marking each Tin / Box with it's grade details and dispatching as per order.

#### SWOT

Strength	Weakness
<ul style="list-style-type: none"> <li>• Indepth International Market knowledge of Promoter</li> <li>• Quality Assurance</li> <li>• Robust Sales Channel</li> </ul>	<ul style="list-style-type: none"> <li>• Low production Capacity</li> <li>• Working capital constraint</li> </ul>
Opportunities	Threats
<ul style="list-style-type: none"> <li>• New business from existing clients</li> <li>• New product launch</li> <li>• B2C segment</li> <li>• Geographical Expansion.</li> <li>• Enhancement of production capacity. Capacity.</li> <li>• Trading of other dry fruits along with cashew nuts</li> </ul>	<ul style="list-style-type: none"> <li>• Highly Competitive Business</li> <li>• Low price offered by other manufactures</li> <li>• Suppliers from other countries offering better prices</li> <li>• Changes in the custom duty in importing country</li> </ul>

#### OUR COMPETITIVE STRENGTHS:

##### *Experienced Promoter*

The Promoter of our Company has significant in-depth knowledge of the commodity trading and has been instrumental in the consistent growth of our Company's performance. He has an overall experience of more than 7 years in the trading segments of commodity industry. We believe that our promoter's experience and their understanding of the business will enable us to continue to take advantage of both current and future market opportunities.

##### *Existing client relationship*

We believe in constantly addressing the customer needs for our products. We believe that meeting customer specific requirements and delivery of orders is key factor for growth. Our Company has made continuous efforts to ensure customer satisfaction by taking steps for meeting customer specific requirements, timely delivery of orders to our customers as well as maintaining consistency in quality and this has yielded results in the form of repeat orders from our customers. Repetitive business and large client relationships reflect confidence reposed in us by our customers. We are providing after sale Service and assured our customers that if they have any issue with the quality of our product, we will take the back the product but not allow customers to ask for any discount. Due to quality of product and our after-sale service, we are able to sell our entire proceeds Cashew nuts in Gujarat Only.

***Strategically located manufacturing facilities with modern machines.***

Our factory is in the Ahmedabad city which is well connected with India and outside by Road, Rail and Air. The company can get the experienced labour and the logistic facility for transportation of raw material as well as finished goods is easily available and at competitive rates. It is strategically located in terms of access to raw materials and proximity to clients. We believe that our manufacturing facility will easily help us in catering to our customer's and help is in sending our products to the Customers.

***Quality Service***

We believe in providing quality and timely service to our customers. We have set very high standards for ourselves when it comes to timelines and quality of service we provide to our customers. The stringent systems ensure that all the products reach our customers on stipulated time and there are minimum errors to ensure reduced product rejection. We believe that our quality service has earned us a goodwill from our customers, which has resulted in customer retention and order repetition. It has also helped us to add to our existing customer base. We have developed internal procedure of checking the client orders at each stage from customer order to delivery. Our company focuses on maintaining the level of consistently in our service, thereby building customer loyalty for our Brand.

**OUR BUSINESS STRATEGY:**

***Improving operational efficiencies and enhancing the Installed capacity***

Our Company intends to improve efficiencies to achieve cost reductions so that they can be competitive. We believe that this can be done through domestic presence and economies of scale. Increasing our penetration in existing regions with new range of products, will enable us to penetrate into new catchment areas within these regions and optimize our infrastructure. As a result of these measures, our company will be able to increase its market share and profitability.

***Enhance customer base by entering new geographies to establish long-term relationships***

We intend to cater to the increasing demand of our existing customers and also to increase our existing customer base by enhancing the distribution reach of our products in different parts of the country. We propose to increase our marketing and sales team which can focus in different regions and also maintain and establish relationship with customers. Enhancing our presence in additional regions will enable us to reach out to a larger population. Further our company believes in maintaining long term relationship with our customers in terms of increased sales. We aim to achieve this by adding value to our customers through innovation, quality assurance and timely delivery of our products.

***Entering in to B2C business and online selling***

We intend to enter in to B2C business where we will sell the products to consumers who are the end user of the products, with no middle man. B2C typically refers to online retailers who sell product to consumers through internet. It widely known and most popular sales model. On account of avoidance of the Middle man and the profit margin of middle man, the company can offer more competitive price and also earn more profit.

***Branding the finished product***

At present the Company is selling the products to wholesalers and in 10 KG tin Pack Only. The Company intends to enter in to B2C Market and also selling the flavoured cashew nuts in small packing. The Online Trading of the product requires the Brand development and company through web site, participating in Exhibition, social Media marketing, and Retail stores in the mall and Super Market will develop brand awareness among the consumers for marketing the product. The branding of the product increase customer satisfaction, customer Loyalty and brand recognition.

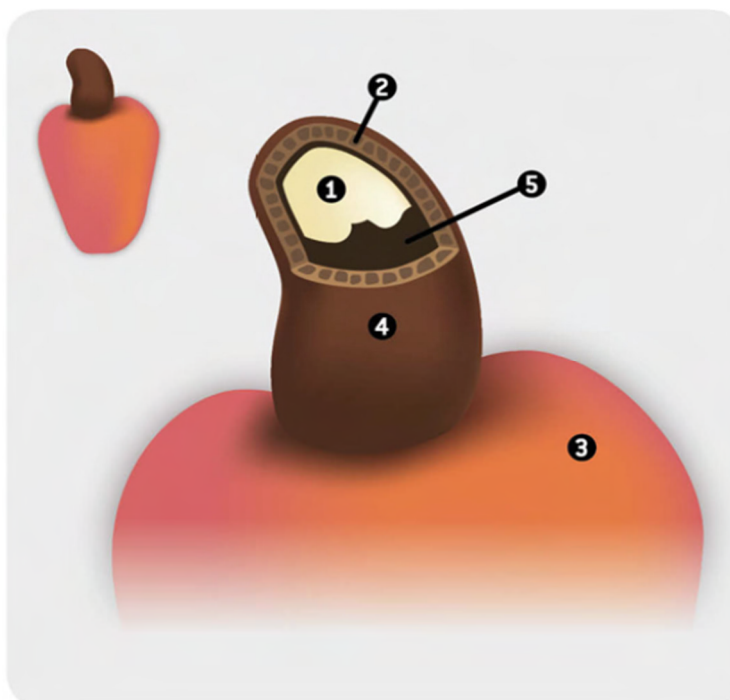
### **Enhanced Production Capacity.**

The Company had production capacity of 600 tonnes per annum and at present capacity utilization will be 70 %. At present the Company is in B2B Segment and also doing business in Gujarat Only. The company intends to enter into B2C business segment and semi wholesale to various restaurants. The Company at present supplying to Gujarat Only. The company over a period of five years intends to enhance capacity from 600 tonnes to 2500 tones and start the supplying in the state of Maharashtra, Madhya Pradesh, Rajasthan and Delhi.

### **Raw Material**

The main Raw Material required is Raw Cashew Nuts (RCN) for our products. The Ivory Coast also known as Côte d'Ivoire is a country on the southern coast of West Africa is the highest producer of RCN. India is the second largest producer of RCN. The RCN is agro based product and are subject to price fluctuations as a result of seasonality, weather, demand in local and international market and other factors. We try to keep our raw material cost by timing our purchases and delivery months. We typically do not enter into long term supply arrangements for procurement of raw materials. We enter into short term contracts for procurement of raw material. several criteria can be used to specify the cashew nuts quality such as colour, shape, brightness, exterior aspect. The most important criterion is the quality of the kernel inside the shell. There are four main criteria used to assess the quality of the RCN: the Out-turn, the defective nut rate, the nut count, and moisture.

We procure our raw material from the supplier of Gujarat who are importing from other countries and also from Kolam, Tuticorin and Manglore. We check the quality of RCN before buying from the suppliers.



**CAPACITY UTILIZATION: \***

Processing Capacity	Upto November 30, 2022	2021-22	2020-21
Cashew Nut			
Installed Capacity (in Tonnes)	1200	600	150
Utilised Capacity (in Tonnes)	600	390	105
Capacity Utilisation (in %)	60	65	70

On the basis of certificate given by the Management as no record are available for verification of capacity utilisation.

*Note: \*300 working days and on single shift basis the Installed capacity calculated per year. The installed Capacity is as per the certificate by the management.*

**PLANT & MACHINERY:**

As on date of this Prospectus, Our Company possess following plant & machinery:

1. Raw Cashew Grading Machine with bucket Elevator
2. Automatic cashew Nut Cutting machine
3. Cashew nut peeling with bucket elevator
4. Automatic Cashew Scooping Machine
5. Cashew Kernel Electrical Dryer
6. Food Grain sorting and Grading

**INFRASTRUCTURE FACILITIES:****Location**

**Registered Office:** 417, Orbit, Behind Rajpath Club, Rajpath Rangoli Road, Bodakdev, Ahmedabad

**Factory:**

- Shed No 8, Sadbhav Industrial Park, Block/Survey No 431 (old Block/ Survey No 1107), Block/Survey No 569 (old Block/ Survey No 1104/A), Village Dhamtavan, Tal. Daskroi, Dist. Ahmedabad.
- Shed No 7, Sadbhav Industrial Park, Village Dhamtavan, Tal. Daskroi, Dist. Ahmedabad

**Water:**

Water is required for the production and drinking purpose. Our Factory is in Industrial Estate and we get 24 hours supply from the bore well of the Industrial Estate. For Drinking water, we are bringing 40 ltr jars from local suppliers on monthly basis.

**Power:**

Our Company has power connection from Torrent Power Limited at our Registered Office, the requirement of Power in our office is for the normal course of business purpose only. The requirement of power at our factory is for our operations, like power for heating of the boiler and operating the machinery/equipment. Our factory has been sanctioned a contract load of 20 kw in Shed No 8 of Sadbhav Industrial Park and 30 KW in shed no. 7 of Sadbhav Industrial Estate. As on date of this Prospectus our Company does not require much power supply.

**OTHER INFRASTRUCTURE FACILITIES**

Our registered office and factory premises is situated at Ahmedabad is well equipped with computer systems, internet connectivity, other communication equipment, security and other facilities, which are required for our business operations to function smoothly

**HUMAN RESOURCES:**

Human resource is an asset to any industry, sourcing and managing is very important task for the management. We believe that our employees are the key to the success of our service.

As on November 30, 2022, we have the total strength of permanent employees 08 in various departments. The details of which is given below:

Sr. No.	Department	No of Employees
1	Production	4
2	Sales	2
3	Account	1
4	Secretarial	1

**COLLABORATIONS/TIE UPS/ JOINT VENTURES:**

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

**EXPORT OBLIGATION:**

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

**SALES AND MARKETING:**

The quality assurance and after sale service by the company are helpful in marketing our product. At present the Company has concentrated in Gujarat for marketing the product. The promoters are in the business since more than 7 years and had developed loyal clients and get the repetitive orders. Looking to the present capacity of the plant and the demand from the existing clients are more than the production, the company is not doing anything for marketing the product.

**COMPETITION:**

We operate in competitive environment having large number of organised and unorganised players. All the cashew nut producing face competition at the National and International Level. However, the Company’s quality of Cashew has considered to be an advantage to cater to market needs in different geographies.

**INTELLECTUAL PROPERTY RIGHTS:**

**Trademark:**

As on the date of the Prospectus, our Company has applied for trademark registration on October 10, 2022.

Trademark	Class
Prospect	29- Cashew nut

**Details of Immovable Property:**

The details of the Immovable properties by company are given below:

**Owned Property**

The Company does not own any immovable property.

**The details of the properties taken on Leased are given below:**

Particulars	Details
Name of Lessor	Jagjeetkaur Ajay Sharma
Name of the Lessee	Prospect Commodities Private Limited
Description of Property	417, Orbit, Behind Rajpath Club, Rajpath Rangoli Road, Bodakdev, Ahmedabad
Date of agreement	January 07, 2022
Rent per month	Nil
Usage	Registered Office
Area (Approx)	950 Sq. Ft
Duration of Agreement	*Period of 11 months and 29 days from January 07, 2022

**\*The rent agreement is due for Renewal.**

Particulars	Details
Name of Lessor	Sunilbhai Jaggannath More and Harshadbhai Govindbhai Patel
Name of the Lessee	Prospect Commodities Private Limited
Description of Property	Shed No. 7, Sadbhav Industrial Park, Village Dhamtavan, Tal. Daskroi, Dist. Ahmedabad
Date of agreement	July 01, 2022
Rent per month	Rs. 12,500/- per month
Usage	Factory
Area (Approx)	420.37 Sq. Mts.
Duration of Agreement	Period of 11 months and 29 days from July 01, 2022

Particulars	Details
Name of Lessor	Vaishali Zaverbhai Patel and Nitaben Zaverbhai Patel
Name of the Lessee	Prospect Commodities Private Limited
Description of Property	Shed No 8, Sadbhav Industrial Park, Block/Survey No 431 (old Block/ Survey No 1107), Block/Survey No 569 (old Block/ Survey No 1104/A), Village Dhamtavan, Tal. Daskroi, Dist. Ahmedabad
Date of agreement	April 01, 2022
Rent per month	Rs. 40,000/- per month
Usage	Factory
Area (Approx)	271 Sq.yards +271 Sq.yards
Duration of Agreement	Period of 11 months and 29 days from April 01, 2022

#### **Insurance**

Particulars	Details
Name of the Insurance Company	Bajaj Allianz General Insurance Company Limited
Name of Insured	Prospect Commodities Private Limited
Policy No	OG-23-2202-4056-00010642
Type of Policy	Bharat Sookshma Udyam Suraksha
Validity Period	From 23.11.2022 to 22.11.2023
Premium Paid (Rs)	Rs. 10,238/-
Sum Insured	Rs. 73,00,000-
Items Insured	Plant and Machineries
Insured Address	7 and 8 Sadbhav Estate Underal Dhamtvan Road, Dhamatvan, Ahmedabad -382435

Particulars	Details
Name of the Insurance Company	HDFC ERGO General Insurance Company Limited
Name of Insured	Fortune Exports
Policy No	2949204078169001000
Type of Policy	Business Suraksha Classik
Validity Period	From 16.03.2022 00.01 hrs to 15.03.2023 Midnight
Premium Paid (Rs)	Rs. 16,370/-
Sum Insured	Rs. 74,19,000/-
Items Insured	Stocks and Stocks in Process-Stock of Cashew Husk & other leather related Products etc
Insured Address	Shed No. 8, Sadbhav Industrial Estate, Dhamatvan-Undrel Road, Dhamatvan Village, Gujarat - 382435



## KEY INDUSTRY REGULATIONS AND POLICIES

Except as otherwise specified in this 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 131 of this 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 administrating 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.

### **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.

### **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 CORPORATE MATTERS

Our Company was originally incorporated as “Prospect Commodities Private Limited” is registered under the provisions of Companies Act, 2013 vide Certificate of Incorporation dated January 06, 2022 bearing Corporate Identification Number U01400GJ2022PTC128482 issued by the Registrar of Companies, Central Registration Centre, our Company has acquired running business of firm “M/s Fortune Exports”, registered as a partnership firm under the Partnership Act, 1932 (“Partnership Act”). Subsequently, our Company was converted into a public limited Company pursuant to a special resolution passed by our shareholders at the EGM held on December 29, 2022 and consequently the name of our Company was changed to “Prospect Commodities Limited” and a fresh certificate of incorporation was issued by the Registrar of Companies, Ahmedabad dated January 03, 2023. The CIN of the Company is U01400GJ2022PLC128482.

### Business and Management

For a description of our activities, services, technology, the growth of our Company and regional geographical segment in which our Company operates, please refer to chapters titled “Business Overview”, “Industry Overview” and “Management’s Discussion and Analysis of Financial Condition and Results of Operations” on pages 66, 61, and 120 of this Prospectus, respectively. For details of the management and managerial competence of our Company, please refer chapter titled “Our Management” on page 88 of this Prospectus.

### Changes in Registered Office

There has been no change in the Registered office of our Company since incorporation.

### Main Objects as set out in the Memorandum of Association of the Company

The Main object clause of the Company as per Memorandum of Association is as under:

1. To cultivate, grow, produce, harvest raise or deal in agriculture produce as agriculturists, farmers or gardeners and to set up processing unit for import, export, distribute or deal in agriculture produce of all description, like fruits, vegetable, seeds and herbal products and trade in all the products required for cultivation, harvesting, production and developments of seeds, vegetable, fruits and herbal items.
2. To cultivate, grow, produce or deal in agriculture produce and to carry on the business of agriculturists, farmers, gardeners, dairymen, dairy farmers, and to acquire, hold, buy or acquire freehold or leasehold agriculture land, farm, garden or any other, property and to act as growers of corn, hay, straw, seeds or animal feed and to deal in live-stock and deal in such business as may be required by farmers and dealers of agriculture produce.
3. To carry on the business of planters, growers and cultivators of seeds, vegetable, fruits and herbs and to cultivate, grow, produce or deal in vegetable, fruits and herbs and to undertake the activities for its processing, preservation or storage with the installation for plant, machinery, cold storage, air conditioning, refrigeration and other equipments and to provide consulting and support services.

### Amendments to the Memorandum of Association

The following changes have been made in the Memorandum of Association of our Company since its inception:

Sr. No.	Date of Passing of Resolution	Type of Meeting	Particulars
1.	October 12, 2022	EGM	Clause V of the MoA was amended to reflect the increase in authorized share capital of Rs. 1,00,000/- divided into 10,000 Equity Shares of Rs. 10/- each was increased to Rs. 4,00,00,000/- divided into 40,00,000 Equity shares of Rs.10/- each
2.	December 12,	EGM	The Company was converted from Private Limited to Public Limited consequently the name of the Company was changed to “Prospect



	2022		Commodities Limited”
3.	January 05, 2023	EGM	Clause V of the MOA was amended to reflect the increase in authorized share capital of Rs. 4,00,00,000 /- divided into 40,00,000 Equity Shares of Rs. 10/- each was increased to Rs. 4,10,00,000/- divided into 41,00,000 Equity shares of Rs.10/- each.

### **Major Events, Key Awards, Accreditations or Recognition of Our Company**

There have been no awards, major event other than ordinary course of business of our Company since incorporation

### **Acquisition or divestments of business/undertakings, mergers and amalgamations**

Our Company has taken over the Business together with all its assets and liabilities of the — M/s Fortune Exports, partnership firm of Vimal Mishra, Promoter of our Company.

### **Strategic Partners**

Our Company is not having any strategic partner as on the date of filing this Prospectus.

### **Financial Partners**

Our Company is not having any financial partner as on the date of filing this Prospectus.

### **Time and Cost Overruns**

As on the date of this Prospectus, there have been no time and cost overruns pertaining to our business operations.

### **Launch of key products or services, Capacity and Capacity Utilisation, entry in new geographies or exit from existing markets**

For details pertaining to our services, capacity and capacity utilisation, entry in new geographies or exit from existing markets, please refer chapter titled “Business Overview” on page no. 66 of this Prospectus.

### **Injunctions or Restraining Orders**

As on the date of this Prospectus, there are no injunctions or restraining orders against our Company.

### **Changes in the activities of our Company in the last Five years**

There is no change in activity of our Company since incorporation.

### **Defaults or rescheduling of borrowings of our Company with Financial Institutions/Banks**

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

### **Revaluation of assets**

Our Company has not revalued its assets since incorporation and has not issued any Equity Shares by capitalizing any revaluation reserves.

### **Subsidiaries and Holding Company**

Our Company neither has a Holding company nor has any Subsidiaries Company as on the date of this Prospectus.

**Joint Ventures**

Our Company has not entered into any joint-ventures as on the date of this Prospectus.

**Total number of shareholders of our Company**

As on date of this Prospectus, our Company has 17 shareholders. For details, see “Capital Structure - Shareholding Pattern of our Company” beginning on page no.40.

**Shareholders’ Agreements**

Our Company has not entered into any shareholders agreement as on the date of this Prospectus.

**Other Agreements**

Our Company has not entered into any agreements other than those entered into in the ordinary course of business with Key Managerial Personnel or Directors or Promoters or any other employee of the issuer, either by themselves or on behalf of any other person and there are no material agreements before the date of this Prospectus.

## OUR MANAGEMENT

### BOARD OF DIRECTORS

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

Name, Father's Name, Address, Date of Birth, Age, Designation, Status, DIN, Occupation and Nationality	Other Directorships
<p><b>Name:</b> Vimal Mishra  <b>Father's Name:</b> Sureshbhai Mishra  <b>Address:</b> A-704 Gala Marvella Opp. Orchid Elegance Nr Sobo Center, South Bopal, Ahmedabad – 380058, Gujarat, India.  <b>Date of Birth:</b> April 23, 1985  <b>Age:</b> 37 Years  <b>Designation:</b> Managing Director  <b>Status:</b> Executive &amp; Non-Independent Director  <b>DIN:</b> 06820041  <b>Occupation:</b> Business  <b>Nationality:</b> Indian  <b>Term:</b> Five (5) years w.e.f. January 01, 2023  <b>Original Date of Appointment:</b> January 06, 2022 as Executive Director of the company</p>	-
<p><b>Name:</b> Priyanka Mishra  <b>Father's Name:</b> Vijaysingh Panagariya  <b>Address:</b> A-704, Gala Marvella Opp. Orchid, Elegance, Nr Sobo Center, South Bopal, Ahmedabad – 380058, Gujarat, India.  <b>Date of Birth:</b> October 11, 1983  <b>Age:</b> 39 Years  <b>Designation:</b> Chairman &amp; Director  <b>Status:</b> Executive Director  <b>DIN:</b> 09459276  <b>Occupation:</b> Business  <b>Nationality:</b> Indian  <b>Term:</b> Retire by Rotation  <b>Original Date of Appointment:</b> January 06, 2022 as Non - Executive Director of the company</p>	-
<p><b>Name:</b> Riddhi Vasita  <b>Father's Name:</b> Darshanbhai Teli  <b>Address:</b> A-403, Arjun Grace, Near Swaminarayan Sanskar Dham, Naranpura, Ahmedabad – 380013, Gujarat, India.  <b>Date of Birth:</b> January 01, 1985  <b>Age:</b> 38 Years  <b>Designation:</b> Director  <b>Status:</b> Non-Executive Director  <b>DIN:</b> 06876566  <b>Occupation:</b> Professional  <b>Nationality:</b> India  <b>Term:</b> Retire by Rotation  <b>Original Date of Appointment:</b> December 23, 2022 as Non-Executive Director of the company</p>	<ol style="list-style-type: none"> <li>1. Blackpearl Shipping Private Limited*</li> <li>2. Blackpearl Shipping &amp; Logistics Private Limited</li> </ol>
<p><b>Name:</b> Nevil Soni  <b>Father's Name:</b> Prameshkumar Soni  <b>Address:</b> 2nd Floor, 14th Jay Gayatri Society, Opp Umasut Flat, Vasna, Ahmedabad – 380007, Gujarat, India.  <b>Date of Birth:</b> January 02, 1992  <b>Age:</b> 31 Years</p>	<ol style="list-style-type: none"> <li>1. Bhatia Colour Chem Limited</li> <li>2. Kelson Foods Limited</li> </ol>

<b>Designation:</b> Independent Director <b>Status:</b> Non-Executive Director <b>DIN:</b> 08206415 <b>Occupation:</b> Professional <b>Nationality:</b> India <b>Term:</b> Five (5) years w.e.f. January 01, 2023 <b>Original Date of Appointment:</b> January 01, 2023 as Non-Executive Independent Director	
<b>Name:</b> Divya Shaileshbhai Shah <b>Father's Name:</b> Shaileshbhai Shah <b>Address:</b> 2, Adishver Flat, Near Jain Derasar, Zaveri Park, Naranpura, Ahmedabad – 380013, Gujarat, India. <b>Date of Birth:</b> December 28, 1995 <b>Age:</b> 27 Years <b>Designation:</b> Independent Director <b>Status:</b> Non-Executive Director <b>DIN:</b> 09842159 <b>Occupation:</b> Professional <b>Nationality:</b> India <b>Term:</b> Five (5) years w.e.f. January 01, 2023 <b>Original Date of Appointment:</b> January 01, 2023 as Non-Executive Independent Director	1. Kelson Foods Limited

\* The Company is under process of Striking off.

### Confirmations

#### As on date of this 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

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

Priyanka Mishra, Promoter & Director is the wife of Vimal Mishra, Promoter & Managing Director of the Company.

#### 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 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, 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 January 05, 2023, 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 ₹100.00 Crores.

### **Brief Profiles of Our Directors**

**Vimal Mishra** aged 37 years, is Promoter and Managing Director of our Company. He has completed Bachelor of Commerce from Gujarat University in the year 2006. He is a driving force behind our Company. He has over all more than 17 years of experience in different field like sales in charge, project manager and working with the logistic company. He is Expertise in Negotiations, handling Operations, team building, Administration & Finance Sectors. He handles the overall affairs of the Company

**Priyanka Mishra** aged 39 years, is the Promoter, Chairman & Non Executive Director of our company. She has Completed Post Graduate Diploma in Business Administration, specialized in Finance management from Symbiosis Center for Distance Learning, Pune in the year 2009. She has overall more than 10 years of experience in the handling the Administration work, monitoring the Marketing and Financing team and motivates them to achieve the target industry in which the company is presently engaged. Currently she is looking after Admin / HR Activities of the company along with Financial controller.

**Riddhi Vasita** aged 38 years, is Non-Executive Director of our Company. She had studied Bachelor of Arts from the Christ Church College, Kanpur. She has overall 23 years of experience in the Finance and loan department. She has been associated with our Company since December 23, 2022.

**Nevil Soni** aged 31 years, is an Independent Director of our Company. He has completed his professional Degree of Certified Public Accountant (CPA), USA. He holds bachelor degree in commerce from the Gujarat University. He has started his career in the Audit, Accounts and Taxation of Indian entities with the Practicing Chartered Firm. He is having 10 years of experience in the Finance Field. After completion of his CPA, USA, he got the experience to work with the global organisations and industries. Currently, he is serving as an Audit and Assurance Manager in the global outsource accounting company (CPA Firm).

**Divya Shah** aged 27 years, is an Independent director of our company. He has completed Mechanical Engineering from Indrashil University in 2017. He has more than 05 years of experience in various field such as, Design Engineering, Offshore Recruitment, Web Designing and Development and Trading. He uses his technical knowledge, mathematical expertise and design skills to create innovative solutions.

### **Compensation of Managing Directors and/or Whole-time Directors**

#### **Terms and conditions of employment of our Managing Director:**

**Vimal Mishra** has been appointed as Managing Director of our Company in the Extra-Ordinary General Meeting of the company held on January 05, 2023 for a period of Five (5) years commencing from January 01, 2023.

#### **The remuneration payable is as follows:**

<b>Name</b>	<b>Vimal Mishra</b>
<b>Date of Agreement</b>	January 23, 2023
<b>Period</b>	Five (5) years commencing from January 01, 2023

<b>Salary</b>	₹ 1,50,000/- per month
<b>Remuneration paid in FY 2021-22</b>	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 Prospectus.

### Shareholding of Directors in our Company

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

<b>Sr. No.</b>	<b>Name of the Directors</b>	<b>No. of Equity Shares</b>	<b>Percentage of Pre-Issue Capital (%)</b>
1.	Vimal Mishra	12,05,000	42.07
2.	Priyanka Mishra	12,05,000	42.07
3.	Riddhi Vasita	26,500	0.93
<b>Total</b>		<b>1,55,26,300</b>	<b>85.06</b>

### 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 88 of this 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 66 of this Prospectus and in the chapter “*Restated Financial Statement*” on page 101 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 101, 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 101 of this 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 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.

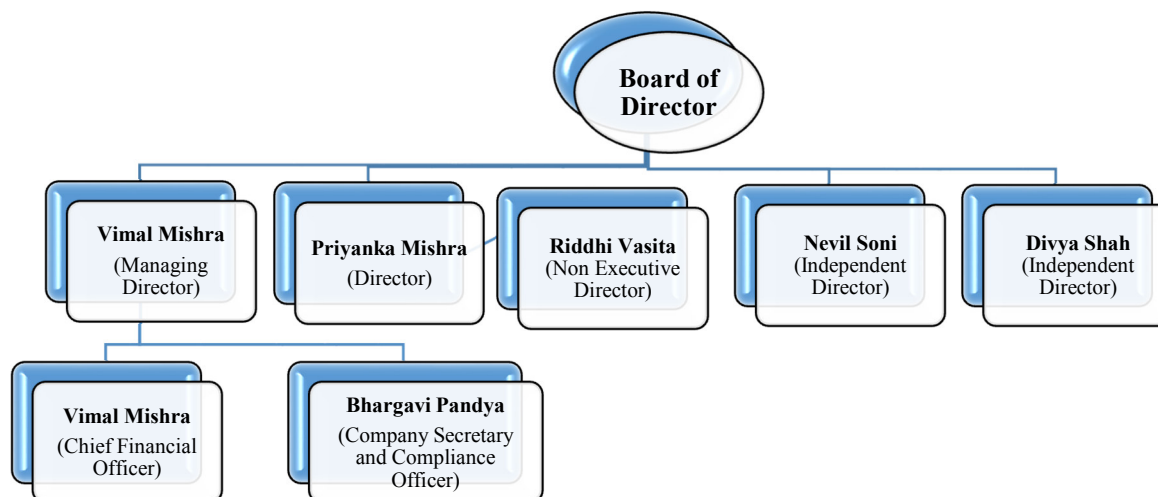
## Changes in our Company's Board of Directors during the last three (3) years

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
Riddhi Vasita	-	Appointment	December 23, 2022	Appointment as Non-Executive Director
Vimal Mishra	January 01, 2023	Change in Designation	-	Appointed as a Managing Director from the Designation of Executive Director
Nevil Soni	January 01, 2023	Appointment	-	Appointment as Independent Director
Divya Shah	January 01, 2023	Appointment	-	Appointment as Independent Director

## 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 Stock Exchanges.

### 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 January 04, 2023 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
Nevil Soni	Independent Director	Chairman
Divya Shah	Independent Director	Member
Riddhi Vasita	Non-Executive 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:
  - a. matters required to be included in the director's responsibility statement to be included in the board's report in terms of clause (c) of sub-section (3) of Section 134 of the Companies Act, 2013;
  - b. changes, if any, in accounting policies and practices and reasons for the same;
  - c. major accounting entries involving estimates based on the exercise of judgment by management;
  - d. significant adjustments made in the financial statements arising out of audit findings;
  - e. compliance with listing and other legal requirements relating to financial statements;
  - f. disclosure of any related party transactions;
  - g. modified opinion(s) in the draft audit report;
5. Reviewing, with the management, the 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 offer 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. Reviewing and monitoring the auditor's independence and performance, and effectiveness of audit process;
8. Approval or any subsequent modification of transactions of the listed entity with related parties;
9. Scrutiny of inter-corporate loans and investments;
10. Valuation of undertakings or assets of the listed entity, wherever it is necessary;
11. Evaluation of internal financial controls and risk management systems;
12. Reviewing, with the management, performance of statutory and internal auditors, adequacy of the internal control systems;
13. Reviewing the adequacy of internal audit function, if any, including the structure of the internal audit department, staffing and seniority of the official heading the department, reporting structure coverage and frequency of internal audit;
14. Discussion with internal auditors of any significant findings and follow up there on;
15. Reviewing the findings of any internal investigations by the internal auditors into matters where there is suspected fraud or irregularity or a failure of internal control systems of a material nature and reporting the matter to the board;
16. Discussion with statutory auditors before the audit commences, about the nature and scope of audit as well as post-audit discussion to ascertain any area of concern;



17. To look into the reasons for substantial defaults in the payment to the depositors, debenture holders, shareholders (in case of non-payment of declared dividends) and creditors;
18. To review the functioning of the whistle blower mechanism;
19. Approval of appointment of chief financial officer after assessing the qualifications, experience and background, etc. of the candidate;
20. Carrying out any other function as is mentioned in the terms of reference of the audit committee.
21. 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.
22. 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:
  - a. quarterly statement of deviation(s) including report of monitoring agency, if applicable, submitted to stock exchange(s) in terms of Regulation 32(1).
  - b. annual statement of funds utilized for purposes other than those stated in the offer 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 January 04, 2023. The constituted Stakeholders Relationship Committee comprises the following members:

<b>Name</b>	<b>Designation</b>	<b>Status in Committee</b>
Riddhi Vasita	Non-Executive Director	Chairman
Nevil Soni	Independent Director	Member
Divya Shah	Independent 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.

### 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 January 04, 2023. The Nomination and Remuneration Committee comprises the following members:

Name	Designation	Status in Committee
Divya Shah	Independent Director	Chairman
Nevil Soni	Independent Director	Member
Riddhi Vasita	NonExecutive 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 Committee and its terms of reference shall include the following:

#### 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:
  - use the services of an external agencies, if required;
  - consider candidates from a wide range of backgrounds, having due regard to diversity; and
  - consider the time commitments of the candidates.
- formulation of criteria for evaluation of 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.

#### 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 Vimal Mishra Managing Director, please refer chapter titled “Our Management - Brief Biographies of our Directors” on page 88 of this 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) (₹ in Lakhs)
<b>Bhargavi Pandya</b> Company Secretary and Compliance Officer <b>D.O.J-</b> January 04, 2023	C.S., LL. B and B.com			-

<b>Vimal Mishra*</b> Chief Financial Officer D.O.J- January 04, 2023	B. com	Fortune Exports	17 Years	-
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**\*He is the Proprietor of M/s. Fortune Exports**

#### **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 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 Vimal Mishra holds Equity Shares in our Company as on the date of filing of this Prospectus. For further details, please refer to section titled “*Capital Structure*” beginning on page 40 of this Prospectus

#### **Changes in Our Company’s Key Managerial Personnel during the last three (3) years**

<b>Name of KMP</b>	<b>Designation</b>	<b>Date of Event</b>	<b>Reason</b>
Vimal Mishra	Chief Financial Officer	January 04, 2023	Appointed as Chief Financial Officer
Bhargavi Pandya	Company Secretary and Compliance Officer	January 04, 2023	Appointed as Company Secretary and Compliance 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 88 of this Prospectus.*

#### **Interest of Key Managerial Personnel**

Except as disclosed in this 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 Prospectus.



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

Except as disclosed in this 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 101 of this Prospectus.

## OUR PROMOTERS AND PROMOTER GROUP

The Promoters of our Company are:

	<p><b>Vimal Mishra</b> aged 37 years, is the Managing Director and Chief Financial Officer of our company. <b>Date of Birth:</b> April 23, 1985 <b>Personal Address:</b> A-704 Gala Marvella Opp. Orchid Elegance, Nr Sobo Center, South Bopal, Ahmedabad – 380058, Gujarat, India. <b>Permanent Account Number:</b> AMXPM0301M 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. 88 of this Prospectus.</p>
	<p><b>Priyanka Mishra</b> aged 39 years, is the Chairman and Director of our company. <b>Date of Birth</b> – October 11, 1983 <b>Personal Address:</b> A-704, Gala Marvella Opp. Orchid, Elegance, Nr Sobo Center, South Bopal, Ahmedabad – 380058, Gujarat, India <b>Permanent Account Number:</b> AOOPP6674F 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. 88 of this Prospectus.</p>

*For details of the build-up of our Promoters’ shareholding in our Company, please see “Capital Structure – Shareholding of our Promoters” beginning on page no 40 of this Prospectus.*

### 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 Prospectus with the Stock Exchange.

Further, our Promoters has confirmed that they have not been declared as willful defaulters or Fraudulent Borrower by the RBI or any other governmental authority and there are no violations of securities laws committed by them in the past or are currently pending against them.

Additionally, none of the Promoters have been restrained from accessing the capital markets for any reasons by the SEBI or any other authorities.

### Other ventures of Promoters

Other than as disclosed in this section, our Promoters are not involved in any other ventures.

### 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 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, Except Vimal Mishra and Priyanka Mishra are Husband and Wife.

### **Interest of Promoters**

Our Promoters are 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 40 and 88 respectively of this Prospectus. For further details, please refer chapters titled “*Capital Structure - Shareholding of our Promoter and Promoter Group*” beginning on page 40 and “*Restated Financial Statements*” on page 101, respectively of this 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 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 40 of this Prospectus.

No sum has been paid or agreed to be paid to our Promoters and they 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 Promoters are not interested in any transaction for acquisition of land or property, construction of building and supply of machinery, or any other contract, agreement or arrangement entered into by the Company and no payments have been made or are proposed to be made in respect of these contracts, agreements or arrangements.

### **Payment of benefits to our Promoters**

Except as stated in the *Annexure – 26 “Related Party Transactions”* on page 116 there has been no payment of benefits to our Promoters during the two years preceding the filing of this Prospectus.

### **Guarantees**

Except as stated in the section titled “*Financial Indebtedness*” beginning on page 123 of this Prospectus, there are no material guarantees given by the Promoters to third parties with respect to specified securities of the Company as on the date of this Prospectus.

### **Details of Companies / Firms from which our Promoters have disassociated**

Our Promoters have not disassociated themselves from any firms or companies in the last three (3) years preceding this Prospectus.

## Our Promoter Group

Our Promoter Group in terms of Regulation and 2(1)(pp) of the SEBI ICDR Regulations, 2018. 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: Vimal Mishra and Priyanka Mishra

Relationship with promoters		
Promoter	Vimal Mishra	Priyanka Mishra
Father	Sureshbhai Chaganlal Mishra	Late Vijaysingh Panagariya
Mother	Kishoriben Suresh Mishra	Sunita Vijaysingh Panagariya
Spouse	Priyanka Vimal Mishra	Vimal Suresh Mishra
Brother	Prakash Mishra	Nikhil Vijaysingh Panagariya
Sister	Kalpana Pawan Mishra	NA
Son	NA	NA
Daughter	Vanshika Vimal Mishra / Jia Mishra	Vanshika Vimal Mishra / Jia Mishra
Spouse's Father	Late Vijaysingh Panagariya	Sureshbhai Chaganlal Mishra
Spouse's Mother	Sunita Vijaysingh Panagariya	Kishoriben Suresh Mishra
Spouse's Brother	Nikhil Vijaysingh Panagariya	Prakash Mishra
Spouse's Sister	NA	Kalpana Pawan Mishra

#### Companies, Proprietary concerns, HUFs related to our promoters

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. Global Logistics M/s. Vimal Sureshbhai Mishra HUF

For further details on our Promoter Group refer Chapter Titled “Financial Information of our Group Companies” beginning on page no.123 of Prospectus.

## DIVIDEND POLICY

As on the date of this 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 thereunder).

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 123. 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 VI – FINANCIAL INFORMATION

### AUDITORS' REPORT ON STANDALONE RESTATED FINANCIAL INFORMATION

To  
The Board of Directors  
**PROSPECT COMMODITIES PRIVATE LIMITED.**  
417, Sun Orbit B/H, Rajpath Club Road,  
Bodakdev, Ahmedabad -380054,  
Gujarat, India

Dear Sirs,

#### **Subject: Financial Information of Prospect Commodities Private Limited**

We have examined, the attached Restated standalone Statement of Assets and Liabilities of **Prospect Commodities Private Limited** ('the Company') as at November 30,2022, the Restated Standalone Summary Statement of Profit and Loss and the Restated Standalone Summary Statement of Cash Flows for the period ended November 30,2022 and annexed to this report (collectively, the "Restated Financial Information") as approved by the Board of Directors of the Company for the purpose of inclusion in the offer document prepared by the Company in connection with its proposed Initial Public Offer (IPO) of equity shares prepared in terms of the requirements of:

- a. Section 26 of Part I of Chapter III of the Companies Act, 2013 ("the Act") read with Rule 4 to 6 of Companies (Prospectus and Allotment of Securities) Rules, 2014 ("the Rules");
  - b. the Securities and Exchange Board of India (Issue of Capital and Disclosure Requirements) Regulations, 2018 as amended from time to time in pursuance of provisions of Securities and Exchange Board of India Act, 1992 ("SEBI-ICDR Regulations"); and
  - c. the Guidance Note on Reports in Company Prospectuses (Revised 2016) issued by the Institute of Chartered Accountants of India as amended from time to time (the "Guidance Note").
1. The Restated Standalone summary statements of the Company have been extracted by the Management from the Audited Standalone financial statements of the Company for the periods ended November 30,2022. Our responsibility is to examine the Restated Standalone Financial Information and confirm whether such Restated Standalone Financial Information comply with the requirements of the Act, the Rules, SEBI-ICDR Regulations and the Guidance Note.
  2. We have examined these Restated Standalone Financial Information taking into consideration
    - a. The terms of reference and terms of our engagement agreed upon with you in accordance with our engagement letter dated 15<sup>th</sup> December 2022 in connection with the proposed IPO of the Company;
    - b. The Guidance Note on reports in Company prospectus (Revised) issued by the Institute of Chartered Accountants of India
  3. These Restated Standalone Financial Information have been compiled by the Management from the Standalone audited Financial Statements of the Company for the period ended November 30,2022 which have been approved by the Board of Directors of the Company. We, C.R. Sharedalal & Co. Chartered Accountants, have been subject to peer review process of the Institute of Chartered Accountants of India (ICAI) and hold a valid peer review certificate issued by the "Peer review Board" of the ICAI.
  4. Based on our examination, we report that:
    - a. The Restated Standalone Summary Statement of Assets and Liabilities of the Company examined and reported as at November 30,2022 examined by us, as set out in Annexure-1 read with significant accounting policies and related notes to account in Annexure 4 are after making adjustments and regrouping/reclassifications as in our opinion were appropriate and more fully described in schedules to the related summary statements.
    - b. The Restated Standalone Summary Statement of Profit and Loss of the Company for the period ended November 30,2022 examined by us, as set out in Annexure-2 read with significant accounting policies and



related notes to account in Annexure 4 are after making adjustments and regrouping/reclassifications as in our opinion were appropriate and more fully described in schedules to the related summary statements.

- c. The Restated Standalone Summary Statement of Cash Flows of the Company for the period ended November 30,2022 examined by us, as set out in Annexure-3 read with significant accounting policies and related notes to account in Annexure 4 are after making adjustments and regrouping/reclassifications as in our opinion were appropriate and more fully described in schedules to the related summary statements.
  - d. Based on the above, according to the information and explanations given to us we are of opinion that the Restated Standalone Financial Information:
    - i. Have been made after incorporating adjustments for changes in accounting policies retrospectively in respective financial period to reflect the same accounting treatment as per changed accounting policy for all the reporting periods;
    - ii. Have been made after incorporating adjustments for the material amounts in the respective financial period to which they relate; and
    - iii. Do not contain any extra-ordinary items that need to be disclosed separately.
    - iv. There were no qualifications in the Audit report issued by the Statutory Auditor of the Company for the period ended November 30,2022 which would require adjustments in this restated financial statements of the Company.
5. We have also examined the following financial information as set out in the Annexure prepared by the management and approved by the Board of Directors relating to for the period ended on November 30,2022.
- i. Standalone Statement of significant accounting policies and notes to accounts as appearing in **Annexure 4**
  - ii. Standalone Statement of capital as appearing in **Annexure 5**
  - iii. Standalone Statement of Reserve and Surplus as appearing in **Annexure 6**
  - iv. Standalone Statement of Long term Borrowing as appearing in **Annexure 7**
  - v. Standalone Statement of Short Term Provisions as appearing in **Annexure 8**
  - vi. Standalone Statement of Short Term Borrowings as appearing in **Annexure 9**
  - vii. Standalone Statement of Trade payables as appearing in **Annexure 10**
  - viii. Standalone Statement of Other Current liabilities as appearing in **Annexure 11**
  - ix. Standalone Statement of Property, Plant and Equipments and Intangible assets Schedule as appearing in **Annexure 12**
  - x. Standalone Statement of Deffered Tax Assets as appearing in **Annexure 13**
  - xi. Standalone Statement of Inventories as appearing in **Annexure 14**
  - xii. Standalone Statement of Trade receivables as appearing in **Annexure 15**
  - xiii. Standalone Statement of Short term Loans and Advances as appearing in **Annexure 16**
  - xiv. Standalone Statement of Cash and Cash equivalents as appearing in **Annexure 17**
  - xv. Standalone Statement of Other Current Assets Schedule as appearing in **Annexure 18**
  - xvi. Standalone Statement of Revenue from Operations as appearing in **Annexure 19**
  - xvii. Standalone Statement of Cost of Material Consumed as appearing in **Annexure 20**
  - xviii. Standalone Statement of Employee Benefit Expenses as appearing in **Annexure 21**
  - xix. Standalone Statement of Finance Costs as appearing in **Annexure 22**
  - xx. Standalone Statement of Other expenses as appearing in **Annexure 23**
  - xxi. Restated Standalone Earning Per Share and Other Ratios in **Annexure 24**
  - xxii. Restated Standalone Certain Additional Disclosure **Annexure 25**
  - xxiii. Restated Standalone Statement of Related Parties as appearing **Annexure 26**
  - xxiv. Restated Standalone Statement of Accounting & Other Ratios as appearing in **Annexure 27**
  - xxv. Restated Standalone Statement of Contingent Liabilities as appearing in **Annexure 28**
  - xxvi. Restated Standalone Statement of Tax Shelter as appearing in **Annexure 29**
  - xxvii. Restated Standalone Statement of Capitalization of the company as appearing in **Annexure 30**

According to the information and explanations given to us in our opinion the Restated Standalone Financial Information and the above restated Standalone financial information contained in Annexure I to XXVII accompanying this report read along with the Significant Accounting Policies and Notes as set out in Annexure 4 to 30 are prepared after making adjustments and regroupings as considered appropriate and have been prepared in

accordance with Section 26 of Part I of Chapter III of the Companies Act, 2013 read with Rule 4 to 6 of Companies (Prospectus and Allotment of Securities) Rules, 2014, SEBI-ICDR Regulations and the Guidance Note.

6. This report should not in any way be construed as a reissuance or re-dating of any of the previous audit reports issued by us, nor should this report be construed as a new opinion on any of the financial statements referred to herein.
7. We have no responsibility to update our report for events and circumstances occurring after the date of the report.
8. Our report is intended solely for use of the Management for inclusion in the offer document to be filed with BSE Limited and Registrar of Companies, Ahmedabad in connection with the proposed IPO of equity shares of the Company. Our report should not be used, referred to or distributed for any other purpose except with our prior consent in writing.

**For, C. R. Shredalal & Co.**  
**Chartered Accountants**  
**Firm Registration No.: 109943W**

**SD/-**  
**Anuj J. Shredalal**  
**Partner**  
**Membership No. 138022**  
**UDIN: 23138022BGVVVB6364**  
**Place: Ahmedabad**  
**Date: 31-12-2022**

**Annexure: 1 RESTATED STANDALONE STATEMENT OF ASSETS AND LIABILITIES**

**(Currency: Indian Rupees in Lakhs)**

<b>Particulars</b>	<b>Annexure No.</b>	<b>As at 30-11-2022</b>	<b>As at 31-03-2022</b>
<b>EQUITY AND LIABILITIES</b>			
<b>Shareholders' Funds</b>			
Share Capital	5	241.00	1.00
Reserves and Surplus	6	52.70	-0.15
		<b>293.70</b>	<b>0.85</b>
<b>Non-Current Liabilities</b>			
Long term borrowings	7	192.76	0.05
		<b>192.76</b>	<b>0.05</b>
<b>Current Liabilities</b>			
Short Term Provisions	8	41.82	0.15
Short Term Borrowings	9	170.80	0.00
Trade Payable:	10		
Payable to MSE			
Payable to other than MSE		213.11	0.00
Other Current liabilities	11	64.88	0.00
		<b>490.61</b>	<b>0.15</b>
<b>TOTAL</b>		<b>977.07</b>	<b>1.05</b>
<b>ASSETS</b>			
<b>Non - Current Assets</b>			
Property, Plant and Equipment	12		
Property, Plant and Equipment		65.94	0.00
Intangible Assets		68.96	0.00
Deffered tax assets	13	1.44	0.00
		<b>136.34</b>	<b>0.00</b>
<b>Current Assets</b>			
Inventory	14	168.00	0.00
Trade Receivable	15	574.44	0.00
Short term loan and advances	16	50.38	0.00
Cash and Cash Equivalents	17	17.83	0.55
Other Current Assets	18	30.08	0.50
		<b>840.73</b>	<b>1.05</b>
<b>TOTAL</b>		<b>977.07</b>	<b>1.05</b>

**Annexure: 2 RESTATED STANDALONE STATEMENT OF PROFIT AND LOSS ACCOUNT**

(Currency: Indian Rupees in Lakhs)

Particulars	Annexure No.	Period Ended 30-11-2022	Period Ended 31-03-2022
<b>INCOME</b>			
Revenue from Operations	19	839.98	0.00
<b>TOTAL INCOME</b>		<b>839.98</b>	<b>0.00</b>
<b>EXPENSES</b>			
Cost of Material Consumed	20	164.83	0.00
Purchase of traded goods		475.69	0.00
Employees Benefits Expenses	21	20.66	0.00
Depreciation and Amortization Expenses	12	31.47	0.00
Finance Costs	22	18.72	0.00
Other Expenses	23	54.30	0.15
<b>TOTAL EXPENSES</b>		<b>765.68</b>	<b>0.15</b>
<b>Profit (Loss) before tax</b>		<b>74.30</b>	<b>-0.15</b>
Tax Expenses:			
a) Current Income tax	29	22.89	0.00
b) Deferred Tax Expense / (Income)	13	-1.44	0.00
<b>Profit / (Loss) for the Period</b>		<b>52.85</b>	<b>-0.15</b>
<b>Earning per equity share:</b>			
<b>Basic &amp; Diluted</b>	24	<b>16.78</b>	<b>-1.50</b>

**Annexure: 3 RESTATED STANDALONE CASH FLOW STATEMENT**

(Currency: Indian Rupees in Lakhs)

Particulars	Period Ended 30-11-2022	Period Ended 30-11-2022	Period Ended 31-03-2022	Period Ended 31-03-2022
<b>CASH FLOWS FROM OPERATING ACTIVITIES</b>				
<b>Net profit/(loss) before tax</b>		74.30		-0.15
<b>Adjustments for</b>				
Depreciation & Amortization expense	31.47		0.00	
(Profit)/Loss on sale of fixed assets	1.70		0.00	
Finance Costs	18.72		0.00	
		51.89		0.00
<b>Operating profit/(loss) before working capital changes</b>		126.20		-0.15
(Increase)/Decrease in Trade Receivables	-290.72		0.00	
(Increase)/Decrease in Inventories	-44.09		0.00	
(Increase)/Decrease in Other Current Assets	-29.58		-0.50	
Increase/(Decrease) in Trade Payables	176.37		0.00	
(Increase)/Decrease in Loans & Advances	20.41			
Increase/(Decrease) in Borrowings	153.55			
Increase/(Decrease) in Other liabilities	-33.84		0.20	
		-47.91		-0.30
<b>Cash Generated from operations</b>		78.29		-0.45
Taxes		0.00		0.00
<b>NET CASH FROM OPERATING ACTIVITIES</b>		<b>78.29</b>		<b>-0.45</b>
<b>CASH FLOWS FROM INVESTING ACTIVITIES</b>				
Proceeds from Sale of Fixed assets	24.55		0.00	
Purchase of Fixed Assets	-66.02		0.00	

		-41.47		0.00
<b>NET CASH FROM INVESTING ACTIVITIES</b>		<b>-41.47</b>		<b>0.00</b>
<b>CASH FLOWS FROM FINANCING ACTIVITIES</b>				
Increase/(Decrease) in Borrowings	-7.13		0.00	
Increase of share capital			1.00	
Finance Costs	-18.72		0.00	
		-25.85		1.00
<b>NET CASH FROM FINANCING ACTIVITIES</b>		<b>-25.85</b>		<b>1.00</b>
<b>NET CASH FLOWS</b>		<b>10.96</b>		<b>0.55</b>
<b>Cash &amp; Cash Equivalents at the beginning of the period</b>	0.55			<b>0.00</b>
<b>Add: Cash &amp; Cash Equivalents received from Fortune Export</b>	6.32			
<b>Total Cash &amp; Cash Equivalents on 1 April 2022</b>		<b>6.87</b>		
<b>Cash &amp; Cash Equivalents at the end of the period</b>		<b>17.83</b>		<b>0.55</b>

**Note :1:** The above Cash Flow Statement has been prepared under indirect method as per AS-3.

**Note :2:** With effect from before opening of business hours on 1st day of April, 2022, the company has taken over the undertaking with the “Business” of M/s Fortune Exports alongwith all assets and liabilities as going concern on succession basis. Hence, the above cash flow statement for the period ended 30th November, 2022 is adjusted to reflect the assets and liabilities taken over before opening of business hours on 1st day of April, 2022.

#### **ANNEXURE: 4 SIGNIFICANT ACCOUNTING POLICIES**

##### **1. CORPORATE INFORMATION:**

PROSPECT COMMODITIES PRIVATE LIMITED is a Private Limited Company incorporated under the Companies Act, 2013. The company is engaged in the business of trading and processing of cashew nuts and allied products.

##### **(i) PURPOSE OF THE SPECIAL PURPOSE FINANCIAL STATEMENTS:**

The Special Purpose Financial Statements have been prepared for the purpose of inclusion in the offer document prepared by the Company in connection with its proposed Initial Public Offer (IPO) of equity shares prepared in terms of the requirements of:

- d. Section 26 of Part I of Chapter III of the Companies Act, 2013 ("the Act") read with Rule 4 to 6 of Companies (Prospectus and Allotment of Securities) Rules, 2014 (“the Rules”);
- e. the Securities and Exchange Board of India (Issue of Capital and Disclosure Requirements) Regulations, 2018 as amended from time to time in pursuance of provisions of Securities and Exchange Board of India Act, 1992 ("SEBI-ICDR Regulations"); and
- f. the Guidance Note on Reports in Company Prospectuses (Revised 2016) issued by the Institute of Chartered Accountants of India as amended from time to time (the “Guidance Note”).

##### **(ii) BASIS OF PREPARATION:**

The Special Purpose Financial Statements of the company have been prepared in accordance with Accounting Standards (AS) prescribed by the Institute of Chartered Accountants of India (ICAI) and other accounting principles generally accepted in India.

##### **(iii) METHOD OF ACCOUNTING:**

The accounts of the company are prepared under the historic cost Convention and on the accounting principle of going concern and in accordance with applicable accounting standards. For recognition of income and expenses mercantile system of accounting is followed.

**(iv) PROPERTY PLANT & EQUIPMENTS AND INTANGIBLE ASSETS:**

Property Plant & Equipment (PPE) are stated at their historical cost. Addition to fixed assets comprise of its purchase and expenses attributable with the same including taxes. Depreciation is provided on written down value basis, and as prescribed in schedule II of the companies Act, 2013. On disposal of the Property, Plant and Equipment, the difference between the carrying amount and its sale proceeds is recognized in the Statement of Profit and Loss as “Profit/Loss on sale of PPE”.

Intangible assets are stated at their cost of acquisition less accumulated amortisation.

**(v) RECOGNITION OF INCOME:**

Revenue from sale of products is recognized as per the terms of sale as and when the risk and rewards of ownership pass on to the buyer and there is no significant uncertainty regarding ultimate collection of the same. Other incomes are recognized as per the principle of accrual.

**(vi) TAXATION:**

Current income tax expense comprises taxes on income from operations in India only. Income tax payable in India is determined in accordance with the provisions of the Income Tax Act, 1961. Advance income tax and provision for current income tax are presented in the balance sheet after off-setting advance tax paid and income tax provision arising in the same tax jurisdiction and when the Company intends to settle the asset and liability on a net basis.

Deferred tax expense or benefit is recognized on timing differences being the difference between taxable income and accounting income that originate in one period and are capable of reversal in one or more subsequent periods. Deferred tax assets and liabilities are measured using the tax rates and tax laws that have been enacted or substantively enacted by the balance sheet date. In the event of unabsorbed depreciation and carry forward of losses, deferred tax assets are recognized only to the extent that there is virtual certainty that sufficient future taxable income will be available to realize such assets. In other situations, deferred tax assets are recognized only to the extent that there is reasonable certainty that sufficient future taxable income will be available to realize these assets. The Company offsets deferred tax assets and deferred tax liabilities if it has a legally enforceable right and these relate to taxes on income levied by the same governing taxation laws.

**(vii) CASH & CASH EQUIVALENTS:**

The Company considers all highly liquid financial instruments, which are readily convertible into cash and have maturities of three months or less from the reporting date, to be cash equivalents. Financial instruments which are having maturities of twelve months or less from the reporting date are considered to be a part of current assets. All other financial instruments except the above are considered to be a part of non-current assets.

**(viii) EARNING PER SHARE:**

The Earning Per Share (EPS) is calculated after dividing the Profit After Tax attributable to Equity Shareholders by the weighted average number of Equity Shares outstanding during the year as per the principles laid down in Accounting Standard-20-Earning Per Share.

**(ix) INVENTORIES:**

The inventories comprise of Raw Materials and Finished Goods. They are valued as under.

- a) Raw Materials & Packing Materials: At cost on FIFO basis or Net Realizable Value whichever is lower.
- b) Finished Goods: At cost or Net Realizable Value whichever is lower.

**(x) PROVISIONS AND CONTINGENT LIABILITIES:**

A provision is recognized when the company has a present obligation as a result of past events and it is probable that the outflow of resources embodying economic benefits will occur to settle that obligation. The company recognizes the provision on the basis of best available estimates. These estimates are reviewed at each reporting date to reflect the current situation. Contingent Liabilities and Contingent Assets are neither recognized nor disclosed in the financial statements but are shown by way of a note to the Financial Statements.

**(xi) BUSINESS PURCHASE:**

Business Purchase transactions are accounted for using the purchase (acquisition) method. The assets and liabilities acquired are incorporated in the financial statements at their existing carrying amount and the consideration has been paid by issue of fully paid equity shares at face value. Transaction costs incurred in connection with a business acquisition are expensed as incurred. Any excess of the amount of the consideration over the value of the net assets of the firm acquired by us is recognized in our company's financial statements as goodwill arising on Business Purchase. The goodwill shall be amortized to income on a systematic basis over its useful life of five years.

**(xii) BORROWING COST:**

Borrowing cost directly attributable to the acquisition, construction of qualifying asset that necessarily takes a substantial period of time to get ready for its intended use are capitalised as part of cost of asset. The borrowing costs includes interest and transaction cost that the company incurs in connection with the borrowing of the funds. Other interest and borrowing costs are charged to Statement of Profit and Loss.

**(xiii) EMPLOYEE BENEFIT EXPENSES:**

Short term employee benefits are recognized as an expense at the undiscounted amount in the Statement of Profit and Loss for the year in which the related services are rendered. Company does not make any contributions to any Provident Fund, State Insurance plan or Gratuity plan since those laws are not applicable to the company at present.

**(xiv) INTERIM FINANCIAL STATEMENTS REPORTING:**

Interim Financial Statements: The same accounting policies are followed in these interim financial statements as those followed in the most recent annual financial statements for the period ended on 31st March, 2022.

**ANNEXURE: 5 SHARE CAPITAL**

**(Currency: Indian Rupees in Lakhs, unless otherwise stated)**

Particulars	As at 30 November 2022	As at 31 March 2022
<b>Authorized Share Capital</b>		
4000000 Equity shares of Rs. 10/- each	400.00	1.00
	<b>400.00</b>	<b>1.00</b>
<b>Issued, Subscribed &amp; Fully Paid Up Share Capital</b>		
2410000 Equity shares of Rs. 10/- each	241.00	1.00
<b>TOTAL</b>	<b>241.00</b>	<b>1.00</b>

**5.1 Terms/Rights attached to Equity Shares**

The company has single class of equity shares having par value of Rs 10 per share. Accordingly, all equity shares rank equally with regard to dividends and share in the Company's residual assets. The equity shares are entitled to receive dividend declared from time to time.

**5.2 Reconciliation of the shares outstanding at the beginning & at the end of the reporting period**

Particular	As at 30 November 2022	
	No. of shares	Rs 'lakhs
<b>Equity Shares</b>		
At the beginning of the period	10000	1.00
Issued during the period	2400000	240.00
Bought back during the period	0.00	0.00
At the end of the year	<b>2410000</b>	<b>241.00</b>

Particular	As at 31 March 2022	
	No. of shares	Rs 'lakhs
<b>Equity Shares</b>		
At the beginning of the period	10,000	1.00
At the end of the year	<b>10000</b>	<b>1.00</b>

### 5.3 Details of shareholders holding more than 5% share in the company

Particular	As at 30 November 2022	
	Number	% Holding
<b>Name of Shareholders</b>		
Vimal Sureshbhai Mishra	1205000	50%
Priyanka Vimal Mishra	1205000	50%
<b>TOTAL</b>	<b>2410000</b>	<b>100%</b>

Particular	As at 31 March 2022	
	Number	% Holding
<b>Name of Shareholders</b>		
Vimal Sureshbhai Mishra	5000	50%
Priyanka Vimal Mishra	5000	50%
<b>TOTAL</b>	<b>10000</b>	<b>100%</b>

As per the records of the Company, including its register of shareholders/members and other declarations received from the shareholders regarding beneficial interest, the above shareholding represents both legal and beneficial ownership of shares.

### 5.4 Shares held by promoters at the end of the year.

Promoters	As at 30 November 2022	
	Number	% of total shares
Vimal Sureshbhai Mishra	1205000.00	50%
Priyanka Vimal Mishra	1205000.00	50%

Promoters	As at 30 November 2022	
	Number	% of total shares
Vimal Sureshbhai Mishra	5000.00	50%
Priyanka Vimal Mishra	5000.00	50%

### ANNEXURE: 6 RESERVES AND SURPLUS

(Currency: Indian Rupees in Lakhs)

Particulars	As at 30 November 2022	As at 31 March 2022
<b>Surplus/ (deficit) in the statement of profit and loss</b>		
Opening Balance	-0.15	0.00



Additions during the year	52.85	-0.15
<b>TOTAL</b>	<b>52.70</b>	<b>-0.15</b>

**ANNEXURE: 7 LONG TERM BORROWINGS**

(Currency: Indian Rupees in Lakhs)

Particulars	As at 30 November 2022	As at 31 March 2022
<b>Secured Loan</b>		
HDFC Car loan	5.55	0.00
(Secured against car for which loan taken & Repayable within a period of 5 year from the reporting date & bearing 7.80% rate of interest)		
HDFC Term loan	37.74	0.00
(Repayable within a period of 5 year from the reporting date & bearing 9.5% rate of interest)		
HDFC Loan A/c. ECGLS Loan	21.54	0.00
(It carries interest @ 8.25 % and it's repayable in 4 year regular payment after intial moratoriu of 2 year)		
<b>Unsecured, Repayable on Demand</b>		
From Related Parties:	99.10	0.05
(Unsecured & Repayable after a period of 12 months from the reporting date & bearing NIL rate of interest)		
From Others:	28.83	
<b>TOTAL</b>	<b>192.76</b>	<b>0.05</b>

**ANNEXURE: 8 SHORT TERM PROVISIONS**

(Currency: Indian Rupees in Lakhs)

Particulars	As at 30 November 2022	As at 31 March 2022
Provision for Audit fees	1.00	0.15
Provision for Income-Tax	40.77	0.00
Provision on Electricity Expenses	0.05	0.00
<b>TOTAL</b>	<b>41.82</b>	<b>0.15</b>

**ANNEXURE: 9 SHORT TERM BORROWINGS**

(Currency: Indian Rupees in Lakhs)

Particulars	As at 30 November 2022	As at 31 March 2022
<b>Loan repayable on demand:</b>		
Balance with Scheduled Bank:		
(Bank Overdraft)	106.94	0.00
From Others	44.91	0.00
Current maturities of long-term borrowings	18.95	0.00
<b>TOTAL</b>	<b>170.80</b>	<b>0.00</b>

**ANNEXURE: 10 TRADE PAYABLE**

(Currency: Indian Rupees in Lakhs)

Particulars	As at 30 November 2022	As at 31 March 2022
<b>Creditors for expenses</b>		
Payable to MSE		
Payable to other than MSE	213.11	0.00
<b>TOTAL</b>	<b>213.11</b>	<b>0.00</b>

(Currency: Indian Rupees in Lakhs)

Particulars	As at March 31, 2022				
	Outstanding for following periods from due date of payment				
	Less than 1 Year	1-2 Years	2-3 Years	More than 3 Years	Total
(i)MSME					
(ii)Others	213.11				213.11
(iii) Disputed dues — MSME					
(iv) Disputed dues — Others					

**ANNEXURE: 11 OTHER CURRENT LIABILITIES**

(Currency: Indian Rupees in Lakhs)

Particulars	As at 30 November 2022	As at 31 March 2022
TDS payable	1.08	0.00
Advance received from Customer	63.80	0.00
<b>TOTAL</b>	<b>64.88</b>	<b>0.00</b>

**ANNEXURE: 13 DEFERRED TAX LIABILITIES/ASSETS COMPRISE**

(Currency: Indian Rupees in Lakhs)

Particulars	As at 30 November 2022	As at 31 March 2022
<b>Deferred Tax Assets:</b>		
Arising on account of timing difference in:		
Depreciation	1.44	0.00
Deferred Tax Income for the year	1.44	0.00
Net Deferred Tax Liability/(Assets) at the beginning of the year	0.00	0.00
Net Deferred Tax Liability/(Assets) at the end of the year	<b>1.44</b>	<b>0.00</b>

**ANNEXURE: 14 INVENTORIES**

(Currency: Indian Rupees in Lakhs)

Particulars	As at 30 November 2022	As at 31 March 2022
Finished Goods	98.20	0.00
Packing Material	0.50	0.00
Raw Material	69.30	0.00
<b>TOTAL</b>	<b>168.00</b>	<b>0.00</b>

**ANNEXURE: 12 PROPERTY, PLANT AND EQUIPMENT AND INTANGIBLE ASSETS**

**(Currency: Indian Rupees in Lakhs)**

Item	Gross Block				Depreciation / Amortization				Net Block	
	As at 01-04- 2022	Addition	Deletions/ Adjustments	As at 30-11- 2022	Upto 01-04- 2022	For the period	Deletions/ Adjustments	Up to 30-11- 2022	As on 30-11-2022	As on 31-03- 2022
<b>Tangible Assets:</b>										
Office Equipment		1.97		1.97	Nil	0.75		0.75	1.22	Nil
Computer		0.47		0.47	Nil	0.16		0.16	0.31	Nil
Plant and Machinery		93.70	30.83	62.87	Nil	16.49	4.58	11.90	50.97	Nil
Motor Cars		11.70		11.70	Nil	2.70		2.70	9.01	Nil
Furniture		5.18		5.18	Nil	0.74		0.74	4.44	Nil
									<b>65.94</b>	
<b>Intangible Assets:</b>										
Goodwill		79.51		79.51	Nil	10.60		10.60	68.91	Nil
Computer Software		0.09		0.09	Nil	0.04		0.04	0.06	Nil
		<b>192.63</b>	<b>30.83</b>	<b>161.79</b>	Nil	<b>31.47</b>	<b>4.58</b>	<b>26.89</b>	<b>134.90</b>	Nil

**ANNEXURE: 15 TRADE RECEIVABLES****(Currency: Indian Rupees in Lakhs)**

Particulars	As at 30 November 2022	As at 31 March 2022
<b>(Unsecured and considered good)</b>		
Trade Receivables	574.44	0.00
<b>TOTAL</b>	<b>574.44</b>	<b>0.00</b>

**Trade Receivables Ageing Schedule****(Currency: Indian Rupees in Lakhs)**

Particulars	As at November 30, 2022					
	Outstanding for following periods from due date of payment					
	Less than 6 months	6 mths-1 Year	1-2 Years	2-3 Years	More than 3 Years	Total
(i) Undisputed Trade receivables — considered good	450.00	124.44				574.44
(ii) Undisputed Trade Receivables — considered doubtful						
(iii) Disputed Trade Receivables considered good						
(iv) Disputed Trade Receivables considered doubtful						

**ANNEXURE: 16 SHORT TERM LOANS AND ADVANCES****(Currency: Indian Rupees in Lakhs)**

Particulars	As at 30 November 2022	As at 31 March 2022
<b>(Unsecured and considered good)</b>		
Advances recoverable in cash or in kind	6.74	0.00
Advance to Others	35.50	0.00
Advance to Employee	8.14	0.00
<b>TOTAL</b>	<b>50.38</b>	<b>0.00</b>

**ANNEXURE: 17 CASH AND CASH EQUIVELENTS****(Currency: Indian Rupees in Lakhs)**

Particulars	As at 30 November 2022	As at 31 March 2022
<b>Cash and Cash equivalents</b>		
Balance with banks		
- On Current account	6.16	0.00
- Bank Overdraft	0.01	0.55
- Other Bank Balances		
Deposit with original maturity for more than 3 months but less than 12 months"	5.00	0.00
Cash on hand	6.66	0.00
<b>TOTAL</b>	<b>17.83</b>	<b>0.55</b>

**ANNEXURE: 18 OTHER CURRENT ASSETS****(Currency: Indian Rupees in Lakhs)**

Particulars	As at 30 November 2022	As at 31 March 2022
-------------	------------------------------	---------------------------

Calls in Arrears	0.00	0.50
Duties and taxes	30.08	0.00
<b>TOTAL</b>	<b>30.08</b>	<b>0.50</b>

**ANNEXURE: 19 REVENUE FROM OPERATIONS**

(Currency: Indian Rupees in Lakhs)

Particulars	Period Ended 30 November 2022	Period Ended 31 March 2022
Calls in Arrears	0.00	0.50
Duties and taxes	30.08	0.00
<b>TOTAL</b>	<b>30.08</b>	<b>0.50</b>

**ANNEXURE: 20 COST OF MATERIAL CONSUMED**

(Currency: Indian Rupees in Lakhs)

Particulars	Period Ended 30 November 2022	Period Ended 31 March 2022
<b>Cost of Material Consumed: -</b>		
Inventory at the beginning of the year	0.00	0.00
Add: Purchases	808.52	0.00
	<b>808.52</b>	<b>0.00</b>
Less: Inventory at the end of period	168.00	0.00
<b>TOTAL</b>	<b>640.52</b>	<b>0.00</b>

\* Cost of Material Consumed includes purchase of traded Goods of Rs. ('Lacs) 475.69

**ANNEXURE: 21 EMPLOYEE BENEFIT EXPENSES**

(Currency: Indian Rupees in Lakhs)

Particulars	Period Ended 30 November 2022	Period Ended 31 March 2022
Salaries, wages and bonus	9.71	0.00
Staff Welfare	1.35	0.00
Director Remuneration	9.60	0.00
<b>TOTAL</b>	<b>20.66</b>	<b>0.00</b>

**ANNEXURE: 22 FINANCE COSTS**

(Currency: Indian Rupees in Lakhs)

Particulars	Period Ended 30 November 2022	Period Ended 31 March 2022
Bank Charges	0.35	0.00
Bank Interest	11.86	0.00
Interest on Business Loan	3.75	0.00
Interest on Car Loan	0.51	0.00
Interest on Term Loan	2.26	0.00
<b>TOTAL</b>	<b>18.72</b>	<b>0.00</b>

**ANNEXUR: 23 OTHER EXPENSES**

(Currency: Indian Rupees in Lakhs)

Particulars	Period Ended 30 November 2022	Period Ended 31 March 2022
Accounting Software Exps	0.02	0.00
Customer Entertainment Exps	0.89	0.00
Electricity Exps	4.20	0.00

Freight Exps	1.03	0.00
Generator Fuel Exps	0.29	0.00
Generator Rent	0.22	0.00
Insurance Charges	0.71	0.00
Insurance Premium for Loan	0.11	0.00
Internet Charges	0.13	0.00
Factory Expenses	0.43	0.00
Amc Charges	0.02	0.00
Laboratory Tasting Charges	0.26	0.00
Labour Exps	5.02	0.00
Legal & Professional Exps	7.23	0.00
Loan Processing Fees	1.50	0.00
Lolo Charges	0.12	0.00
Loss on Sale of Machinery	1.70	0.00
Office Exps	0.89	0.00
Office/ Factory Rent	3.20	0.00
Packing Exps	1.23	0.00
Postage & Courier Charges	0.03	0.00
Printing & Stationary Exps	0.28	0.00
Repairs & Maintanance Exps	2.18	0.00
Transportation Charges	11.52	0.00
Travelling Exps	1.34	0.00
Vehicle Petrol Exps	1.37	0.00
Ware House Rent	0.28	0.00
Websight Designing Exps	0.15	0.00
Audit Fees ( Refer Annexure no. 23(a))	1.00	0.15
Rates and taxes	6.29	0.00
Miscellaneous Expenses	0.67	0.00
<b>TOTAL</b>	<b>54.30</b>	<b>0.15</b>

#### ANNEXURE: 23(A) AUDITOR'S REMUNERATION

(Currency: Indian Rupees in Lakhs)

Particulars	Period Ended 30 November 2022	Period Ended 31 March 2022
As Auditors		
Audit Fees	1.00	0.15
<b>TOTAL</b>	<b>1.00</b>	<b>0.15</b>

#### ANNEXURE :24 RESTATED STANDALONE EARNING PER SHARE AND OTHER RATIOS

(Currency: Indian Rupees in Lakhs)

Particulars	Period Ended 30 November 2022	Period Ended 31 March 2022
EBITDA	124.50	-0.15
Basic & diluted earnings per share	16.78	(1.50)
Return on Net Worth ( in Percentage)	18.00	(17.65)
Net Asset Value per equity share (Rs.)	12.19	8.50
Net Profit after tax as restated attributable to equity shareholders (Rs. Lacs)	52.85	-0.15
Net Worth at the end of the year (Rs. In Lacs)	293.70	0.85
Weighted Average no of shares at the end of the year (Numbers)	314918	10000

Total number of equity shares outstanding at the end of the year (Numbers)	2410000	10000
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**Notes:**

- a) EPS Calculation has been done as per Accounting Standard-20, "Earnings Per Share" issued by The Institute of Chartered Accountants of India (ICAI).
- b) Weighted Average No of Shares as on 30th November 2022:

Date of issue	No. of shares	Days	Weighted Average No of Shares
31st October 2022	2400000	31	304918
6th January 2022	10000	244	10000
			<b>314918</b>

**ANNEXURE: 25 CERTAIN ADDITIONAL DISCLOSURES**

**25.1:** The Company has not received any intimation from "Suppliers" regarding their status under the Micro, Small and Medium Enterprise Development Act, 2006 and hence disclosure if any relating to amounts unpaid as at the year end together with interest paid/payable as required under this Act have not been given.

**25.2:** The Company is a Small and Medium Sized Company (SMC) as defined in the General Instructions in respect of Accounting Standards notified under the Companies Act, 2013. Accordingly, the Company has complied with the Accounting Standards as applicable to a Small and Medium Sized Company.

**25.3:** The amounts of previous year have been regrouped and reclassified wherever necessary. The amounts are rounded off to the nearest rupee. No further adjustments have been made to the audited financial statements on the basis of which the restated financial statements have been prepared.

**25.4:** There are no significant events, which have taken place post 30th November 2022 up to the date of adoption of financial statement by the board of Director that requires to be adjusted.

**ANNEXURE: 26 DISCLOSURES OF RELATED PARTY TRANSACTIONS AS PER AS-18 ISSUED BY ICAI**

**a) Name of Related Party & Nature of Relationship:**

Description of relationship	Names of related parties
KMP	Vimal Sureshbhai Mishra, Priyanka Vimal Mishra
Enterprises over which Directors have Control (EDC)	Global Logistics

**b) Transactions with Related Parties during the period:**

(Currency: Indian Rupees in Lakhs)

Nature of Transactions	Vimal Sureshbhai Mishra	Priyanka Vimal Mishra	Global Logistics	Total
Loan taken	207.85	3.00	0.00	210.85
(Previous period)	0.00	0.00	0.00	0.00
Loans Repaid	111.30	0.00	0.00	111.30
(Previous period)	0.45	0.00	0.00	0.45
Director remuneration	4.32	4.32	0.00	8.64
(Previous period)	0.00	0.00	0.00	0.00
Sales of Goods (Debtors)	0.00	0.00	10.26	10.26
(Previous period)	0.00	0.00	0.00	0.00

**c) Outstanding Balances of Related Parties at the end of the period:**

Nature of Transactions	Vimal Sureshbhai Mishra	Priyanka Vimal Mishra	Global Logistics	Total
Loans and Borrowings	96.10	3.00	0.00	99.10
(Previous period)	-0.45	0.00	0.00	0.00
Creditors for Remuneration	4.32	1.08	0.00	5.40
(Previous period)	0.00	0.00	0.00	0.00
Sales of Goods (Debtors)	0.00	0.00	2.01	0.00
(Previous period)	0.00	0.00	0.00	0.00



**ANNEXURE: 27 ACCOUNTING RATIOS**

Particulars	Numerator	Denominator	April 2022 to November 2022	2021-22 (%)	Change in Ratio (%)	Explanation if deviation is more than 25%
Current Ratio	Current assets	Current liabilities	1.71	7.00	-75.52%	Since this is second year of operation and there was very few transaction in last year Even though the current ratio is reduced, the overall ratio is well above the standards.
Debt-Equity Ratio	Total debt	Equity	1.24	0.06	2004.39%	Because company start their operation and efficiency so there is require of Loans and Borrowing so this ratio has been increased
Debt Service Coverage Ratio	Earning available for debt services	Total debt services	0.00	0.00	NA	NA
Return on Equity Ratio	Net profit -Preferred Dividend	Shareholder equity	18.00%	-17.65%	201.97%	Company operation and efficiency has been increased so there is increased of profit
Inventory turnover ratio	Sales	Average Inventory	0.00	0.00	NA	NA
Trade Receivables turnover ratio	Net Sales	Average Accounts Receivables	0.00	0.00	NA	NA
Trade payables turnover ratio	Net Purchase	Average trade payable	0.00	0.00	NA	NA
Net capital turnover ratio	Net sales	Working Capital	0.00	0.00	NA	NA
Net profit ratio	Net Profit	Net Sales	0.00	0.00	NA	NA
Return on Capital employed	Earning before Interest and Taxes	Capital employed	25.30%	-17.65%	243.36%	Company operation and efficiency has been increased so there is increased of profit
Return on investment	Income from Investment	Average Cost of Investment	0.00	0.00	NA	NA

**ANNEXURE :28: RESTATED STANDALONE STATEMENT OF CONTINGENT LIABILITIES**

Particulars	As on 30th November 2022	As on 31th March 2022
<b>Contingent Liabilities</b>	Nil	Nil
<b>Total</b>	<b>Nil</b>	<b>Nil</b>

**ANNEXUR: 29 RESTATED STANDALONE TAX SHELTER STATEMENT**

(Currency: Indian Rupees in Lakhs)

Particulars	Sub Total	30th November,2022
<b>Restated Profit Before Tax (A)</b>		<b>74.30</b>
<b>Timing Difference (B)</b>		
Depreciation as per companies act	31.47	
Depreciation as per income tax	-25.71	5.76
ROC Fees		6.29
Loss on sales of Machinery		1.70
IPO expenses @ 20% (on proportionate basis)		0.00
<b>Taxable income (C)</b>		<b>88.05</b>
<b>Total taxable income (D)</b>		<b>88.05</b>
<b>Less: set of earlier year losses (E)</b>		<b>0.00</b>
<b>Net Taxable Income as per IT act (F)</b>		<b>88.05</b>
Tax rate Under Normal provision % (G)		26.00%
<b>Income Tax as per normal provision(H)</b>		<b>22.89</b>
Tax rate Under MAT provisions		NA
<b>Income Tax as per MAT Provisions</b>		<b>NA</b>
<b>Tax Payable Higher of Normal Tax or MAT provisions</b>		<b>22.89</b>

**ANNEXURE :30 RESTATED STANDALONE CAPITALISATION STATEMENT**

(Currency: Indian Rupees in Lakhs)

Particular	Pre issue as on 30th November, 2022	Post Issue
<b>Debt</b>		
Long Term Debt	192.76	192.76
Short Term Debt	170.80	170.80
<b>Total Debts (A)</b>	<b>363.57</b>	<b>363.57</b>
<b>Equity (shareholders' funds)</b>		
Equity share capital	241.00	409.05
Reserve and surplus	52.70	677.96
<b>Total Equity (B)</b>	<b>293.70</b>	<b>1087.01</b>
<b>Long Term Debt / Equity Shareholders' funds</b>	<b>0.66</b>	<b>0.18</b>
<b>Total Debt / Equity Shareholders' funds</b>	<b>1.24</b>	<b>0.33</b>

## MANAGEMENT’S 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 November 30, 2022. You should read the following discussion of our financial condition and results of operations together with our restated financial statements included in the Prospectus. You should also read the section entitled “*Risk Factors*” beginning on page 18 of this Prospectus, which discusses a number of factors, risks and contingencies that could affect our financial condition and results of operations. The following discussion relates to our Company and, is based on our restated financial statements, which have been prepared in accordance with Indian GAAP, the Companies Act and the SEBI Regulations. Portions of the following discussion are also based on internally prepared statistical information and on other sources.

In this section, unless the context otherwise requires, any reference to “we”, “us” or “our” refers to Prospect Commodities Limited, our Company. Unless otherwise indicated, financial information included herein are based on our “*Restated Financial Statements*” for the period November 30, 2022 included in this Prospectus beginning on page 101 of this Prospectus.

### BUSINESS OVERVIEW

The Company is in the business of trading of cashew in to B2B Market. The Company is selling the Cashew to the wholesalers in the state of Gujarat only. Currently, the Company is not able to cater the demand of Gujarat State, hence it has not ventured to supply or develop market out of Gujarat. The cashews are packed in tin of 10 KG. For further details, please refer Business Overview” on page no. 66 of the Prospectus.

### SIGNIFICANT DEVELOPMENTS SUBSEQUENT TO THE LAST FINANCIAL YEAR:

After the date of last financial period i.e., November 30, 2022, there is no any significant development occurred in the Company.

### KEY FACTORS AFFECTING THE RESULTS OF OPERATION:

Our Company’s future results of operations could be affected potentially by the following factors:

1. Changes in Laws and Regulations that apply to our Industry.
2. Changes in Fiscal, Economic or Political conditions in India
3. Failure to adapt the changing technology in our industry of operation may adversely affect our business
4. Failure to comply with regulations prescribed by authorities of the jurisdiction in which we operate
5. Competition with existing and new entrants

### OUR SIGNIFICANT ACCOUNTING POLICIES

For Significant accounting policies please refer Significant Accounting Policies, “Annexure IV” beginning under Chapter titled “Restated Financial Information” beginning on page 101 of the Prospectus.

### Financial performance of the stub period for the period ended on November 30, 2022

(₹ in Lacs)

Income from continuing operations	Amount	%
<b>Revenue from operations</b>		
Sale of Product		
Processed	300.07	35.72
Trading	539.91	64.28
<b>Total</b>	<b>839.98</b>	<b>100.00</b>
Other Income	0	-
<b>Total Revenue</b>	<b>839.98</b>	
<b>Expenses</b>		
Cost of Material Consumed	164.83	54.93
Traded Material Purchased	475.69	88.11

Employee Benefits Expense	20.66	2.46
Finance Costs	18.72	2.23
Other expenses	54.31	6.47
Depreciation and Amortisation Expenses	31.47	3.75
<b>Total Expenses</b>	<b>765.68</b>	<b>91.15</b>
<b>Restated profit before tax from continuing operations</b>	<b>74.30</b>	<b>8.85</b>
<b>Exceptional Item</b>		
<b>Before Tax Profit</b>	<b>74.30</b>	
<b>Tax expense/(income)</b>		
Current tax	22.89	
Deferred tax charge/(credit)	-1.44	
<b>Total tax expense</b>	<b>21.45</b>	
<b>Restated profit after tax from continuing operations (A)</b>	<b>52.85</b>	<b>6.29</b>

### Income from Operations

The Total income from the operation for the stub period ended on November 30, 2022 was ₹839.98 Lacs consist of ₹300.07 lacs from processing of nuts which is 35.72 % of the Total Income and ₹539.91 lacs from trading of nuts which is 64.28 % of Total Income.

### Total Expenditure

The total expenditure for stub period ended on November 30, 2022 was ₹765.68 lacs which is 91.15% of the total revenue for the stub period.

### Material Consumed

The material Consumed for processing the nuts was ₹164.83 lacs for the stub period ended on November 30, 2022 which is 54.93 % of the total sales of the processed nuts. The Cost of trading material was ₹475.69 lacs which is 88.11 % of the total sales of the trading goods.

### Profit after Tax

The profit after Tax for the stub period was ₹52.85 lacs representing to 6.29% of the total revenue.

### Information required as per Item 11 (II) (C) (iv) of Part A of Schedule VI to the SEBI Regulations:

#### 1. Unusual or infrequent events or transactions

To our knowledge there have been no unusual or infrequent events or transactions that have taken place during the last three years.

#### 2. Significant economic changes that materially affected or are likely to affect income from continuing operations.

Our business has been subject, and we expect it to continue to be subject to significant economic changes arising from the trends identified above in ‘Factors Affecting our Results of Operations’ and the uncertainties described in the section entitled “*Risk Factors*” beginning on page 18 of this Prospectus. To our knowledge, except as we have described in this Prospectus, there are no known factors which we expect to bring about significant economic changes.

#### 3. Income and Sales on account of major product/main activities

Income and sales of our Company on account of major activities derives from cashew nut processing and trading.

#### 4. Whether the company has followed any unorthodox procedure for recording sales and revenues

Our Company has not followed any unorthodox procedure for recording sales and revenues.

**5. Known trends or uncertainties that have had or are expected to have a material adverse impact on sales, revenue or income from continuing operations.**

Apart from the risks as disclosed under Section titled “*Risk Factors*” beginning on page 18 in this Prospectus, in our opinion there are no other known trends or uncertainties that have had or are expected to have a material adverse impact on revenue or income from continuing operations.

**6. Extent to which material increases in net sales or revenue are due to increased sales volume, introduction of new products or services or increased sales prices.**

Increases in revenues are by and large linked to increases in volume of business.

**7. Total turnover of each major industry segment in which the issuer company operated.**

The Company is in the business of manufacture, the relevant industry data, as available, has been included in the chapter titled “*Industry Overview*” beginning on page no 61 of this Prospectus.

**8. Status of any publicly announced new products or business segment.**

Our Company has not announced any new product or business segment.

**9. The extent to which business is seasonal.**

Our Company’s business is not seasonal but the demand for our product is high in Diwali and other such festivals.

**10. Any significant dependence on a single or few suppliers or customers.**

Our Company is not dependent on any single supplier but at present we are not able to meet the demand of all the customers. Our total proceeds nuts are taken by few customers only. We are not dependent on them.

**11. Competitive conditions.**

Competitive conditions are as described under the Chapters titled “*Industry Overview*” and “*Business Overview*” beginning on pages 61 and 66, respectively of this Prospectus.

**FINANCIAL INDEBTEDNESS**

**Other Loans:**

Sr. No	Name of the Bank/ NBFC	Amount Sanctioned	Outstanding as on November 30,2022	Tenure	Rate of Interest	Security	Charge ID
1.	Bajaj Finserve 439753466	23,50,505	23,50,505	84	17.5%		
2.	HDFC Bank 86401965**	1,60,00,000				Stock, Debtors, Fixed Deposit	100596290
	Cash Credit	1,00,00,000	1,00,00,000	12	9.50%		
	Eeg-term Loans	55,00,000	5141895.81	60	9.50%		
	Bank Guarantee	5,00,000	Fixed Deposit	12	9.50%		
3.	Aditya Birla capital ABFLAHMBIL0000089288	15,99,420	5,67,722	43	19.50 %		
4.	Aditya Birla capital ABFLAHMBIL0000097874	3,00,000	1,89,990	48	14.00 %		
5.	Hero Fincorp Ltd. HCFAHMGEC00005752437	3,03,000	1,99,909	48			
6.	Hero Fincorp Ltd. HCFAHMUBL00005328761	15,15,000	5,63,196	44			
7.	HDFC Bank 114331134*	13,75,761	888613.53	60			
8.	HDFC Bank 86009555	23,47,795	23,47,795	60			
9.	Epimoney Private Limited (Overdraft)	20,00,000	14,43,555.56	18			
10	Tata Capital Financial Services Limited 8500536	20,00,000	696466	48	18.50%		
	<b>Total</b>		<b>2,43,89,648</b>				

\*Loan is in the name of Director

**(B) UNSECURED BORROWINGS**

As on November 30, 2022 the outstanding unsecured loans Repayable on demand from the following parties

Sr. No	Name of person	Amount outstanding as on March 31,2022(Rs in Laacs)	Rate of Interest
<b>Promoter and Promoter group</b>			
1.	Vimal S Mishra, HUF	8,88,000	Interest Free
2.	Vimal S Mishra Loan	91,30,096	Interest Free
<b>Public</b>			
1.	Amees P Patel	45,000	Interest Free
2.	Bhavik Patel	55,000	Interest Free
3.	Chintak Capital	5,00,000	Interest Free
4.	Kamlesh S Joshi	6,41,400	Interest Free
5.	Digant K Bhatt	60,000	Interest Free
6.	Hasmukh A Bhavsar	60,000	Interest Free
7.	Prajapati Rinkle H	1,000	Interest Free
	<b>Total</b>	<b>1,13,80,496</b>	

**\*\*Term & Conditions:**

- 1) For Machinery term Loan

Undertaking from The Borrower That Any Increase In Project Cost On Account Of Any Item Not Listed In The Project Details Submitted For Evaluation Will Be Funded By The Promoter Prior To Disbursement Of Term Loan

CA certificate and banking entries for payment made and copy of invoice/proforma / bill to be submitted for disbursement.

25% Promoter s Margin to be kept on expensed incurred by the firm on project funded and should be brought In upfront

- 2) CC Limit of Rs. 100Lac is Not Release now, which is to be Release Gradually on basis of Business Shifted in New Company and Same should be Restrict to Maximum of Rs. 60Lac.
  - a) CC Limit to be Release in as per Credit approval validating Financial of Both Prospect Commodities Pvt limited and Fortune Export
  - b) TO Release any Tranche of CC in this Company first Reduce the Same amount of CC from Existing Firm i.e. fortune Export then Release CC in this New Company.
  - c) CC Limit to be Release Restricted to Rs. 60Lac as per Above Conditions
- 3) Balance amount of Rs. 40Lac is to be Released only after Submission of Below Documents
  1. Surrender of GST Registration Number
  2. Bank account closure of Fortune Export
  3. Validating Financial of New Company Prospect Commodities pvt Ltd
  4. GECL Closure of Fortune Export
  5. Closure of CC in Fortune Export
  6. Satisfactory account Conduct
- 4) Satisfactory Credit visit Prior to Disbursement
- 5) FD of Rs. 5Lac to be taken upfront and Same is Linked only to the FD Backed Exposure
- 6) Both Term loan and FD backed BG will be Disbursed Simultaneously
- 7) Financial of Prospect Commodities as on date should be validated prior to disbursement
- 8) Sales and Purchase details of Both Prospect Commodities and Fortune Export to be validated prior to disbursement
- 9) Provisional Financial of Fortune Export till March 22 to be validated prior to disbursement of limit.
- 10) CG, PDC and DAL of Fortune Export Same is Linked only to the FD backed CC Exposure of Rs. 5Lac
- 11) Sales and Churning of March and April 22 to be validated prior to disbursement
- 12) Ric overriding approval to be held on record prior to disbursement

• **Other Covenants:**

- a) **Interest Servicing:** In case of a CC/OD facility, last day of every month. Interest to be serviced within 3 days of the applicable due date even if the utilization is within the sanctioned limits.
- b) **Interest Levy:** Charged @ 18.00% p.a. on overdue/ delays/ defaults of any monies payable.
- c) **Commitment Charges:** Charged @ 0.50 % p.a. on quarterly basis, on the entire unutilized portion, if average utilization is less than 60 %. < Only for CC / OD facility >
- d) **Stock Statement:** To be submitted QUARTERLY with ageing detail, on or before the 7th day of the month. < Only for CC facility>.The Book debts statements will not include receivables from affiliates of the borrower (including subsidiaries and employees).
- e) **Additional Interest levy:** @ 2% p.a. additional interest levy over existing rate of interest on account of
  - I. Maintaining Current Account with Other Bank while facility is granted under Sole Banking (applicable where specific permission is not taken by the customer).
  - II. Deterioration in account conduct.
- f) **Penal Interest levy:** @ 2% p.a. Penal interest levy over existing rate of interest for:
  - I. Non-submission of documents for renewal of credit facilities.
  - II. Non submission of Stock statement.
  - III. Non submission of Stock and Property Insurance policy including renewal policy.
  - IV. Non-compliance in documentation for the credit facility.
- g) **Service Charges - for processing Physical Stock Statement:** Rs. 500 for every physical stock statement collected or submitted.
- h) **Stock Audit Charges:** For Sanctioned Limits upto Rs. 5 Cr: Rs.8,000/- plus taxes as applicable. For Sanctioned Limits above Rs 5 Cr: Rs.12,000 / -plus taxes as applicable.
- i) **Conversion Charges (For revising rate of interest):** @ 0.25% plus taxes as applicable on loan outstanding in case of Term loan and on sanctioned amount for other Working Capital Facility (e.g. Cash Credit / Overdraft etc.) or Rs. 5, 000 plus taxes as applicable, whichever is higher.
- j) **Cersai Charges for creation / modification of security interest on collateral securities:** Rs 100/- per Collateral security for each creation/ modification of charges.

**OTHER FINANCIAL INFORMATION**

**ACCOUNTING RATIOS**

Particulars	Numerator	Denominator	April 2022 to November 2022	2021-22 (%)	Change in Ratio (%)	Explanation if deviation is more than 25%
Current Ratio	Current assets	Current liabilities	1.71	7.00	-75.52%	Since this is second year of operation and there was very few transaction in last year Even though the current ratio is reduced, the overall ratio is well above the standards.
Debt-Equity Ratio	Total debt	Equity	1.24	0.06	2004.39%	Because company start their operation and efficiency so there is require of Loans and Borrowing so this ratio has been increased
Debt Service Coverage Ratio	Earning available for debt services	Total debt services	0.00	0.00	NA	NA
Return on Equity Ratio	Net profit -Preferred Dividend	Shareholder equity	18.00%	-17.65%	201.97%	Company operation and efficiency has been increased so there is increased of profit
Inventory turnover ratio	Sales	Average Inventory	0.00	0.00	NA	NA
Trade Receivables turnover ratio	Net Sales	Average Accounts Receivables	0.00	0.00	NA	NA
Trade payables turnover ratio	Net Purchase	Average trade payable	0.00	0.00	NA	NA
Net capital turnover ratio	Net sales	Working Capital	0.00	0.00	NA	NA
Net profit ratio	Net Profit	Net Sales	0.00	0.00	NA	NA
Return on Capital employed	Earning before Interest and Taxes	Capital employed	25.30%	-17.65%	243.36%	Company operation and efficiency has been increased so there is increased of profit
Return on investment	Income from Investment	Average Cost of Investment	0.00	0.00	NA	NA



**CAPITALISATION STATEMENT**

**(Currency: Indian Rupees in Lakhs)**

<b>Particular</b>	<b>Pre issue as on 30th November, 2022</b>	<b>Post Issue</b>
<b>Debt</b>		
Long Term Debt	192.76	192.76
Short Term Debt	170.80	170.80
<b>Total Debts (A)</b>	<b>363.57</b>	<b>363.57</b>
<b>Equity (shareholders' funds)</b>		
Equity share capital	241.00	409.05
Reserve and surplus	52.70	677.96
<b>Total Equity (B)</b>	<b>293.70</b>	<b>1087.01</b>
<b>Long Term Debt / Equity Shareholders' funds</b>	<b>0.66</b>	<b>0.18</b>
<b>Total Debt / Equity Shareholders' funds</b>	<b>1.24</b>	<b>0.33</b>

## SECTION VII – 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 January 04, 2023 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 Rs. 5.00 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 January 04, 2023 determined that outstanding dues to creditors in excess of Rs. 5.00 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 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.prospectcommodities.com](http://www.prospectcommodities.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  
NIL
- 2) Civil Proceedings  
NIL
- 3) Taxation Matters

Show Cause Notice F No DRI/AZU/JRU-24/2018 was issued by the Directorate of Revenue Intelligence on December 12, 2019 for denying exemption on import of cashew husk, confiscation of the imported material worth ₹1,20,04,027, demand of differential duty amount of ₹38,94,707 as well as interest and penalty on the said duty amount. An additional Commissioner of customs (preventive), Jamnagar had passed the order on April 28,2020 set aside the proceedings initiated vide show cause notice. The appeal to the commissioner (appeals) under section 129D (4) the Custom Act, 1962 had been filed by the Deputy Commissioner, Customs against the order-in Original no 01/Additional commissioner/2020-21 dated April 28, 2020. The commissioner (appeals) had passed an order dated July 19 ,2021 set as siding the order passed by the Additional Commissioner against the show cause notice and remit the matter to adjudicating Authority for reexamine the issue and pass a proper

legal speaking order afresh. The Amount of dispute is the differential amount of ₹38,94,707 and interest and penalty on the said duty amount.

- 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  
Other than stated in the Litigation against Promoter there are no other outstanding criminal litigation against any of our Director.
- 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  
NIL
- 3) Taxation Matters  
NIL

**PART III –LITIGATIONS INVOLVING PROMOTER(S) OF OUR COMPANY**

**A. LITIGATIONS AGAINST PROMOTER(S) 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) 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 PROSPECTUS, OUR COMPANY DOES NOT HAVE ANY SUBSIDIARY COMPANY.

**PART V –LITIGATIONS INVOLVING GROUP COMPANY:**

AS ON DATE OF THIS PROSPECTUS, OUR COMPANY DOES NOT HAVE ANY LITIGATIONS INVOLVING GROUP COMPANY.

**PART VI –OTHER MATTERS**

NIL

**PART VII –DETAILS OF ANY INQUIRY, INSPECTION OR INVESTIGATION INITIATED UNDER PRESENT OR PREVIOUS COMPANIES LAWS IN LAST FIVE YEARS AGAINST THE COMPANY OR ITS SUBSIDIARIES**

NIL

**PART VIII –OUTSTANDING LITIGATION AGAINST OTHER COMPANIES OR ANY OTHER PERSON WHOSE OUTCOME COULD HAVE AN ADVERSE EFFECT ON OUR COMPANY**

NIL

**PART IX –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 120 of this Prospectus, there have been no material developments, since the date of the last audited balance sheet.

**PART X –OUTSTANDING DUES TO SMALL SCALE UNDERTAKINGS OR ANY OTHER CREDITORS**

As on November 30, 2022, our Company had 31 creditors, to whom a total amount of ₹213.11 lakhs were outstanding. As per the requirements of SEBI Regulations, our Company, pursuant to a resolution of our Board dated January 04, 2023, considered creditors to whom the amount due exceeds Rs.5.00 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 (Rs. in Lakhs)
1.	Amount due to Micro and Small Enterprises.	Nil
2.	Amount due to Material Creditors.	197.98
3.	Amount due to Other Creditors.	15.13
	<b>Total</b>	<b>213.11</b>

\*The above information has been provided as available with the company to the extent such parties could be identified on the basis of the information available with the company regarding the status of suppliers under the MSMED Act. Trade Payables are non-interest bearing and are normally settled within the terms. There are no other amounts paid/payable towards interest/principal under the MSMED, Act. For complete details about outstanding dues to creditors of our Company, please see website of our Company [www.prospectcommodities.com](http://www.prospectcommodities.com).

Information provided on the website of our Company is not a part of this 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.prospectcommodities.com](http://www.prospectcommodities.com) would be doing so at their own risk.

#### **WILFUL DEFAULTER AND FRAUDULENT BORROWER**

Our Promoters and Directors have not been identified as a willful defaulter and fraudulent borrower in terms of the SEBI ICDR Regulations as on the date of this Prospectus.

## GOVERNMENT AND OTHER STAUTORY 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 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 78 of this 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 January 04, 2023 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 January 05, 2023 passed in the EGM under Section 62(1)(c) of the Companies Act, 2013 authorised the Issue.

#### In-principle approval from the Stock Exchange

3. The Company has obtained in-principle listing approval from the SME Exchange of the BSE dated [●].

#### Agreements with CDSL and NSDL

4. The Company has entered into an agreement dated January 19, 2023 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 January 23, 2023 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 INE00KG01017

### (B) Registration under the Companies Act, 2013\*:

Sr. No.	Authority Granting Approval	Approval / Registration No.	Applicable Laws	Nature Of Approvals	Validity
1.	Registrar of Companies, Central Registration Centre	U01400GJ2022PTC12848 2. vide Certificate of Incorporation dated January 06, 2022	Companies Act, 2013	Certificate of Incorporation	Valid, till Cancelled
2.	Registrar of Companies, ROC –Ahmedabad	U01400GJ2022PLC12848 2. vide Certificate of Incorporation dated January 03, 2023	Companies Act, 2013	Fresh Certificate of Incorporation consequent upon Conversion from	Valid, till Cancelled

				private to public company	
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**(C) Registration under various Acts/Rules relating to Income Tax and Goods and Service Tax\*:**

Sr. No.	Authority Granting Approval	Approval/Registration No.	Applicable Laws	Nature Of Approvals	Validity
1.	Income Tax Department - (PAN)	AAMCP5811D	Income Tax Act, 1961	Permanent Account Number	Valid, till Cancelled
2.	Income Tax Department - (TAN)	AHMP16790E	Income Tax Act, 1961	Tax Deduction and collection Account Number	Valid, till Cancelled
3.	Central Board of Indirect Taxes & Customs	24AAMCP5811D 1ZM	The Central Goods And Services Tax Act, 2017.	GST Certificate, Gujarat	Valid, till cancelled

**(D) Registration and Approvals under Statutory and Regulatory Act(s):**

Sr. No.	Authority Granting Approval	Approval/Registration No.	Applicable Laws	Nature Of Approvals	Validity
1.	Ministry of Micro, Small and Medium Enterprises, Government of India*	UDYAM-GJ-01-0146470	The Micro, Small and Medium Enterprises Development Act, 2006	Udyam	Valid, till
2.	Ministry of Commerce and Industry, Government of India*	AAMCP5811D	The Foreign trade (Development and Regulation) Act, 1992	Certificate Of Importer-Exporter Code (IEC)	Valid, till cancelled
3.	Amdavad Municipal Corporation	PEC010676095773	Gujarat State Tax on Profession, Trade, Calling and Employment Act, 1976.	Profession Tax department – EC(Enrollment Certificate)	Valid, till cancelled
4.	Amdavad Municipal Corporation	PRC010676021410	Gujarat State on Profession, Trade, Calling and Employment Act, 1976.	Profession Tax department – Certificate of Registration (RC)	Valid, till cancelled
5.	Ministry of Commerce & Industry	Certificate NO: DIPP94282	Startup India- Department for Promotion of Industry and Internal Trade.	Certificate Of Recognition	up to Ten years from the date of its incorporation
6.	Office of the Director of Boiler, Gujarat State	Registry No. GTS-12315	Indian Boile Regulations -1950	Certificate Of Recognition	Valid, till cancelled
7.	Food Safety and Standards Authority of India	License Number: 10020021005807	Food Safety and Standards Act 2006	Central License for General Manufacturing	August 04, 2024

**(E) Approvals applied but not yet received:**

Sr. No	Description	Authority
1.	Registration Of a Trademark	The Trade Marks Registry under The Trade Marks Act, 1999
2.	Registration Certificates under Gujarat Shops and Establishments (Regulation of Employment and Conditions of Service) Act, 2019	Amdavad Municipal Corporation

Note: \*All the Approvals/Licenses/Registration are in name of Prospect Commodities Private Limited company is taking necessary steps to get the same in the name of Prospect Commodities Limited.

## **FINANCIAL INFORMATION OF OUR GROUP COMPANIES**

As per SEBI (Issue of Capital and Disclosure Requirements) Regulations, 2018, 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 January 04, 2023 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.



## OTHER REGULATORY AND STATUTORY APPROVALS

### AUTHORITY FOR THE ISSUE

The Issue has been authorized by a resolution of the Board of Directors passed at their meeting held on January 04, 2023 subject to the approval of shareholders of our Company through a special resolution to be passed pursuant to Section 62(1) (c) of the Companies Act, 2013.

The shareholders of our Company have authorized this Issue by a special resolution passed pursuant to Section 62(1) (c) of the Companies Act, 2013 at the Extra Ordinary General Meeting of our Company held on January 05, 2023. We have received In- Principle Approval from BSE vide their letter dated February 22, 2023 to use the name of BSE in the Prospectus for listing of our Equity Shares on SME Platform of BSE Limited. BSE Limited 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 Prospectus.

The listing of any securities of our Company has never been refused at any time by any of the stock exchanges in India.

### 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 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, relatives (as per Companies Act, 2013) of promoters or the person(s) in control of our company have been identified as a willful defaulter or a fugitive economic offender by the RBI or other government authorities and no such proceedings are pending against any of them except as details provided in the chapter titled "*Outstanding Litigations and Material Developments*" on page 127 of this Prospectus.

### ELIGIBILITY FOR THE ISSUE

Our company is an "Unlisted Issuer" in terms of the SEBI (ICDR) Regulations, 2018; and this Issue is an "Initial Public Offer" ("IPO") in terms of the SEBI (ICDR) Regulations, 2018.

Our company is eligible for the Issue in accordance with Regulation 229(1) of Chapter IX of SEBI (ICDR) Regulations, 2018, as amended from time to time, whereby, an issuer whose post issue paid up capital is less than or equal to ten 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")). Our Company also complies with eligibility conditions laid by SME Platform of BSE Limited for listing of Equity Shares.

### We confirm that:

1. In accordance with Regulation 246 the SEBI (ICDR) Regulations, 2018, the lead manager shall ensure that the issuer shall file copy of the Draft Prospectus/Prospectus with SEBI along with Due Diligence Certificate including additional confirmations as required at the time of filing the Draft Prospectus/Prospectus to SEBI.
2. In accordance with Regulation 260 of the SEBI (ICDR) Regulations, 2018, this issue has been one 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 no. 23 of this Prospectus.
3. In accordance with Regulation 268 of the SEBI (ICDR) Regulations, 2018, we shall ensure that the total number of proposed allottees in the Issue is greater than or equal to fifty (50), otherwise, the entire

application money will be unblocked forthwith. If such money is not unblocked within eight (8) days from the date our Company becomes liable to unblock it, then our Company and every officer in default shall, on and from expiry of eight (8) day, 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 (3) years from the date of listing of equity shares offered in this issue. For further details of the arrangement of market making please see “General Information” on page no. 27 of this Prospectus.

We further confirm that we shall be complying with all the other requirements as laid down for such an issue under Chapter IX of SEBI (ICDR) Regulations, 2018, as amended from time to time and subsequent circulars and guidelines issued by SEBI and the Stock Exchange.

**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 ₹25 crores.**

The post issue paid up capital of the Company (face value) will be ₹ 4.09 crores, which is less than ₹25 crores

**3. Positive Net Worth**

(₹ in lakhs)

Particulars	November 30, 2022
Net Worth as per Restated Financial Statement	293.70

**4. Net Tangible Assets of ₹150.00 Lakhs**

Our Company satisfies the above criteria. Our Net Tangible Assets as per the latest audited financial statements i.e as on November 30, 2022 is ₹224.74 Lakhs

**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**

Our Company satisfies the criteria of Track Record

(₹ in lakhs)

Particulars	November 30, 2022	March 31, 2022	March 31, 2021	March 31, 2020
Earnings before depreciation and tax	82.51	21.82	21.12	8.82

Note: Figures of March 31, 2022, 2021 and 2020 is considered from the Audited Financial Statement of as M/s. Fortune Exports, which is takeover by the company at the time of Incorporation as the terms and condition mentioned in the Agreement date March 29, 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: INE00KG01017

**7. Company shall mandatorily have a website.**

Our Company has a live and operational website: [www.prospectcommodities.com](http://www.prospectcommodities.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.

There has been no change in the promoter/s of the Company in preceding one (1) 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 MANAGER, INTERACTIVE FINANCIAL SERVICES LIMITED HAS CERTIFIED THAT THE DISCLOSURES MADE IN THE DRAFT OFFER DOCUMENT/ OFFER DOCUMENT ARE GENERALLY ADEQUATE AND ARE IN CONFORMITY WITH THE REGULATIONS. THIS REQUIREMENT IS TO FACILITATE INVESTORS TO TAKE AN INFORMED DECISION FOR MAKING INVESTMENT IN THE PROPOSED ISSUE.**

**IT SHOULD ALSO BE CLEARLY UNDERSTOOD THAT WHILE THE ISSUER IS PRIMARILY RESPONSIBLE FOR THE CORRECTNESS, ADEQUACY AND DISCLOSURE OF ALL RELEVANT INFORMATION IN THE DRAFT 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 INTERACTIVE FINANCIAL SERVICES LIMITED HAS FURNISHED TO SEBI A DUE DILIGENCE CERTIFICATE DATED FEBRUARY 25, 2023 IN THE FORMAT PRESCRIBED UNDER SCHEDULE V(A) OF THE SECURITIES AND EXCHANGE BOARD OF INDIA (ISSUE OF CAPITAL AND DISCLOUSER REQUIREMENTS) REGULATIONS, 2018.**

**THE FILING OF THE DRAFT 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 (“BSE SME”)**

"BSE Limited ("BSE") has vide its letter dated February 22, 2023, given permission to “Patron Exim Limited” to use its name in the Offer Document as the Stock Exchange on whose Small and Medium Enterprises Platform (“SME platform”) the Company’s securities are proposed to be listed. BSE has scrutinized this offer document for its limited internal purpose of deciding on the matter of granting the aforesaid permission to the Company. BSE does not in any manner:

- i. warrant, certify or endorse the correctness or completeness of any of the contents of this offer document; or
- ii. warrant that this Company’s securities will be listed on completion of Initial Public Offering or will continue to be listed on BSE; or
- iii. take any responsibility for the financial or other soundness of this Company, its promoters, its management or any scheme or project of this Company.
- iv. warrant, certify or endorse the validity, correctness or reasonableness of the price at which the equity shares are offered by the Company and investors are informed to take the decision to invest in the equity shares of the Company only after making their own independent enquiries, investigation and analysis. The price at which the equity shares are offered by the Company is determined by the Company in consultation with the

Merchant Banker (s) to the issue and the Exchange has no role to play in the same and it should not for any reason be deemed or construed that the contents of this offer document have been cleared or approved by BSE. Every person who desires to apply for or otherwise acquire any securities of this Company may do so pursuant to independent inquiry, investigation and analysis and shall not have any claim against BSE whatsoever by reason of any loss which may be suffered by such person consequent to or in connection with such subscription/acquisition whether by reason of anything stated or omitted to be stated herein or for any other reason whatsoever.

- v. BSE does not in any manner be liable for any direct, indirect, consequential or other losses or damages including loss of profits incurred by any investor or any third party that may arise from any reliance on this offer document or for the reliability, accuracy, completeness, truthfulness or timeliness thereof.

The Company has chosen the SME platform on its own initiative and at its own risk, and is responsible for complying with all local laws, rules, regulations, and other statutory or regulatory requirements stipulated by BSE/other regulatory authority. Any use of the SME platform and the related services are subject to Indian laws and Courts exclusively situated in Mumbai”.

#### **CAUTION- DISCLAIMER FROM OUR COMPANY AND THE LEAD MANAGER**

The Company, and the Lead Manager accept no responsibility for statements made otherwise than in this Prospectus or in the advertisements or any other material issued by or at instance of the issuer and that anyone placing reliance on any other source of information, including our website: [www.prospectcommodities.com](http://www.prospectcommodities.com), [www.ifinservices.in](http://www.ifinservices.in) would be doing so at their own risk.

#### **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 authorized to invest in shares, Indian Mutual Funds registered with SEBI, Indian Financial Institutions, Commercial Banks, Regional Rural Banks, Co-Operative Banks (subject to RBI permission), or Trusts under the applicable trust law and who are authorized under their constitution to hold and invest in shares, any FIIs 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 / Prospectus does not, however, constitute an invitation to subscribe to Equity Shares offered hereby in any other jurisdiction to any person to whom it is unlawful to make an offer or invitation in such jurisdiction. Any person into whose possession the Draft Prospectus/ 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 Draft Prospectus / Prospectus may not be distributed, in any jurisdiction, except in accordance with the legal requirements applicable in such jurisdiction. Neither the delivery of Draft Prospectus / 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, 1993**

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**

In terms of Chapter IX of the SEBI (ICDR) Regulations, 2018, there is requirement of obtaining In-principle approval from SME Platform of BSE Limited, an application is being made to the SME Platform of BSE Limited for obtaining permission to deal in and for an official quotation of our Equity Shares. BSE Limited is the Designated Stock Exchange, with which the Basis of Allotment will be finalized for the issue.

Our company has obtained In-Principle approval from BSE vide letter dated February 22, 2023 to use name of BSE in the Prospectus for listing of equity shares on SME Platform of BSE Limited.

If the permissions to deal in and for an official quotation of our Equity Shares are not granted by the SME Platform of BSE Limited, the Company shall unblock, without interest, all moneys received from the applicants in pursuance of the Prospectus. If any such money is not unblocked within eight (8) days after the issuer becomes liable to unblock it then our Company and every director of the company who is an officer in default shall, on and from the expiry of the eighth (8) day, be jointly and severally liable to unblock that money with interest at the rate of fifteen per cent per annum (15% pa) as prescribed under Section 40 of the Companies Act, 2013.

Our Company shall ensure that all steps for the completion of the necessary formalities for listing and commencement of trading at the SME Platform of BSE Limited mentioned above are taken within six (6) working days from the Issue Closing Date.

#### **IMPERSONATION**

Attention of the Applicants is specifically drawn to the provisions of sub-section (1) of Section 38 of the Companies Act, 2013 which is reproduced below:

*“Any person who –*

- a) makes or abets making of an application in a fictitious name to a company for acquiring, or subscribing for, its securities, or*
- b) makes or abets making of multiple applications to a company in different names or in different combinations of his name or surname for acquiring or subscribing for its securities; or 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 to the Issue, Underwriter, Registrar to the Issue, Market Makers, Bankers to company and Banker to Issue and Sponsor Bank to act in their respective capacities have been obtained.

In accordance with the Companies Act and the SEBI (ICDR) Regulations, 2018:

1. M/s. C.R Sharedalal & Co. Chartered Accountants, have provided their written consent for the inclusion of their report dated December 31, 2022 regarding restated financial statements; and
2. M/s. C.R Sharedalal & Co, Chartered Accountant, have provided their written consent for the inclusion of Statement of Tax Benefits dated January 23, 2023 which may be available to the Company and its shareholders included in this 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.

#### **EXPERT OPINION**

Except for Peer Review Auditors' reports on the restated financial statements and Statement of Tax Benefits; we have not obtained any other expert opinions.

#### **PREVIOUS PUBLIC OR RIGHTS ISSUE**

Company has not made any previous Public or Right issue since Incorporation.

#### **COMMISSION OR BROKERAGE**

We have not made any public issue in last five (5) years. Hence, no sums have been paid or payable as Commission or Brokerage.

#### **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 ₹10 per ASBA Application Form processed by them.

#### **CAPITAL ISSUE DURING THE LAST THREE YEARS BY ISSUER, LISTED GROUP COMPANIES AND SUBSIDIARIES OF OUR COMPANY**

Except as disclosed in Chapter titled "*Capital Structure*" on page 40 and below, our Company has not made any capital issue during the previous three years. Our Company do not have any listed group Companies/ Subsidiaries / Associates.

#### **PERFORMANCE VIS-À-VIS OBJECTS;**

Except as stated in the chapter titled "*Capital Structure*" beginning on page 40 of this Prospectus, we have not made any previous rights and / or public issues during the last five (5) years and are an "Unlisted Issuer" in terms of SEBI (ICDR) Regulations and this Issue is an "Initial Public Offering" in terms of the SEBI (ICDR) Regulations, the relevant data regarding performance vis-à-vis objects is not available with the Company.

None of our Group Companies 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 Interactive Financial Services Ltd, 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.ifinservices.in](http://www.ifinservices.in)

#### **Disclosure of Price Information of Past Issues Handled By Interactive Financial Services Ltd**

Sr.	Issue Name	Issue	Issue Listing	Opening	+/- %	+/- % change	+/- %
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No.		Size (Cr)	Price (₹)	date	price on listing date	change in closing price, +/- % change in closing benchmark]- 30th calendar days from listing	in closing price, +/- % change in benchmark]- 90th calendar days from listing	change in closing price, +/- % change in closing benchmark]- 180th calendar days from listing
1.	Bhatia Colour Chem Limited(BSE SME)	40.00	80	March 24, 2022	40.00	-36.50% (-0.69%)	-40.56% (-8.79%)	-30.00% (+2.68%)
2.	Global Longlife Hospital and Research Ltd (BSE SME)	49.00	140	May 04, 2022	141.10	-40% (+0.27%)	-43.64% (+4.39%)	-47.00% (+9.12%)
3.	Rachana Infrastructure Ltd (NSE EMERGE)	76.28	135	June 10, 2022	138.00	+62.44% (+0.09%)	+250.04% (+8.78%)	+716.59% (+16.17)
4.	Dipna Pharmachem Limited (BSE SME)	15.21	38	September 08, 2022	32.00	-41.05% -2.51%	-44.74% (+4.92%)	NA
5.	Pace E-Commerce Ventures Limited (BSE SME)	66.53	103	October 20, 2022	104.50	-61.99% (+4.16%)	NA	NA

Sources: Share price data is from [www.bseindia.com](http://www.bseindia.com) and [www.nseindia.com](http://www.nseindia.com)

**Note:**

1. The BSE Sensex is considered as the Benchmark Index
2. Prices on BSE /NSE are considered for all of the above calculations
3. In case 30th/90th/180th day are not completed
4. NIFTY50 has considered as the benchmark index of NSE

As per SEBI Circular No. CIR/CFD/DIL/7/2015 dated October 30, 2015, the above table should reflect maximum 10 issues (Initial Public Offers) managed by the lead manager. Hence, disclosures pertaining to recent 10 issues handled by the lead manager are provided.

**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 30thCalendar day from listing date			Nos of IPOs trading at discount on 180thCalendar day from listing date			Nos of IPOs trading at premium on 180thCalendar 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%
2021-22	1	40.00	NA	1	NA	NA	NA	NA	1	NA	NA	NA	NA	
2022-23	4	207.02	1	2	NA	1	NA	NA	1	NA	1	NA	NA	

**Track Record of past issues handled by Interactive Financial Services Limited**

For details regarding track record of the Lead Manager to the Offer as specified in the Circular reference no. CIR/MIRSD/1/2012 dated January 10, 2012 issued by the SEBI, please refer the website of the Lead Manager at: [www.ifinservices.in](http://www.ifinservices.in).

**STOCK MARKET DATA FOR OUR EQUITY SHARES**

This being an Initial Public Offering of the Equity Shares of our Company, the Equity Shares are not listed on any stock exchange.

#### **MECHANISM FOR REDRESSAL OF INVESTOR GRIEVANCES**

All grievances relating to the Offer may be addressed to the Registrar to the Issue, giving full details such as name, address of the applicant, application number, number of Equity Shares applied for, amount paid on application and the bank branch or collection 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](http://www.scores.gov.in).

Our Company has constituted a Stakeholders Relationship Committee of the Board vide resolution passed on February 21, 2022. For further details, please refer the chapter titled "*Our Management*" on page no. 88 of Prospectus.

Our Company has also appointed Bhargavi Pandya as the Company Secretary and Compliance Officer of our company, for this Issue she may be contacted in case of any pre-issue or post-issue related problems at the following address:

#### **PROSPECT COMMODITIES LIMITED**

417, Sun Orbit B/h. Rajpath Club Road, Bodakdev,  
Ahmedabad - 380054, Gujarat, India.

**Tel No:** +91 79-48000696

**Website:** [www.prospectcommodities.com](http://www.prospectcommodities.com)

**E-mail:** [Info@prospectcommodities.com](mailto:Info@prospectcommodities.com)



## **SECTION VIII – ISSUE RELATED INFORMATION**

### **TERMS OF THE ISSUE**

The Equity Shares being Allotted pursuant to this Offer shall be subject to the provisions of the Companies Act, SEBI (ICDR) Regulations, SEBI Listing Regulations, SCRA, SCRR, our Memorandum of Association and Articles of Association, the terms of the Draft Prospectus, the Prospectus, the Abridged Prospectus, Application Form, any Revision Form, the CAN/Allotment Advice and other terms and conditions as may be incorporated in the Allotment Advice and other documents/certificates that may be executed in respect of the Offer. The Equity Shares shall also be subject to laws as applicable, guidelines, rules, notifications and regulations relating to the Issue of capital and listing and trading of securities issued from time to time by SEBI, the Government of India, the Stock Exchange(s), the RBI, ROC and/or other authorities, as in force on the date of the Offer and to the extent applicable or such other conditions as may be prescribed by the SEBI, the RBI, the Government of India, the Stock Exchange(s), the ROC and/or any other authorities while granting its approval for the Offer to the extent applicable.

Please note that, in terms of Regulation 256 of the SEBI ICDR Regulations 2018 read with SEBI Circular No. CIR/CFD/POLICYCELL/11/2015 dated November 10, 2015, all the applicants have to compulsorily apply through the ASBA Process and further in terms of SEBI through its circular no. SEBI/HO/CFD/DIL2/CIR/P/2018/138 dated November 1, 2018, and as modified through its circular SEBI/HO/CFD/DIL2/CIR/P/2019/50 dated April 3, 2019, circular no. SEBI/HO/CFD/DIL2/CIR/P/2019/76 dated June 28, 2019, circular no. SEBI/HO/CFD/DIL2/CIR/P/2019/85 dated July 26, 2019 and circular no. SEBI/HO/CFD/DCR2/CIR/P/2019/133 dated November 8, 2019 (together, the “UPI Circular”) in relation to clarifications on streamlining the process of public issue of equity shares and convertibles it has proposed to introduce an alternate payment mechanism using Unified Payments Interface (“UPI”) and consequent reduction in timelines for listing in a phased manner. Currently, for application by RIIs through Designated Intermediaries, the existing process of physical movement of forms from Designated Intermediaries to SCSBs for blocking of funds is discontinued and RIIs submitting their Application Forms through Designated Intermediaries (other than SCSBs) can only use the UPI mechanism with existing timeline of T+6 days until March 31, 2020 (“UPI Phase II”). Further SEBI through its circular no SEBI/HO/CFD/DIL2/CIR/P/2020/50 dated March 30, 2020 has decided to continue with the Phase II of the UPI ASBA till further notice.

Further vide the said circular Registrar to the Issue and Depository Participants have been also authorized to collect the Application forms. Investor may visit the official website of the concerned for any information on operationalization of this facility of form collection by the Registrar to the Issue and Depository Participants as and when the same is made available.

#### **Ranking of Equity Shares**

The Equity Shares being issued shall be subject to the provisions of the Companies Act 2013, our Memorandum and Articles of Association shall rank Pari-passu in all respects with the existing Equity Shares including in respect of the rights to receive dividends and other corporate benefits, if any, declared by us after the date of Allotment. For further details, please see the section titled "Main Provisions of the Articles of Association of our Company" beginning on page 179 of this Prospectus.

#### **Authority for the Present Issue**

The Issue has been authorized by the Board of Directors vide a resolution passed at its meeting held on January 04, 2023 and approved by the shareholders of our Company vide a special resolution at the Extra Ordinary General Meeting held on January 05, 2023 pursuant to section 62(1)(c) of the Companies Act.

#### **Mode of Payment of Dividend**

The declaration and payment of dividend will be as per the provisions of Companies Act, the Articles of Association, the provision of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 and any other rules, regulations or guidelines as may be issued by the Government of India in connection thereto and as per the recommendation by the Board of Directors and approved by the Shareholders at their discretion and will depend on a number of factors, including but not limited to earnings, capital requirements and overall financial condition of our Company. We shall pay dividends in cash and as per provisions of the Companies Act and our Articles of Association. Further Interim Dividend (if any declared) will be approved by the Board of

Directors. For further details, please refer to section titled "*Dividend Policy*" and "Main Provisions of Article of Association" beginning on page no 100 and 179 respectively of this Prospectus.

### **Face Value and Issue Price**

The face value of the Equity Shares is ₹ 10 each and the Issue Price is ₹ 61 per Equity Share.

The Issue Price is determined by our Company in consultation with the Lead Manager and is justified under the section titled "Basis for Issue Price" beginning on page 56 of the Prospectus. At any given point of time there shall be only one denomination for the Equity Shares. At any given point of time there shall be only one (1) denomination of Equity Shares of our Company, subject to applicable law.

### **Compliance with SEBI (ICDR) Regulations, 2018**

Our Company shall comply with all requirements of the SEBI (ICDR) Regulations, 2018. Our Company shall comply with all disclosure and accounting norms as specified by SEBI from time to time.

### **Rights of the Equity Shareholders**

Subject to applicable laws, rules, regulations and guidelines and the Articles of Association, the Equity shareholders shall have the following rights:

- Right to receive dividend, if declared;
- Right to receive Annual Reports and notices to members;
- Right to attend general meetings and exercise voting rights, unless prohibited by law;
- Right to vote on a poll either in person or by proxy;
- 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 other preferential claim being satisfied;
- Right of free transferability subject to applicable law, including any RBI rules and regulations; and such other rights, as may be available to a shareholder of a listed public limited company under the Companies Act, 2013, the terms of the SEBI Listing Regulations, and the Memorandum and Articles of Association of our Company.

For a detailed description of the main provisions of the Articles of Association relating to voting rights, dividend, forfeiture and lien and/or consolidation/splitting, please refer to the section titled "Main Provisions of Articles of Association" beginning on page 179 of the Prospectus.

### **Minimum Application Value; Market Lot and Trading Lot**

The trading of the Equity Shares will happen in the minimum contract size of 2,000 Equity Shares and the same may be modified by SME Platform of BSE from time to time by giving prior notice to investors at large. Allocation and allotment of Equity Shares through this Offer will be done in multiples of 2,000 Equity Share subject to a minimum allotment of 2,000 Equity Shares to the successful applicants in terms of the SEBI circular No. CIR/MRD/DSA/06/2012 dated February 21, 2012.

In accordance with Regulation 267(2) of the SEBI (ICDR) Regulations 2018 the minimum application size in terms of number of specified securities shall not be less than Rupees One Lakh per application.

### **Minimum Number of Allottees**

In accordance with Regulation 268 (1) of SEBI (ICDR) Regulations, the minimum number of allottees in this Offer shall be 50 shareholders. In case the minimum number of prospective allottees is less than 50, no allotment will be made pursuant to this Issue and the monies collected shall be refunded within four (4) Working days of closure of Issue. In case of delay, if any, in unblocking the ASBA Accounts within such timeline as prescribed under applicable laws, our Company shall be liable to pay interest on the application money in accordance with applicable laws.

### **Jurisdiction**

Exclusive jurisdiction for the purpose of this Issue is with the competent courts/authorities in Ahmedabad.

### **Joint Holders**

Where two or more persons are registered as the holders of any Equity Shares, they will be deemed to hold such Equity Shares as joint-holders with benefits of survivorship.

**The Equity Shares have not been and will not be registered under the U.S Securities Act or any other applicable law of the United States and, unless so registered, may not be offered or sold within the United States, except pursuant to an exemption from, or in a transaction not subject to, the registration requirements of the U.S Securities Act and applicable state securities laws. Accordingly, the Equity Shares are only being offered and sold (i) within the United States only to persons reasonably believed to be “qualified institutional buyers” (as defined in Rule 144A under the U.S Securities Act and referred to in this Prospectus as “U.S. QIBs”, for the avoidance of doubt, the term U.S. QIBs does not refer to a category of institutional investor defined under applicable Indian regulations and referred to in this Prospectus as “QIBs”) in transactions exempt from, or not subject to, the registration requirements of the U.S Securities Act, and (ii) outside the United States in offshore transactions in reliance on Regulation S under the U.S Securities Act and the applicable laws of the jurisdiction where those offers and sales occur.**

**The Equity Shares have not been and will not be registered, listed or otherwise qualified in any other jurisdiction outside India and may not be offered or sold, and Applications may not be made by persons in any such jurisdiction, except in compliance with the applicable laws of such jurisdiction.**

### **Nomination Facility to Investor**

In accordance with Section 72 (1) & 72 (2) of the Companies Act, 2013, the sole or first applicant, along with other joint applicant, may nominate any one person in whom, in the event of the death of sole applicant or in case of Joint Applicants, death of all the Applicants, as the case may be, the Equity Shares allotted, if any, shall vest. A person, being a nominee, entitled to the Equity Shares by reason of the death of the original holder(s), shall in accordance with Section 72 (3) 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 accordance to Section 72 (4) of the Companies Act, 2013, any person to become entitled to Equity Share(s) in the event of his or her death during the minority. A nomination shall stand rescinded upon a sale/transfer/alienation of equity share(s) by the person nominating. A buyer will be entitled to make a fresh nomination in the manner prescribed. Fresh nomination can be made only on the prescribed form available on request at the Registered Office of our Company or to the Registrar and Transfer Agents of our Company.

In accordance with Articles of Association of the Company, any Person who becomes a nominee by virtue of Section 72 of the Companies Act, 2013, shall upon the production of such evidence as may be required by the Board, elect either:

- (a) to register himself or herself as the holder of the Equity Shares; or
- (b) to make such transfer of the Equity Shares, as the deceased holder could have made.

Further, the Board may at any time give notice requiring any nominee to choose either to be registered himself or herself or to transfer the Equity Shares, and if the notice is not complied with within a period of ninety days, the Board may thereafter withhold payment of all dividends, bonuses or other moneys payable in respect of the Equity Shares, until the requirements of the notice have been complied with.

Since the allotment of Equity Shares is in dematerialized form, there is no need to make a separate nomination with us. Nominations registered with the respective depository participant of the applicant would prevail. If the investors require changing the nomination, they are requested to inform their respective depository participant.

### **Period of Operation of Subscription List of Public Offer**

ISSUE OPENS ON	March 08, 2023 (Wednesday)
ISSUE CLOSES ON	March 10, 2023 (Friday)

- *In terms of Regulation 265 of ICDR Regulations, the issue shall be open after at least three (3) working days from the date of filing the Prospectus with the Registrar of Companies.*
- *In terms of Regulation 266(3) of ICDR Regulations, in case of force majeure, banking strike or similar circumstances, our Company may, for reasons to be recorded in writing, extend the Issue Period disclosed in the Prospectus, for a minimum period of three (3) working days, subject to the provisions of sub-regulation 266(1).*

In terms of the UPI Circulars, in relation to the Issue, the Lead Manager will submit reports of compliance with T+6 listing timelines and activities, identifying non-adherence to timelines and processes and an analysis of entities responsible for the delay and the reasons associated with it. In case of any delay in unblocking of amounts in the ASBA Accounts (including amounts blocked through the UPI Mechanism) exceeding Four (4) Working Days from the Offer Closing Date, the Issuer shall be compensated at a uniform rate of ₹100 per day for the entire duration of delay exceeding Four (4) Working Days from the Bid/Offer Closing Date by the intermediary responsible for causing such delay in unblocking. The Lead Manager shall, in their sole discretion, identify and fix the liability on such intermediary or entity responsible for such delay in unblocking. SEBI is in the process of streamlining and reducing the post issue timeline for IPOs. Any circulars or notifications from SEBI after the date of this Prospectus may result in changes to the above-mentioned timelines. Further, the offer procedure is subject to change basis any revised SEBI circulars to this effect.

In case of

- any delay in unblocking of amounts in the ASBA Accounts (including amounts blocked through the UPI Mechanism) for cancelled/ withdrawn/ deleted ASBA Forms, the Applicant shall be compensated at a uniform rate of ₹ 100 per day or 15% per annum of the Application Amount, whichever is higher from the date on which the request for cancellation/ withdrawal/ deletion is placed in the Stock Exchanges Applying platform until the date on which the amounts are unblocked.
- 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;
- 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;
- 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 LM 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.

SEBI is in the process of streamlining and reducing the post issue timeline for IPOs. Any further notification from the SEBI after filing of this Prospectus may result in changes in the timelines.

#### **Submission of Application Forms:**

Issue period (except the Issue Closing Date)	
Submission and Revision of Application Form	Only between 10.00 a.m. and 5.00 p.m. IST
Issue Closing Date	
Submission and Revision of Application Form	Only between 10.00 a.m. and 3.00 p.m. IST

*On the Issue Closing Date, for uploading the Application Forms:*

1. 4.00 p.m. IST in case of application by QIBs and Non – Institutional Investors and

2. until 5.00 p.m. IST or such extended time as permitted by the Stock Exchanges, in case of Retail Individual Investors which may be extended up to such time as deemed fit by the Stock Exchanges after taking into account the total number of applications received up to the closure of timings and reported by BRLMs to the Stock Exchanges.

Due to limitation of time available for uploading the application forms on the Issue Closing Date, Applicants are advised to submit their applications one (1) day prior to the Issue Closing Date and, in any case, not later than 03.00 p.m. (IST) on the Issue Closing Date. Any time mentioned in this Prospectus is IST. Applicants are cautioned that, in the event a large number of Application Forms are received on the Issue Closing Date, as is typically experienced in public issues, some Application Forms may not get uploaded due to the lack of sufficient time. Such Application Forms that cannot be uploaded will not be considered for allocation under this Issue.

Applications will be accepted only on Working Days, i.e., Monday to Friday (excluding any public holidays). Neither our Company nor the LM is liable for any failure in uploading the Application Forms due to faults in any software/hardware system or otherwise.

**It is clarified that applications not uploaded on the electronic bidding system or in respect of which the full application Amount is not blocked by SCSBs or under the UPI Mechanism, as the case may be, would be rejected.**

In case of force majeure, banking strike or similar circumstances, the issuer may, for reasons to be recorded in writing, extend the (Issue) period disclosed in the prospectus, for a minimum period of three (3) working days, subject to the Issue Period not exceeding ten (10) working days.

In accordance with SEBI (ICDR) Regulations, 2018, 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 SME Platform of BSE may be taken as the final data for the purpose of Allotment.

#### **Minimum Subscription**

This Issue is not restricted to any minimum subscription level. This Issue is 100% underwritten as per Regulation 260(1) of SEBI ICDR Regulation.

If the issuer does not receive the subscription of hundred per cent (100%) of the offer through Prospectus on the date of closure of the issue including devolvement of underwriters, if any, or if the subscription level falls below hundred per cent (100%) after the closure of issue on account of withdrawal of applications, or after technical rejections, or if the listing or trading permission is not obtained from the stock exchange for the securities so offered under the Prospectus, the issuer shall forthwith refund the entire subscription amount received. If there is a delay beyond Four (4) Working Days after the issuer becomes liable to pay the amount, the issuer and every director of the issuer who are officers in default, shall pay interest at the rate of fifteen per cent per annum (15% p.a).

The minimum number of allottees in this Issue shall be 50 shareholders. In case the minimum number of prospective allottees is less than 50, no allotment will be made pursuant to this Issue and the monies blocked by the SCSBs shall be unblocked within 4 working days of closure of issue.

#### **Arrangements for Disposal of Odd Lots**

The trading of the equity shares will happen in the minimum contract size of 2,000 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.

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

Our Company in consultation with the Lead Manager, reserve the right to not to proceed with the Issue after the Issue Opening Date but before the Allotment. In such an event, our Company would issue a public notice in the newspapers in which the pre-Issue advertisements were published, within two days of the Issue Closing Date or such other time as may be prescribed by SEBI, providing reasons for not proceeding with the Issue. The Lead Manager through, the Registrar to the Issue, shall notify the SCSBs or the Sponsor Bank to unblock the bank accounts of the ASBA Bidders within one Working Day from the date of receipt of such notification. Our Company shall also inform the same to the Stock Exchange on which Equity Shares are proposed to be listed. If the Issue is withdrawn after the designated Date, amounts that have been credited to the public Issue Account shall be transferred to the Refund Account.

Notwithstanding the foregoing, this Issue is also subject to obtaining (i) the final listing and trading approvals of the Stock Exchange, which our Company shall apply for after Allotment, and (ii) the final RoC approval of the Prospectus after it is registered with the RoC. If our Company withdraws the Issue after the Issue Closing Date and thereafter determines that it will proceed with an issue, our Company shall file a fresh Prospectus.

#### **Restrictions, if any on Transfer and Transmission of Equity Shares**

Except for lock-in of the pre-Issue Equity Shares and Promoters' minimum contribution in the Issue as detailed in the chapter "Capital Structure" beginning on page 40 of the Prospectus, and except as provided in the Articles of Association, there are no restrictions on transfers of Equity Shares. There are no restrictions on transmission of shares and on their consolidation / splitting except as provided in the Articles of Association. For details, please refer to the section titled "Main Provisions of the Articles of Association" beginning on page 179 of the Prospectus.

#### **Migration to Main Board**

As per the provisions of the Chapter IX of the SEBI (ICDR) Regulation, 2018, our Company may migrate to the main board of BSE from the SME Exchange on a later date subject to the following:

- a) If the Paid-up Capital of our 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 Promoters in favor 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), our Company shall apply to BSE for listing of its shares on its Main Board subject to the fulfilment of the eligibility criteria for listing of specified securities laid down by the Main Board.

**OR**

- b) If the Paid-up Capital of our company is more than ₹ 10 crores and the capitalization of our equity is more than ₹25 crores and our company have been listed on SME Platform for at least two years, our Company 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 Promoters in favor of the proposal amount to at least two times the number of votes cast by shareholders other than promoter shareholders against the proposal.

#### **Market Making**

The shares offered though this issue are proposed to be listed on the SME Platform of BSE Limited (SME Exchange), wherein the Lead Manager to this Issue shall ensure compulsory Market Making through the registered Market Makers of the SME Platform of BSE Limited for a minimum period of three years from the date of listing of shares offered though this Prospectus.

For further details of the agreement entered into between the Company, the Lead Manager and the Market Maker please see "General Information" beginning on page 32 of the Prospectus.

#### **New Financial Instruments**

As on the date of this Prospectus, there are no outstanding warrants, new financial instruments or any rights, which would entitle the shareholders of our Company, including our Promoters, to acquire or receive any Equity Shares after the Issue. Further, our Company is not issuing any new financial instruments through this Issue.

#### **Allotment of Equity Shares in Dematerialized Form**

In terms of Section 29 of the Companies Act 2013, the Equity Shares shall be Allotted only in dematerialised form. As per the existing SEBI (ICDR) Regulations, 2018 the trading of the Equity Shares shall only be in dematerialised form for all investors.

In this context, two agreements will be signed by our Company with the respective Depositories and the Registrar to the Issue before filing the Prospectus:

- Tripartite agreement dated January 19, 2023 among CDSL, our Company and the Registrar to the Issue; and
- Tripartite agreement dated January 23, 2023 among NSDL, our Company and the Registrar to the Issue

Investors should note that Allotment of Equity Shares to all successful Applicants will only be in the dematerialized form. Applicants will not have the option of getting Allotment of the Equity Shares in physical form. The Equity Shares on Allotment shall be traded only in the dematerialized segment of the Stock Exchanges. Allottees shall have the option to re-materialize the Equity Shares, if they so desire, as per the provision of the Companies Act and the Depositories Act.

#### **Application by Eligible NRIs, FIIs registered with SEBI, VCFs registered with SEBI and QFIs**

It is to be understood that there is no reservation for Eligible NRIs or FIIs registered with SEBI or VCFs or QFIs. Such Eligible NRIs, QFIs, FIIs 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, FIIs 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.

## ISSUE STRUCTURE

This Issue is being made in terms of Regulation 229(1) of Chapter IX of SEBI (ICDR) Regulations, 2018, as amended from time to time, whereby, an issuer whose post issue paid up capital is less than or equal to ten 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 142 and 151 respectively of this Prospectus.

Public Issue of 12,26,000 Equity Shares of Face Value of ₹ 10.00/- each fully paid (The "Equity Shares") for cash at a price of ₹ 61.00/- per Equity Shares (including a premium of ₹ 51/- per equity share) aggregating to ₹ 747.86 lacs ("the Issue") by our Company.

Particulars	Net Issue to Public	Market Maker reservation portion
Number of Equity Shares	11,64,000* Equity Shares	62,000 Equity Shares
Percentage of Issue Size available for allocation	94.94% of the Issue Size. 28.46% of the Post Issue Paid up capital	5.06 % of the Issue Size 1.52 % of the Post Issue Paid up capital
Basis of Allotment/ Allocation if respective category is oversubscribed	Proportionate subject to minimum allotment of 2000 Equity Shares and Further allotment in multiples of 2000 Equity Shares each. For further details, please refer to the section titled " <i>Issue Procedure</i> " on page 151 of this 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	<b><u>For OIB and NI:</u></b> Such number of Equity Shares in multiples of 2,000 Equity Shares such that the Application Value exceeds ₹ 2,00,000. <b><u>For Retail Individuals:</u></b> Such number of equity shares where application size is of at least 2,000 Equity Shares.	62,000 Equity Shares
Maximum Bid	<b><u>For OIB and NI:</u></b> Such number of Equity Shares in multiples of 2,000 Equity Shares such that the Application Size does not exceed 11,64,000 Equity Shares subject to adhere under the relevant laws and regulations as applicable. <b><u>For Retail Individuals:</u></b> Such number of Equity Shares so that the Application Value does not exceed ₹ 2,00,000	62,000 Equity Shares
Mode of Allotment	Compulsorily in dematerialized mode	Compulsorily in dematerialized mode
Trading Lot	2,000 Equity Shares	2,000 Equity Shares, However the Market Maker may accept odd lots if any in the market as required under the SEBI (ICDR) Regulations, 2018.
Terms of payment	In case of ASBA, the entire application amount shall be blocked at the time of	



Particulars	Net Issue to Public	Market Maker reservation portion
	submission of Application Form to the SCSBs and in case of UPI as an alternate mechanism, application amount shall be blocked at the confirmation of mandate collection request by the Applicant.	

*\*50 % of the shares offered in the Net Issue to Public portion are reserved for applications whose value is below ₹2,00,000 and the balance 50% of the shares are available for applications whose value is above ₹2,00,000.*

**Note:**

- 1. In case of joint application, the Application Form should contain only the name of First Applicant whose name should also appear as the first holder of beneficiary account held in joint names. The signature of only such First Applicant would be Required in the Application Form and such First Applicant would be deemed to have signed on behalf of joint holders.*
- 2. Applicants will be required to confirm and will be deemed to have represented to our Company, the LM, their respective directors, officers, agents, affiliates and representatives that they are eligible under applicable laws, rules, regulations, guidelines and approvals to acquire the Equity Shares in this Issue.*
- 3. SCSBs applying in the Issue must apply through an ASBA Account maintained with any other SCSB.*

This Issue is being made in terms of Chapter IX of the SEBI (ICDR) Regulations, 2018. For further details, please refer chapter titled “Issue Procedure” beginning on page 151 of this 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 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 Prospectus.

Pursuant to the SEBI ICDR Regulations, 2018 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 offerings (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 offer is being made under Chapter IX of SEBI (Issue of Capital and Disclosure Requirements) Regulations, 2018 through a Fixed Price Process. Wherein a minimum 50% of the Net Issue is allocated for Retail Individual Applicants and the balance shall be offered to individual applicants other than Retail Individual Applicants and other investors including corporate bodies or institutions, QIBs and Non-Institutional Applicants. However, if the aggregate demand from the Retail Individual Applicants is less than 50%, then the balance Equity Shares in that portion will be added to the non-retail portion offered to the remaining investors including QIBs and NIIs and vice-versa subject to valid Applications being received from them at or above the Issue Price.

Additionally, if the Retail Individual Applicants category is entitled to more than fifty per cent on proportionate basis, the Retail Individual Applicants shall be allocated that higher percentage. However, the Application by an Applicant should not exceed the investment limits prescribed under the relevant regulations/statutory guidelines.

Subject to the valid Applications being received at the Issue Price, allocation to all categories in the Net Issue, shall be made on a proportionate basis, except for the Retail Portion where Allotment to each Retail Individual Applicants shall not be less than the minimum lot, subject to availability of Equity Shares in Retail Portion, and the remaining available Equity Shares, if any, shall be allotted on a proportionate basis. Under subscription if any, in any category, except in the QIB Portion, would be allowed to be met with spill over from any other category or a combination of categories at the discretion of our Company in consultation with the LM and the Stock Exchange are required to submit their Applications to the Application Collecting Intermediaries i.e. SCSB or Registered Brokers of Stock Exchanges or Registrar to the Issue and Share Transfer Agents (RTAs) or Depository Participants (DPs) registered with SEBI. In case of QIB Applicants, the Company in consultation with the Lead Manager may reject Applications at the time of acceptance of Application Form provided that the reasons for such rejection shall be provided to such Applicant in writing.

In case of Non-Institutional Applicants and Retail Individual Applicants, the Company would have a right to reject the Applications only on technical grounds. In case DP ID, Client ID and PAN mentioned in the Application Form and entered into the electronic system of the stock exchange, do not match with the DP ID, Client ID and PAN available in the depository database, the application is liable to be rejected.

**Investors should note that Equity Shares will be allotted to successful Applicants in dematerialized form only. The Equity Shares on Allotment shall be traded only in the dematerialize segment of the Stock Exchange, as mandated by SEBI. Applicants will not have the option of getting allotment of the Equity Shares in physical form.** However, the Investors may get the Equity Shares rematerialized subsequent to the allotment.

#### **Availability of 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:

<b>Category</b>	<b>Colour of Application Form</b>
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](http://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 Stock Exchanges. Subsequently, for ASBA Forms (other than RIIs using UPI mechanism) Designated Intermediaries (other than SCSBs) shall submit/deliver the Application Form (except the Application Form from a RIIs using the UPI mechanism) to the respective SCSBs, where the Applicant has a bank account and shall not submit it to any non-SCSB bank or any Escrow Bank. For RIIs using UPI mechanism, the Stock Exchanges shall share the Application details (including UPI ID) with the Sponsor Bank on a continuous basis to enable the Sponsor Bank to initiate UPI Mandate Request to RIIs for blocking of funds.

#### **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:

<b>For Applications submitted by investors to SCSB:</b>	After accepting the form, SCSB shall capture and upload the relevant details in the electronic bidding system as specified by the stock exchanges(s) and may by blocking funds available in the bank account specified in the form, to the extent of the application money specified.
<b>For Applications submitted by investors to intermediaries other than SCSBs without use of UPI for payment:</b>	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.
<b>For applications submitted by investors to intermediaries other than SCSBs with use of UPI for payment:</b>	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 policies 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 Prospectus as “U.S. QIBs”, for the avoidance of doubt, the term U.S. QIBs does not refer to a category of institutional investor defined under applicable Indian regulations and referred to in this Prospectus as “QIBs”) in transactions exempt from, or not subject to, the registration requirements of the U.S Securities Act, and (ii) outside the United States in offshore transactions in reliance on 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 offered to the public.

#### **Application by Eligible NRIs/FII's on Repatriation Basis**

Eligible NRIs may obtain copies of Application Form from the Designated Intermediaries. Eligible NRI Applicants applying on a repatriation basis by using the Non-Resident Forms should authorize their SCSB to block their Non-Resident External ("NRE") accounts, or Foreign Currency Non-Resident ("FCNR") ASBA Accounts, and eligible NRI Applicants applying on a non-repatriation basis by using Resident Forms should authorize their SCSB to block their Non-Resident Ordinary ("NRO") accounts for the full Application Amount, at the time of the submission of the Application Form.

Eligible NRIs applying on a repatriation basis are advised to use the Application Form meant for Non-Residents (blue in colour).

Eligible NRIs applying on non-repatriation basis are advised to use the Application Form for residents (white in colour).

Pursuant to the provisions of the FEMA regulations, investments by NRIs under the Portfolio Investment Scheme ("PIS") is subject to certain limits, i.e., 10.00% of the paid-up equity share capital of the company. Such limit for NRI investment under the PIS route can be increased by passing a board resolution, followed by a special resolution by the shareholders, subject to prior intimation to the RBI. Our Company has not passed any resolution to increase this limit and hence investments by NRIs under the PIS will be subject to a limit of 10% of the paid-up equity capital of the Company.

#### **Application by FPIs**

In terms of the FPI Regulations, the issue of Equity Shares to a single FPI or an investor group (which means the same set of ultimate beneficial owner(s) investing through multiple entities) is not permitted to exceed 10% of our post- Issue Equity Share capital. Further, in terms of the FEMA Regulations, the total holding by each

FPI shall be below 10% of the total paid-up Equity Share capital of our Company and the total holdings of all FPIs put together shall not exceed 24% of the paid-up Equity Share capital of our Company. The aggregate limit of 24% may be increased 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 offering.

Category I and II AIFs cannot invest more than 25% of their corpus in one (1) investee company. A category III AIF cannot invest more than 10% of their investible funds in one (1) investee company. A venture capital fund registered as a category I AIF, as defined in SEBI AIF Regulations, cannot invest more than 1/3<sup>rd</sup> of its corpus by way of subscription to an initial public offering of a venture capital undertaking. Additionally, the VCFs which have not re-registered as an AIF under SEBI AIF Regulations shall continue to be regulated by SEBI VCF Regulations until the existing fund or scheme managed by the fund is wound up and such funds shall not launch any new scheme after the notification of SEBI AIF Regulations.

Further, according to SEBI ICDR Regulations, the shareholding of VCFs and category I AIFs or FVCI held in a company prior to making an initial public offering would be exempt from lock-in requirements provided that such equity shares held are locked in for a period of at least one (1) year from the date of purchase by such VCF or category I AIFs or FVCI.

All non-resident investors should note that refunds (in case of Anchor Investors), dividends and other distributions, if any, will be payable in Indian Rupees only and net of bank charges and commission. Our Company or the LM will not be responsible for loss, if any, incurred by the Applicant on account of conversion of foreign currency. There is no reservation for Eligible NRIs, FPIs and FVCIs and all Applicants will be treated on the same basis with other categories for the purpose of allocation.

#### **Application by provident funds/ pension funds**



In case of Applications made by provident funds/pension funds, subject to applicable laws, with minimum corpus of ₹ 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 ₹ 2500 Lakhs (subject to applicable law) and pension funds with a minimum corpus of ₹ 2500 Lakhs, a certified copy of a certificate from a chartered accountant certifying the corpus of the provident fund/pension fund must be lodged along with the 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 2,000 Equity Shares and in multiples of 2,000 Equity Shares thereafter, so as to ensure that the Application Price payable by the Applicant does not exceed ₹ 2,00,000. In case of revision of Applications, the Retail Individual Investors have to ensure that the Application Price does not exceed ₹ 2,00,000.

##### **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 ₹ 2,00,000 and in multiples of 2,000 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 ₹ 2,00,000 for being considered for allocation in the Non-Institutional Portion.

**Applicants are advised to ensure that any single Application from them does not exceed the investment limits or maximum number of Equity Shares that can be held by them under applicable law or regulation or as specified in this Prospectus.**

**The above information is given for the benefit of the Applicants. The Company and the LM are not liable for any amendments or modification or changes in applicable laws or regulations, which may occur after the date of this 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 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 ₹61 per share is payable on application. In case of allotment of lesser number of Equity Shares than the number applied, the Registrar shall instruct the SCSBs to unblock the excess amount paid on Application to the Applicants. SCSBs will transfer the amount as per the instruction of the Registrar to the Public Issue Account, the balance amount after transfer will be unblocked by the SCSBs. The Applicants should note that the arrangement with Bankers to the Issue or the Registrar is not prescribed by SEBI and has been established as an arrangement between our Company, Banker to the Issue and the Registrar to the Issue to facilitate collections from the Applicants.

### **Payment Mechanism**

The Applicants shall specify the bank account number in their Application Form and the SCSBs shall block an amount equivalent to the bid Amount (issue price) in the bank account specified in the Application Form. The SCSB shall keep the bid Amount in the relevant bank account blocked until withdrawal/ rejection of the Application or receipt of instructions from the Registrar to unblock the bid Amount. However, Non-Retail Investors shall neither withdraw nor lower the size of their applications at any stage. In the event of withdrawal or rejection of the Application Form or for unsuccessful Application Forms, the Registrar to the Issue shall give instructions to the SCSBs to unblock the application money in the relevant bank account within one day of receipt of such instruction. The Bid Amount shall remain blocked in the ASBA Account until finalization of the Basis of Allotment in the Issue and consequent transfer of the Bid Amount to the Public Issue Account, or until withdrawal/ failure of the Issue or until rejection of the Bid by the ASBA Bidder, as the case may be.

### **PROCEDURE FOR UNIFIED PAYMENT INTERFACE (UPI)**

**In accordance to the SEBI Circular no. SEBI/HO/CFD/DIL2/CIR/P/2019/76 dated June 28, 2019, to stream line the process of public issue of Equity Shares and convertibles, Phase II shall become effective from July 01, 2019, thereafter for applications by Retail Individual Investors through intermediaries,**

**where the existing process of investor submitting application form with any intermediaries along with bank account details and movement of such application forms from intermediaries to self-certified Syndicate Banks (SCSBs) for blocking of funds, will be discontinued. For such applications only the UPI mechanism would be permissible mode.**

**Who can apply through UPI Mode:**

Only Retail Individual Investors are allowed to use UPI for the payment in public issues. Qualified Institutional Buyers and High-Net worth Investors shall continue to apply as per the existing process.

**Process**

**Applications through UPI in IPOs (Public Issue) can be made only through the SCSBs/mobile applications whose name appears on the SEBI website: [www.sebi.gov.in](http://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 Stock Exchanges. There will be at least one on-line connectivity facility in each city, where a stock exchange is located in India and where Applications are being accepted. The Lead Manager, our Company and the Registrar are not responsible for any acts, mistakes or errors or omission and commissions in relation to, (i) the Applications accepted by the Designated Intermediary, (ii) the Applications uploaded by the Designated Intermediary, (iii) the Applications accepted but not uploaded by the Designated Intermediary or (iv) Applications accepted and uploaded without blocking funds.
2. The Designated Intermediary shall be responsible for any acts, mistakes or errors or omission and commissions in relation to, (i) the Applications accepted by the Designated Intermediary, (ii) the Applications uploaded by the Designated Intermediary, (iii) the Applications accepted but not uploaded by the Designated Intermediary and (iv) Applications accepted and uploaded without blocking funds. It shall be presumed that for Applications uploaded by the Designated Intermediary, the full Application Amount has been blocked.
3. In case of apparent data entry error either by the Designated Intermediary in entering the Application Form number in their respective schedules other things remaining unchanged, the Application Form may be considered as valid and such exceptions may be recorded in minutes of the meeting submitted to Stock Exchange(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. The Stock Exchanges will offer an electronic facility for registering Applications for the Issue. This facility will be available with the Designated Intermediary and their authorized agents during the Issue Period. The Designated Branches or the Agents of the Designated Intermediary can also set up facilities for off-line electronic registration of Applications subject to the condition that they will subsequently upload the off-line data file into the on-line facilities on a regular basis. On the Issue Closing Date, the Designated Intermediary shall upload the Applications till such time as may be permitted by the Stock Exchanges. This information will be available with the Lead Manager on a regular basis. Applicants are cautioned that a high inflow of high volumes on the last day of the Issue Period may lead to some Applications received on the last day not being uploaded and such Applications will not be considered for allocation.
6. At the time of registering each Application submitted by an Applicant, Designated Intermediary shall enter the following details of the investor in the on-line system, as applicable:
  1. Name of the Applicant;
  2. IPO Name;
  3. Application Form number;
  4. Investor Category;
  5. PAN (of First Applicant, if more than one Applicant);
  6. DP ID of the demat account of the Applicant;
  7. Client Identification Number of the demat account of the Applicant;
  8. UPI ID (RIIs applying through UPI Mechanism)
  9. Numbers of Equity Shares Applied for;

10. Location of the Banker to the Issue or Designated Branch, as applicable, and bank code of the SCSB branch where the ASBA Account is maintained; and
  11. Bank account number
  12. In case of submission of the Application by an Applicant through the Electronic Mode, the Applicant shall complete the above-mentioned details and mention the bank account number, except the Electronic Application Form number which shall be system generated.
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 Stock Exchanges to use their network and software of the Online IPO system should not in any way be deemed or construed to mean that the compliance with various statutory and other requirements by our Company and/or the Lead Manager are cleared or approved by the Stock Exchanges; nor does it in any manner warrant, certify or endorse the correctness or completeness of any of the compliance with the statutory and other requirements nor does it take any responsibility for the financial or other soundness of our Company, our Promoter, our management or any scheme or project of our Company; nor does it in any manner warrant, certify or endorse the correctness or completeness of any of the contents of this Prospectus; nor does it warrant that the Equity Shares will be listed or will continue to be listed on the Stock Exchanges.
  11. Only Applications that are uploaded on the online IPO system of the Stock Exchanges shall be considered for allocation/Allotment. The Designated Intermediary will be given time till 1.00 p.m. on the next working day after the Issue Closing Date to verify the PAN, DP ID and Client ID uploaded in the online IPO system during the Issue Period, after which the Registrar will receive this data from the Stock Exchanges and will validate the electronic Application details with depository's records. In case no corresponding record is available with depositories, which matches the three parameters, namely DP ID, Client ID and PAN, then such Applications are liable to be rejected.

#### **Withdrawal of Applications**

RIIs can withdraw their applications until Issue Closing Date. In case a 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. 32 of this Prospectus.

#### **Filing of the Offer Document with the ROC**

For filing details, please refer Chapter titled "General Information" beginning on page 32 of this 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 immediately on allotment of securities under Section 56 of the Companies Act, 2013 or other applicable provisions, if any.

#### **Issuance of Confirmation Allocation Note ("CAN")**

- a) A physical book is prepared by the Registrar on the basis of the Application Forms received from Investors. Based on the physical book and at the discretion of the Company in consultation with the LM, selected Investors will be sent a CAN and if required, a revised CAN.
- b) In the event that the Offer Price is higher than the Investor Allocation Price: Investors will be sent a revised CAN within 1 (one) day of the Pricing Date indicating the number of Equity Shares allocated to such Investor and the pay-in date for payment of the balance amount. Investors are then required to pay any additional amounts, being the difference between the Offer Price and the Investor Allocation Price, as indicated in the revised CAN within the pay-in date referred to in the revised CAN. Thereafter, the Allotment Advice will be issued to such Investors.
- c) In the event the Offer Price is lower than the Investor Allocation Price: Investors who have been Allotted Equity Shares will directly receive Allotment Advice.

#### **Designated Date**

On the Designated date, the SCSBs shall transfers the funds represented by allocations of the Equity Shares into Public Issue Account with the Bankers to the Issue.

#### **General Instructions**



Applicants are requested to note the additional instructions provided below.

**Do's:**

1. Check if you are eligible to apply as per the terms of the Prospectus and under applicable law, rules, regulations, guidelines and approvals;
2. Read all the instructions carefully and complete the Application Form;
3. Ensure that the details about the PAN, 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 BRLM or the Registrar to the Issue (assuming that the Registrar to the Issue is not one of the RTAs) or any non-SCSB bank;
6. Do not apply on an Application Form that does not have the stamp of the Designated Intermediary;
7. If you are a Retail Individual Applicant, do not apply for an exceeding ₹ 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 ₹2,00,000, received after 3.00 pm on the Issue Closing Date;
- y. Applications not containing the details of Bank Account and/or Depositories Account.
- z. Applications under the UPI Mechanism submitted by Retail Individual Investors using third party bank accounts or using a third party linked bank account UPI ID (subject to availability of information regarding third party account from Sponsor Bank);
- aa. Application submitted by Retail Individual Investors using the UPI Mechanism through an SCSB and/or using a Mobile App or UPI handle, not listed on the website of SEBI.

#### **Equity Shares in Dematerialized Form with NSDL 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 January 23, 2023 with NSDL, our Company and Registrar to the Issue;
- b) a tripartite agreement dated January 19, 2023 with CDSL, our Company and Registrar to the Issue;

The Company's shares bear an ISIN No: INE00KG01017

- 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.**

<p><b>PROSPECT COMMODITIES LIMITED</b>  <b>Bhargavi Pandya</b>  <b>Company Secretary and Compliance Officer</b>  417, Sun Orbit B/h. Rajpath Club Road, Bodakdev,  Ahmedabad - 380054, Gujarat, India.  Tel No: +91 79-48000696  Website: <a href="http://www.prospectcommodities.com">www.prospectcommodities.com</a>  E-mail: <a href="mailto:Info@prospectcommodities.com">Info@prospectcommodities.com</a></p>	<p><b>Bigshare Services Private Limited</b>  <b>Address:</b> Office No. S6-2, 6th Floor, Pinnacle Business  Park, Next to Ahura Center, Mahakali Caves Road,  Andheri East, Mumbai-400093  <b>Tel No:</b> +91 22-62638200  <b>Fax No</b> +91 22-62638299  <b>Website:</b> <a href="http://www.bigshareonline.com">www.bigshareonline.com</a>  <b>E-Mail:</b> <a href="mailto:ipo@bigshareonline.com">ipo@bigshareonline.com</a>  <b>Contact Person:</b> Aniket Chindarkar  <b>SEBI Reg. No.:</b> INR000001385</p>
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### **Disposal of Applications**

With respect to Investors, our Company shall ensure dispatch of Allotment Advice, refund orders (except for applicants who receive refunds through electronic transfer of funds) and give benefit to the beneficiary account of Depository Participants of the Applicants and submit the documents pertaining to the Allocation to the Stock Exchange(s) on the Investor Bidding Date. In case of Applicants who receive refunds through NECS, NEFT, direct credit or RTGS, the refund instructions will be given to the clearing system within 4 Working Days from the Bid/Offer Closing Date.

### **Impersonation**

Attention of the Applicant is specifically drawn to the provisions of Sub-section (1) of Section 38 of the Companies Act, 2013, which is reproduced below:

“Any person who:

- (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

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 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 offer document including devolvement of underwriters within Sixty Days from the date of closure of the Issue, the Issuer shall Forthwith refund the entire subscription amount received. If there is a delay beyond 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**

- a) **In case of ASBA Bids:** Within 6 (six) Working Days of the Bid/Offer Closing Date, the Registrar to the Offer may give instructions to SCSBs for unblocking the amount in ASBA Account on unsuccessful Bid, for any excess amount blocked on Application, for any ASBA Bids withdrawn, rejected or unsuccessful or in the event of withdrawal or failure of the Offer.
- b) In the case of Applicant from Eligible NRIs and FPIs, refunds, if any, may generally be payable in Indian Rupees only and net of bank charges and/ or commission. If so desired, such payments in Indian Rupees may be converted into U.S. Dollars or any other freely convertible currency as may be permitted by the RBI at the rate of exchange prevailing at the time of remittance and may be dispatched by registered post. The Company may not be responsible for loss, if any, incurred by the Bidder on account of conversion of foreign currency.
- c) **In case of Investors:** Within six Working Days of the Bid/Offer Closing Date, the Registrar to the Offer may dispatch the refund orders for all amounts payable to unsuccessful Investors. In case of Investors, the Registrar to the Offer may obtain from the depositories, the Bidders' bank account details, including the MICR code, on the basis of the DP ID, Client ID and PAN provided by the Investors in their Investor Application Forms for refunds. Accordingly, Investors are advised to immediately update their details as appearing on the records of their depositories. Failure to do so may result in delays in dispatch of refund orders or refunds through electronic transfer of funds, as applicable, and any such delay may be at the Investors' sole risk and neither the Issuer, the Registrar to the Offer, the Escrow Collection Banks, may be liable to compensate the Investors for any losses caused to them due to any such delay, or liable to pay 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 Offer 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 BRLM or the Registrar to the Offer or the Escrow Collection Banks nor the Company shall have any responsibility and undertake any liability for the same; and
- (v) Please note that refunds, on account of our Company not receiving the minimum subscription of 90% of the Offer, shall be credited only to the bank account from which the Applicant Amount was remitted to the Escrow Bank.

For details of levy of charges, if any, for any of the above methods, Bank charges, if any, for cashing such cheques, pay orders or demand drafts at other centers etc. Applicants may refer to 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 Stock Exchanges 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 2,000 equity shares the allotment will be made as follows:
  - a. Each successful applicant shall be allotted 2,000 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 2,000 equity shares, the applicant would be allotted Shares by rounding off to the lower nearest multiple of 2,000 equity shares subject to a minimum allotment of 2,000 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 2,000 equity shares, results in the actual allotment being higher than the shares offered, the final allotment may be higher at the sole discretion of the Board of Directors, up to 110% of the size of the offer specified under the Capital Structure mentioned in the Prospectus.
6. Since present issue is a fixed price issue, the allocation in the net offer to the public category in terms of Regulation 253 of the SEBI (ICDR) Regulations, 2018 shall be made as follows:
  - a. A minimum of 50% of the net offer of shares to the Public shall initially be made available for allotment to retail individual investors as the case may be.
  - b. The balance net offer of shares to the public shall be made available for allotment to a) individual applicants other than retails individual investors and b) other investors, including Corporate Bodies/ Institutions irrespective of number of shares applied for.
  - 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 Prospectus.

'Retail Individual Investor' means an investor who applies for shares of value of not more than ₹ 2,00,000/- Investors may note that in case of over subscription allotment shall be on proportionate basis and will be finalized in consultation with 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, 2018.

**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 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 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 Prospectus. Applicants are advised to make their independent investigations and ensure that the Applications are not in violation of laws or regulations applicable to them and do not exceed the applicable limits under the laws and regulations.

**SECTION IX – DESCRIPTION OF EQUITY SHARES AND TERMS OF THE ARTICLES  
OF ASSOCIATION**

**MAIN PROVISIONS OF ARTICLES OF ASSOCIATION  
OF  
PROSPECT COMMODITIES LIMITED**

Title of Article	Article Number	Content
<b>PRELIMINARY</b>	<b>1</b>	The Regulations contained in Table 'F' in the First Schedule to the Companies Act, 2013 shall not apply to the Company except in so far as they are embodied in the following Articles, which shall be the regulations for the Management of the Company.
<b>INTERPRETATION</b>		
	<b>2</b>	<p>The marginal notes hereto shall not affect the construction hereof. In these presents, the following words and expressions shall have the following meanings unless excluded by the subject or context:</p> <p>(a) 'The Act' or 'The Companies Act' shall mean 'The Companies Act, 2013, its rules and any statutory modifications or reenactments thereof.'</p> <p>(b) 'The Board' or 'The Board of Directors' means a meeting of the Directors duly called and constituted or as the case may be, the Directors assembled at a Board, or the requisite number of Directors entitled to pass a circular resolution in accordance with these Articles.</p> <p>(c) "Public company" means a company which</p> <p>(a) is not a private company;</p> <p>(b) has a minimum paid-up share capital of five lakh rupees or such higher paid-up capital, as may be prescribed</p> <p>Provided that a company which is a subsidiary of a company, not being a private company, shall be deemed to be public company for the purposes of this Act even where such subsidiary company continues to be a private company in its articles</p> <p>(d) 'Directors' means the Directors for the time being of the Company.</p> <p>(e) 'Writing' includes printing, lithograph, typewriting and any other usual substitutes for writing.</p> <p>(f) 'Members' means members of the Company holding a share or shares of any class.</p> <p>(g) 'Month' shall mean a calendar month.</p> <p>(h) 'Paid-up' shall include 'credited as fully paid-up'.</p> <p>(i) 'Person' shall include any corporation as well as individual.</p> <p>(j) 'These presents' or 'Regulations' shall mean these Articles of Association as now framed or altered from time to time and shall include the Memorandum where the context so requires.</p> <p>(k) 'Section' or 'Sec.' means Section of the Act.</p> <p>(l) Words importing the masculine gender shall include the feminine gender.</p> <p>(m) Except where the context otherwise requires, words importing the singular shall include the plural and the words importing the plural shall include the singular.</p> <p>(n) 'Special Resolution' means special resolution as defined by Section 114 in the Act.</p> <p>(o) 'The Office' means the Registered Office for the time being of the Company.</p> <p>(p) "'The Register' means the Register of Members to be kept pursuant to Section 88 of the Companies Act, 2013.</p> <p>(q) 'Proxy' includes Attorney duly constituted under a Power of Attorney.</p>
	<b>3.</b>	Except as provided by Section 67, no part of funds of the Company shall be employed in the purchase of the shares of the Company, and the Company shall not directly or indirectly and whether by shares, or loans, give, guarantee, the provision of security or otherwise any financial assistance for the purpose of or in connection with a purchase or subscription made or to be made by any person of or for any shares in the Company
<b>SHARE CAPITAL AND VARIATION OF RIGHTS</b>		
	<b>4.</b>	The Authorized Share Capital of the Company shall be as prescribed in Clause V of

		the Memorandum of Association of the Company.
	5.	<p>Subject to the provisions of the Act and these Articles, the shares in the capital of the Company for the time being (including any shares forming part of any increased capital of the Company) shall be under the control of the Board who may allot the same or any of them to such persons, in such proportion and on such terms and conditions and either at a premium or at par or at a discount (subject to compliance with the provisions of the Act) and at such terms as they may, from time to time, think fit and proper and with the sanction of the Company in General Meeting by a Special Resolution give to any person the option to call for or be allotted shares of any class of the Company, either at par, at a premium or subject as aforesaid at a discount, such option being exercisable at such times and for such consideration as the Board thinks fit unless the Company in General Meeting, by a Special Resolution, otherwise decides. Any offer of further shares shall be deemed to include a right, exercisable by the person to whom the shares are offered, to renounce the shares offered to him in favour of any other person.</p> <p>Subject to the provisions of the Act, any redeemable Preference Share, including Cumulative Convertible Preference Share may, with the sanction of an ordinary resolution be issued on the terms that they are, or at the option of the Company are liable to be redeemed or converted on such terms and in such manner as the Company, before the issue of the shares may, by special resolution, determine.</p>
	6.	<p>The Company in General Meeting, by a Special Resolution, may determine that any share (whether forming part of the original capital or of any increased capital of the Company) shall be offered to such persons (whether members or holders of debentures of the Company or not), giving them the option to call or be allotted shares of any class of the Company either at a premium or at par or at a discount, (subject to compliance with the provisions of Section 53) such option being exercisable at such times and for such consideration as may be directed by a Special Resolution at a General Meeting of the Company or in General Meeting and may take any other provisions whatsoever for the issue, allotment or disposal of any shares..</p>
	7.	<p>The Board may at any time increase the subscribed capital of the Company by issue of new shares out of the unissued part of the Share Capital in the original or subsequently created capital, but subject to Section 62 of the Act, and subject to the following conditions namely:</p> <ol style="list-style-type: none"> <li>i. <ol style="list-style-type: none"> <li>a) Such further shares shall be offered to the persons who, at the date of the offer, are holder of the equity shares of the Company in proportion, as nearly as circumstances admit, to the capital paid up on those shares at that date.</li> <li>b) The offer aforesaid shall be made by notice specifying the number of shares offered and limiting a time not being less than twenty-one days, from the date of the offer within which the offer, if not accepted, will be deemed to have been declined.</li> <li>c) The offer aforesaid shall be deemed to include a right exercisable by the person concerned to renounce the shares offered to him or any of them in favour of any other person and the notice referred to in clause (b) shall contain a statement of this right.</li> <li>d) After the expiry of the time specified in the notice aforesaid, or in respect of earlier intimation from the person to whom such notice is given that he declines to accept the shares offered, the Board may dispose of them in such manner as it thinks most beneficial to the Company</li> </ol> </li> <li>ii. The Directors may, with the sanction of the Company in General Meeting by means of a special resolution, offer and allot shares to any person at their discretion by following the provisions of section 62 of the Act and other applicable provisions, if any.</li> <li>iii. Nothing in this Article shall apply to the increase in the subscribed capital of the Company which has been approved by: <ol style="list-style-type: none"> <li>a. A Special Resolution passed by the Company in General Meeting before the issue of the debentures or the raising of the loans, and</li> </ol> </li> </ol>

		b. The Central Government before the issue of the debentures or raising of the loans or is in conformity with the rules, if any, made by that Government in this behalf.
	8.	(1) The rights attached to each class of shares (unless otherwise provided by the terms of the issue of the shares of the class) may, subject to the provisions of Section 48 of the Act, be varied with the consent in writing of the holders of not less than three fourths of the issued shares of that class or with the sanction of a Special Resolution passed at a General Meeting of the holders of the shares of that class. (2) To every such separate General Meeting, the provisions of these Articles relating to General Meeting shall Mutatis Mutandis apply, but so that the necessary quorum shall be two persons at least holding or representing by proxy one-tenth of the issued shares of that class.
<b>Issue of further shares with disproportionate rights</b>	9.	Subject to the provisions of the Act, the rights conferred upon the holders of the shares of any class issued with preferred or other rights or not, unless otherwise expressly provided for by the terms of the issue of shares of that class, be deemed to be varied by the creation of further shares ranking pari passu therewith.
<b>Not to issue shares with disproportionate rights</b>	10.	The Company shall not issue any shares (not being Preference Shares) which carry voting rights or rights in the Company as to dividend, capital or otherwise which are disproportionate to the rights attached to the holders of other shares not being Preference Shares
<b>Power to pay commission</b>	11.	The Company may, at any time, pay a commission to any person for subscribing or agreeing to subscribe (whether absolutely or conditionally) for any share, debenture or debenture stock of the Company or procuring or agreeing to procure subscriptions (whether absolute or conditional) for shares, such commission in respect of shares shall be paid or payable out of the capital, the statutory conditions and requirements shall be observed and complied with and the amount or rate of commission shall not exceed five percent of the price at which the shares are issued and in the case of debentures, the rate of commission shall not exceed, two and half percent of the price at which the debentures are issued. The commission may be satisfied by the payment of cash or the allotment of fully or partly paid shares or partly in one way and partly in the other. The Company may also, on any issue of shares, pay such brokerage as may be lawful.
<b>Liability of joint holders of shares</b>	12.	The joint holders of a share or shares shall be severally as well as jointly liable for the payment of all installments and calls due in respect of such share or shares.
<b>Trust not recognised</b>	13.	Save as otherwise provided by these Articles, the Company shall be entitled to treat the registered holder of any share as the absolute owner thereof and accordingly, the Company shall not, except as ordered by a Court of competent jurisdiction or as by a statute required, be bound to recognise any equitable, contingent, future or partial interest lien, pledge or charge in any share or (except only by these presents otherwise provided for) any other right in respect of any share except an absolute right to the entirety thereof in the registered holder.
<b>Issue other than for cash</b>	14.	(a). The Board may issue and allot shares in the capital of the Company as payment or part payment for any property sold or goods transferred or machinery or appliances supplied or for services rendered or to be rendered to the Company in or about the formation or promotion of the Company or the acquisition and or conduct of its business and shares may be so allotted as fully paid-up shares, and if so issued, shall be deemed to be fully paid-up shares. (b). As regards all allotments, from time to time made, the Board shall duly comply with Section 39 of the Act.
<b>Acceptance of shares</b>	15.	An application signed by or on behalf of the applicant for shares in the Company, followed by an allotment of any share therein, shall be acceptance of the shares within the meaning of these Articles; and every person who thus or otherwise accepts any share and whose name is on the Register shall, for the purpose of these Articles, be a shareholder.
<b>SHARE CERTIFICATES</b>		
<b>Member's right to share certificates</b>	16.	1. Every person whose name is entered as a member in the Register shall be entitled to receive without payment: a. One certificate for all his shares; or



		<p>b. Share certificate shall be issued in marketable lots, where the share certificates are issued either for more or less than the marketable lots, subdivision/ consolidation into marketable lots shall be done free of charge</p> <p>2. The Company shall, within two months after the allotment and within fifteen days after application for registration of the transfer of any share or debenture, complete and have it ready for delivery; the share certificates for all the shares and debentures so allotted or transferred unless the conditions of issue of the said shares otherwise provide.</p> <p>3. Every certificate shall be under the seal and shall specify the shares to which it relates and the amount paid-up thereon.</p> <p>4. The certificate of title to shares and duplicates thereof when necessary shall be issued under the seal of the Company and signed by two Directors and the Secretary or authorised official(s) of the Company.</p>
<b>One certificate for joint holders</b>	<b>17.</b>	In respect of any share or shares held jointly by several persons, the Company shall not be bound to issue more than one certificate for the same share or shares and the delivery of a certificate for the share or shares to one of several joint holders shall be sufficient delivery to all such holders. Subject as aforesaid, where more than one share is so held, the joint holders shall be entitled to apply jointly for the issue of several certificates in accordance with Article 20 below.
<b>Renewal of certificate</b>	<b>18.</b>	If a certificate be worn out, defaced, destroyed, or lost or if there is no further space on the back thereof for endorsement of transfer, it shall, if requested, be replaced by a new certificate without any fee, provided however that such new certificate shall not be given except upon delivery of the worn out or defaced or used up certificate, for the purpose of cancellation, or upon proof of destruction or loss, on such terms as to evidence, advertisement and indemnity and the payment of out of pocket expenses, as the Board may require in the case of the certificate having been destroyed or lost. Any renewed certificate shall be marked as such in accordance with the provisions of the act in force.
	<b>19.</b>	For every certificate issued under the last preceding Article, no fee shall be charged by the Company
<b>Splitting and consolidation of share certificate</b>	<b>20.</b>	The shares of the Company will be split up/consolidated in the following circumstances: (i) At the request of the member/s for split up of shares in marketable lot. (ii) At the request of the member/s for consolidation of fraction shares into marketable lot. Directors may issue new Certificate(s)
	<b>21</b>	Where any share under the powers in that behalf herein contained are sold by the Directors and the certificate thereof has not been delivered up to the Company by the former holder of the said shares, the Directors may issue a new certificate for such shares distinguishing it in such manner as they think fit from the certificate not so delivered up.
<b>Person by whom installments are payable</b>	<b>22</b>	If, by the conditions of allotment of any share, the whole or part of the amount or issue price thereof shall be payable by installments, every such installment, shall, when due, be paid to the Company by the person who for the time being and from time to time shall be the registered holder of the share or his legal representative or representatives, if any.
<b>Further issue of shares</b>	<b>23.</b>	The Board or the Company, as the case may be, may, in accordance with the Act issue further Shares to: i. (a) Persons who, at the date of offer, are holders of equity shares of the Company; Unless otherwise decided by the Board, such offer shall be deemed to include a right exercisable by the person concerned or renounce the shares offered to him or any of them in favour of any other person; or (b) Employees under any scheme of employees' stock option; or (c) Any persons, whether or not those persons include the persons referred to in clause (a) or clause (b) above. ii. A further issue of shares may be made in any manner whatsoever as the Board may determine including by way of Preferential Offer or private placement, subject to and in accordance with the Act read with Rules made thereunder and SEBI guidelines. iii. Issue of Sweat shares: The Company may issue shares at discounted price by way

		<p>of sweat equity shares or in any other manner in accordance with the provisions of the Act or any other applicable law.</p> <p>iv. Share Warrants: Subject to the provisions of the Act, the Company may issue with respect to any fully paid shares, a warrant stating that the bearer of the warrants is entitled to the shares specified therein and may provide coupons or otherwise, for payment of future dividends on the shares specified in the warrants and may provide conditions for registering membership. Subject to the provisions of the Act, the Company may from time to time issue warrants naked or otherwise or issue coupons or other instruments and any combination of equity shares, debentures, preference shares or any other instruments to such class of persons as the Board of Directors may deem fit with a right attached to the holder of such warrants or coupons or other instruments to subscribe to the equity shares or other instruments within such time and at such price as the Board of Directors may decide as per the rules applicable from time to time.</p>
<b>LIEN</b>		
<b>Company's lien on shares</b>	<b>24.</b>	The Company shall have first and paramount lien upon all shares other than fully paid-up shares registered in the name of any member, either or jointly with any other person, and upon the proceeds or sale thereof for all moneys called or payable at a fixed time in respect of such shares and such lien shall extend to all dividends from time to time declared in respect of such shares. But the Directors, at any time, may declare any share to be exempt, wholly or partially from the provisions of this Article. Unless otherwise agreed, the registration of transfer of shares shall operate as a waiver of the Company's lien, if any, on such shares.
<b>As to enforcing lien by sale</b>	<b>25</b>	For the purpose of enforcing such lien, the Board of Directors may sell the shares subject thereto in such manner as it thinks fit, but no sale shall be made until the expiration of 14 days after a notice in writing stating and demanding payment of such amount in respect of which the lien exists has been given to the registered holders of the shares for the time being or to the person entitled to the shares by reason of the death of insolvency of the register holder.
<b>Authority to transfer</b>	<b>26</b>	<p>a. To give effect to such sale, the Board of Directors may authorise any person to transfer the shares sold to the purchaser thereof and the purchaser shall be registered as the holder of the shares comprised in any such transfer.</p> <p>b. The purchaser shall not be bound to see the application of the purchase money, nor shall his title to the shares be affected by any irregularity or invalidity in the proceedings relating to the sale.</p>
<b>Application of proceeds of sale</b>	<b>27</b>	The net proceeds of any such sale shall be applied in or towards satisfaction of the said moneys due from the member and the balance, if any, shall be paid to him or the person, if any, entitled by transmission to the shares on the date of sale.
<b>CALLS ON SHARES</b>		
<b>Calls</b>	<b>28.</b>	Subject to the provisions of Section 49 of the Act, the Board of Directors may, from time to time, make such calls as it thinks fit upon the members in respect of all moneys unpaid on the shares held by them respectively and not by the conditions of allotment thereof made payable at fixed times, and the member shall pay the amount of every call so made on him to the person and at the time and place appointed by the Board of Directors.
<b>When call deemed to have been made</b>	<b>29.</b>	A call shall be deemed to have been made at the time when the resolution of the Directors authorising such call was passed. The Board of Directors making a call may by resolution determine that the call shall be deemed to be made on a date subsequent to the date of the resolution, and in the absence of such a provision, a call shall be deemed to have been made on the same date as that of the resolution of the Board of Directors making such calls.
<b>Length of notice of call</b>	<b>30.</b>	Not less than thirty day's notice of any call shall be given specifying the time and place of payment provided that before the time for payment of such call, the Directors may, by notice in writing to the members, extend the time for payment thereof.
<b>Sum payable in fixed installments to be deemed calls</b>	<b>31</b>	If by the terms of issue of any share or otherwise, any amount is made payable at any fixed times, or by installments at fixed time, whether on account of the share or by way of premium, every such amount or installment shall be payable as if it were a call duly made by the Directors, on which due notice had been given, and all the

		provisions herein contained in respect of calls shall relate and apply to such amount or installment accordingly.
<b>When interest on call or installment payable</b>	<b>32</b>	If the sum payable in respect of any call or, installment be not paid on or before the day appointed for payment thereof, the holder for the time being of the share in respect of which the call shall have been made or the installment shall fall due, shall pay interest for the same at the rate decided by the Board, from the day appointed for the payment thereof to the time of the actual payment or at such lower rate as the Directors may determine. The Board of Directors shall also be at liberty to waive payment of that interest wholly or in part.
<b>Sums payable at fixed times to be treated as calls</b>	<b>33</b>	The provisions of these Articles as to payment of interest shall apply in the case of nonpayment of any such sum which by the terms of issue of a share, become payable at a fixed time, whether on account of the amount of the share or by way of premium, as if the same had become payable by virtue of a call duly made and notified.
<b>Payment of call-in advance</b>	<b>34</b>	The Board of Directors, may, if it thinks fit, receive from any member willing to advance all of or any part of the moneys uncalled and unpaid upon any shares held by him and upon all or any part of the money so advance may (until the same would, but for such advance become presently payable) pay interest at such rate as the Board of Directors may decide but shall not in respect of such advances confer a right to the dividend or participate in profits.
<b>Partial payment not to preclude forfeiture</b>	<b>35</b>	Neither a judgment nor a decree in favour of the Company for calls or other moneys due in respect of any share nor any part payment or satisfaction thereunder, nor the receipt by the Company of a portion of any money which shall from, time to time, be due from any member in respect of any share, either by way of principal or interest nor any indulgency granted by the Company in respect of the payment of any such money shall preclude the Company from thereafter proceeding to enforce a forfeiture of such shares as herein after provided.
<b>FORFEITURE OF SHARES</b>		
<b>If call or installment not paid, notice may be given</b>	<b>36</b>	If a member fails to pay any call or installment of a call on the day appointed for the payment not paid thereof, the Board of Directors may during such time as any part of such call or installment remains unpaid serve a notice on him requiring payment of so much of the call or installment as is unpaid, together with any interest, which may have accrued. The Board may accept in the name and for the benefit of the Company and upon such terms and conditions as may be agreed upon, the surrender of any share liable to forfeiture and so far as the law permits of any other share.
	<b>37</b>	On the trial or hearing of any action or suit brought by the Company against any shareholder or his representative to recover any debt or money claimed to be due to the Company in respect of his share, it shall be sufficient to prove that the name of the defendant is or was, when the claim arose, on the Register of shareholders of the Company as a holder, or one of the holders of the number of shares in respect of which such claim is made, and that the amount claimed is not entered as paid in the books of the Company and it shall not be necessary to prove the appointment of the Directors who made any call nor that a quorum of Directors was present at the Board at which any call was made nor that the meeting at which any call was made was duly convened or constituted nor any other matter whatsoever; but the proof of the matters aforesaid shall be conclusive evidence of the debt.
<b>Form of notice</b>	<b>38</b>	The notice shall name a further day (not earlier than the expiration of fourteen days from the date of service of the notice), on or before which the payment required by the notice is to be made, and shall state that, in the event of non-payment on or before the day appointed, the shares in respect of which the call was made will be liable to be forfeited.
<b>If notice not complied with, shares may be forfeited</b>	<b>39</b>	If the requirements of any such notice as, aforementioned are not complied with, any share in respect of which the notice has been given may at any time thereafter, before the payment required by the notice has been made, be forfeited by a resolution of the Board to that effect. Such forfeiture shall include all dividends declared in respect of the forfeited shares and not actually paid before the forfeiture.
<b>Notice after forfeiture</b>	<b>40.</b>	When any share shall have been so forfeited, notice of the resolution shall be given to the member in whose name it stood immediately prior to the forfeiture and an

		entry of the forfeiture shall not be in any manner invalidated by any omission or neglect to give such notice or to make such entry as aforesaid.
<b>Boards' right to dispose of forfeited shares or cancellation of forfeiture</b>	<b>41</b>	A forfeited or surrendered share may be sold or otherwise disposed off on such terms and in such manner as the Board may think fit, and at any time before such a sale or disposal, the forfeiture may be cancelled on such terms as the Board may think fit.
<b>Liability after forfeiture</b>	<b>42</b>	A person whose shares have been forfeited shall cease to be a member in respect of the forfeited shares but shall, notwithstanding such forfeiture, remain liable to pay and shall forthwith pay the Company all moneys, which at the date of forfeiture is payable by him to the Company in respect of the share, whether such claim be barred by limitation on the date of the forfeiture or not, but his liability shall cease if and when the Company received payment in full of all such moneys due in respect of the shares.
<b>Effect of forfeiture</b>	<b>43.</b>	The forfeiture of a share shall involve in the extinction of all interest in and also of all claims and demands against the Company in respect of the shares and all other rights incidental to the share, except only such of these rights as by these Articles are expressly saved.
<b>Evidence of forfeiture</b>	<b>44</b>	A duly verified declaration in writing that the declarant is a Director of the Company and that a share in the Company has been duly forfeited on a date stated in the declaration, shall be conclusive evidence of the facts therein stated as against all persons claiming to be entitled to the share, and that declaration and the receipt of the Company for the consideration, if any, given for the shares on the sale or disposal thereof, shall constitute a good title to the share and the person to whom the share is sold or disposed of shall be registered as the holder of the share and shall not be bound to see to the application of the purchase money (if any ) nor shall his title to the share be affected by any irregularity or invalidity in the proceedings in reference to the forfeiture, sale or disposal of the share.
<b>Non-payment of sums payable at fixed times</b>	<b>45.</b>	The provisions of these regulations as to forfeiture shall apply in the case of non-payment of any sum which by terms of issue of a share, becomes payable at a fixed time, whether, on account of the amount of the share or by way of premium or otherwise as if the same had been payable by virtue of a call duly made and notified.
<b>Validity of such sales</b>	<b>46.</b>	Upon any sale after forfeiture or for enforcing a lien in purported exercise of the powers herein before given, the Directors may cause the purchaser's name to be entered in the register in respect of the shares sold and may issue fresh certificate in the name of such a purchaser. The purchaser shall not be bound to see to the regularity of the proceedings, nor to the application of the purchase money and after his name has been entered in the register in respect of such shares, the validity of the sale shall not be impeached by any person and the remedy of any person aggrieved by the sale shall be in damages only and against the Company exclusively.
<b>TRANSFER AND TRANSMISSION OF SHARES</b>		
<b>Transfer</b>	<b>47</b>	<p>a. The instrument of transfer of any share in the Company shall be executed both by the transferor and the transferee and the transferor shall be deemed to remain holder of the shares until the name of the transferee is entered in the register of members in respect thereof.</p> <p>b. The Board shall not register any transfer of shares unless a proper instrument of transfer duly stamped and executed by the transferor and the transferee has been delivered to the Company along with the certificate and such other evidence as the Company may require to prove the title of the transferor or his right to transfer the shares. Provided that where it is proved to the satisfaction of the Board that an instrument of transfer signed by the transferor and the transferee has been lost, the Company may, if the Board thinks fit, on an application on such terms in writing made by the transferee and bearing the stamp required for an instrument of transfer, register the transfer on such terms as to indemnity as the Board may think fit.</p> <p>c. An application for the registration of the transfer of any share or shares may be made either by the transferor or the transferee, provided that where such application is made by the transferor, no registration shall, in the case of partly paid shares, be effected</p>

		<p>unless the Company gives notice of the application to the transferee. The Company shall, unless objection is made by the transferee within two weeks from the date of receipt of the notice, enter in the register the name of the transferee in the same manner and subject to the same conditions as if the application for registration was made by the transferee.</p> <p>d. For the purpose of Sub-clause (c), notice to the transferee shall be deemed to have been duly given if dispatched by prepaid registered post to the transferee at the address given in the instrument of transfer and shall be delivered in the ordinary course of post.</p> <p>e. Nothing in Sub-clause (d) shall prejudice any power of the Board to register as a shareholder any person to whom the right to any share has been transmitted by operation of law.</p>
<b>Form of transfer</b>	<b>48</b>	Shares in the Company shall be transferred by an instrument in writing in such common form as specified in Section 56 of the Companies Act.
<b>Board's right to refuse to register</b>	<b>49</b>	<p>a. The Board may decline to recognise any instrument of transfer unless</p> <p>i. The duly executed instrument of transfer is in the form as prescribed in rules made under subsection (1) of section 56;</p> <p>ii. The instrument of transfer is accompanied by the certificate of the shares to which it relates, and such other evidence as the Board may reasonably require to show the right of the transferor to make the transfer; and</p> <p>iii. The instrument of transfer is in respect of only one class of shares.</p>
<b>Further right of board of directors to refuse to register</b>	<b>50.</b>	Notwithstanding anything contained in Sub-articles (b) and (c) of Article 46, the Board may not accept applications for sub-division or consolidation of shares into denominations of less than hundred (100) except when such a sub-division or consolidation is required to be made to comply with a statutory order or an order of a competent Court of Law or a request from a member to convert his holding of odd lots, subject however, to verification by the Company.
<b>Fee on transfer or transmission</b>	<b>51.</b>	No fee shall be charged by the Company for registration of transfers or for effecting transmission on shares on the death of any member or for registering any letters of probate, letters of administration and similar other documents.
<b>Rights to shares on death of a member for transmission</b>	<b>52</b>	<p>a. In the event of death of any one or more of several joint holders, the survivor, or survivors, alone shall be entitled to be recognised as having title to the shares.</p> <p>b. In the event of death of any sole holder or of the death of last surviving holder, the executors or administrators of such holder or other person legally entitled to the shares shall be entitled to be recognised by the Company as having title to the shares of the deceased. Provided that on production of such evidence as to title and on such indemnity or other terms as the Board may deem sufficient, any person may be recognised as having title to the shares as heir or legal representative of the deceased shareholder. Provided further that if the deceased shareholder was a member of a Hindu Joint Family, the Board, on being satisfied to that effect and on being satisfied that the shares standing in his name in fact belonged to the joint family, may recognise the survivors of Karta thereof as having titles to the shares registered in the name of such member. Provided further that in any case, it shall be lawful for the Board in its absolute discretion, to dispense with the production of probate or letters of administration or other legal representation upon such evidence and such terms as to indemnity or otherwise as the Board may deem just.</p>
<b>Rights and liabilities of person</b>	<b>53</b>	<p>1. Any person becoming entitled to a share in consequence of the death or insolvency of a member may, upon such evidence being produced as may from time to time be required by the Board and subject as herein, after provided elect either</p> <p>a. to be registered himself as a holder of the share or</p> <p>b. to make such transfer of the share as the deceased or insolvent member could have made.</p> <p>2. The Board, shall, in either case, have the same right to decline or suspend registration as it would have had, if the deceased or insolvent member had transferred the share before his death or insolvency.</p>
<b>Notice by such a person of his election</b>	<b>54</b>	<p>a. If the person so becoming entitled shall elect to be registered as holder of the shares himself, he shall deliver or send to the Company a notice in writing signed by him stating that he so elects.</p>

		<p>b. If the person aforesaid shall elect to transfer the share, he shall testify his election by executing a transfer of the share.</p> <p>c. All the limitations, restrictions and provisions of these regulations relating to the right to transfer and the registration of transfers of shares shall be applicable to any such notice or transfer as aforesaid as if the death or insolvency of the member had not occurred and the notice of transfer had been signed by that member.</p>
<b>No transfer to infant, etc.</b>	<b>55</b>	No transfer shall be made to an infant or a person of unsound mind.
<b>Endorsement of transfer and issue of certificate</b>	<b>56</b>	Every endorsement upon the certificate of any share in favour of any transferee shall be signed by the Secretary or by some person for the time being duly authorised by the Board in that behalf.
<b>Custody of transfer</b>	<b>57</b>	The instrument of transfer shall, after registration, remain in the custody of the Company. The Board may cause to be destroyed all transfer deeds lying with the Company for a period of ten years or more.
<b>Register of members</b>	<b>58</b>	<p>a. The Company shall keep a book to be called the Register of Members, and therein shall be entered the particulars of every transfer or transmission of any share and all other particulars of shares required by the Act to be entered in such Register.</p> <p><b>Closure of Register of members</b></p> <p>b. On giving not less than seven working days' previous notice in accordance with section 91 and rules made thereunder, the registration of transfers may be suspended at such times and for such periods as the Board may from time to time determine: Provided that such registration shall not be suspended for more than thirty days at any one time or for more than forty-five days in the aggregate in any year</p> <p><b>When instruments of transfer to be retained</b></p> <p>c. All instruments of transfer which shall be registered shall be retained by the Company but any instrument of transfer which the Directors may decline to register shall be returned to the person depositing the same.</p>
<b>Company's right to register transfer by apparent legal owner</b>	<b>59</b>	The Company shall incur no liability or responsibility whatever in consequence of their 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 same shares notwithstanding that the Company may have had notice of such equitable right or title or interest prohibiting registration of such transfer and may have entered such notice referred thereto in any book of the Company and the Company shall not be bound by or required to regard or attend to or give effect to any notice which may be given to it of any equitable right, title or interest or be under any liability whatsoever for refusing or neglecting so to do, though it may have been entered or referred to in the books of the Company; but the Company shall nevertheless be at liberty to have regard and to attend to any such notice and give effect thereto, if the Board shall so think fit.
<b>ALTERATION OF CAPITAL</b>		
<b>Alteration and consolidation, sub-division and cancellation of shares</b>	<b>60</b>	<p>a. 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 the provisions of section 61, the Company may, by ordinary resolution,</p> <ol style="list-style-type: none"> <li>1. Consolidate and divide all or any of its share capital into shares of larger amount than its existing shares;</li> <li>2. Convert all or any of its fully paid-up shares into stock, and reconvert that stock into fully paid-up shares of the denomination;</li> <li>3. Sub-divide its shares, or any of them, into shares of smaller amount than is fixed by the Memorandum, so however, that in the sub-division on the proportion between the amount paid and the amount, if any, unpaid, on each reduced share shall be the same as it was in the case of the shares from which the reduced share is derived.</li> <li>4. Cancel shares which, at the date of passing of the resolution in that behalf, have not been taken or agreed to be taken by any person, and diminish the amount of its share capital by the amount of the shares so cancelled.</li> <li>5. The resolution whereby any share is sub-divided may determined that, as between the holder of the shares resulting from such sub-division, one or more such shares shall have some preference or special advantage as regards dividend, capital or</li> </ol>

		otherwise over or as compared with the others. 6. Classify and reclassify its share capital from the shares on one class into shares of other class or classes and to attach thereto respectively such preferential, deferred, qualified or other special rights, privileges, conditions or restrictions and to vary, modify or abrogate any such rights, privileges, conditions or restrictions in such manner as may for the time being be permitted under legislative provisions for the time being in force in that behalf
<b>Reduction of capital, etc. By company</b>	<b>61</b>	The Company may, by Special Resolution, reduce in any manner with and subject to any incident authorised and consent as required by law: a. its share capital; b. any capital redemption reserve account; or c. any share premium account
<b>SURRENDER OF SHARES</b>		
<b>Surrender of shares</b>	<b>62</b>	The Directors may, subject to the provisions of the Act, accept the surrender of any share by way of compromise of any question as to the holder being properly registered in respect thereof.
<b>MODIFICATION OF RIGHTS</b>		
<b>Power of modify shares</b>	<b>63</b>	The rights and privileges attached to each class of shares may be modified, commuted, affected, and abrogated in the manner provided in Section 48 of the Act.
<b>SET OFF OF MONEY DUE TO SHAREHOLDERS</b>		
<b>Set off of money due to shareholders</b>	<b>64</b>	Any money due from the Company to a shareholder may, without the consent of such shareholder, be applied by the Company in or towards payment of any money due from him, either alone or jointly with any other person, to the Company in respect of calls.
<b>CONVERSION OF SHARES INTO STOCK</b>		
<b>Conversion of shares</b>	<b>65</b>	The Company may, by Ordinary Resolution, convert all or any fully paid share(s) of any denomination into stock and vice versa.
<b>Transfer of stock</b>	<b>66.</b>	The holders of stock may transfer the same or any part thereof in the same manner as, and subject to the same regulations, under which, the shares from which the stock arose might before the conversion have been transferred, or as near thereto as circumstances admit; provided that the Board may, from time to time, fix the minimum amount of stock transferable, so, however, that such minimum shall not exceed the nominal amount of the shares from which the stock arose
<b>Right of stockholders</b>	<b>67</b>	The holders of the stock shall, according to the amount of the stock held by them, have the same rights, privileges and advantages as regards dividends, voting at meetings of the Company and other matters, as if they held the shares from which the stock arose, but no such privilege or advantage (except participation in the dividends and profits of the Company and its assets on winding up) shall be conferred by an amount of stock which would not, if existing in shares, have conferred that privilege or advantage.
<b>Applicability of regulations to stock and stockholders</b>	<b>68</b>	Such of the regulations contained in these presents, other than those relating to share warrants as are applicable to paid-up shares shall apply to stock and the words shares and shareholder in these presents shall include stock and stockholder respectively.
<b>DEMATERIALISATION OF SECURITIES</b>		
	<b>69</b>	<b>a) Definitions</b> For the purpose of this Article: 'Beneficial Owner' means a person or persons whose name is recorded as such with a depository; 'SEBI' means the Securities and Exchange Board of India; 'Depository' means a company formed and registered under the Companies Act, 2013, and which has been granted a certificate of registration to act as a depository under the Securities and Exchange Board of India Act, 1992, and 'Security' means such security as may be specified by SEBI from time to time. <b>b) Dematerialisation of securities</b> Notwithstanding anything contained in these Articles, the Company shall be entitled to dematerialise or rematerialise its securities and to offer securities in a dematerialised form pursuant to the Depositories Act, 1996 and the rules framed thereunder, if any.

	<p><b>c) Options for investors</b>  Every person subscribing to securities offered by the Company shall have the option to receive security certificates or to hold the securities with a depository. Such a person, who is the beneficial owner of the securities, can at any time opt out of a depository, if permitted by law, in respect of any security in the manner provided by the Depositories Act and the Company shall, in the manner and within the time prescribed, issue to the beneficial owner the required certificates of securities. If a person opts to hold his security with a depository, the Company shall intimate such depository the details of allotment of the security, and on receipt of the information, the depository shall enter in its record the name of the allottee as the beneficial owner of the security.</p> <p><b>d) Securities in depositories to be in fungible form</b>  All securities held by a depository shall be dematerialised and be in fungible form. Nothing contained in Sections 89 and 186 of the Act shall apply to a depository in respect of the securities held by it on behalf of the beneficial owners.</p> <p><b>e) Rights of depositories and beneficial owners:</b>  (i) Notwithstanding anything to the contrary contained in the Act or these Articles, a depository shall be deemed to be the registered owner for the purposes of effecting transfer of ownership of security on behalf of the beneficial owner.  (ii) Save as otherwise provided in (a) above, the depository, as the registered owner of the securities, shall not have any voting rights or any other rights in respect of the securities held by it.  (iii) Every person holding securities of the Company and whose name is entered as the beneficial owner in the records of the depository shall be deemed to be a member of the Company. The beneficial owner of the securities shall be entitled to all the rights and benefits and be subject to all the liabilities in respect of his securities which are held by a depository.</p> <p><b>f) Service of documents</b>  Notwithstanding anything in the Act or these Articles to the contrary, where securities are held in a depository, the records of the beneficial ownership may be served by such depository on the Company by means of electronic mode or by delivery of floppies or discs.</p> <p><b>g) Transfer of securities</b>  Nothing contained in Section 56 of the Act or these Articles shall apply to transfer of securities effected by a transferor and transferee both of whom are entered as beneficial owners in the records of a depository.</p> <p><b>h) Allotment of securities dealt with in a depository</b>  Notwithstanding anything in the Act or these Articles, where securities are dealt with in a depository, the Company shall intimate the details thereof to the depository immediately on allotment of such securities.</p> <p><b>i) Distinctive numbers of securities held in a depository</b>  Nothing contained in the Act or these Articles regarding the necessity of having distinctive numbers of securities issued by the Company shall apply to securities held in a depository.</p> <p><b>j) Register and Index of Beneficial owners</b>  The Register and Index of Beneficial Owners, maintained by a depository under the Depositories Act, 1996, shall be deemed to be the Register and Index of Members and Security Holders for the purposes of these Articles.</p> <p><b>k) Company to recognise the rights of registered holders as also the beneficial owners in the records of the depository</b>  Save as herein otherwise provided, the Company shall be entitled to treat the person whose name appears on the Register of Members as the holder of any share, as also the beneficial owner of the shares in records of the depository as the absolute owner thereof as regards receipt of dividends or bonus or services of notices and all or any other matters connected with the Company, and accordingly, the Company shall not, except as ordered by a Court of competent jurisdiction or as by law required, be bound to recognise any benami trust or equity or equitable, contingent or other claim to or interest in such share on the part of any other person, whether or not it shall have express or implied notice thereof.</p>
<b>GENERAL MEETINGS</b>	



<b>Annual general meeting</b>	<b>70.</b>	Subject to the provisions of the Act, the Company shall hold from time to time as provided by the Act in addition to any other meetings, a general meeting as its Annual General Meeting. The Provisions of Section 96 of the Act shall apply to such Annual General Meeting.
<b>Annual general meeting when to be held</b>	<b>71.</b>	Every Annual General Meeting shall be called for a time during business hours and on such day (not being a national holiday) as the Directors may from time to time determine and it shall be held either at the Registered Office of the Company or at any place within the city, town or village in which the office of the Company for the time being is situated.
<b>Right to summon extraordinary general meeting</b>	<b>72.</b>	The Chairman or Managing Director or any other Director, may, whenever they think fit, and shall if so directed by the Board, convene an Extraordinary General Meeting and the provisions of Section 100 of the Act, shall apply in respect of such meeting.
<b>Extraordinary meeting by requisition</b>	<b>73.</b>	<p>a. The Board shall, on the requisition of such number of members of the Company as is specified below, proceed duly to call an Extraordinary General Meeting of the Company and comply with the provisions of the Act in regard to meetings on requisition.</p> <p>b. The requisition shall set out matters for the consideration of which the meeting is to be called, shall be signed by the requisitionists and shall be deposited at the Registered Office of the Company or sent to the Company by Registered Post addressed to the Company at its Registered Office.</p> <p>c. The requisition may consist of several documents in like forms, each signed by one or more requisitionists.</p> <p>d. The number of members entitled to requisition a meeting in regard to any matter shall be such number of them as hold, on the date of the deposit of the requisition, not less than 1/10th of such of the paid-up capital of the Company as at the date carries the right of the voting in regard to the matter set out in the requisition.</p> <p>e. If the Board does not, within 21 days from the date of receipt of deposit of the requisition with regard to any matter, proceed duly to call a meeting for the consideration of these matters on a date not later than 45 days from the date of deposit of the requisition, the meeting may be called by the requisitionists themselves or such of the requisitionists, as represent either majority in the value of the paid-up share capital held by them or of not less than one tenth of such paid-up capital of the Company as is referred to in Subclause (d) above, whichever is less..</p>
<b>Length of notice for calling meeting</b>	<b>74</b>	<p>A General Meeting of the Company may be called by giving not less than twenty one days notice in writing, provided that a General Meeting may be called after giving shorter notice if consent thereto is accorded by the members holding not less than 95 per cent of the part of the paid- up share capital which gives the right to vote on the matters to be considered at the meeting.</p> <p>Provided that where any member of the Company is entitled to vote only on some resolution or resolutions to be moved at a meeting and not on the others, those members, shall be taken into account for purpose of this clause in respect of the former resolution or resolutions and not in respect of the latter.</p>
<b>Accidental omission to give notice not to invalidate meeting</b>	<b>75</b>	The accidental omission to give notice of any meeting to or the non-receipt of any such notice by any of the members shall not invalidate the proceedings of any resolution passed at such meeting.
<b>Special business and statement to be annexed</b>	<b>76.</b>	<p>All business shall be deemed special that is transacted at an Extraordinary Meeting and also that is transacted at an Annual Meeting with the exception of declaration of a dividend, the consideration of financial statements and the reports of the Directors and Auditors thereon, the election of the Directors in the place of those retiring, and the appointment of and the fixing of the remuneration of Auditors.</p> <p>Where any item of business to be transacted at the meeting is deemed to be special as aforesaid, there shall be annexed to the notice of the meeting a statement setting out all material facts concerning each such item of business including in particular the nature of the concern or interest, if any, therein, of every Director and the Manager, if any, every other Key Managerial Personnel and the relatives of Directors, Manager and other Key Managerial Personnel. Where any item of business consists of the according of approval to any document by the meeting, the</p>

		time and place where the document can be inspected shall be specified in the statement aforesaid. Where any item of special business to be transacted at a meeting of the company relates to or affects any other company, the extent of shareholding interest in that other company of every promoter, director, manager, if any, and of every other key managerial personnel of the first mentioned company shall, if the extent of such shareholding is not less than two per cent of the paid-up share capital of that company, also be set out in the statement.
<b>Quorum</b>	<b>77.</b>	i) No business shall be transacted at any general meeting unless a quorum of members is present at the time when the meeting proceeds to business. ii) Save as otherwise provided herein, the quorum for the general meetings shall be as provided in section 103 of Companies Act 2013, as amended from time to time.
<b>If quorum not present, when meeting to be dissolved and when to be adjourned</b>	<b>78.</b>	If within half an hour from the time appointed for the meeting, a quorum is not present, the meeting, if called upon the requisition of members, shall be dissolved; in any other case, it shall stand adjourned to the same day in the next week and at the same time and place or to such other day and to be at such other time and place as the Board may determine and if at the adjourned meeting a quorum is not present within half an hour from the time appointed for the meeting, the members present shall be a quorum.
<b>Chairman of general meeting</b>	<b>79</b>	The Chairman of the Board of Directors shall preside at every General Meeting of the Company and if he is not present within 15 minutes after the time appointed for holding the meeting, or if he is unwilling to act as Chairman, the Vice Chairman of the Board of Directors shall preside over the General Meeting of the Company.
<b>When chairman is absent</b>	<b>80</b>	If there is no such Chairman, or Vice Chairman or if at any General Meeting, either the Chairman or Vice Chairman is not present within fifteen minutes after the time appointed for holding the meeting or if they are unwilling to take the chair, the members present shall choose one of their members to be the Chairman.
<b>Adjournment of meeting</b>	<b>81.</b>	The Chairman may, with the consent of any meeting at which a quorum is present and shall, if so directed by the meeting, adjourn that meeting from time to time 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. When a meeting is adjourned for thirty days or more, notice of the adjourned meeting shall be given as in the case of an original meeting. Save as aforesaid, it shall not be necessary to give any notice of adjournment or of the business to be transacted at an adjourned meeting.
<b>Resolutions at general meeting how decided</b>	<b>82.</b>	At a General Meeting, a resolution put to the vote of the meeting shall be decided on a show of hands or by result of voting through ballot papers or through electronic voting as per the provisions of Section 108, unless a poll is (before or on the declaration of the result of the show of hands/ electronic voting) demanded in accordance with the provisions of Section 109. Unless a poll is so demanded, a declaration by the Chairman that a resolution has, on a show of hands/ ballot paper / electronic voting, been carried unanimously or by a particular majority or lost and an entry to that effect in the book of the proceedings of the Company shall be conclusive evidence of the fact without proof of the number or proportion of the votes recorded in favour of or against that resolution
<b>Casting vote</b>	<b>83.</b>	In the case of an equality of votes, the Chairman shall, whether on a show of hands, or electronically or on a poll, as the case may be, have a casting vote in addition to the vote or votes to which he may be entitled as a member.
<b>Taking of poll</b>	<b>84</b>	If a poll is duly demanded in accordance with the provisions of Section 109, it shall be taken in such manner as the Chairman, subject to the provisions of Section 109 of the Act, may direct, and the results of the poll shall be deemed to be the decision of the meeting on the resolution on which the poll was taken
<b>In what cases poll taken without adjournment</b>	<b>85</b>	A poll demanded on the election of Chairman or on a question of adjournment shall be taken forthwith. Where a poll is demanded on any other question, adjournment shall be taken at such time not being later than forty-eight hours from the time which demand was made, as the Chairman may direct.
<b>Business may proceed</b>	<b>86</b>	A demand for a poll shall not prevent the continuance of a meeting for the transaction of any business other than that on which a poll has been demanded; the

<b>notwithstanding demand for poll</b>		demand for a poll may be withdrawn at any time by the person or persons who made the demand.
<b>VOTING RIGHTS</b>		
	<b>87.</b>	<p>a. Every member of the Company holding Equity Share(s), shall have a right to vote in respect of such capital on every resolution placed before the Company. On a show of hands, every such member present shall have one vote and shall be entitled to vote in person or by proxy and his voting right on a poll or on e-voting shall be in proportion to his share of the paid- up Equity Capital of the Company.</p> <p>b. Every member holding any Preference Share shall in respect of such shares have a right to vote only on resolutions which directly affect the rights attached to the Preference Shares and subject as aforesaid, every such member shall in respect of such capital be entitled to vote in person or by proxy, if the dividend due on such preference shares or any part of such dividend has remained unpaid in respect of an aggregate period of not less than two years preceding the date of the meeting. Such dividend shall be deemed to be due on Preference Shares in respect of any period, whether a dividend has been declared by the Company for such period or not, on the day immediately following such period.</p> <p>c. Whenever the holder of a Preference Share has a right to vote on any resolution in accordance with the provisions of this article, his voting rights on a poll shall be in the same proportion as the capital paid-up in respect of such Preference Shares bear to the total equity paid-up capital of the Company.</p> <p>d. Voting by Electronic Means: A member may exercise his/her vote at a meeting by electronic means in accordance with section 108 and shall vote only once.</p>
<b>Joint holders</b>	<b>88.</b>	In the case of joint holders, the vote of the first named of such joint holders who tender a vote, whether in person or by proxy, shall be accepted to the exclusion of the votes of the other joint holders.
<b>Member of unsound mind</b>	<b>89.</b>	A member of unsound mind, or in respect of whom an order has been made by any Court having jurisdiction in lunacy, may vote, whether on a show of hands or on a poll, by his committee or other legal guardian, and any such committee or guardian may, on a poll vote by proxy.
<b>No member entitled to vote while call due to company</b>	<b>90.</b>	No member shall be entitled to vote at a General Meeting unless all calls or other sums presently payable by him in respect of shares in the Company have been paid.
<b>Proxies permitted on polls</b>	<b>91.</b>	On a poll, votes may be given either personally or by proxy provided that no Company shall vote by proxy as long as resolution of its Directors in accordance with provisions of Section 113 is in force.
<b>Instrument of proxy</b>	<b>92.</b>	<p>a. The instrument appointing a proxy shall be in writing under the hand of the appointed or of the attorney duly authorised in writing, or if the appointer is a Corporation, either under the common seal or under the hand of an officer or attorney so authorised. Any person may act as a proxy whether he is a member or not.</p> <p>b. A body corporate (whether a company within the meaning of this Act or not) may:</p> <ol style="list-style-type: none"> <li>1. If it is a member of the Company by resolution of its Board of Directors or other governing body, authorise such persons as it thinks fit to act as its representatives at any meeting of the Company, or at any meeting of any class of members of the Company;</li> <li>2. If it is a creditor (including a holder of debentures) of the Company, by resolution of its Directors or other governing body, authorise such person as it thinks fit to act as its representative at any meeting of any creditors of the Company held in pursuance of this Act or of any rules made thereunder, or in pursuance of the provisions contained in any debenture or trust deed, as the case may be.</li> </ol> <p>c. A person authorised by resolution as aforesaid shall be entitled to exercise the same rights and powers (including the right to vote by proxy) on behalf of the body corporate which he represents, as if he were personally the member, creditor or debenture holder.</p>
<b>Instrument of proxy to be deposited at the office</b>	<b>93.</b>	The instrument appointing a proxy and the power of attorney or other authority, if any, under which it is signed or a notary certified copy of that power of authority shall be deposited at the Registered Office of the Company not less than forty-eight hours before the time for holding the meeting or adjourned meeting at which the

		person named in the instrument proposed to vote, and in default, the instrument of proxy shall not be treated as valid.
<b>Validity of vote by proxy</b>	<b>94.</b>	A vote given in accordance with the terms of an instrument of proxy shall be valid notwithstanding the previous death of the appointer, or revocation of the proxy, or transfer of the share in respect of which the vote is given provided no intimation in writing of the death, revocation or transfer shall have been received at the Registered Office of the Company before the commencement of the meeting or adjourned meeting at which the proxy is used.
<b>Form of proxy</b>	<b>95.</b>	Any instrument appointing a proxy may be a two-way proxy form to enable the shareholders to vote for or against any resolution at their discretion. The instrument of proxy shall be in the prescribed form as given in Form MGT-11.
<b>DIRECTORS</b>		
	<b>96</b>	Unless otherwise determined by a General Meeting, the number of Directors shall not be less than 3 and not more than 15.
	<b>97.</b>	(Subject to the provisions of the Act as may be applicable, the Board may appoint any person as a Managing Director to perform such functions as the Board may decide from time to time. Such Director shall be a Member of the Board.
<b>Qualification of directors</b>	<b>98.</b>	Any person, whether a member of the Company or not, may be appointed as a Director. No qualification by way of holding shares in the capital of the Company shall be required of any Director.
<b>Director's remuneration</b>	<b>99.</b>	<p>a. Until otherwise determined by the Company in General Meeting, each Director shall be entitled to receive and be paid out of the funds of the Company a fee for each meeting of the Board of Directors or any committee thereof, attended by him as may be fixed by the Board of Directors from time to time subject to the provisions of Section 197 of the Act, and the Rules made thereunder. For the purpose of any resolution in this regard, none of the Directors shall be deemed to be interested in the subject matter of the resolution. The Directors shall also be entitled to be paid their reasonable travelling and hotel and other expenses incurred in consequence of their attendance at meetings of the Board or of any committee of the Board or otherwise in the execution of their duties as Directors either in India or elsewhere. The Managing/Whole-time Director of the Company who is a full time employee, drawing remuneration will not be paid any fee for attending Board Meetings.</p> <p>b. Subject to the provisions of the Act, the Directors may, with the sanction of a Special Resolution passed in the General Meeting and such sanction, if any, of the Government of India as may be required under the Companies Act, sanction and pay to any or all the Directors such remuneration for their services as Directors or otherwise and for such period and on such terms as they may deem fit.</p> <p>c. Subject to the provisions of the Act, the Company in General Meeting may by Special Resolution sanction and pay to the Director in addition to the said fees set out in subclause (a) above, a remuneration not exceeding one per cent (1%) of the net profits of the Company calculated in accordance with the provisions of Section 198 of the Act. The said amount of remuneration so calculated shall be divided equally between all the Directors of the Company who held office as Directors at any time during the year of account in respect of which such remuneration is paid or during any portion of such year irrespective of the length of the period for which they held office respectively as such Directors.</p> <p>d. Subject to the provisions of Section 188 of the Companies Act, and subject to such sanction of the Government of India, as may be required under the Companies Act, if any Director shall be appointed to advise the Directors as an expert or be called upon to perform extra services or make special exertions for any of the purposes of the Company, the Directors may pay to such Director such special remuneration as they think fit; such remuneration may be in the form of either salary, commission, or lump sum and may either be in addition to or in substitution of the remuneration specified in clause (a) of the Article.</p>
<b>Directors may act notwithstanding vacancy</b>	<b>100</b>	The continuing Directors may act notwithstanding any vacancy in their body, but subject to the provisions contained in Article 119 below:
<b>Chairman or vice-chairman of the</b>	<b>101</b>	a. Notwithstanding anything contained in these Articles and pursuant to provisions of the Act, Managing Director of the Company will act as Chairman of the board and

<b>board</b>		Deputy Managing Director will act as Vice chairman of the board. b. Subject to the provisions of the Act, the Chairman and the Vice Chairman may be paid such remuneration for their services as Chairman and Vice Chairman respectively, and such reasonable expenses including expenses connected with travel, secretarial service and entertainment, as may be decided by the Board of Directors from time to time.
<b>Authorise signing of receipts cheques etc.</b>	<b>102</b>	All cheques, promissory notes, drafts, hundis, bills of exchange, receipts, acceptances, endorsements, dividend warrants, releases, contracts and documents and other negotiable instruments, and all receipts for monies paid to the Company, shall be signed, drawn, accepted, endorsed, or otherwise executed, as the case may be, by such person and in such manner as the Board shall from time to time by resolution determine.
<b>Casual vacancy</b>	<b>103</b>	If the office of any Director becomes vacant before the expiry of the period of his Directorship in normal course, the resulting casual vacancy may be filled by the Board at a Meeting of the Board subject to Section 161 of the Act. Any person so appointed shall hold office only upto the date which the Director in whose place he is appointed would have held office if the vacancy had not occurred as aforesaid.
<b>Alternate directors</b>	<b>104</b>	(a) The Board may appoint an Alternate Director to act for a Director hereinafter called in this clause "the Original Director" during his absence for a period of not less than 3months from India. (b) An Alternate Director appointed as aforesaid shall vacate office if and when the Original Director returns to India. <b>Independent Directors</b> (c) (i) The Directors may appoint such number of Independent Directors as are required under Section 149 of the Companies Act, 2013 or SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 from time to time. (ii) Independent directors shall possess such qualification as required under Section 149 of the companies Act, 2013 and SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 (iii) Independent Director shall be appointed for such period as prescribed under relevant provisions of the companies Act, 2013 and SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 and shall not be liable to retire by rotation. <b>Women Director</b> (d) The Directors shall appoint one women director as per the requirements of section 149 of the Act. <b>Key Managerial Personnel</b> (e) Subject to the provisions of the Act, (i) A chief executive officer, manager, company secretary or chief financial officer may be appointed by the Board for such term, at such remuneration and upon such conditions as it may think fit; and any chief executive officer, manager, company secretary or chief financial officer so appointed may be removed by means of a resolution of the Board; (ii) A director may be appointed as chief executive officer, manager, company secretary or chief financial officer. (iii) The Managing Director shall act as the Chairperson of the Company for all purposes subject to the provisions contained in the Act and these articles.
<b>Additional directors</b>	<b>105</b>	The Directors may, from time to time, appoint a person as an Additional Director provided that the number of Directors and Additional Directors together shall not exceed the maximum number of Directors fixed for the Board by the Articles. Any person so appointed as an Additional Director shall hold office up to the date of the next Annual General Meeting of the Company. <b>Proportion of retirement by rotation</b> a. The proportion of directors to retire by rotation shall be as per the provisions of Section 152 of the Act.
<b>Debenture director</b>	<b>106</b>	Any trust deed for securing debentures or debenture-stocks may, if so arranged, provide for the appointment, from time to time, by the Trustees thereof or by the holders of debentures or debenture-stocks, of some person to be a Director of the Company and may empower such Trustees, holder of debentures or debenture-

		stocks, from time to time, to remove and reappoint any Director so appointed. The Director appointed under this Article is herein referred to as “Debenture Director” and the term “Debenture Director” means the Director for the time being in office under this Article. The Debenture Director shall not be bound to hold any qualification shares and shall not be liable to retire by rotation or be removed by the Company. The Trust Deed may contain such ancillary provisions as may be arranged between the Company and the Trustees and all such provisions shall have effect notwithstanding any other provisions herein contained.
<b>Corporation/nominee director</b>	<b>107</b>	Any deed for securing loans by the Company from financial corporation’s may be so arranged to provide for the appointment from time to time by the lending financial corporation of some person or persons to be a director or directors of the Company and may empower such lending financial corporation from time to time to remove and re- appoint any Director so appointed. A Director appointed under this Article is herein referred as “Nominee Director” and the term “Nominee Director” means any director for time being in office under this Article. The deed aforesaid may contain ancillary provisions as may be arranged between the Company and the lending corporation and all such provisions shall have effect notwithstanding any of the other provisions herein contained.
<b>Disclosure of interest of directors</b>	<b>108</b>	<p>a. Subject to the provisions of the Act, the Directors shall not be disqualified by reason of their office as such from contracting with the Company either as vendor, purchaser, lender, agent, broker, or otherwise, nor shall any such contract or any contract or arrangement entered into by on behalf of the Company with any Director or with any company or partnership of or in which any Director shall be a member or otherwise interested be avoided nor shall any Director so contracting or being such member or so interested be liable to account to the Company for any profit realized by such contract or arrangement by reason only of such Director holding that office or of the fiduciary relation thereby established but the nature of the interest must be disclosed by the Director at the meeting of the Board at which the contract or arrangements is determined or if the interest then exists in any other case, at the first meeting of the Board after the acquisition of the interest. Provided nevertheless that no Director shall vote as a Director in respect of any contract or arrangement in which he is so interested as aforesaid or take part in the proceedings thereat and he shall not be counted for the purpose of ascertaining whether there is quorum of Directors present. This provision shall not apply to any contract by or on behalf of the Company to indemnify the Directors or any of them against any loss they may suffer by becoming or being sureties for the Company.</p> <p>b. A Director may be or become a Director of any company promoted by this Company or in which this Company may be interested as vendor, shareholder or otherwise and no such Director shall be accountable to the Company for any benefits received as a Director or member of such company.</p>
<b>Vacation of office by directors</b>	<b>109</b>	<p>The office of a Director shall be vacated if:</p> <ol style="list-style-type: none"> <li>1. He is found to be unsound mind by a Court of competent jurisdiction;</li> <li>2. He applies to be adjudicated as an insolvent;</li> <li>3. He is an undercharged insolvent;</li> <li>4. He is convicted by a Court of any offence whether involving moral turpitude or otherwise and is sentenced in respect thereof to imprisonment for not less than six months and a period of five years has not elapsed from the date of expiry of the sentence;</li> <li>5. He fails to pay any call in respect of shares of the Company held by him, whether alone or jointly with others, within six months from the last date fixed for the payment of the call;</li> <li>6. An order disqualifying him for appointment as Director has been passed by court or tribunal and the order is in force.</li> <li>7. He has not complied with Subsection (3) of Section 152</li> <li>8. He has been convicted of the offence dealing with related party transaction under section 188 at any time during the preceding five years.</li> <li>9. He absents himself from all meetings of the Board for a continuous period of twelve months, with or without seeking leave of absence from the Board;</li> <li>10. He acts in contravention of Section 184 of the Act and fails to disclose his interest in a contract in contravention of section 184.</li> </ol>

		<p>11. He becomes disqualified by an order of a court or the Tribunal</p> <p>12. He is removed in pursuance of the provisions of the Act,</p> <p>13. Having been appointed a Director by virtue of holding any office or other employment in the Company, he ceases to hold such office or other employment in the Company; notwithstanding anything in Clause (4), (6) and (8) aforesaid, the disqualification referred to in those clauses shall not take effect:</p> <p>1. for thirty days from the date of the adjudication, sentence or order;</p> <p>2. where any appeal or petition is preferred within the thirty days aforesaid against the adjudication, sentence or conviction resulting in the sentence or order until the expiry of seven days from the date on which such appeal or petition is disposed off; or</p> <p>3. Where within the seven days as aforesaid, any further appeal or petition is preferred in respect of the adjudication, sentence, conviction or order, and appeal or petition, if allowed, would result in the removal of the disqualification, until such further appeal or petition is disposed of.</p>
<b>Rights of directors</b>	<b>110</b>	Except as otherwise provided by these Articles and subject to the provisions of the Act, all the Directors of the Company shall have in all matters equal rights and privileges, and be subject to equal obligations and duties in respect of the affairs of the Company.
<b>Directors to comply with section 184</b>	<b>111</b>	Notwithstanding anything contained in these presents, any Director contracting with the Company shall comply with the provisions of Section 184 of the Companies Act, 2013.
<b>Directors power of contract with company</b>	<b>112</b>	Subject to the limitations prescribed in the Companies Act, 2013, the Directors shall be entitled to contract with the Company and no Director shall be disqualified by having contracted with the Company as aforesaid.
<b>ROTATION OF DIRECTORS</b>		
<b>Rotation and retirement of directors</b>	<b>113</b>	At every annual meeting, one-third of the Directors shall retire by rotation in accordance with provisions of Section 152 of the Act.
<b>Retiring directors eligible for re-election</b>	<b>114</b>	A retiring Director shall be eligible for re-election and the Company at the General Meeting at which a Director retires in the manner aforesaid may fill up vacated office by electing a person thereto.
<b>Which directors to retire</b>	<b>115</b>	The Directors to retire in every year shall be those who have been longest in office since their last election, but as between persons who become Directors on the same day, those to retire shall, unless they otherwise agree among themselves, be determined by lot.
<b>Retiring directors to remain in office till successors are appointed</b>	<b>116</b>	Subject to Section 152 of the Act, if at any meeting at which an election of Directors ought to take place, the place of the vacating or deceased Directors is not filled up and the meeting has not expressly resolved not to fill up or appoint the vacancy, the meeting shall stand adjourned till the same day in the next week at the same time and place, or if that day is a national holiday, till the next succeeding day which is not a holiday at the same time, place, and if at the adjourned meeting the place of vacating Directors is not filled up and the meeting has also not expressly resolved not to fill up the vacancy, then the vacating Directors or such of them as have not had their places filled up shall be deemed to have been reappointed at the adjourned meeting.
<b>Power of general meeting to increase or reduce number of directors</b>	<b>117</b>	Subject to the provisions of Sections 149, 151 and 152 the Company in General Meeting may increase or reduce the number of Directors subject to the limits set out in Article 93 and may also determine in what rotation the increased or reduced number is to retire.
<b>Power to remove directors by ordinary resolution</b>	<b>118</b>	Subject to provisions of Section 169 the Company, by Ordinary Resolution, may at any time remove any Director except Government Directors before the expiry of his period of office, and may by Ordinary Resolution appoint another person in his place. The person so appointed shall hold office until the date upto which his predecessor would have held office if he had not been removed as aforementioned. A Director so removed from office shall not be re-appointed as a Director by the Board of Directors. Special Notice shall be required of any resolution to remove a Director under this Article, or to appoint somebody instead of the Director at the meeting at which he is removed.

<b>Rights of persons other than retiring directors to stand for directorships</b>	<b>119</b>	Subject to the provisions of Section 160 of the Act, a person not being a retiring Director shall be eligible for appointment to the office of a Director at any general meeting if he or some other member intending to propose him as a Director has not less than fourteen days before the meeting, left at the office of the Company a notice in writing under his hand signifying his candidature for the office of the Director, or the intention of such member to propose him as a candidate for that office, as the case may be “along with a deposit of such sum as may be prescribed by the Act or the Central Government from time to time which shall be refunded to such person or as the case may be, to such member, if the person succeeds in getting elected as a Director or gets more than 25% of total valid votes cast either on show of hands or electronically or on poll on such resolution”.
<b>Register of directors and kmp and their shareholding</b>	<b>120</b>	The Company shall keep at its Registered Office a register containing the addresses and occupation and the other particulars as required by Section 170 of the Act of its Directors and Key Managerial Personnel and shall send to the Registrar of Companies returns as required by the Act.
<b>Business to be carried on</b>	<b>121</b>	The business of the Company shall be carried on by the Board of Directors.
<b>PROCEEDINGS OF THE BOARD</b>		
<b>Meeting of the directors</b>	<b>122</b>	The Board may meet for the dispatch of business, adjourn and otherwise regulate its meetings, as it thinks fit, provided that a meeting of the Board shall be held at least once in every one hundred and twenty days; and at least four such meetings shall be held in every year.
<b>Director may summon meeting</b>	<b>123</b>	A Director may at any time request the Secretary to convene a meeting of the Directors and seven days notice of meeting of directors shall be given to every director and such notice shall be sent by hand delivery or by post or by electronic means.
<b>Question how decided</b>	<b>124</b>	a. Save as otherwise expressly provided in the Act, a meeting of the Directors for the time being at which a quorum is present shall be competent to exercise all or any of the authorities, powers and discretions by or under the regulations of the Company for the time being vested in or exercisable by the Directors generally and all questions arising at any meeting of the Board shall be decided by a majority of the Board. b. In case of an equality of votes, the Chairman shall have a second or casting vote in addition to his vote as a Director.
<b>Right of continuing directors when there is no quorum</b>	<b>125</b>	The continuing Directors may act notwithstanding any vacancy in the Board, but if and as long as their number is reduced below three, the continuing Directors or Director may act for the purpose of increasing the number of Directors to three or for summoning a General Meeting of the Company and for no other purpose.
<b>Quorum</b>	<b>126</b>	The quorum for a meeting of the Board shall be one third of its total strength (any fraction contained in that one third being rounded off as one) or two Directors whichever is higher; provided that where at any time the number of interested Directors is equal to or exceeds two thirds of the total strength, the number of the remaining Directors, that is to say, the number of Directors who are not interested present at the meeting being not less than two shall be the quorum during such time. The total strength of the Board shall mean the number of Directors actually holding office as Directors on the date of the resolution or meeting, that is to say, the total strength of the Board after deducting therefrom the number of Directors, if any, whose places are vacant at the time.
<b>Election of chairman to the board</b>	<b>127</b>	If no person has been appointed as Chairman or Vice Chairman under Article 98(a) or if at any meeting, the Chairman or Vice Chairman of the Board is not present within fifteen minutes after the time appointed for holding the meeting, the Directors present may choose one of their members to be the Chairman of the meeting.
<b>Power to appoint committees and to delegate</b>	<b>128</b>	a. The Board may, from time to time, and at any time and in compliance with provisions of the act and SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 constitute one or more Committees of the Board consisting of such member or members of its body, as the Board may think fit. <b>Delegation of powers</b> b. Subject to the provisions of Section 179 the Board may delegate from time to time and at any time to any Committee so appointed all or any of the powers, authorities



		and discretions for the time being vested in the Board and such delegation may be made on such terms and subject to such conditions as the Board may think fit and subject to provisions of the act and SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015. c. The Board may from, time to time, revoke, add to or vary any powers, authorities and discretions so delegated subject to provisions of the act and SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015.
<b>Proceedings of committee</b>	<b>129</b>	The meeting and proceedings of any such Committee consisting of two or more members shall be governed by the provisions herein contained for regulating the meetings and proceedings of the Directors so far as the same are applicable thereto, and not superseded by any regulations made by the Directors under the last proceeding Article.
<b>Election of chairman of the committee</b>	<b>130</b>	a. The Chairman or the Vice Chairman shall be the Chairman of its meetings, if either is not available or if at any meeting either is not present within five minutes after the time appointed for holding the meeting, the members present may choose one of their number to be Chairman of the meeting. b. The quorum of a Committee may be fixed by the Board and until so fixed, if the Committee is of a single member or two members, the quorum shall be one and if more than two members, it shall be two
<b>Question how determined</b>	<b>131</b>	a. A Committee may meet and adjourn as it thinks proper. b. Questions arising at any meeting of a Committee shall be determined by the sole member of the Committee or by a majority of votes of the members present as the case may be and in case of an equality of votes, the Chairman shall have a second or casting vote in addition to his vote as a member of the Committee
<b>Acts done by board or committee valid, notwithstanding defective appointment, etc</b>	<b>132</b>	All acts done by any meeting of the Board or a Committee thereof, or by any person acting as a Director shall, notwithstanding that it may be afterwards discovered that there was some defect in the appointment of any one or more of such Directors or any person acting as aforesaid, or that any of them was disqualified, be as valid as if every such Director and such person had been duly appointed and was qualified to be a Director.
<b>Resolution by circulation</b>	<b>133</b>	Save as otherwise expressly provided in the Act, a resolution in writing circulated in draft together with necessary papers, if any, to all the members of the Committee then in India (not being less in number than the quorum fixed for the meeting of the Board or the Committee as the case may) and to all other Directors or members at their usual address in India or by a majority of such of them as are entitled to vote on the resolution shall be valid and effectual as if it had been a resolution duly passed at a meeting of the Board or Committee duly convened and held.
<b>POWERS AND DUTIES OF DIRECTORS</b>		
<b>General powers of company vested in directors</b>	<b>134</b>	The business of the Company shall be managed by the Directors who may exercise all such powers of the Company as are not, by the act or any statutory modification thereof for the time being in force, or by these Articles, required to be exercised by the Company in General Meeting, subject nevertheless to any regulation of these Articles, to the provisions of the said Act, and to such regulations being not inconsistent with the aforesaid regulations or provisions as may be prescribed by the Company in General Meeting; but no regulation made by the Company in General Meeting, shall invalidate any prior act of the Directors which would have been valid if that regulation had not been made.
<b>Attorney of the company</b>	<b>135</b>	The Board may appoint at any time and from time to time by a power of attorney under the Company's seal, any person to be the Attorney of the Company for such purposes and with such powers, authorities and discretions not exceeding those vested in or exercisable by the Board under these Articles and for such period and subject to such conditions as the Board may from time to time think fit and any such appointment, may, if the Board thinks fit, be made in favour of the members, or any of the members of any firm or company, or the members, Directors, nominees or managers of any firm or company or otherwise in favour of any body or persons whether nominated directly or indirectly by the Board and any such power of attorney may contain such provisions for the protection or convenience of persons dealing with such attorney as the Board may think fit.
<b>Power to authorise</b>	<b>136</b>	The Board may authorise any such delegate or attorney as aforesaid to sub-delegate

<b>sub delegation</b>		all or any of the powers and authorities for the time being vested in him.
<b>Directors' duty to comply with the provisions of the act</b>	<b>137</b>	The Board shall duly comply with the provisions of the Act and in particular with the provisions in regard to the registration of the particulars of mortgages and charges affecting the property of the Company or created by it, and keep a register of the Directors, and send to the Registrar an annual list of members and a summary of particulars relating thereto, and notice of any consolidation or increase of share capital and copies of special resolutions, and such other resolutions and agreements required to be filed under Section 117 of the Act and a copy of the Register of Directors and notifications of any change therein.
<b>Special power of directors</b>	<b>138</b>	In furtherance of and without prejudice to the general powers conferred by or implied in Article 130 and other powers conferred by these Articles, and subject to the provisions of Sections 179 and 180 of the Act, that may become applicable, it is hereby expressly declared that it shall be lawful for the Directors to carry out all or any of the objects set forth in the Memorandum of Association and to the following things.
<b>To acquire and dispose of property and rights</b>	<b>139</b>	<p>a. To purchase or otherwise acquire for the Company any property, rights or privileges which the Company is authorised to acquire at such price and generally on such terms and conditions as they think fit and to sell, let, exchange, or otherwise dispose of the property, privileges and undertakings of the Company upon such terms and conditions and for such consideration as they may think fit.</p> <p><b>To pay for property in debentures, etc.</b></p> <p>b. At their discretion to pay for any property, rights and privileges acquired by or services rendered to the Company, either wholly or partially, in cash or in shares, bonds, debentures or other securities of the Company and any such shares may be issued either as fully paid-up or with such amount credited as paid-up, the sum as may be either specifically charged upon all or any part of the property of the Company and its uncalled capital or not so charged.</p> <p><b>To secure contracts by mortgages</b></p> <p>c. To secure the fulfillment of any contracts or agreements entered into by the Company by mortgage or charge of all or any of the property of the Company and its uncalled capital for the time being or in such other manner as they think fit.</p> <p><b>To appoint officers, etc.</b></p> <p>d. To appoint and at their discretion remove, or suspend such agents, secretaries, officers, clerks and servants for permanent, temporary or special services as they may from time to time think fit and to determine their powers and duties and fix their salaries or emoluments and to the required security in such instances and to such amount as they think fit.</p> <p>e. To institute, conduct, defend, compound or abandon any legal proceedings by or against the Company or its officers or otherwise concerning the affairs of the Company and also to compound and allow time for payments or satisfaction of any dues and of any claims or demands by or against the Company.</p> <p><b>To refer to arbitration</b></p> <p>f. To refer to, any claims or demands by or against the Company to arbitration and observe and perform the awards.</p> <p><b>To give receipt</b></p> <p>g. To make and give receipts, releases and other discharges for money payable to the Company and of the claims and demands of the Company.</p> <p><b>To act in matters of bankrupts and insolvents</b></p> <p>h. To act on behalf of the Company in all matters relating to bankrupts and insolvents.</p> <p><b>To give security by way of indemnity</b></p> <p>i. To execute in the name and on behalf of the Company in favour of any Director or other person who may incur or be about to incur any personal liability for the benefit of the Company such mortgages of the Company's property (present and future) as they think fit and any such mortgage may contain a power of sale and such other powers covenants and provisions as shall be agreed upon.</p> <p><b>To give commission</b></p> <p>j. To give any person employed by the Company a commission on the profits of any particular business or transaction or a share in the general profits of the Company.</p> <p><b>To make contracts etc.</b></p>

		<p>k. To enter into all such negotiations and contracts and rescind and vary all such contracts and execute and do all such acts, deeds and things in the name and on behalf of the Company as they consider expedient for or in relation to any of the matters aforesaid or otherwise for the purposes of the Company.</p> <p><b>To make bye-laws</b></p> <p>l. From time to time, make, vary and repeal bye-laws for the regulations of the business for the Company, its officers and servants.</p> <p><b>To set aside profits for provided fund</b></p> <p>m. Before recommending any dividends, to set-aside portions of the profits of the Company to form a fund to provide for such pensions, gratuities or compensations; or to create any provident fund or benefit fund in such or any other manner as the Directors may deem fit.</p> <p><b>To make and alter rules</b></p> <p>n. To make and alter rules and regulations concerning the time and manner of payments of the contributions of the employees and the Company respectively to any such fund and accrual, employment, suspension and forfeiture of the benefits of the said fund and the application and disposal thereof and otherwise in relation to the working and management of the said fund as the Directors shall from time to time think fit.</p> <p>o. And generally, at their absolute discretion, to do and perform every act and thing which they may consider necessary or expedient for the purpose of carrying on the business of the Company, excepting such acts and things as by Memorandum of Association of the Company or by these presents may stand prohibited</p>
<p><b>Powers to be exercised by board only at meeting</b></p>	<p><b>140</b></p>	<p>a. Subject to the provisions of the Act, the Board shall exercise the following powers on behalf of the Company and the said power shall be exercised only by resolution passed at the meetings of the Board.</p> <p>(a) To make calls on shareholders in respect of money unpaid on their shares;</p> <p>(b) To authorise buy-back of securities under section 68;</p> <p>(c) To issue securities, including debentures, whether in or outside India;</p> <p>(d) To borrow monies;</p> <p>(e) To invest the funds of the company;</p> <p>(f) To grant loans or give guarantee or provide security in respect of loans;</p> <p>(g) To approve financial statement and the Board's report;</p> <p>(h) To diversify the business of the company;</p> <p>(i) To approve amalgamation, merger or reconstruction;</p> <p>(j) To take over a company or acquire a controlling or substantial stake in another company;</p> <p>(k) To make political contributions;</p> <p>(l) To appoint or remove key managerial personnel (KMP);</p> <p>(m) To take note of appointment(s) or removal(s) of one level below the Key Management Personnel;</p> <p>(n) To appoint internal auditors and secretarial auditor;</p> <p>(o) To take note of the disclosure of director's interest and shareholding;</p> <p>(p) To buy, sell investments held by the company (other than trade investments), constituting five percent or more of the paid up share capital and free reserves of the investee company;</p> <p>(q) To invite or accept or renew public deposits and related matters;</p> <p>(r) To review or change the terms and conditions of public deposit;</p> <p>(s) To approve quarterly, half yearly and annual financial statements or financial results as the case may be.</p> <p>(t) Such other business as may be prescribed by the Act.</p> <p>b. The Board may by a meeting delegate to any Committee of the Board or to the Managing Director the powers specified in Sub-clauses, d, e and f above.</p> <p>c. Every resolution delegating the power set out in Sub-clause d shall specify the total amount outstanding at any one time up to which moneys may be borrowed by the said delegate.</p> <p>d. Every resolution delegating the power referred to in Sub-clause e shall specify the total amount up to which the funds may be invested and the nature of investments which may be made by the delegate.</p> <p>e. Every resolution delegating the power referred to in Sub-clause f above shall</p>

		specify the total amount up to which loans may be made by the delegate, the purposes for which the loans may be made, and the maximum amount of loans that may be made for each such purpose in individual cases.
<b>Register of mortgage to be kept</b>		The Directors shall cause a proper register and charge creation documents to be kept in accordance with the provisions of the Companies Act, 2013 for all mortgages and charges specifically affecting the property of the Company and shall duly comply with the requirements of the said Act, in regard to the registration of mortgages and charges specifically affecting the property of the Company and shall duly comply with the requirements of the said Act, in regard to the registration of mortgages and charges therein specified and otherwise and shall also duly comply with the requirements of the said Act as to keeping a copy of every instrument creating any mortgage or charge by the Company at the office.
<b>Register of holders of debentures</b>	<b>142</b>	Every register of holders of debentures of the Company may be closed for any period not exceeding on the whole forty five days in any year, and not exceeding thirty days at any one time. Subject as the aforesaid, every such register shall be open to the inspection of registered holders of any such debenture and of any member but the Company may in General Meeting impose any reasonable restriction so that at least two hours in every day, when such register is open, are appointed for inspection.
<b>Inspection of copies of and register of mortgages</b>	<b>143</b>	The Company shall comply with the provisions of the Companies Act, 2013, as to allow inspection of copies kept at the Registered Office in pursuance of the said Act, and as to allowing inspection of the Register of charges to be kept at the office in pursuance of the said Act.
<b>Supplying copies of register of holder of debentures</b>	<b>144</b>	The Company shall comply with the provisions of the Companies Act, 2013, as to supplying copies of any register of holders of debentures or any trust deed for securing any issue of debentures.
<b>Right of holders of debentures as to financial statements</b>	<b>145</b>	Holders of debentures and any person from whom the Company has accepted any sum of money by way of deposit, shall on demand, be entitled to be furnished, free of cost, or for such sum as may be prescribed by the Government from time to time, with a copy of the Financial Statements of the Company and other reports attached or appended thereto.
<b>Minutes</b>	<b>146</b>	a. The Company shall comply with the requirements of Section 118 of the Act, in respect of the keeping of the minutes of all proceedings of every General Meeting and every meeting of the Board or any Committee of the Board. b. The Chairman of the meeting shall exclude at his absolute discretion such of the matters as are or could reasonably be regarded as defamatory of any person irrelevant or immaterial to the proceedings or detrimental to the interests of the Company.
<b>Power to appoint or re-appoint key managerial personnel</b>	<b>147</b>	<b>1. Managing Director</b> 147. a. Subject to the provisions of Section 196, 197, 2(94), 203 of the Act, the following provisions shall apply: b. The Board of Directors may appoint or re-appoint one or more of their body, not exceeding two, to be the Managing Director or Managing Directors of the Company for such period not exceeding 5 years as it may deem fit, subject to such approval of the Central Government as may be necessary in that behalf. c. The remuneration payable to a Managing Director shall be determined by the Board of Directors subject to the sanction of the Company in General Meeting and of the Central Government, if required. d. If at any time there are more than one Managing Director, each of the said Managing Directors may exercise individually all the powers and perform all the duties that a single Managing Director may be empowered to exercise or required to perform under the Companies Act or by these presents or by any Resolution of the Board of Directors and subject also to such restrictions or conditions as the Board may from time to time impose. e. The Board of Directors may at any time and from time to time designate any Managing Director as Deputy Managing Director or Joint Managing Director or by such other designation as it deems fit. f. Subject to the supervision, control and directions of the Board of Directors, the Managing Director/Managing Directors shall have the management of the whole of the business of the Company and of all its affairs and shall exercise all powers and

		perform all duties and in relation to the management of the affairs, except such powers and such duties as are required by Law or by these presents to be exercised or done by the Company in General Meeting or by the Board and also subject to such conditions and restrictions imposed by the Act or by these presents or by the Board of Directors. Without prejudice to the generality of the foregoing, the Managing Director/Managing Directors shall exercise all powers set out in Article 137 above except those which are by law or by these presents or by any resolution of the Board required to be exercised by the Board or by the Company in General Meeting.
<b>Whole-time director</b>	<b>148</b>	1. Subject to the provisions of the Act and subject to the approval of the Central Government, if any, required in that behalf, the Board may appoint one or more of its body, as Whole- time Director or Whole time Directors on such designation and on such terms and conditions as it may deem fit. The Whole-time Directors shall perform such duties and exercise such powers as the Board may from time to time determine which shall exercise all such powers and perform all such duties subject to the control, supervision and directions of the Board and subject thereto the supervision and directions of the Managing Director. The remuneration payable to the Whole-time Directors shall be determined by the Company in General Meeting, subject to the approval of the Central Government, if any, required in that behalf. 2. A Whole-time Director shall (subject to the provisions of any contract between him and the Company) be subject to the same provisions as to resignation and removal as the other Directors, and he shall, ipso facto and immediately, cease to be Whole-time Director, if he ceases to hold the Office of Director from any cause except where he retires by rotation in accordance with the Articles at an Annual General Meeting and is re-elected as a Director at that Meeting.
<b>Secretary</b>	<b>149</b>	The Board shall have power to appoint a Secretary a person fit in its opinion for the said office, for such period and on such terms and conditions as regards remuneration and otherwise as it may determine. The Secretary shall have such powers and duties as may, from time to time, be delegated or entrusted to him by the Board.
<b>Managing director's power to be exercised severally</b>	<b>150</b>	All the powers conferred on the Managing Director by these presents, or otherwise may, subject to any directions to the contrary by the Board of Directors, be exercised by any of them severally
<b>Powers as to commencement of business</b>	<b>151</b>	Subject to the provisions of the Act, any branch or kind of business which by the Memorandum of Association of the Company or these presents is expressly or by implication authorised to be undertaken by the Company, may be undertaken by the Board at such time or times as it shall think fit and further may be suffered by it to be in abeyance whether such branch or kind of business may have been actually commenced or not so long as the Board may deem it expedient not to commence or proceed with such branch or kind of business
<b>Delegation of power</b>	<b>152</b>	Subject to Section 179 the Board may delegate all or any of its powers to any Director, jointly or severally or to any one Director at its discretion or to the Executive Director.
<b>BORROWING</b>		
<b>Borrowing powers</b>	<b>153</b>	a. The Board may, from time to time, raise any money or any moneys or sums of money for the purpose of the Company; provided that the moneys to be borrowed together with the moneys already borrowed by the Company (apart from temporary loans obtained from the Company's bankers in the ordinary course of business) shall not, without the sanction of the Shareholders at a General Meeting, exceed the aggregate of the paid-up capital of the Company and its free reserves, (that is to say, reserves not set-apart for any specific purpose) or the limits already approved by the Shareholders at a General Meeting, whichever is higher, but subject to the provisions of Section 179 of the Act, the Board may, from time to time, at its discretion raise or borrow or secure the payment of any such sum or sums of money for the purpose of the Company, by the issue of debentures to members, perpetual or otherwise including debentures convertible into shares of this or any other company or perpetual annuities in security of any such money so borrowed, raised or received, mortgage, pledge or charge, the whole or any part of the property, assets, or revenue of the Company, present or future, including its uncalled capital by special

		assignment or otherwise or transfer or convey the same absolutely or entrust and give the lenders powers of sale and other powers as may be expedient and purchase, redeem or pay off any such security. Provided that every resolution passed by the Company in General Meeting in relation to the exercise of the power to borrow as stated above shall specify the total amount up to which moneys may be borrowed by the Board of Directors, provided that subject to the provisions of clause next above, the Board may, from time to time, at its discretion, raise or borrow or secure the repayment of any sum or sums of money for the purpose of the Company as such time and in such manner and upon such terms and conditions in all respects as it thinks fit and in particular, by promissory notes or by opening current accounts, or by receiving deposits and advances, with or without security or by the issue of bonds, perpetual or redeemable 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 or by mortgaging or charging or pledging any land, building, bond or other property and security of the Company or by such other means as them may seem expedient.
<b>Assignment of debentures</b>	<b>154</b>	Such debentures, debenture stock, bonds or other securities may be made assignable, free from any equities between the Company and the person to whom the same may be issued.
<b>Terms of debenture issue</b>	<b>155</b>	<p>a. Any such debenture, debenture stock, bond or other security may be issued at a discount, premium or otherwise, and with any special privilege as the redemption, surrender, drawing, allotment of shares of the Company, or otherwise, provided that debentures with the right to allotment or conversion into shares shall not be issued except with the sanction of the Company in General Meeting.</p> <p>b. Any trust deed for securing of any debenture or debenture stock and or any mortgage deed and/or other bond for securing payment of moneys borrowed by or due by the Company and/or any contract or any agreement made by the Company with any person, firm, body corporate, Government or authority who may render or agree to render any financial assistance to the Company by way of loans advanced or by guaranteeing of any loan borrowed or other obligations of the Company or by subscription to the share capital of the Company or provide assistance in any other manner may provide for the appointment from time to time, by any such mortgagee, lender, trustee of or holders of debentures or contracting party as aforesaid, of one or more persons to be a Director or Directors of the Company. Such trust deed, mortgage deed, bond or contract may provide that the person appointing a Director as aforesaid may, from time to time, remove any Director so appointed by him and appoint any other person in his place and provide for filling up of any casual vacancy created by such person vacating office as such Director. Such power shall determine and terminate on the discharge or repayment of the respective mortgage, loan or debt or debenture or on the termination of such contract and any person so appointed as Director under mortgage or bond or debenture trust deed or under such contract shall cease to hold office as such Director on the discharge of the same. Such appointment and provision in such document as aforesaid shall be valid and effective as if contained in these presents.</p> <p>c. The Director or Directors so appointed by or under a mortgage deed or other bond or contract as aforesaid shall be called a Mortgage Director or Mortgage Directors and the Director if appointed as aforesaid under the provisions of a debenture trust deed shall be called "Debenture Director". The words "Mortgage" or "Debenture Director" shall mean the Mortgage Director for the time being in office. The Mortgage Director or Debenture Director shall not be required to hold any qualification shares and shall not be liable to retire by rotation or to be removed from office by the Company. Such mortgage deed or bond or trust deed or contract may contain such auxiliary provision as may be arranged between the Company and mortgagee lender, the trustee or contracting party, as the case may be, and all such provisions shall have effect notwithstanding any of the other provisions herein contained but subject to the provisions of the Act.</p> <p>d. The Directors appointed as Mortgage Director or Debenture Director or Corporate Director under the Article shall be deemed to be ex-officio Directors.</p> <p>e. The total number of ex-officio Directors, if any, so appointed under this Article</p>

		together with the other ex-officio Directors, if any, appointment under any other provisions of these presents shall not at any time exceed one-third of the whole number of Directors for the time being.
<b>Charge on uncalled capital</b>	<b>156</b>	Any uncalled capital of the Company may be included in or charged by mortgage or other security.
<b>Subsequent assignees of uncalled capital</b>	<b>157</b>	Where any uncalled capital of the Company is charged, all persons taking any subsequent charge thereon shall take the same subject such prior charge, and shall not be entitled, by notice to the shareholder or otherwise, to obtain priority over such prior charge.
<b>Charge in favour of director by way of indemnity</b>	<b>158</b>	If the Directors or any of them or any other person shall become personally liable for the payment of any sum primarily due from the Company, the Board may execute or cause to be executed any mortgage, charge or security over or affecting the whole or any part of the assets of the Company by way of indemnity to secure the Directors or other person so becoming liable as aforesaid from any loss in respect of such liability.
<b>MANAGER</b>		
<b>Manager</b>	<b>159</b>	Subject to the provisions of the Act, the Directors may appoint any person as Manager for such term not exceeding five years at a time at such remuneration and upon such conditions as they may think fit and any Manager so appointed may be removed by the Board.
<b>COMMON SEAL</b>		
<b>Common seal</b>	<b>160</b>	The Board shall provide a common seal of the Company and shall have power from time to time to destroy the same and substitute a new seal in lieu thereof. The common seal shall be kept at the Registered Office of the Company and committed to the custody of the Directors
<b>Affixture of common seal</b>	<b>161</b>	The seal shall not be affixed to any instrument except by the authority of a resolution of the Board or Committee and unless the Board otherwise determines, every deed or other instrument to which the seal is required to be affixed shall, unless the same is executed by a duly constituted attorney for the Company, be signed by two Directors or a Director and the Company Secretary or any other person authorised by the Board and provided nevertheless that any instrument bearing the seal of the Company issued for valuable consideration shall be binding on the Company notwithstanding any irregularity touching the authority to issue the same provided also the counter signature of the Chairman or the Vice Chairman, which shall be sealed in the presence of any one Director and signed by him on behalf of the Company.
<b>DIVIDENDS AND RESERVES</b>		
<b>Rights to dividend</b>	<b>162</b>	The profits of the Company, subject to any special rights relating thereto created or authorized to be created by these presents and subject to the provisions of these presents as to the Reserve Fund, shall be divisible among the equity shareholders.
<b>Declaration of dividends</b>	<b>163</b>	The Company in General Meeting may declare dividends but no dividend shall exceed the amount recommended by the Board.
<b>What to be deemed net profits</b>	<b>164</b>	The declarations of the Directors as to the amount of the net profits of the Company shall be conclusive.
<b>Interim dividend</b>	<b>165</b>	The Board may from time to time pay to the members such interim dividends as appear to it to be justified by the profits of the Company.
<b>Dividends to be paid out of profits only</b>	<b>166</b>	No dividend shall be payable except out of the profits of the year or any other undistributed profits except as provided by Section 123 of the Act.
<b>Establish reserve funds</b>	<b>167</b>	a. The Board may, before recommending any dividends, set aside out of the profits of the Company such sums as it thinks proper as a reserve or reserves which shall, at the discretion of the Board, be applicable for any purpose to which the profits of the Company may be properly applied, including provision for meeting contingencies or for equalizing dividends and pending such application may, at the like discretion either be employed in the business of the Company or be invested in such investments (other than shares of the Company) as the Board may, from time to time, think fit. b. The Board may also carry forward any profits which it may think prudent not to divide without setting them aside as Reserve.

<b>Method of payment of dividend</b>	<b>168</b>	<p>a. Subject to the rights of persons, if any, entitled to share with special rights as to dividends, all dividends shall be declared and paid according to the amounts paid or credited as paid on the shares in respect whereof the dividend is paid.</p> <p>b. No amount paid or credited as paid on a share in advance of calls shall be treated for the purposes of these regulations as paid on the share.</p> <p>c. All dividends shall be apportioned and paid proportionately to the amounts paid or credited as paid on the shares during any portion or portions of the period in respect of which the dividend is paid but if any share is issued on terms providing that it shall rank for dividends as from a particular date, such shares shall rank for dividend accordingly.</p>
<b>Deduction of arrears</b>	<b>169</b>	The Board may deduct from any dividend payable to any member all sums of money, if any, presently payable by him to the Company on account of calls in relation to the shares of the Company or otherwise.
<b>Adjustment of dividend against call</b>	<b>170</b>	Any General Meeting declaring a dividend or bonus may make a call on the members of such amounts 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 themselves, be set off against the call.
<b>Payment by cheque or warrant</b>	<b>171</b>	<p>a. Any dividend, interest or other moneys payable in cash in respect of shares may be paid by cheque or warrant sent through post directly to the registered address of the holder or, in the case of joint holders, to the registered address of that one of the joint holders who is first named in the Register of Members or to such person and to such address of the holder as the joint holders may in writing direct.</p> <p>b. Every such cheque or warrant shall be made payable to the order of the person to whom it is sent.</p> <p>c. Every dividend or warrant or cheque shall be posted within thirty days from the date of declaration of the dividends.</p>
<b>Retention in certain cases</b>	<b>172</b>	The Directors may retain the dividends payable upon shares in respect of which any person is under the transmission clause entitled to become a member in respect thereof or shall duly transfer the same.
<b>Receipt of joint holders</b>	<b>173</b>	<p>(A) Where any instrument of transfer of shares has been delivered to the Company for registration on holders, the Transfer of such shares and the same has not been registered by the Company, it shall, and notwithstanding anything contained in any other provision of the Act:</p> <p>a) transfer the dividend in relation to such shares to the Special Account referred to in Sections 123 and 124 of the Act, unless the Company is authorised by the registered holder, of such shares in writing to pay such dividend to the transferee specified in such instrument of transfer, and</p> <p>b) Keep in abeyance in relation to such shares any offer of rights shares under Clause(a) of Sub-section (1) of Section 62 of the Act, and any issue of fully paid-up bonus shares in pursuance of Sub-section (3) of Section 123 of the Act”.</p>
<b>Deduction of arrears</b>	<b>174</b>	Any one of two of the joint holders of a share may give effectual receipt for any dividend, bonus, or other money payable in respect of such share.
<b>Notice of dividends</b>	<b>175</b>	Notice of any dividend that may have been declared shall be given to the person entitled to share therein in the manner mentioned in the Act.
<b>Dividend not to bear interest</b>	<b>176</b>	No dividend shall bear interest against the Company.
<b>Unclaimed dividend</b>	<b>177</b>	No unclaimed dividends shall be forfeited. Unclaimed dividends shall be dealt with in accordance to the provisions of Sections 123 and 124 of the Companies Act, 2013.
<b>Transfer of share not to pass prior dividend</b>	<b>178</b>	Any transfer of shares shall not pass the right to any dividend declared thereon before the registration of the transfer.
<b>CAPITALISATION OF PROFITS</b>		
<b>Capitalisation of profits</b>	<b>179</b>	<p>a. The Company in General Meeting, may on the recommendation of the Board, resolve:</p> <p>1. That the whole or any part of any amount standing to the credit of the Share Premium Account or the Capital Redemption Reserve Fund or any money, investment or other asset forming part of the undivided profits, including profits or</p>



		<p>surplus moneys arising from the realisation and (where permitted by law) from the appreciation in value of any Capital assets of the Company standing to the credit of the General Reserve, Reserve or any Reserve Fund or any amounts standing to the credit of the Profit and Loss Account or any other fund of the Company or in the hands of the Company and available for the distribution as dividend capitalised; and</p> <p>2. That such sum be accordingly set free for distribution in the manner specified in Sub- clause (2) amongst the members who would have been entitled thereto if distributed by way of dividend and in the same proportion.</p> <p>b. The sum aforesaid shall not be paid in cash but shall be applied, subject to the provisions contained in Sub clause (3) either in or towards:</p> <p>1. Paying up any amount for the time being unpaid on any share held by such members respectively;</p> <p>2. Paying up in full unissued shares of the Company to be allotted and distributed and credited as fully paid-up to and amongst such members in the proportion aforesaid; or</p> <p>3. Partly in the way specified in Sub-clause (i) and partly in that specified in Subclause (ii).</p> <p>4. A share premium account and a capital redemption reserve account may for the purpose of this regulation be applied only in the paying up of unissued shares to be issued to members of the Company as fully paid bonus shares.</p> <p>5. The Board shall give effect to resolutions passed by the Company in pursuance of this Article.</p> <p><b>Buy back of shares:</b></p> <p>i. Notwithstanding anything contained in these articles but subject to the 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> <p>ii. The Company may from time to time allocate funds from its Free Reserves or Share Premium account or any other means of finance or issue debt instruments for raising funds for buy-back of its shares and the same is not to be considered as reduction of Capital under Section 66 of the Act. The Company may also exchange voting shares for non-voting shares or for any other securities.</p>
<b>Powers of directors for declaration of bonus</b>		<p>a. whenever such a resolution as aforesaid shall have been passed, the Board shall:</p> <p>1. Make all appropriations and applications of the undivided profits resolved to be capitalised thereby and all allotments and issue or fully paid shares if any; and</p> <p>2. Generally do all acts and things required to give effect thereto.</p> <p>b. The Board shall have full power:</p> <p>1. to make such provision by the issue of fractional certificates or by payments in cash or otherwise as it thinks fit in the case of shares becoming distributable in fractions and also;</p> <p>2. to authorise any person to enter on behalf of all the members entitled thereto into an agreement with the Company providing for the allotment to them respectively credited as fully paid-up of any further shares to which they may be entitled upon such capitalisation, or (as the case may require) for the payment by the Company on their behalf, by the application thereto of their respective proportions of the profits resolved to be capitalised of the amounts or any part of the amounts remaining unpaid on the existing shares.</p> <p>c. Any agreement made under such authority shall be effective and binding on all such members.</p>
<b>ACCOUNTS</b>		
<b>Books of account to be kept</b>	<b>181</b>	<p>a. The Board shall cause proper books of accounts to be kept in respect of all sums of money received and expended by the Company and the matters in respect of which such receipts and expenditure take place, of all sales and purchases of goods by the Company, and of the assets and liabilities of the Company.</p> <p>b. All the aforesaid books shall give a fair and true view of the affairs of the Company or of its branch as the case may be, with respect to the matters aforesaid, and explain in transactions.</p> <p>c. The books of accounts shall be open to inspection by any Director during business hours.</p>

<b>Where books of account to be kept</b>	<b>182</b>	The books of account shall be kept at the Registered Office or at such other place as the Board thinks fit.
<b>Inspection by members</b>	<b>183</b>	The Board shall, from time to time, determine whether and to what extent and at what time and under what conditions or regulations the accounts and books and documents of the Company or any of them shall be open to the inspection of the members and no member (not being a Director) shall have any right of inspection any account or book or document of the Company except as conferred by statute or authorised by the Board or by a resolution of the Company in General Meeting.
<b>Statement of account to be furnished to general meeting</b>	<b>184</b>	The Board shall lay before such Annual General Meeting , financial statements made up as at the end of the financial year which shall be a date which shall not precede the day of the meeting by more than six months or such extension of time as shall have been granted by the Registrar under the provisions of the Act.
<b>Financial statements</b>	<b>185</b>	Subject to the provisions of Section 129, 133 of the Act, every financial statements of the Company shall be in the forms set out in Parts I and II respectively of Schedule III of the Act, or as near thereto as circumstances admit.
<b>Authentication of financial statements</b>	<b>186</b>	a. Subject to Section 134 of the Act, every financial statements of the Company shall be signed on behalf of the Board by not less than two Directors. b. The financial statements shall be approved by the Board before they are signed on behalf of the Board in accordance with the provisions of this Article and before they are submitted to the Auditors for their report thereon.
<b>Auditors report to be annexed</b>	<b>187</b>	The Auditor's Report shall be attached to the financial statements
<b>Board's report to be attached to financial statements</b>	<b>188</b>	a. Every financial statement laid before the Company in General Meeting shall have attached to it a report by the Board with respect to the state of the Company's affairs, the amounts, if any, which it proposes to carry to any reserve either in such Balance Sheet or in a subsequent Balance Sheet and the amount, if any, which it recommends to be paid by way of dividend. b. The report shall, so far as it is material for the appreciation of the state of the Company's affairs by its members and will not in the Board's opinion be harmful to its business or that of any of its subsidiaries, deal with any change which has occurred during the financial year in the nature of the Company's business or that of the Company's subsidiaries and generally in the classes of business in which the Company has an interest and material changes and commitments, if any, affecting the financial position of the Company which has occurred between the end of the financial year of the Company to which the Balance Sheet relates and the date of the report. c. The Board shall also give the fullest information and explanation in its report or in case falling under the provision of Section 134 of the Act in an addendum to that Report on every reservation, qualification or adverse remark contained in the Auditor's Report. d. The Board's Report and addendum, if any, thereto shall be signed by its Chairman if he is authorised in that behalf by the Board; and where he is not authorised, shall be signed by such number of Directors as is required to sign the Financial Statements of the Company under Article 181. e. The Board shall have the right to charge any person not being a Director with the duty of seeing that the provisions of Sub-clauses (a) to (e) of this Article are complied with.
<b>Right of member to copies of financial statements</b>	<b>189</b>	The Company shall comply with the requirements of Section 136.
<b>ANNUAL RETURNS</b>		
<b>Annual returns</b>	<b>190</b>	The Company shall make the requisite annual return in accordance with Section 92 of the Act.
<b>AUDIT</b>		
<b>Accounts to be audited</b>	<b>191</b>	a. Every Financial Statement shall be audited by one or more Auditors to be appointed as hereinafter mentioned. b. Subject to provisions of the Act, The Company at the Annual General Meeting shall

		<p>appoint an Auditor or Firm of Auditors to hold office from the conclusion of that meeting until the conclusion of the fifth Annual General Meeting and shall, within seven days of the appointment, give intimation thereof to every Auditor so appointed unless he is a retiring Auditor.</p> <p>c. At every Annual General Meeting, reappointment of such auditor shall be ratified by the shareholders.</p> <p>d. Where at an Annual General Meeting no Auditors are appointed or reappointed, the Central Government may appoint a person to fill the vacancy.</p> <p>e. The Company shall, within seven days of the Central Government's power under Subclause (d) becoming exercisable, give notice of that fact to that Government.</p> <p>f. 1. The first Auditor or Auditors of the Company shall be appointed by the Board of Directors within one month of the date of registration of the Company and the Auditor or Auditors so appointed shall hold office until the conclusion of the first Annual General Meeting.</p> <p>2. Provided that the Company may at a General Meeting remove any such Auditor or all or any of such Auditors and appoint in his or their places any other person or persons who have been nominated for appointment by any such member of the Company and of whose nomination notice has been given to the members of the Company, not less than 14 days before the date of the meeting; and 3. If the Board fails to exercise its power under this Sub-clause, the Company in General Meeting may appoint the first Auditor or Auditors.</p> <p>g. The Directors may fill any casual vacancy in the office of an Auditor, but while any such vacancy continues, the remaining Auditor or Auditors, if any, may act, but where such a vacancy is caused by the resignation of an Auditor, the vacancy shall only be filled by the Company in General Meeting.</p> <p>h. A person other than a retiring Auditor, shall not be capable of being appointed at an Annual General Meeting unless Special Notice of a resolution for appointment of that person to the office of Auditor has been given by a member to the Company not less than fourteen days before the meeting in accordance with Section 115 of the Act and the Company shall send a copy of any such notice to the retiring Auditor and shall give notice thereof to the members in accordance with Section 190 of the Act and all other provisions of Section 140 of the Act shall apply in the matter. The provisions of this Subclause shall also apply to a resolution that retiring Auditor shall be reappointed.</p> <p>i. The persons qualified for appointment as Auditors shall be only those referred to in Section 141 of the Act.</p> <p>j. Subject to the provisions of Section 146 of the Act, the Auditor of the company shall attend general meetings of the company.</p>
<b>Audit of branch offices</b>	<b>192</b>	The Company shall comply with the provisions of Section 143 of the Act in relation to the audit of the accounts of Branch Offices of the Company.
<b>Remuneration of auditors</b>	<b>193</b>	The remuneration of the Auditors shall be fixed by the Company in General Meeting except that the remuneration of any Auditor appointed to fill and casual vacancy may be fixed by the Board.
<b>Accounts whether audited and approved to be conclusive</b>	<b>194</b>	Every account of the Company when audited and approved by a General Meeting shall be conclusive except as regards any error discovered therein within three months next after the approval thereof. Whenever any such error is discovered within that period, the accounts shall forthwith be corrected, and henceforth be conclusive.
<b>DOCUMENTS AND SERVICE OF DOCUMENTS</b>		
<b>Service of documents on the company</b>	<b>195</b>	A document may be served on the Company or any officer thereof by sending it to the Company or officer at the Registered Office of the Company by Registered Post, or by leaving it at the Registered Office or in electronic mode in accordance with the provisions of the act.
<b>How documents to be served to members</b>	<b>196</b>	a. A document (which expression for this purpose shall be deemed to included and shall include any summons, notice, requisition, process, order judgement or any other document in relation to or the winding up of the Company) may be served personally or by sending it by post to him to his registered address or in electronic mode in accordance with the provisions of the act., or (if he has no registered address in India) to the address, if any, within India supplied by him to the Company

		<p>for the giving of notices to him.</p> <p>b. All notices shall, with respect to any registered shares to which persons are entitled jointly, be given to whichever of such persons is named first in the Register, and notice so given shall be sufficient notice to all the holders of such shares.</p> <p>c. Where a document is sent by post:</p> <p>i. service thereof shall be deemed to be effected by properly addressing prepaying and posting a letter containing the notice, provided that where a member has intimated to the Company in advance that documents should be sent to him under a Certificate of Posting or by Registered Post with or without acknowledgment due and has deposited with the Company a sum sufficient to defray the expenses of doing so, service of the documents 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;</p> <p>a. in the case of a notice of a meeting, at the expiration of forty eight hours after the letter containing the notice is posted, and</p> <p>b. in any other case, at the time at which the letter should be delivered in the ordinary course of post.</p>
<b>Members to notify address in india</b>	<b>197</b>	Each registered holder of share(s) shall, from time to time, notify in writing to the Company some place in India to be registered as his address and such registered place of address shall for all purposes be deemed to be his place of residence.
<b>Service on members having no registered address in india</b>	<b>198</b>	If a member has no registered address in India and has not supplied to the Company an address within India for the giving of notices to him, a document advertised in a newspaper circulating in the neighbourhood of the Registered Office of the Company shall be deemed to be duly served on him on the day on which the advertisement appears.
<b>Service on persons acquiring shares on death or insolvency of members</b>	<b>199</b>	A document may be served by the Company 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 prepaid letter addressed to them by name, or by the title of representatives of deceased or assignees of the insolvent or by any like descriptions at the address, if any, in India supplied for the purpose by the persons claiming to be so entitled or (until such an address has been so supplied) by serving the document in any manner in which the same might have been served if the death or insolvency had not occurred.
<b>Notice valid though member deceased</b>	<b>200</b>	Any notice of document delivered or sent by post or left at the registered address of any member in pursuance of these presents shall, notwithstanding that such member by then deceased and whether or not the Company has notice of his decease, be deemed to have been duly served in respect of any registered share whether held solely or jointly with other persons by such member until some other person be registered in his stead as the holder or joint holder thereof and such service shall for all purposes of these presents be deemed a sufficient service of such notice or document on his or on her heirs, executors or administrators, and all other persons, if any, jointly interested with him or her in any such share.
<b>Persons entitled to notice of general meeting</b>	<b>201</b>	<p>Subject to the provisions of Section 101 the Act and these Articles, notice of General Meeting shall be given to;</p> <p>(a) every member of the company, legal representative of any deceased member or the assignee of an insolvent member;</p> <p>(b) the auditor or auditors of the company; and</p> <p>(c) every director of the company.</p> <p>Any accidental omission to give notice to, or the non-receipt of such notice by, any member or other person who is entitled to such notice for any meeting shall not invalidate the proceedings of the meeting.</p>
<b>Advertisement</b>	<b>202</b>	<p>a. Subject to the provisions of the Act, any document required to be served on or sent to the members, or any of them by the Company and not expressly provided for by these presents, shall be deemed to be duly served or sent if advertised in a newspaper circulating in the district where the Registered Office of the Company is situated.</p> <p>b. Every person who by operation of law, transfer or other means whatsoever shall become entitled to any share shall be bound by every notice in respect of such share which previously to his name and address being entered in the Register shall be duly given to the person from whom he derived his title to such share or stock.</p>

<b>Transference, etc. Bound by prior notices</b>	<b>203</b>	Every person, who by the operation of law, transfer, or other means whatsoever, shall become entitled to any share, shall be bound by every document in respect of such share which previously to his name and address being entered in the Register, shall have been duly served on or sent to the person from whom he derives his title to the share.
<b>How notice to be signed</b>	<b>204</b>	Any notice to be given by the Company shall be signed by the Managing Director or by such Director or officer as the Directors may appoint. The signature to any notice to be given by the Company may be written or printed or lithographed.
<b>AUTHENTICATION OF DOCUMENTS</b>		
<b>Authentication of document and proceeding</b>	<b>205</b>	Save as otherwise expressly provided in the Act or these Articles, a document or proceeding requiring authentication by the Company may be signed by a Director, or the Managing Director or an authorised officer of the Company and need not be under its seal.
<b>WINDING UP</b>		
<b>Winding up</b>	<b>206</b>	Subject to the provisions of the Act as to preferential payments, the assets of a Company shall, on its winding-up be applied in satisfaction of its liabilities paripassu and, subject to such application, shall, unless the articles otherwise provide, be distributed among the members according to their rights and interests in the Company.
<b>Division of assets of the company in specie among members</b>	<b>207</b>	If the Company shall be wound up, whether voluntarily or otherwise, the liquidators may, with the sanction of a Special Resolution, divide among the contributories, in specie or kind, and part of the assets of the Company and may, with the like sanction, vest any part of the assets of the Company in trustees upon such trusts for the benefit of the contributories or any of them, as the liquidators with the like sanction shall think fit. In case any shares, to be divided as aforesaid involves a liability to calls or otherwise, any person entitled under such division to any of the said shares may, within ten days after the passing of the Special Resolution by notice in writing, direct the liquidators to sell his proportion and pay him the net proceeds, and the liquidators shall, if practicable, act accordingly.
<b>INDEMNITY AND RESPONSIBILITY</b>		
<b>Directors' and others' right to indemnity</b>	<b>208</b>	a. Subject to the provisions of Section 197 of the Act every Director, Manager, Secretary and other officer or employee of the Company shall be indemnified by the Company against, and it shall be the duty of the Directors out of the funds of the Company to pay all costs, losses, and expenses (including travelling expenses) which Service of documents on the Company any such Director, officer or employee may incur or becomes liable to by reason of any contract entered into or act or deed done by him or any other way in the discharge of his duties, as such Director, officer or employee. b. Subject as aforesaid, every Director, Manager, Secretary, or other officer/employee of the Company shall be indemnified against any liability, incurred by them or him in defending any proceeding whether civil or criminal in which judgement is given in their or 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 given to him by the Court and without prejudice to the generality of the foregoing, it is hereby expressly declared that the Company shall pay and bear all fees and other expenses incurred or incurable by or in respect of any Director for filing any return, paper or document with the Registrar of Companies, or complying with any of the provisions of the Act in respect of or by reason of his office as a Director or other officer of the Company.
	<b>209</b>	Subject to the provisions of Section 197 of the Act, no Director or other officer of the Company shall be liable for the acts, receipts, neglects or defaults of any other Director or officer, or for joining in any receipt or other act for conformity for any loss or expenses happening to the Company through insufficiency or deficiency of title to any property acquired by order of the Directors for and on behalf of the Company, or for the insufficiency or deficiency of title to any property acquired by order of the Directors for and on behalf of the Company or for the insufficiency or deficiency of any money invested, or for any loss or damages arising from the bankruptcy, insolvency or tortuous act of any person, company or corporation with whom any moneys, securities or effects shall be entrusted or deposited or for any

		loss occasioned by any error of judgement or oversight on his part of for any loss or damage or misfortune whatever, which shall happen in the execution of the duties of his office or in relation thereto unless the same happens through his own act or default.
<b>SECURITY CLAUSE</b>		
	<b>210</b>	<p>a. No member shall be entitled to visit or inspect the Company's works without the permission of the Directors or Managing Director or to require discovery of or any information respecting any details of the Company's trading or any matter which is or may be in the nature of a trade secret, mystery of trade or secret process or which may relate to the conduct of the business of the Company and which, in the opinion of the Directors, will be inexpedient in the interests of the Company to communicate to the public.</p> <p>b. Every Director, Managing Director, Manager, Secretary, Auditor, Trustee, Members of a Committee, Officers, Servant, Agent, Accountant or other person employed in the business of the Company, shall, if so required by the Directors before entering upon his duties, or at any time during his term of office sign a declaration pledging himself to observe strict secrecy respecting all transactions of the Company and the state of accounts and in matters relating thereto, and shall by such declaration pledge himself not to reveal any of the matters which may come to his knowledge in the discharge of duties except when required so to do by the Board or by any General Meeting or by a Court of Law or by the persons to whom such matters relate and except so far as may be necessary, in order to comply with any of the provisions contained in these Articles.</p>
<b>REGISTERS, INSPECTION AND COPIES THEREOF</b>		
	<b>211</b>	<p>a. Any Director or Member or person can inspect the statutory registers maintained by the Company, which may be available for inspection of such Director or Member or person under provisions of the act by the Company, provided he gives fifteen days notice to the Company about his intention to do so.</p> <p>b. Any, Director or Member or person can take copies of such registers of the company by paying Rs. 10 per page to the company. The company will take steps to provide the copies of registers to such person within Fifteen days of receipt of money.</p>
<b>GENERAL AUTHORITY</b>		
	<b>212</b>	Wherever in the applicable provisions under the Act, it has been provided that, any Company shall have any right, authority or that such Company could carry out any transaction only if the Company is authorised by its Articles, this regulation hereby authorises and empowers the Company to have such right, privilege or authority and to carry out such transaction as have been permitted by the Act without there being any specific regulation or clause in that behalf in this article.

## SECTION - X - OTHER INFORMATION

### MATERIAL CONTRACTS AND DOCUMENTS FOR INSPECTION

The copies of the following documents and contracts which have been entered into or are to be entered into by our Company (not being contracts entered into in the ordinary course of business carried on by our Company or contracts entered into more than two years before the date of this 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 417, Sun Orbit B/H. Rajpath Club Road, Bodakdev, Ahmedabad, Gujarat-380054, India between 10:00 a.m. and 5:00 p.m. (IST) on all Working Days from the date of this Prospectus until the Issue Closing Date.

Any of the contracts or documents mentioned in this 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.

#### **1. Material contracts for the Issue**

1. Issue Agreement dated January 23, 2023 between our Company and the Lead Manager.
2. Registrar Agreement dated January 23, 2023 between our Company and Registrar to the Issue.
3. Underwriting Agreement dated January 23, 2023 amongst our Company, the Underwriter and the Lead Manager.
4. Market Making Agreement dated January 23, 2023 amongst our Company, Market Maker and the Lead Manager.
5. Bankers to the Issue Agreement dated January 23, 2023 amongst our Company, the Lead Manager, Banker(s) to the Issue and the Registrar to the Issue.
6. Tripartite agreement dated January 19, 2023 amongst our Company, Central Depository Services (India) Limited and Registrar to the Issue.
7. Tripartite agreement dated January 23, 2023 amongst our Company, National Securities Depository Limited and Registrar to the Issue.

#### **8. 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 January 04, 2023 in relation to the Issue and other related matters.
3. Shareholders' resolution dated January 05, 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 Prospectus and to acting their respective capacities.
5. Peer Review Auditors Report dated December 31, 2022 on Restated Financial Statements of our Company for the period ended on November 30, 2022 and year ended on March 31, 2022.
6. The Report dated January 23, 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 Prospectus.
7. Copy of Approval dated February 22, 2023 from the SME Platform of BSE (BSE SME) to use their name in the prospectus for listing of Equity Shares.
8. Agreement dated January 23, 2023 entered into by our Company with Vimal Mishra appointment as a Managing Director of the company.
9. Due diligence certificate submitted to BSE Limited dated February 25, 2023 from Lead Manager to the Issue.

Any of the contracts or documents mentioned in this Prospectus may be amended or modified at any time, if so required, in the interest of our Company or if required by the other parties, without reference to the Equity Shareholders, subject to compliance with applicable law.

## DECLARATION

We hereby certify and declare that all relevant provisions of the Companies Act, 2013 and the guidelines/regulations issued by the Government of India or the guidelines/regulations issued by the Securities and Exchange Board of India, established under section 3 of the Securities and Exchange Board of India Act, 1992, as the case may be, have been complied with and no statement made in this 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
Vimal Mishra	Managing Director	Sd/-
Priyanka Mishra	Director	Sd/-
Riddhi Vasita	Non-Executive Director	Sd/-
Nevil Soni	Independent Director	Sd/-
Divya Shah	Independent Director	Sd/-

**Signed by:**

Name	Designation	Signature
Vimal Mishra	Chief Financial Officer	Sd/-
Bhargavi Pandya	Company Secretary and Compliance Officer	Sd/-

**Place: Ahmedabad**

**Date: February 27, 2023**