PROSPECTUS
100% Book Built Issue
Dated: January 31, 2024
Please read Section 26 and 32 of the Companies Act, 2013

(Please scan this QR Code to view the Prospectus)

HARSHDEEP

HARSHDEEP HORTICO LIMITED

CIN: U26994MH2022PLC396421

REGISTERED OFFICE	CONTACT PERSON	EMAIL AND TELEPHONE	WEBSITE
Building No.1 Shree Sai Logistics, Survey No.18/2E 18/2P 17/2A, 17/2B Part, Elkunde, Bhiwandi, Thane- 421302, Maharashtra, India.	Shreya Gandhi, Company Secretary & Compliance Officer	**E-mail:** cs@harshdeepindia.com **Tel No:** +91-94245-04224	https://harshdeepindia.com/

PROMOTER OF THE COMPANY	Hitesh Chunilal Shah

DETAILS OF THE ISSUE				
TYPE	FRESH ISSUE SIZE (IN ₹ LAKHS)	OFS SIZE (BY NO. OF SHARES OR BY AMOUNT IN ₹)	TOTAL ISSUE SIZE (IN ₹ LAKHS)	ELIGIBILITY
Fresh Issue	Upto 42,42,000 Equity Shares aggregating to ₹ 1,908.90 Lakhs	Nil	₹ 1,908.90 Lakhs	This Issue is being made in terms of regulation 229(2) and 253(1) of chapter IX of the SEBI (ICDR) Regulations, 2018 as amended.

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

RISK IN RELATION TO THE FIRST ISSUE

The face value of the Equity Shares is ₹10. The Floor Price, Cap Price and Issue Price determined by our Company, in consultation with the Book Running Lead Manager, on the basis of the assessment of market demand for the Equity Shares by way of the Book Building Process, as stated under ***"Basis for Issue Price"*** on page 63 should not be considered to be indicative of the market price of the Equity Shares after the Equity Shares are listed. No assurance can be given regarding an active or sustained trading in the Equity Shares nor regarding the price at which the Equity Shares will be traded after listing.

GENERAL RISKS

Investments in Equity and Equity-related securities involve a degree of risk and investors should not invest any funds in this Issue unless they can afford to take the risk of losing their entire investment. Investors are advised to read the risk factors carefully before taking an investment decision in the Issue. For taking an investment decision, investors must rely on their own examination of our Company and the Issue including the risks involved. The Equity Shares issued in the Issue have not been recommended or approved by the Securities and Exchange Board of India ("SEBI"), nor does SEBI guarantee the accuracy or adequacy of the Prospectus. Specific attention of the investors is invited to the section ***"Risk Factors"*** beginning on page 22 of this Prospectus.

ISSUER'S ABSOLUTE RESPONSIBILITY

Our Company, 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 Issued through this 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 **"in-principle"** approval letter dated January 17, 2024 from BSE Limited (**"BSE"**) for using its name in the 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"**).

BOOK RUNNING LEAD MANAGER TO THE ISSUE

NAME AND LOGO	CONTACT PERSON	EMAIL & TELEPHONE NO.
Hem Securities Limited	Ajay Jain	**Email:** ib@hemsecurities.com **Tel. No.:** +91- 022- 49060000

REGISTRAR TO THE ISSUE

NAME	CONTACT PERSON	EMAIL & TELEPHONE
LINK Intime **Link Intime India Private Limited**	Shanti Gopalkrishnan	**Email:** harshdeephortico.ipo@linkintime.co.in; **Tel. No.:** +91 8108114949

BID/ ISSUE PERIOD

ANCHOR PORTION ISSUE OPENED/ CLOSED ON: THURSDAY, JANUARY 25, 2024	BID/ ISSUE OPENED ON: MONDAY, JANUARY 29, 2024	BID/ ISSUE CLOSED ON: WEDNESDAY, JANUARY 31, 2024

PROSPECTUS
100% Book Built Issue
Dated: January 31, 2024
Please read Section 26 and 32 of the Companies Act, 2013

HARSHDEEP HORTICO LIMITED

CIN: U26994MH2022PLC396421

Our Company was originally incorporated as a Limited Company under the name "Harshdeep Hortico Limited" on December 30, 2022 under the provisions of the Companies Act, 2013 with the Registrar of Companies, Mumbai, Maharashtra bearing CIN U26994MH2022PLC396421. Later, on April 03, 2023, our Company took over the business of proprietorship concern of the promoter Hitesh Chunilal Shah, namely M/s Harshdeep Agro Products along with the assets and liabilities of the proprietorship concern as going concern. For further details, please refer to chapter titled ***"History and Corporate Structure"*** beginning on page 101 of this Prospectus.

Registered Office: Building No.1 Shree Sai Logistics, Survey No.18/2E 18/2P 17/2A, 17/2B Part, Elkunde, Bhiwandi, Thane- 421302, Maharashtra, India.
Tel No: +91-94245-04224; **E-mail:** cs@harshdeepindia.com **Website:** https://harshdeepindia.com/
Contact Person: Shreya Gandhi, Company Secretary & Compliance Officer
Promoter of our Company: Hitesh Chunilal Shah

DETAILS OF THE ISSUE

INITIAL PUBLIC OFFER OF UPTO 42,42,000* EQUITY SHARES OF FACE VALUE OF ₹10/- EACH ("EQUITY SHARES") OF HARSHDEEP HORTICO LIMITED ("OUR COMPANY" OR "THE ISSUER" OR "HHL") AT AN ISSUE PRICE OF ₹ 45/- PER EQUITY SHARE (INCLUDING A SHARE PREMIUM OF ₹ 35/- PER EQUITY SHARE) FOR CASH, AGGREGATING UP TO ₹ 1,908.90 LAKHS ("PUBLIC ISSUE") OUT OF WHICH 2,16,000* EQUITY SHARES OF FACE VALUE OF ₹ 10 EACH, AT AN ISSUE PRICE OF ₹ 45/- PER EQUITY SHARE FOR CASH, AGGREGATING ₹ 97.20 LAKHS WILL BE RESERVED FOR SUBSCRIPTION BY THE MARKET MAKER TO THE ISSUE (THE "MARKET MAKER RESERVATION PORTION"). THE PUBLIC ISSUE LESS MARKET MAKER RESERVATION PORTION I.E. ISSUE OF 40,26,000* EQUITY SHARES OF FACE VALUE OF ₹ 10 EACH, AT AN ISSUE PRICE OF ₹ 45/- PER EQUITY SHARE FOR CASH, AGGREGATING UP TO ₹ 1,811.70 LAKHS IS HERE INAFTER REFERRED TO AS THE "NET ISSUE". THE PUBLIC ISSUE AND NET ISSUE WILL CONSTITUTE 26.36% AND 25.02% RESPECTIVELY OF THE POST- ISSUE PAID-UP EQUITY SHARE CAPITAL OF OUR COMPANY.
**Subject to finalization of Basis of Allotment.*

THE PRICE BAND AND THE MINIMUM BID LOT WAS DECIDED BY OUR COMPANY IN CONSULTATION WITH THE BRLM AND WAS ADVERTISED IN ALL EDITION OF BUSINESS STANDARD (A WIDELY CIRCULATED ENGLISH NATIONAL DAILY NEWSPAPER) AND ALL EDITION OF BUSINESS STANDARD (A WIDELY CIRCULATED HINDI NATIONAL DAILY NEWSPAPER, AND MARATHI EDITION OF PRATAHKAL, REGIONAL NEWSPAPER (MARATHI BEING THE REGIONAL LANGUAGE OF MUMBAI WHERE OUR REGISTERED OFFICE IS LOCATED), AT LEAST TWO WORKING DAYS PRIOR TO THE BID/ISSUE OPENING DATE AND WAS MADE AVAILABLE TO THE SME PLATFORM OF BSE ("BSE SME ") FOR THE PURPOSES OF UPLOADING ON THEIR WEBSITE.

The Issue was made through the Book Building Process, in terms of Rule 19(2)(b)(i) of the Securities Contracts (Regulation) Rules, 1957, as amended ("SCRR") read with Regulation 253 of the SEBI ICDR Regulations, as amended, wherein not more than 50% of the Net Issue was available for allocation on a proportionate basis to Qualified Institutional Buyers ("QIBs", the "QIB Portion"), our Company, in consultation with the Book Running Lead Managers, allocated 60% of the QIB Portion to Anchor Investors on a discretionary basis in accordance with the SEBI ICDR Regulations ("Anchor Investor Portion"). Further, not less than 15% of the Net Issue was made available for allocation on a proportionate basis to Non-Institutional Bidders and not less than 35% of the Net Issue was made available for allocation to Retail Individual Bidders in accordance with the SEBI ICDR Regulations, subject to valid Bids being received at or above the Issue Price. All potential Bidders (except Anchor Investors) were required to mandatorily utilize the Application Supported by Blocked Amount ("ASBA") process providing details of their respective ASBA accounts, and UPI ID in case of RIBs using the UPI Mechanism, if applicable, in which the corresponding Bid Amounts was blocked by the SCSBs or by the Sponsor Bank under the UPI Mechanism, as the case may be, to the extent of respective Bid Amounts. Anchor Investors were not permitted to participate in the Issue through the ASBA process. For details, see ***"Issue Procedure"*** beginning on page 200 of this Prospectus.

ELIGIBLE INVESTORS

For details in relation to Eligible Investors, please refer to section titled ***"Issue Procedure"*** beginning on page 200 of this Prospectus.

RISK IN RELATION TO THE FIRST ISSUE

The face value of the Equity Shares is ₹10. The Floor Price, Cap Price and Issue Price determined by our Company, in consultation with the Book Running Lead Managers, on the basis of the assessment of market demand for the Equity Shares by way of the Book Building Process, as stated under ***"Basis for Issue Price"*** on page 63 should not be considered to be indicative of the market price of the Equity Shares after the Equity Shares are listed. No assurance can be given regarding an active or sustained trading in the Equity Shares nor regarding the price at which the Equity Shares will be traded after listing.

GENERAL RISKS

Investments in Equity and Equity-related securities involve a degree of risk and investors should not invest any funds in this Issue unless they can afford to take the risk of losing their entire investment. Investors are advised to read the risk factors carefully before taking an investment decision in the Issue. For taking an investment decision, investors must rely on their own examination of our Company and the Issue including the risks involved. The Equity Shares issued in the Issue have not been recommended or approved by the Securities and Exchange Board of India ("SEBI"), nor does SEBI guarantee the accuracy or adequacy of the Prospectus. Specific attention of the investors is invited to the section ***"Risk Factors"*** beginning on page 22 of this Prospectus.

ISSUER'S ABSOLUTE RESPONSIBILITY

The Company, having made all reasonable inquiries, accepts responsibility for and confirms that this Prospectus contains all information with regard to the 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 Issued through this 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 **"in-principle"** approval letter dated January 17, 2024 from BSE Limited (**"BSE"**) for using its name in the 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"**).

BOOK RUNNING LEAD MANAGER TO THE ISSUE	REGISTRAR TO THE ISSUE
HEM SECURITIES LIMITED 904, A Wing, Naman Midtown, Senapati Bapat Marg, Elphinstone Road, Lower Parel, Mumbai-400013, Maharashtra, India **Tel. No.:** +91- 22- 49060000; **Email:** ib@hemsecurities.com **Investor Grievance Email:** redressal@hemsecurities.com **Website:** www.hemsecurities.com **Contact Person:** Ajay Jain **SEBI Regn. No.** INM000010981	**LINK INTIME INDIA PRIVATE LIMITED** **Address:** C-101, 247 Park, L. B. S. Marg, Vikhroli (West), Mumbai – 400 083 Maharashtra, India **Tel. No.:** +91 810 811 4949 **Email:** harshdeephortico.ipo@linkintime.co.in **Website:** www.linkintime.co.in **Investor Grievance Email:** harshdeephortico.ipo@linkintime.co.in **Contact Person:** Shanti Gopalkrishnan **SEBI Registration No.:** INR000004058

BID/ISSUE PERIOD

ANCHOR PORTION ISSUE OPENED/ CLOSED ON: THURSDAY, JANUARY 25, 2024	BID/ ISSUE OPENED ON: MONDAY, JANUARY 29, 2024	BID/ ISSUE CLOSED ON: WEDNESDAY, JANUARY 31, 2024

TABLE OF CONTENTS

SECTION	CONTENTS	PAGE NO.
I.	**GENERAL**	
	DEFINITIONS AND ABBREVIATIONS	1
	CERTAIN CONVENTIONS, USE OF FINANCIAL INFORMATION AND MARKET DATA AND CURRENCY OF FINANCIAL PRESENTATION	15
	FORWARD LOOKING STATEMENTS	17
II.	**SUMMARY OF PROSPECTUS**	18
III.	**RISK FACTORS**	22
IV.	**INTRODUCTION**	
	THE ISSUE	36
	SUMMARY OF OUR FINANCIALS	37
	GENERAL INFORMATION	40
	CAPITAL STRUCTURE	47
	OBJECTS OF THE ISSUE	57
	BASIS FOR ISSUE PRICE	63
	STATEMENT OF SPECIAL TAX BENEFITS	67
V.	**ABOUT THE COMPANY**	
	INDUSTRY OVERVIEW	69
	OUR BUSINESS	79
	KEY INDUSTRY REGULATIONS AND POLICIES	91
	HISTORY AND CORPORATE STRUCTURE	101
	OUR MANAGEMENT	103
	OUR PROMOTER & PROMOTER GROUP	115
	DIVIDEND POLICY	118
VI.	**FINANCIAL INFORMATION OF THE COMPANY**	
	RESTATED FINANCIAL STATEMENTS	119
	RESTATED FINANCIAL STATEMENTS OF M/S HARSHDEEP AGRO PRODUCTS (PROPRIETORSHIP)	144
	OTHER FINANCIAL INFORMATION	166
	STATEMENT OF FINANCIAL INDEBTEDNESS	167
	MANAGEMENT'S DISCUSSION AND ANALYSIS OF FINANCIAL CONDITIONS AND RESULTS OF OPERATIONS	169
	CAPITALISATION STATEMENT	175
VII.	**LEGAL AND OTHER INFORMATION**	
	OUTSTANDING LITIGATIONS AND MATERIAL DEVELOPMENTS	176
	GOVERNMENT AND OTHER APPROVALS	178
	OUR GROUP COMPANY	181
	OTHER REGULATORY AND STATUTORY DISCLOSURES	182
VIII.	**ISSUE RELATED INFORMATION**	
	TERMS OF THE ISSUE	192
	ISSUE STRUCTURE	198
	ISSUE PROCEDURE	200
	RESTRICTIONS ON FOREIGN OWNERSHIP OF INDIAN SECURITIES	219
IX.	**MAIN PROVISIONS OF THE ARTICLES OF ASSOCIATION OF OUR COMPANY**	221
X.	**OTHER INFORMATION**	
	MATERIAL CONTRACTS AND DOCUMENTS FOR INSPECTION	232
	DECLARATION	233

SECTION I – GENERAL

DEFINITIONS AND ABBREVIATIONS

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

The words and expressions used in this Prospectus but not defined herein, shall have, to the extent applicable, the meaning ascribed to such terms under the Companies Act, 2013, the SEBI (ICDR) Regulations, 2018, the Securities Contracts Regulation Act, 1956 ("SCRA"), the Depositories Act or the rules and regulations made there under.

Notwithstanding the foregoing, terms used in of the sections ***"Statement of Special Tax Benefits", "Financial Information of the Company"*** *and* ***"Main Provisions of the Articles of Association"*** *on page 67, 119 and 221 respectively, shall have the meaning ascribed to such terms in such sections.*

General Terms

Terms	Description
"HHL", "the Company", "our Company", "Issuer" and "Harshdeep Hortico Limited"	Harshdeep Hortico Limited, a Company incorporated in India under the Companies Act, 2013, having its Registered office at Building No.1 Shree Sai Logistics, Survey No.18/2E 18/2P 17/2A, 17/2B Part, Elkunde, Bhiwandi, Thane- 421302, Maharashtra, India.
"we", "us" and "our"	Unless the context otherwise indicates or implies refers to our Company.
"you", "your" or "yours"	Prospective investors in this Issue

Company related and Conventional terms

Term	Description
AOA/ Articles/ Articles of Association	Articles of Association of our Company, as amended, from time to time
Audit Committee	The Committee of the Board of Directors constituted as the Company's Audit Committee in accordance with Section 177 of the Companies Act, 2013 as described in the chapter titled ***"Our Management"*** beginning on page 103 of this Prospectus.
Auditors/ Statutory Auditors	The Statutory Auditors of our Company being M/s. DGMS & Co., (Firm Registration No. as 112187W).
Bankers to our Company	Kotak Mahindra Bank Limited
Board of Directors/ the Board/ our Board	The Board of Directors of our Company, including all duly constituted Committees thereof. For further details of our Directors, please refer to section titled ***"Our Management"*** beginning on page 103 of this Prospectus.
Chief Financial Officer/ CFO	The Chief Financial Officer of our Company being Harshit Hitesh Shah
Companies Act/ Act	The Companies Act, 2013 and amendments thereto and erstwhile Companies Act 1956 as applicable
Company Secretary and Compliance Officer	The Company Secretary & Compliance Officer of our Company being Shreya Gandhi (M. No.: A39135)
Depositories	National Securities Depository Limited (NSDL) and Central Depository Services (India) Limited (CDSL).
Depositories Act	The Depositories Act, 1996, as amended from time to time.
Director(s) / our directors	The Director(s) of our Company, unless otherwise specified
DP/ Depository Participant	A depository participant as defined under the Depositories Act
DP ID	Depository's Participant's Identity Number
Equity Shareholders/ Shareholders	Persons/ Entities holding Equity Shares of our Company
Equity Shares	Equity Shares of the Company of Face Value of ₹ 10/- each unless otherwise specified in the context thereof.
Executive Directors	Executive Directors are the Managing Director & Whole-time Directors of our Company.
Fugitive economic offender	Shall mean an individual who is declared a fugitive economic offender under section 12 of the Fugitive Economic Offenders Act, 2018 (17 of 2018)
Independent Director	An Independent Director as defined under Section 2(47) of the Companies Act, 2013 and as defined under the Listing Regulations. For details of our Independent Directors, see ***"Our Management"*** on page 103 of this Prospectus.
ISIN	International Securities Identification Number. In this case being INE0OLZ01015.

Term	Description
Key Management Personnel/ KMP	Key Management Personnel of our Company in terms of Regulation 2(1)(bb) of the SEBI Regulations and the Companies Act, 2013. For details, see section titled ***"Our Management"*** on page 103 of this Prospectus.
LLP	Limited Liability Partnership
MOA/ Memorandum/ Memorandum of Association	Memorandum of Association of Harshdeep Hortico Limited as amended from time to time.
MD or Managing Director	The Managing Director of our Company, Hitesh Chunilal Shah
Materiality Policy	The policy adopted by our Board on October 20, 2023 for identification of Group Companies, material outstanding litigation and material outstanding dues to creditors, pursuant to the disclosure requirements under the SEBI (ICDR) Regulations, 2018 as amended from time to time.
Manufacturing Unit-II	The Manufacturing Unit II situated at Gat No. 589, Darekarwadi Road, Boriaind, Daund Pune – 412202, Maharashtra, India.
Nomination and Remuneration Committee	The nomination and remuneration committee of our Board constituted in accordance with Section 178 of the Companies Act, 2013 as described in the chapter titled ***"Our Management"*** beginning on page 103 of this Prospectus
Non-Executive Director	A Director not being an Executive Director.
NRIs / Non-Resident Indians	A person resident outside India, as defined under Foreign Exchange Management Act, 1999 and who is a citizen of India or a Person of Indian Origin under Foreign Exchange Management (Transfer or Issue of Security by a Person Resident Outside India) Regulations, 2000.
Promoter(s)	Shall mean promoter of our Company i.e., Hitesh Chunilal Shah. For further details, please refer to section titled ***"Our Promoter & Promoter Group"*** beginning on page 115 of this Prospectus.
Promoter Group	Includes such Persons and companies constituting our Promoter Group covered under Regulation 2(1) (pp) of the SEBI (ICDR) Regulations, 2018 as enlisted in the section ***"Our Promoter and Promoter Group"*** beginning on page 115 of this Prospectus.
Person or Persons	Any individual, sole proprietorship, unincorporated association, unincorporated organization, body corporate, corporation, company, partnership, limited liability company, joint venture, or trust or any other entity or organization validly constituted and/or incorporated in the jurisdiction in which it exists and operates, as the context requires.
RBI Act	The Reserve Bank of India Act, 1934 as amended from time to time.
Registered Office of our Company & Manufacturing Unit I	The Registered Office of our Company situated at Building No.1 Shree Sai Logistics, Survey No.18/2E 18/2P 17/2A, 17/2B Part, Elkunde, Bhiwandi, Thane-421302 Maharashtra, India.
Reserve Bank of India/ RBI	Reserve Bank of India constituted under the RBI Act.
Restated Financial Information/ Statements	The Restated Financial statements of our Company comprising of the Restated Statement of Assets and Liabilities four-months ended July 31, 2023 and as at the year end March 31 2023 and the Restated Statement of Profit & Loss for the four-months ended July 31, 2023 and for the year ended on March 31 2023 and the Restated Cash Flows Statements for the four-months ended July 31, 2023 and for the year ended on March 31 2023 of our Company prepared in accordance with Indian GAAP and the Companies Act and restated in accordance with the SEBI (ICDR) Regulations, 2018 and the Revised Guidance Note on Reports in Company Prospectus (Revised 2019) issued by the ICAI, together with the schedules, notes and annexure thereto.
RoC/ Registrar of Companies	Unless specified otherwise refers to ROC Mumbai situated at 100, Everest, Marine Drive, Mumbai-400002, Maharashtra, India.
SEBI	Securities and Exchange Board of India constituted under the SEBI Act, 1992.
SEBI Act	Securities and Exchange Board of India Act, 1992, as amended
SEBI AIF Regulations	Securities and Exchange Board of India (Alternate Investments Funds) Regulations, 2012, as amended.
SEBI FII Regulations	Securities and Exchange Board of India (Foreign Institutional Investors) Regulations, 1995, as amended from time to time.
SEBI FPI Regulations	Securities and Exchange Board of India (Foreign Portfolio Investors) Regulations, 2014, as amended from time to time.
SEBI FVCI Regulations	Securities and Exchange Board of India (Foreign Venture Capital Investor) Regulations, 2000, as amended from time to time.
SEBI Insider Trading Regulations	The Securities and Exchange Board of India (Prohibition of Insider Trading) Regulations, 2015 as amended, including instructions, notifications and clarifications issued by SEBI from time to time.
SEBI SBEB Regulations	Securities and Exchange Board of India (Share Based Employee Benefits) Regulations, 2014.

Term	Description
SEBI Listing Regulations, 2015/ SEBI Listing Regulations/ Listing Regulations/ SEBI (LODR)	The Securities and Exchange Board of India (Listing Obligation and Disclosure Requirements) Regulations, 2015 as amended, including instructions and clarifications issued by SEBI from time to time.
SEBI Takeover Regulations or SEBI (SAST) Regulations/ SEBI Takeover Regulations/ Takeover Regulations/ Takeover Code	Securities and Exchange Board of India (Substantial Acquisition of Shares and Takeover) Regulations, 2011, as amended from time to time.
SEBI (PFUTP) Regulations/ PFUTP Regulations	Securities and Exchange Board of India (Prohibition of Fraudulent and Unfair Trade Practices relating to Securities Markets) Regulations, 2003
Stakeholders' Relationship Committee	Stakeholders' relationship committee of our Company constituted in accordance with Section 178 of the Companies Act, 2013 and as described in the chapter titled ***"Our Management"*** beginning on page 103 of this Prospectus.
Stock Exchange	Unless the context requires otherwise, refers to, BSE Limited
Store-I	The Store-I situated at Kh no. 48/18, G/F Dera Village, Near Roda, New Delhi-110074, India.
Store-II	The Store-II situated at Gat No - 744 /A Pune Solapur Road, Haveli, Sortapwadi Pune - 412110, Maharashtra, India
Store-III	The Store-III situated at D No. 3-377/1, NH-16, Opposite Subramanyeswara Temple, Burrilanka, East Godavari District - 533126, Andhra Pradesh, India.
Shareholders	Shareholders of our Company from time to time.
Sub- Account	Sub- accounts registered with SEBI under the Securities and Exchange Board of India (Foreign Institutional Investor) Regulations, 1995, other than sub-accounts which are foreign corporate or foreign individuals.
Subscriber to MOA	Initial Subscribers to MOA being Hitesh Chunilal Shah, Dipti Hitesh Shah, Harshit Hitesh Shah, Ankit Manilal Gala, Kushal Pravin Haria, Prakash Lal Bahadur Singh, Shashikant Acchelal Tiwari.

Issue Related Terms

Terms	Description
Abridged Prospectus	Abridged prospectus means a memorandum containing such salient features of a prospectus as may be specified by SEBI in this behalf.
Acknowledgement Slip	The slip or document issued by the Designated Intermediary to a bidder as proof of registration of the Application.
Allotment/ Allot/ Allotted	Unless the context otherwise requires, means the allotment of Equity Shares, pursuant to the Issue to the successful bidders.
Allotment Advice	A note or advice or intimation of Allotment sent to the successful Bidders who have been or are to be Allotted the Equity Shares after the Basis of Allotment has been approved by the Designated Stock Exchange.
Allottee (s)	A successful bidder to whom the Equity Shares are allotted.
Anchor Investor(s)	A Qualified Institutional Buyer, applying under the Anchor Investor Portion in accordance with the requirements specified in the SEBI ICDR Regulations and the Red Herring Prospectus and who has Bid for an amount of at least ₹ 200 lakhs.
Anchor Investor Allocation Price	The price at which Equity Shares will be allocated to the Anchor Investors in terms of the Red Herring Prospectus and the Prospectus, which will be decided by our Company in consultation with the Book Running Lead Managers during the Anchor Investor Bid/ Issue Period.
Anchor Investor Application Form	The application form used by an Anchor Investor to make a Bid in the Anchor Investor Portion and which will be considered as an application for Allotment in terms of the Red Herring Prospectus and Prospectus
Anchor Investor Bid/ Issue Period	One Working Day prior to the Bid/ Issue Opening Date, on which Bids by Anchor Investors shall be submitted and allocation to the Anchor Investors shall be completed.
Anchor Investor Issue Price	₹ 45/- per Equity Shars. The Anchor Investor Issue Price will be decided by our Company, in consultation with the Book Running Lead Managers
Anchor Investor Portion	Up to 60% of the QIB Portion which has been allocated by our Company, in consultation with the Book Running Lead Managers, to the Anchor Investors on a discretionary basis in accordance with the SEBI ICDR Regulations. One-third of the Anchor Investor Portion has been reserved for domestic Mutual Funds, subject to valid Bids being received from domestic Mutual Funds at or above the Anchor Investor Allocation Price, in accordance with the SEBI ICDR Regulations.

Terms	Description
Application Supported by Block Amount (ASBA)	An application, whether physical or electronic, used by ASBA Bidders, to make a Bid and authorising an SCSB to block the Bid Amount in the ASBA Account and will include amounts blocked by the SCSB upon acceptance of UPI Mandate Request by the UPI Bidders using the UPI Mechanism.
ASBA Account	A bank account maintained by ASBA Bidders with an SCSB were blocked by such SCSB to the extent of the appropriate bid amount in relation to a Bid by an ASBA Bidder
ASBA Application Location(s)/ Specified Cities	Locations at which ASBA Applications can be uploaded by the SCSBs, namely Mumbai, New Delhi, Chennai, Kolkata and Ahmedabad.
ASBA Bidder	All Bidders except Anchor Investor.
ASBA Form/ Bid cum Application	An application form (with or without UPI ID, as applicable), whether physical or electronic, used by Bidders which were considered as the application for Allotment in terms of the Red Herring Prospectus or the Prospectus.
Banker to the Issue Agreement	Agreement dated January 15, 2024 entered into amongst the Company, Book Running Lead Manager, the Registrar, Sponsor Bank and the Banker to the Issue.
Bankers to the Issue/ Public Issue Bank/ Sponsor Bank	Banks which are clearing members and registered with SEBI as Bankers to an Issue and with whom the Public Issue Account was opened, in this case being HDFC Bank Limited
Basis of Allotment	The basis on which the Equity Shares will be Allotted to successful bidders under the issue and which is described in the chapter titled ***"Issue Procedure"*** beginning on page 200 of this Prospectus.
Bid	An indication to make an offer during the Bid/ Issue Period by a Bidder (other than an Anchor Investor) pursuant to submission of the ASBA Form, or during the Anchor Investor Bid/ Issue Period by an Anchor Investor, pursuant to submission of the Anchor Investor Application Form, to subscribe to or purchase the Equity Shares at a price within the Price Band, including all revisions and modifications thereto as permitted under the SEBI ICDR Regulations and in terms of the Red Herring Prospectus and the Bid cum Application Form. The term "Bidding" shall be construed accordingly.
Bid Amount	The highest value of optional Bids indicated in the Bid cum Application Form and in the case of Retail Individual Bidders Bidding at Cut Off Price, the Cap Price multiplied by the number of Equity Shares Bid for by such Retail Individual Bidder and mentioned in the Bid cum Application Form and payable by the Retail Individual Bidder or blocked in the ASBA Account upon submission of the Bid in the Issue.
Bid Lot	3,000 equity shares and in multiples of 3,000 equity shares thereafter.
Bid/ Issue Closing Date	Except in relation to any Bids received from the Anchor Investors, January 31, 2024*. **Please refer Corrigendum published on January 23, 2024*
Bid/ Issue Opening Date	Except in relation to any Bids received from the Anchor Investors, January 29, 2024*. **Please refer Corrigendum published on January 23, 2024*
Bid/ Issue Period	Except in relation to any Bids received from the Anchor Investors, the period between January 29, 2024 to January 31, 2024*. **Please refer Corrigendum published on January 23, 2024*
Bidder/ Applicant	Any prospective investor who has made bid pursuant to the terms of the Red Herring Prospectus and the Bid-Cum-Application Form and unless otherwise stated or implied, which includes an ASBA Bidder and an Anchor Investor
Bidding	The process of making a Bid.
Bidding/ Collection Centers	Centers at which the Designated intermediaries accepted the ASBA Forms, i.e., Designated SCSB Branches for SCSBs, specified locations for syndicates, broker centers for registered brokers, designated RTA Locations for RTAs and designated CDP locations for CDPs.
Book Building Process/ Book Building Method	Book building process, as provided in Part A of Schedule XIII of the SEBI ICDR Regulations, in terms of which the Issue is being made
BRLM/ Book Running Lead Manager	Book Running Lead Manager to the Issue in this case being Hem Securities Limited, SEBI Registered Category I Merchant Banker.
Broker Centres	Broker Centres notified by the Stock Exchanges, where the investors submited the Bid-cum Application Forms to a Registered Broker. The details of such Broker Centers, along with the names and contact details of the Registered Brokers are available on the websites of the Stock Exchange.
Business Day	Monday to Friday (except public holidays).
CAN or Confirmation of Allocation Note	The Note or advice or intimation sent to each successful Applicant indicating the Equity which have been allotted, after approval of Basis of Allotment by the designated Stock Exchange.
Cap Price	₹ 45/- per Equity Share
Client Id	Client Identification Number maintained with one of the Depositories in relation to Demat account

Terms	Description
Collecting Depository Participants or CDPs	A depository participant as defined under the Depositories Act, 1996, registered with SEBI and who is eligible to procure Applications at the Designated CDP Locations in terms of circular no. CIR/CFD/POLICYCELL/11/2015 dated November 10, 2015 issued by SEBI
Collecting Registrar and Share Transfer Agent	Registrar to an Issue and share transfer agents registered with SEBI and eligible to procure Bids at the Designated RTA Locations in terms of circular no. CIR/CFD/POLICYCELL/11/2015 dated November 10, 2015 issued by SEBI.
Corrigendum Advertisement	Corrigendum published on January 23, 2024 for Pre-Issue and Price Band Advertisement dated on January 18, 2024 and Red Herring Prospectus filed with RoC dated January 18, 2024 published in all editions of the English national newspaper Business Standard, all editions of Hindi national newspaper Business Standard and Marathi Edition of Regional newspaper Pratahkal where the registered office of the company is situated, each with wide circulation.
Controlling Branches of the SCSBs	Such branches of the SCSBs which coordinate with the BRLM, the Registrar to the Issue and the Stock Exchange.
Cut Off Price	The Issue Price, i.e., ₹ 45/- per Equity Share as finalized by our Company in consultation with the BRLM. Only Retail Individual Investors were entitled to Bid at the Cut-off Price. QIBs (including Anchor Investor) and Non-Institutional Investors are not entitled to Bid at the Cut-off Price. *Subject to finalization of basis of allotment
Demographic Details	The demographic details of the applicants such as their Address, PAN, name of the applicant's father/husband, investor status, Occupation and Bank Account details.
Depositor/ Depositories	A depository registered with SEBI under the Securities and Exchange Board of India (Depositories and Participants) Regulations, 1996 as amended from time to time i.e., National Securities Depository Limited (NSDL) and Central Depository Services (India) Limited (CDSL).
Depositories Act	The Depositories Act, 1996, as amended from time to time.
Designated CDP Locations	Such locations of the CDPs where Applicant submited the Bid-cum-Application Forms to Collecting Depository Participants. The details of such Designated CDP Locations, along with names and contact details of the Collecting Depository Participants eligible to accept Bid-Cum-Application Forms are available on the website of the Stock Exchange i.e., www.bseindia.com
Designated Date	The date on which the funds from the Anchor Escrow Accounts, the funds blocked by the SCSBs and Sponsor Bank are transferred from ASBA Accounts specified by the ASBA Bidder to the Public Issue Account and/or Refund Account and/or are unblocked, as applicable in terms of Red Herring Prospectus.
Designated Intermediaries/ Collecting Agent	An SCSB's with whom the bank account to be blocked, is maintained, a syndicate member (or sub-syndicate member), a Stock Broker registered with recognized Stock Exchange, a Depositary Participant, a registrar to an issue and share transfer agent (RTA) (whose names is mentioned on website of the stock exchange as eligible for this activity).
Designated Market Maker	Hem Finlease Private Limited
Designated RTA Locations	Such locations of the RTAs where Bidder submited the Bid-Cum-Application Forms to RTAs. The details of such Designated RTA Locations, along with names and contact details of the RTAs eligible to accept Bid-Cum-Application Forms are available on the websites of the Stock Exchange i.e., www.bseindia.com.
Designated SCSB Branches	Such branches of the SCSBs which shall collect the ASBA Application Form from the Applicant and a list of which is available on the website of SEBI at https://www.sebi.gov.in/sebiweb/other/OtherAction.do?doRecognised=yes. Recognized-Intermediaries or at such other website as may be prescribed by SEBI from time to time.
Designated Stock Exchange	BSE Ltd. ("SME Exchange") ("BSE SME")
DP ID	Depository's Participant's Identity Number
DP/ Depository Participant	A depository participant as defined under the Depositories Act, 1996
Draft Red Herring Prospectus	Draft Red Herring Prospectus dated November 16, 2023 as being filed with BSE SME
Distributors	We have four Distributors at Hyderabad, Kolkata, Chandigarh and Visakhapatnam
Electronic Transfer of Funds	Refunds through NACH, NEFT, Direct Credit or RTGS as applicable.
Eligible NRI	A Non-Resident Indian in a jurisdiction outside India where it is not unlawful to make an offer or invitation under the Issue and in relation to whom this Prospectus will constitute an invitation to subscribe for the Equity Shares.
Eligible QFIs	QFIs from such jurisdictions outside India where it is not unlawful to make an issue or invitation under the Issue and in relation to whom the Prospectus constitutes an invitation to purchase the Equity shares issued thereby and who have opened Demat accounts with SEBI registered qualified depositary participants.

Terms	Description
Escrow Account(s)	The account(s) opened with the Escrow Collection Bank and in whose favour the Anchor Investors transferred money through NACH/direct credit/ NEFT/ RTGS in respect of the Bid Amount when submitting a Bid.
FII/ Foreign Institutional Investors	Foreign Institutional Investor as defined under SEBI (Foreign Institutional Investors) Regulations, 1995, as amended) registered with SEBI under applicable laws in India.
First Bidder/ Applicant/ Bidders	Bidder(s) whose name have been mentioned in the Bid cum Application Form or the Revision Form and in case of joint bids, whose name shall also appear as the first holder of the beneficiary account held in joint names.
Floor Price	₹ 42/- per Equity Share
Foreign Venture Capital Investors	Foreign Venture Capital Investors registered with SEBI under the SEBI (Foreign Venture Capital Investor) Regulations, 2000.
FPI/ Foreign Portfolio Investor	A Foreign Portfolio Investor who has been registered pursuant to the of Securities and Exchange Board of India (Foreign Portfolio Investors) Regulations, 2014, provided that any FII or QFI who holds a valid certificate of registration shall be deemed to be a foreign portfolio investor till the expiry of the block of three years for which fees have been paid as per the SEBI (Foreign Institutional Investors) Regulations, 1995, as amended
Fugitive Economic Offender	An individual who is declared a fugitive economic offender under Section 12 of the Fugitive Economic Offenders Act, 2018.
General Corporate Purposes	Include such identified purposes for which no specific amount is allocated or any amount so specified towards general corporate purpose or any such purpose by whatever name called, in the offer document. Provided that any issue related expenses shall not be considered as a part of general corporate purpose merely because no specific amount has been allocated for such expenses in the offer document.
General Information Document (GID)	The General Information Document for investing in public issues, prepared and issued in accordance with the SEBI circular (SEBI/HO/CFD/DIL1/CIR/P/2020/37) dated March 17, 2020 and the UPI Circulars. The General Information Document shall be available on the websites of the Stock Exchanges, and the Book Running Lead Managers.
Issue Agreement	The Issue Agreement dated November 02, 2023 between our Company and Book Running Lead Manager, Hem Securities Limited.
Issue Price	₹ 45/- per Equity Share. Final The Price at which the Equity Shares will be allotted in terms of this Prospectus as determined by our company in consultation with BRLM being ₹ 45/- per Equity share.
Issue Proceeds	Proceeds to be raised by our Company through this Issue, for further details please refer chapter titled ***"Objects of the Issue"*** beginning on page 57 of this Prospectus
Issue/ Public Issue/ Issue size/ Initial Public Issue/ Initial Public Offering/ IPO	The Initial Public Issue of 42,42,000 Equity shares of ₹ 10/- each at issue price of ₹ 45/- per Equity share, including a premium of ₹ 35/- per equity share aggregating to ₹ 1,908.90 lakhs
Listing Agreement	The Equity Listing Agreement to be signed between our Company and the Stock Exchange.
Lot Size	3,000 Equity Shares
Mandate Request	Mandate Request means a request initiated on the RII by sponsor bank to authorize blocking of funds equivalent to the application amount and subsequent debit to funds in case of allotment.
Market Maker Reservation Portion	The reserved portion of upto 2,16,000 Equity Shares of ₹10 each at an Issue price of ₹ 45/- each is aggregating to ₹ 97.20 Lakhs to be subscribed by Market Maker in this issue.
Market Making Agreement	The Market Making Agreement dated November 13, 2023 between our Company, Book Running Lead Manager and Market Maker, Hem Finlease Private Limited.
Mutual Fund Portion	5% of the Net QIB Portion (other than Anchor allocation), which shall be available for allocation to Mutual Funds only on a proportionate basis, subject to valid Bids being received at or above the Issue Price.
Mutual Funds	A mutual fund registered with SEBI under the SEBI (Mutual Funds) Regulations, 1996, as amended from time to time.
Net Issue	The Issue (excluding the Market Maker Reservation Portion) of upto 40,26,000 equity Shares of ₹ 10/- each at a price of ₹ 45/- per Equity Share (the "Issue Price"), including a share premium of ₹ 35/- per equity share aggregating to ₹ 1,811.70 Lakhs.
Net Proceeds	The Issue Proceeds received from the fresh Issue excluding Issue related expenses. For further information on the use of Issue Proceeds and Issue expenses, please refer to the section titled ***"Objects of the Issue"*** beginning on page 57 of this Prospectus.
Net QIB Portion	The portion of the QIB Portion less the number of Equity Shares Allocated to the Anchor Investors
Non- Resident	A person resident outside India, as defined under FEMA and includes NRIs, FPIs and FVCIs

Terms	Description
Non-Institutional Bidders	All Bidders that are not QIBs, RIBs or Eligible Employees Bidding in the Employee Reservation Portion and who have Bid for Equity Shares, for an amount of more than ₹ 200,000 (but not including NRIs other than Eligible NRIs)
Non-Institutional Portion	The portion of the Issue being not less than 15% of the Issue, consisting of 6,06,000Equity Shares, which were made available for allocation on a proportionate basis to Non-Institutional Investors, subject to valid Bids being received at or above the Issue Price.
Other Investor	Investors other than Retail Individual Investors. These include individual applicants other than retail individual investors and other investors including corporate bodies or institutions irrespective of the number of specified securities applied for.
Overseas Corporate Body/ OCB	Overseas Corporate Body means and includes an entity defined in clause (xi) of Regulation 2 of the Foreign Exchange Management (Withdrawal of General Permission to Overseas Corporate Bodies (OCB's) Regulations 2003 and which was in existence on the date of the commencement of these Regulations and immediately prior to such commencement was eligible to undertake transactions pursuant to the general permission granted under the Regulations. OCBs are not allowed to invest in this Issue.
Payment through electronic transfer of funds	Payment through NECS, NEFT or Direct Credit, as applicable.
Person/ Persons	Any individual, sole proprietorship, unincorporated association, unincorporated organization, body corporate, corporation, company, partnership, limited liability company, joint venture, or trust or any other entity or organization validly constituted and/ or incorporated in the jurisdiction in which it exists and operates, as the context requires.
Price Band	Price Band of a minimum price (Floor Price) of ₹ 42/- and the maximum price (Cap Price) of ₹ 45/- and includes revisions thereof. The Price Band will be decided by our Company in consultation with the BRLM and was advertised in two national daily newspapers (one each in English and in Hindi) with wide circulation and one daily regional newspaper with wide circulation at least two working days prior to the Bid/ Issue Opening Date.
Pricing Date	The date on which our Company in consultation with the BRLM, will finalized the Issue Price i.e., January 31, 2024.
Prospectus	The Prospectus, dated January 31, 2024 filed with the Registrar of Companies in accordance with the provisions of Section 26 & 32 of the Companies Act, 2013, containing, inter alia, the Issue Price, size of the Issue and certain other information.
Public Issue Account	Account to be opened with the Bankers to the Issue to receive monies from the SCSBs from the bank account of the Applicant, on the Designated Date.
QIB Category/ QIB Portion	The portion of the Net Issue (including the Anchor Investor Portion) being not more than 50% of the Net Issue, consisting of 20,10,000 Equity Shares aggregating to ₹ 904.50 lakhs which were made available for allocation to QIBs (including Anchor Investors) on a proportionate basis, (in which allocation to Anchor Investor were made available on a discretionary basis, as determined by our Company in consultation with the BRLMs), subject to valid Bids being received at.
Qualified Institutional Buyers/ QIBs/ QIB Bidders	Qualified institutional buyers as defined under Regulation 2(1)(ss) of the SEBI ICDR Regulations.
Red Herring Prospectus / RHP	The Red Herring Prospectus dated January 18, 2024 issued in accordance with Section 32 of the Companies Act, 2013 and the provisions of the SEBI ICDR Regulations, which does not have complete particulars of the price at which the Equity Shares will be offered and the size of the Issue including any addenda or corrigenda thereto. The Red Herring Prospectus was filed with the RoC at least three Working Days before the Bid/Issue Opening Date and has become the Prospectus upon filing with the RoC after the Pricing Date
Refund Account	The 'no-lien' and 'non-interest bearing' account opened with the Refund Bank, from which refunds, if any, of the whole or part, of the Bid Amount to the Anchor Investors has made.
Refund Bank/ Refund Banker	Bank which is / are clearing member(s) and registered with the SEBI as Bankers to the Issue at which the Refund Account was opened, in this case being HDFC Bank Limited.
Refund through electronic transfer of funds	Refunds through NECS, direct credit, RTGS or NEFT, as applicable.
Registered Broker	The stockbrokers registered with the stock exchanges having nationwide terminals, other than the members of the Syndicate and eligible to procure Bids
Registrar Agreement	The agreement dated November 03, 2023 entered into between our Company and the Registrar to the Issue in relation to the responsibilities and obligations of the Registrar to the Issue pertaining to the Issue.
Registrar and Share Transfer Agents or RTAs	Registrar and share transfer agents registered with SEBI and eligible to procure Applications at the Designated RTA Locations in terms of circular no. CIR/CFD/POLICYCELL/11/2015 dated November 10, 2015 issued by SEBI.

Terms	Description
Registrar/ Registrar to the Issue/ RTA/ RTI	Registrar to the Issue, in this case being Link Intime India Private Limited.
Regulation S	Regulation S under the U.S. Securities Act of 1933, as amended from time to time.
Reservation Portion	The portion of the Issue reserved for category of eligible Applicants as provided under the SEBI (ICDR) Regulations, 2018.
Reserved Category/ Categories	Categories of persons eligible for making application under reservation portion.
Retail Individual Bidders/ RIBs/ Retail Individual Investors/ RIIs	Individual Bidders, submitting Bids, who have Bid for Equity Shares for an amount not more than ₹ 2,00,000/- in any of the bidding options in the Net Issue (including HUFs applying through their Karta and Eligible NRIs and does not include NRIs other than Eligible NRIs).
Retail Portion	The portion of the Issue being not less than 35% of the Net Issue, consisting of 14,10,000 Equity Shares, which was made available for allocation to Retail Individual Bidders. (subject to valid Bids having been received at or above the Issue Price)
Revision Form	The form used by the Bidders to modify the quantity of Equity Shares or the Bid Amount in any of their Bid-cum-Application Forms or any previous Revision Form(s), as applicable. QIBs and Non-Institutional Investors are not allowed to withdraw or lower their Bids (in terms of quantity of Equity Shares or the Bid Amount) at any stage.
Securities laws	Means the Act, the Securities Contracts (Regulation) Act, 1956, the Depositories Act, 1996 and the rules and regulations made thereunder and the general or special orders, guidelines or circulars made or issued by the Board thereunder and the provisions of the Companies Act, 2013 or any previous company law and any subordinate legislation framed thereunder, which are administered by the Board.
SEBI (ICDR) Regulations/ ICDR Regulation/ Regulation	SEBI (Issue of Capital and Disclosure Requirements) Regulations, 2018 issued by SEBI on September 11, 2018, as amended, including instructions and clarifications issued by SEBI from time to time.
SEBI (Venture Capital) Regulations	Securities Exchange Board of India (Venture Capital) Regulations, 1996 as amended from time to time.
SEBI Act/ SEBI	Securities and Exchange Board of India Act, 1992, as amended from time to time.
SEBI Insider Trading Regulations	The Securities and Exchange Board of India (Prohibition of Insider Trading) Regulations, 2015 as amended, including instructions and clarifications issued by SEBI from time to time.
SEBI Listing Regulations, 2015/ SEBI Listing Regulations/ Listing Regulations/ SEBI (LODR)	The Securities and Exchange Board of India (Listing Obligation and Disclosure Requirements) Regulations, 2015 as amended, including instructions and clarifications issued by SEBI from time to time.
SEBI Takeover Regulations or SEBI (SAST) Regulations	Securities and Exchange Board of India (Substantial Acquisition of Shares and Takeover) Regulations, 2011, as amended from time to time.
Self-Certified Syndicate Bank(s) / SCSB(s)	Shall mean a Banker to an Issue registered under Securities and Exchange Board of India (Bankers to an Issue) Regulations, 1994, as amended from time to time, and which offer the service of making Application/s Supported by Blocked Amount including blocking of bank account and a list of which is available on https://www.sebi.gov.in/sebiweb/other/OtherAction.do?doRecognised=yes or at such other website as may be prescribed by SEBI from time to time.
SME Exchange	SME Platform of the BSE i.e., BSE SME.
Specified Locations	Collection centres where the SCSBs shall accept application form, a list of which is available on the website of SEBI (https://www.sebi.gov.in/) and updated from time to time.
Specified Securities	Equity shares offered through this Prospectus.
Sponsor Bank	Sponsor Bank means a Banker to the Issue registered with SEBI, which is appointed by the Issuer to act as a conduit between the Stock Exchanges and NPCI (National Payments Corporation of India) in order to push the mandate, collect requests and / or payment instructions of the Retail Investors into the UPI.
Sub Syndicate Member	A SEBI Registered member of BSE appointed by the BRLM and/ or syndicate member to act as a Sub Syndicate Member in the Issue.
Syndicate	Includes the BRLM, Syndicate Members and Sub Syndicate Members.
Syndicate Agreement	The agreement dated January 11, 2024 entered into amongst our Company, the BRLM and the Syndicate Members, in relation to the collection of Bids in this Issue.
Syndicate ASBA Bidding Locations	Bidding Centers where an ASBA Bidder can submit their Bid in terms of SEBI Circular no. CIR/CFD/DIL/1/2011 dated April 29, 2011, namely Mumbai, Chennai, Kolkata, Delhi
Syndicate Members/ Members of the Syndicate	Intermediaries registered with SEBI eligible to act as a syndicate member and who is permitted to carry on the activity as an underwriter, in this case being Hem Finlease Private Limited.
Systemically Important Non-Banking Financial Company	Systemically important non-banking financial company as defined under Regulation 2(1)(iii) of the SEBI ICDR Regulations.

Terms	Description
Transaction Registration Slip/ TRS	The slip or document issued by the member of the Syndicate or SCSB (only on demand) as the case may be, to the Applicant as proof of registration of the Application.
U.S. Securities Act	U.S. Securities Act of 1933, as amended
Underwriter	The BRLM who has underwritten this Issue pursuant to the provisions of the SEBI (ICDR) Regulations, 2018 and the Securities and Exchange Board of India (Underwriters) Regulations, 1993, as amended from time to time.
Underwriting Agreement	The Agreement November 13, 2023 entered between the Underwriter, BRLM and our Company.
UPI	UPI is an instant payment system developed by the NCPI, it enables merging several banking features, seamless fund routing & merchant payment into one hood. UPI allow instant transfer of money between any two bank accounts using a payment address which uniquely identifies a person's bank account
UPI Circulars	SEBI circular no. CFD/DIL2/CIR/P/2018/22 dated February 15, 2018, SEBI circular no. SEBI/HO/CFD/DIL2/CIR/P/2018/138 dated November 1, 2018, SEBI circular no. SEBI/HO/CFD/DIL2/CIR/P/2019/50 dated April 3, 2019, SEBI circular no. SEBI/HO/CFD/DIL2/CIR/P/2019/76 dated June 28, 2019, SEBI circular no. SEBI/HO/CFD/DIL2/CIR/P/2019/85 dated July 26, 2019 SEBI circular no. SEBI/HO/CFD/DCR2/CIR/P/2019/133 dated November 8, 2019, SEBI Circular no SEBI/HO/CFD/DIL2/CIR/P/2020/50 dated March 30, 2020, SEBI Circular no. SEBI/HO/CFD/DIL2/CIR/P/2021/2480/1/M dated March 16, 2021, SEBI circular no. SEBI/HO/CFD/DIL1/CIR/P/2021/47 dated March 31, 2021, SEBI circular no. SEBI/HO/CFD/DIL2/P/CIR/2021/570 dated June 2, 2021, SEBI circular no. SEBI/HO/CFD/DIL2/CIR/P/2022/45 dated April 5, 2022, SEBI circular no. SEBI/HO/CFD/DIL2/CIR/P/2022/51 dated April 20, 2022 SEBI Circular No: SEBI/HO/MIRSD/MIRSD_RTAMB/P/CIR/2022/76 dated May 30, 2022 and any subsequent circulars or notifications issued by SEBI in this regard.
UPI ID	ID created on the UPI for single-window mobile payment system developed by the NPCI
UPI Mandate Request/ Mandate Request	A request (intimating the RII by way of notification on the UPI application and by way of a SMS directing the RII to such UPI application) to the RII by sponsor bank to authorize blocking of funds equivalent to the application amount and subsequent debit to funds in case of allotment.
UPI Mechanism	The mechanism that was used by an RIB to make a Bid in the Offer in accordance with the UPI Circulars on Streamlining of Public Issues
UPI PIN	Password to authenticate UPI transaction
Venture Capital Fund/ VCF	Foreign Venture Capital Funds (as defined under the Securities and Exchange Board of India (Venture Capital Funds) Regulations, 1996) registered with SEBI under applicable laws in India.
Wilful Defaulter(s)	Wilful defaulter as defined under Regulation 2(1)(lll) of the SEBI (ICDR) Regulations, 2018.
Working Day	In accordance with Regulation 2(1) (mmm) of SEBI (ICDR) Regulations, 2018, working days means, all days on which commercial banks in Mumbai are open for business. However, in respect of– (a) announcement of Price Band; and (b) Issue period, working days shall mean all days, excluding Saturdays, Sundays and public holidays, on which commercial banks in Mumbai are open for business; (c) the time period between the Bid/ Issue Closing Date and the listing of the Equity Shares on the Stock Exchange, working day shall mean all trading days of the Stock Exchange, excluding Sundays and bank holidays, as per circulars issued by SEBI.

Technical and Industry Related Terms

Term	Description
B2B	Business to Business
B2C	Business to Customer
EAP	East Asia and Pacific
EBITDA	EBITDA is calculated as Profit before tax + Depreciation + Interest Expenses - Other Income
EBITDA Margin	EBITDA Margin' is calculated as EBITDA divided by Revenue from Operations
ECA	Europe and Central Asia
EMDE	Emerging Market and Developing Economies
FIDE	International Chess Federation
FRP	Fiber Reinforced Plastic
FPI	Foreign Portfolio Investment

Term	Description
ICAR	Indian Council of Agricultural Research
ICAR-CCARI	Indian Council of Agricultural Research-Central Coastal Agricultural Research Institute
IISF	India International Science Festival
IPQC	In Process Quality Control
IPR	Intellectual Property Rights
IT	Information Technology
KVA	Kilo voltage
KWH	Kilowatt-hour
LAC	Latin America and the Caribbean
LIC	Low-income countries
LMT	Lakh Metric Tonnes
MN	Million
MNA/MENA	Middle East and North Africa
MoSPI	Ministry of Statistics & Programme Implementation
MT	Metric Ton
PAT	PAT is calculated as Profit before tax – Tax Expenses
PAT Margin	PAT Margin is calculated as PAT for the period/year divided by Revenue from Operations
P & M	Plant and Machinery
QA	Quality Assurance
QC	Quality Control
R&D	Research and development
Revenue from operations	Revenue from operations is the total revenue generated by our Company from the sale of products
RoCE/ Return on Capital Employed	Return on Capital Employed is calculated as EBIT divided by capital employed, which is defined as shareholders' equity plus total borrowings {current & non-current}
RoE/ Return on Equity	Return on Equity is ratio of Profit after Tax and Average Shareholder Equity
RM	Raw Material
SAR	South Asia
SKU's	Stock keeping unit
SSA	Sub-Saharan Africa
TAT	Turnaround Time
U.K.	United Kingdom
U.S./U.S.A.	Unites States of America
UNEA	United Nations Environment Programme
uPVC	Unplasticized Polyvinyl Chloride
WHO	World Health Organization
WPC	Wood Plastic Composite

Conventional terms and Abbreviations

Abbreviation	Full Form
Rs./ Rupees/ INR/ ₹	Indian Rupees
AS / Accounting Standard	Accounting Standards as issued by the Institute of Chartered Accountants of India
A/c	Account
ACS	Associate Company Secretary
AGM	Annual General Meeting
ASBA	Applications Supported by Blocked Amount
Amt.	Amount
AIF	Alternative Investment Funds registered under the Securities and Exchange Board of India (Alternative Investment Funds) Regulations, 2012, as amended.
AY	Assessment Year
AOA	Articles of Association
Approx	Approximately
B. A	Bachelor of Arts
B. Com	Bachelor of Commerce
B. E	Bachelor of Engineering
B. Sc	Bachelor of Science
B. Tech	Bachelor of Technology
Bn	Billion
BG/LC	Bank Guarantee / Letter of Credit

Abbreviation	Full Form
BIFR	Board for Industrial and Financial Reconstruction
BRLM	Book Running Lead Manager
BSE	BSE Limited
CDSL	Central Depository Services (India) Limited
CAGR	Compounded Annual Growth Rate
CAN	Confirmation of Allocation Note
Companies Act, 2013	Companies Act, 2013 to the extent in force pursuant to the notification of sections of the Companies Act, 2013 along with the relevant rules made thereunder as amended.
Companies Act, 1956	Companies Act, 1956 (without reference to the provisions that have ceased upon notification of the Companies Act, 2013) along with the relevant rules made thereunder.
CA	Chartered Accountant
CAIIB	Certified Associate of Indian Institute of Bankers
CB	Controlling Branch
CC	Cash Credit
CIN	Corporate Identification Number
CIT	Commissioner of Income Tax
CS	Company Secretary
CS & CO	Company Secretary & Compliance Officer
CFO	Chief Financial Officer
CSR	Corporate Social Responsibility
C.P.C.	Code of Civil Procedure, 1908
CrPC	Code of Criminal Procedure, 1973
CENVAT	Central Value Added Tax
CST	Central Sales Tax
CWA/ICWA	Cost and Works Accountant
CMD	Chairman and Managing Director
DIN	Director Identification Number
DIPP	Department of Industrial Policy and Promotion, Ministry of Commerce, Government of India
DP	Depository Participant
DP ID	Depository Participant's Identification Number
EBITDA	Earnings Before Interest, Taxes, Depreciation & Amortization
ECS	Electronic Clearing System
ESIC	Employee's State Insurance Corporation
EPFA	Employee's Provident Funds and Miscellaneous Provisions Act,1952
EMI	Equated Monthly Installment
EPS	Earnings Per Share
EGM /EOGM	Extraordinary General Meeting
ESOP	Employee Stock Option Plan
EXIM/ EXIM Policy	Export – Import Policy
FCNR Account	Foreign Currency Non-Resident Account
FIPB	Foreign Investment Promotion Board
FY / Fiscal/Financial Year	Period of twelve months ended March 31 of that particular year, unless otherwise stated
FEMA	Foreign Exchange Management Act, 1999 as amended from time to time, and the regulations framed there under.
FCNR Account	Foreign Currency Non-Resident Account
FBT	Fringe Benefit Tax
FDI	Foreign Direct Investment
FIs	Financial Institutions
FIIs	Foreign Institutional Investors (as defined under Foreign Exchange Management (Transfer or Issue of Security by a Person Resident outside India) Regulations, 2000) registered with SEBI under applicable laws in India
FPIs	"Foreign Portfolio Investor" means a person who satisfies the eligibility criteria prescribed under regulation 4 and has been registered under Chapter II of Securities And Exchange Board of India (Foreign Portfolio Investors) Regulations, 2014, which shall be deemed to be an intermediary in terms of the provisions of the SEBI Act, 1992
FTA	Foreign Trade Agreement
FVCI	Foreign Venture Capital Investors registered with SEBI under the Securities and Exchange Board of India (Foreign Venture Capital Investors) Regulations, 2000.
FEMA	Foreign Exchange Management Act, 1999, including the rules and regulations thereunder
FEMA Rules	Foreign Exchange Management (Non-debt Instruments) Rules, 2019

Abbreviation	Full Form
Finance Act	Finance Act, 1994
Fraudulent Borrower	A fraudulent borrower as defined in Regulation 2(1)(lll) of the SEBI ICDR Regulations.
FV	Face Value
Fugitive Economic Offender	An individual who is declared a fugitive economic offender under Section 12 of the Fugitive Economic Offenders Act, 2018
GoI/Government	Government of India
GDP	Gross Domestic Product
GIR Number	General Index Registry Number
GST	Goods and Services Tax
GVA	Gross Value Added
HUF	Hindu Undivided Family
HNI	High Net Worth Individual
HSL	Hem Securities Limited
IBC	The Insolvency and Bankruptcy Code, 2016
ICAI	The Institute of Chartered Accountants of India
ISIN	International Securities Identification Number
IST	Indian Standard Time
ICWAI	The Institute of Cost Accountants of India
IMF	International Monetary Fund
IIP	Index of Industrial Production
IPO	Initial Public Offer
ICSI	The Institute of Company Secretaries of India
IT	Information Technology
IFRS	International Financial Reporting Standards
INR / ₹/ Rupees	Indian Rupees, the legal currency of the Republic of India
I.T. Act	Income Tax Act, 1961, as amended from time to time
IT Authorities	Income Tax Authorities
IT Rules	Income Tax Rules, 1962, as amended, except as stated otherwise
Indian GAAP	Generally Accepted Accounting Principles in India
Ind AS	Indian Accounting Standards as referred to in and notified by the Ind AS Rules
Ind AS Rules	The Companies (Indian Accounting Standard) Rules, 2015
IRDA	Insurance Regulatory and Development Authority
JV/ Joint Venture	A commercial enterprise undertaken jointly by two or more parties which otherwise retain their distinct identities.
KMP	Key Managerial Personnel
LLB	Bachelor of Law
Ltd.	Limited
LLP	Limited Liability Partnership
MAT	Minimum Alternate Tax
MoF	Ministry of Finance, Government of India
MoU	Memorandum of Understanding
M. A	Master of Arts
MCA	Ministry of Corporate Affairs, Government of India
M. B. A	Master of Business Administration
MAT	Minimum Alternate Tax
M. Com	Master of Commerce
Mn	Million
M. E	Master of Engineering
M. Tech	Masters of Technology
Merchant Banker	Merchant Banker as defined under the Securities and Exchange Board of India (Merchant Bankers) Regulations, 1992
MSME	Micro, Small and Medium Enterprises
MAPIN	Market Participants and Investors Database
NA	Not Applicable
NCLT	National Company Law Tribunal
Net-worth	The aggregate of paid-up Share Capital and Share Premium account and Reserves and Surplus (Excluding revaluation reserves) as reduced by aggregate of Miscellaneous Expenditure (to the extent not written off) and debit balance of Profit & Loss Account
NACH	National Automated Clearing House
NEFT	National Electronic Funds Transfer

Abbreviation	Full Form
NECS	National Electronic Clearing System
NAV	Net Asset Value
NCT	National Capital Territory
NPV	Net Present Value
NRIs	Non-Resident Indians
NRE Account	Non-Resident External Account
NRO Account	Non-Resident Ordinary Account
NSE	National Stock Exchange of India Limited
NOC	No Objection Certificate
NSDL	National Securities Depository Limited
OCB or 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 the beneficial interest is irrevocably held by NRIs directly or indirectly and which was in existence on October 3, 2003 and immediately before such date was eligible to undertake transactions pursuant to the general permission granted to OCBs under the FEMA. OCBs are not allowed to invest in the Issue.
P.A.	Per Annum
PF	Provident Fund
PG	Post Graduate
PGDBA	Post Graduate Diploma in Business Administration
PLR	Prime Lending Rate
PAC	Persons Acting in Concert
P/E Ratio	Price/Earnings Ratio
PAN	Permanent Account Number
PAT	Profit After Tax
P.O.	Purchase Order
PBT	Profit Before Tax
PLI	Postal Life Insurance
POA	Power of Attorney
PSU	Public Sector Undertaking(s)
Pvt.	Private
Q.C.	Quality Control
RoC	Registrar of Companies
RBI	The Reserve Bank of India
Registration Act	Registration Act, 1908
ROE	Return on Equity
R&D	Research & Development
RONW	Return on Net Worth
RTGS	Real Time Gross Settlement
SCRA	Securities Contracts (Regulation) Act, 1956, as amended from time to time
SCRR	Securities Contracts (Regulation) Rules, 1957, as amended from time to time
SME	Small and Medium Enterprises
SCSB	Self-Certified syndicate Banks
STT	Securities Transaction Tax
Sub-Account	Sub-accounts registered with SEBI under the SEBI (Foreign Institutional Investor) Regulations, 1995, other than sub-accounts which are foreign corporate or foreign individuals.
Sec.	Section
SPV	Special Purpose Vehicle
TAN	Tax Deduction Account Number
TRS	Transaction Registration Slip
Trade Marks Act	Trade Marks Act, 1999
TIN	Taxpayers Identification Number
UIN	Unique identification number
U.N.	United Nations
US/United States	United States of America
USD/ US$/ $	United States Dollar, the official currency of the Unites States of America
U.S. GAAP	Generally Accepted Accounting Principles in the United States of America
VAT	Value Added Tax

Abbreviation	Full Form
VCF/ Venture Capital Fund	Venture Capital Funds (as defined under the Securities and Exchange Board of India (Venture Capital Funds) Regulations, 1996) registered with SEBI under applicable laws in India.
Wilful Defaulter(s)	Company or person categorised as a wilful defaulter by any bank or financial institution (as defined under the Companies Act, 2013) or consortium thereof, in accordance with the guidelines on wilful defaulters issued by the Reserve Bank of India and includes any company whose director or promoter is categorised as such and as defined under Regulation 2(1)(lll) of the SEBI (ICDR) Regulations, 2018.
WDV	Written Down Value
WTD	Whole Time Director
w.e.f.	With effect from
-, (₹)	Represent Outflow

The words and expressions used but not defined in this Prospectus will have the same meaning as assigned to such terms under the Companies Act, 2013, the Securities and Exchange Board of India Act, 1992 (the "SEBI Act"), the SCRA, SEBI (Issue of Capital and Disclosure Requirements) Regulations, 2018 the Depositories Act and the rules and regulations made thereunder.

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

Certain Conventions

All references in the Prospectus to "India" are to the Republic of India. All references in the Prospectus to the "U.S.", "USA" or "United States" are to the United States of America.

In this Prospectus, unless the context otherwise requires, all references to one gender also refers to another gender and the word "Lac / Lakh" means "one hundred thousand", the word "million (mn)" means "Ten Lac / Lakh", the word "Crore" means "ten million" and the word "billion (bn)" means "one hundred crore". In this Prospectus, any discrepancies in any table between total and the sum of the amounts listed are due to rounding-off. All figures in decimals have been rounded off to the second decimal and all percentage figures have been rounded off to two decimal places. In certain instances, (i) the sum or percentage change of such numbers may not conform exactly to the total figure given; and (ii) the sum of the numbers in a column or row in certain tables may not conform exactly to the total figure given for that column or row.

Use of Financial Data

Unless stated otherwise, throughout this Prospectus, all figures have been expressed in Rupees and Lakh. Unless stated otherwise, the financial data in the Prospectus is derived from our restated financial information prepared for period four months ended July 31, 2023 and for the financial year ended March 31, 2023 in accordance with Indian GAAP, the Companies Act and SEBI (ICDR) Regulations, 2018 included under Section titled ***"Financial Information of the Company"*** beginning on page 119 of this Prospectus.

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

Any percentage amounts, as set forth in ***"Risk Factors", "Our Business", "Management's Discussion and Analysis of Financial Condition and Results of Operations"*** and elsewhere in the Prospectus unless otherwise indicated, have been calculated on the basis of the Company's restated financial statements prepared in accordance with the applicable provisions of the Companies Act, Indian GAAP and restated in accordance with SEBI (ICDR) Regulations, 2018, as stated in the report of our Peer Review Auditor, set out in section titled ***"Financial Information of the Company"*** beginning on page 119 of this Prospectus. Our Company does not have any subsidiary or associate company as on date of the Prospectus. Our fiscal year commences on April 1 of every year and ends on March 31st of every next year.

For additional definitions used in this Prospectus, see the section ***"Definitions and Abbreviations"*** on page 1 of this Prospectus. In the section titled ***"Main Provisions of the Articles of Association"***, on page 221 of the Prospectus defined terms have the meaning given to such terms in the Articles of Association of our Company.

Use of Industry & Market Data

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

Although, we believe industry and market data used in the Prospectus is reliable, it has not been independently verified by us or the BRLM or any of their affiliates or advisors. Similarly, internal Company reports and data, while believed by us to be reliable, have not been verified by any independent source. There are no standard data gathering methodologies in the industry in which we conduct our business and methodologies and assumptions may vary widely among different market and industry sources.

In accordance with the SEBI (ICDR) Regulations, 2018 the section titled ***"Basis for Issue Price"*** on page 63 of the Prospectus includes information relating to our peer group companies. Such information has been derived from publicly available sources, and neither we, nor the BRLM, have independently verified such information.

Currency of Financial Presentation

All references to "Rupees" or "INR" or "₹" or "Rs." are to Indian Rupees, the official currency of the Republic of India. Except where specified, including in the section titled ***"Industry Overview"*** throughout the Prospectus all figures have been expressed in Lakhs.

Any percentage amounts, as set forth in ***"Risk Factors"***, ***"Our Business", "Management's Discussion and Analysis of Financial Conditions and Results of Operations"*** on page 22, 79 and 169 respectively of this Prospectus, unless otherwise indicated, have been calculated based on our restated financial statements prepared in accordance with Indian GAAP.

The Prospectus contains conversion of certain US Dollar and other currency amounts into Indian Rupees that have been presented solely to comply with the requirements of the SEBI (ICDR) Regulations, 2018. These conversions should not be construed as a representation that those US Dollar or other currency amounts could have been, or can be converted into Indian Rupees, at any particular rate.

FORWARD LOOKING STATEMENTS

This Prospectus includes certain "forward-looking statements". We have included statements in the Prospectus which contain words or phrases such as "will", "aim", "is likely to result", "believe", "expect", "will continue", "anticipate", "estimate", "intend", "plan", "contemplate", "seek to", "future", "objective", "goal", "project", "should", "will pursue" and similar expressions or variations of such expressions, that are "forward-looking statements". Also, statements which describe our strategies, objectives, plans or goals are also forward looking statements.

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

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

For further discussion of factors that could cause our actual results to differ, see the Section titled ***"Risk Factors", "Our Business" and "Management's Discussion and Analysis of Financial Condition and Results of Operations"*** beginning on page 22, 79 and 169 respectively of the Prospectus. By their nature, certain market risk disclosures are only estimates and could be materially different from what actually occurs in the future. As a result, actual future gains or losses could materially differ from those that have been estimated.

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

Neither our Company or our Directors or our Officers or Book Running Lead Manager or Underwriter nor any of their respective affiliates have any obligation to update or otherwise revise any statements reflecting circumstances arising after the date hereof or to reflect the occurrence of underlying events, even if the underlying assumptions do not come to fruition. In accordance with SEBI requirements, our Company and the BRLM will ensure that investors in India are informed of material developments until such time as the grant of listing and trading permission by the Stock Exchange for the Equity Shares allotted pursuant to this Issue.

SECTION II – SUMMARY OF PROSPECTUS

A. OVERVIEW OF BUSINESS

We are primarily engaged in the business of designing, developing, manufacturing and supplying of various types of pots and planters like: plastic Indoor Planters, Outdoor Planters, Illuminated Planters, Decorative Planters, Roto Moulded Planters, Fiber Reinforced Plastic (FRP) Planters, Eco series Planters etc. along with related accessories like Garden Hose Pipe & Water Can. Our company was incorporated in December 2022, prior to which our Promoter, Hitesh Chunilal Shah was carrying on the business operations as a proprietorship concern under the name of "M/s Harshdeep Agro Products" to design and manufacture quality pots and planters.

B. OVERVIEW OF THE INDUSTRY

Indian real estate developers operating in the country's major urban centres are poised to achieve a significant feat in 2023, with the completion of approximately 558,000 homes. As flowers are considered a sign of grace and elegance and hold spiritual and emotional value, the scope of floriculture in the commercial industry is undeniable. Unlike last many decades, the industry is thriving and making a separate space in the international market too. Although flowers have been an integral part of Indian culture and tradition, the industry is still new to the marketplace and the customers

C. PROMOTER

Hitesh Chunilal shah is the Promoter of our Company.

D. DETAILS OF THE ISSUE

This is an Initial Public Issue of upto 42,42,000 Equity Shares of face value of ₹ 10 each of our Company for cash at a price of ₹ 45/- per Equity Share (including a share premium of ₹ 35/- per Equity Share) aggregating to ₹ 1,908.90 lakhs (**"The Issue"**), out of which upto 2,16,000 Equity Shares of face value of ₹ 10 each for cash at a price of ₹ 45/- per Equity Share aggregating up to ₹ 97.20 lakhs will be reserved for subscription by the market maker to the issue (the **"Market Maker Reservation Portion"**). The Issue less Market Maker Reservation Portion i.e., Issue of upto 40,26,000 Equity Shares of face value of ₹ 10 each, at an issue price of ₹ 45/- per Equity Share for cash, aggregating to ₹ 1,811.70 lakhs is hereinafter referred to as the **"Net Issue"**. The Public Issue and Net Issue will constitute 26.36% and 25.02% respectively of the post- issue paid-up Equity Share capital of our Company.

E. OBJECTS OF THE ISSUE

Our Company intends to utilize the Proceeds of the Issue to meet the following objects:

Sr. No.	Particulars	Amount (₹ in lakhs)
1.	Repayment and/or pre-payment, in full or part, of certain borrowings availed by our Company	407.94
2.	To meet Working Capital requirements	900.00
3.	General Corporate Purpose	364.25
	Total	**1,672.19**

F. PRE-ISSUE SHAREHOLDING OF PROMOTER AND PROMOTER GROUP

Our Promoter and Promoter Group collectively holds 1,15,41,980 Equity shares of our Company aggregating to 97.38% of the pre-issue paid-up Share Capital of our Company. Following are the details of the shareholding of the Promoter and Promoter Group, as on date of this Prospectus:

Sr. No	Names	Pre IPO		Post IPO	
		Shares Held	% Shares Held	Shares Held	% Shares Held
	Promoter (A)				
1.	Hitesh Chunilal Shah	1,13,69,430	95.93	1,13,69,430	70.64
	Sub Total (A)	**1,13,69,430**	**95.93**	**1,13,69,430**	**70.64**
	Promoter Group (B)				
2.	Dipti Hitesh Shah	1,69,150	1.43	1,69,150	1.05
3.	Bhavana Mulchand Gala	3,060	0.03	3,060	0.02
4.	Harshit Hitesh Shah	170	Negligible	170	Negligible
5.	Megh Hitesh Shah	170	Negligible	170	Negligible
	Sub Total (B)	**1,72,550**	**1.46**	**1,72,550**	**1.07**
	Total (A) + (B)	**1,15,41,980**	**97.38**	**1,15,41,980**	**71.72**

G. SUMMARY OF FINANCIAL INFORMATION

Following are the details as per the restated financial statements for the period ended July 31, 2023 and for the financial year ended on March 31, 2023:

(₹ in lakhs)

Particulars	July 31, 2023	March 31, 2023
Equity Share Capital	6.97	5.00
Net Worth	1,325.82	4.73
Total Income	1,482.84	-
Profit after tax	177.24	(0.27)
Earnings per Share *(based on weighted average number of shares)*	1.50	-
Net Asset Value per Share *(based on weighted average number of shares)*	11.19	0.04
Total Borrowings	636.82	-

H. AUDITOR QUALIFICATIONS

There are no audit qualifications which have not been given effect in the restated financial information.

I. SUMMARY OF OUTSTANDING LITIGATIONS

Our Promoter and Directors are involved in certain legal proceedings. A brief detail of such outstanding litigations as on the date of this Prospectus are as follows:

Nature of Proceedings	Number of cases	Amount involved (₹ in lakhs)
Direct Tax		
Harshit Hitesh	1	0.052
Hitesh Chunilal Shah	12	4.47
Indirect Tax	Nil	Nil
Total	**13**	**4.522**

For further details, please refer to the chapter titled ***"Outstanding Litigations and Material Developments"*** on page 176 of this Prospectus.

J. RISK FACTORS

For details on the risks involved in our business, please see the Chapter titled ***"Risk Factors"*** beginning on page 22 of this Prospectus.

K. SUMMARY OF CONTINGENT LIABILITIES

Our Company do not have any contingent liabilities as on July 31, 2023. For further details, please refer to Annexure-AB Contingent Liabilities of the chapter titled ***"Financial Information of the Company"*** on page 166 of this Prospectus.

L. SUMMARY OF RELATED PARTY TRANSACTIONS

Following is the summary of the related party transactions entered by the Company (based on Restated Financial Statements) for the period ended July 31, 2023 and for the financial year ended on March 31, 2023:

List of Related Parties as per AS - 18

Particulars	Names of related parties	Nature of Relationship
Directors and Key Management Personnel (KMP)	Hitesh Chunilal Shah	Managing director
	Harshit Hitesh Shah	Whole Time Director & CFO
	Dipti Hitesh Shah	Non-Executive Director
	Megh Hitesh Shah	Non-Executive Director
	Arjun Manish Bhanushali	Independent Director
	Dhruva Hemandra Parekh	Independent Director
Enterprises in which KMP/Relatives of KMP can exercise significant influence	Exotic Planters	Proprietorship firm of Relative of KMP

(₹ in lakhs)

Transactions	Period ended on July 31, 2023	Year Ended on March 31, 2023
(i) Transactions with Director in KMP		

Transactions		Period ended on July 31, 2023	Year Ended on March 31, 2023
1	**Hitesh Chunilal Shah**		
	Director Remuneration	40.00	-
	Rent	12.00	-
2	**Harshit Hitesh Shah**		
	Director Remuneration	9.96	-
3	**Dipti Hitesh Shah**		
	Rent	3.00	-
(ii) Enterprises in which KMP/Relatives of KMP can exercise significant influence			
4	**Exotic Planters**	-	
	Sales	42.06	-
	Closing Balance (Dr/(Cr))	0.02	-

Note: The figures disclosed above are based on the restated summary statement of assets and liabilities of the Company.

For further details, please refer to the Annexure Y – Related Party Disclosures of chapter titled ***"Financial Information of the Company"*** on page 141 of this Prospectus.

M. DETAILS OF FINANCING ARRANGEMENTS

There are no financing arrangements whereby the promoter, members of the Promoter Group, the directors of the issuer and their relatives have financed the purchase by any other person of securities of the issuer other than in the normal course of the business of the financing entity during the period of six months immediately preceding the date of this Prospectus.

N. WEIGHTED AVERAGE PRICE OF THE SHARES ACQUIRED BY PROMOTER IN LAST ONE YEAR

Sr. No.	Name of the Promoter	No. of Shares acquired in last one year	Weighted Average Price (in ₹)
1.	Hitesh Chunilal Shah	1,13,69,430	8.87

O. AVERAGE COST OF ACQUISITION OF SHARES

The average cost of acquisition of Equity Shares by our Promoter is set forth in the table below:

Sr. No.	Name of the Promoter	No. of Shares held	Average cost of Acquisition (in ₹)
1.	Hitesh Chunilal Shah	1,13,69,430	8.87

P. PRE-IPO PLACEMENT

Our Company is not considering any Pre-IPO placement of equity shares of the Company.

Q. EQUITY SHARES ISSUED FOR CONSIDERATION OTHER THAN CASH

Except as set out below, we have not issued Equity Shares for consideration other than cash in the last one year.

Date of Allotment	Number of Equity Shares	Face Value (₹)	Issue Price (₹)	Reason of Allotment	Benefits Accrued to our Company	Name of Allottees	No. of Shares Allotted
May 19, 2023	19,718	10/-	5,801/-	Pursuant to the acquisition of M/s Harshdeep Agro Products	Acquisition of the running business of M/s Harshdeep Agro Products	Hitesh Chunilal Shah	19,718
						TOTAL	**19,718**
November 01, 2023	1,17,82,342	10/-	Nil	Bonus Issue in the ratio of 169:1	Capitalization of Reserves & Surplus	Hitesh Chunilal Shah	1,13,02,551
						Dipti Hitesh Shah	1,68,155
						Bhavana Mulchand Gala	3,042
						Harshit Hitesh Shah	169
						Megh Hitesh Shah	169
						Paresh Chimanlal Shah	32,955
						Manish Vimalkant Shah	32,955
						Kalpesh Chimanlal Shah	32,955
						Rajesh Pundlik Gaikwad	32,955
						Priyambada Choubey	20,956
						Vimalkant Jivanlal Shah	15,041

Date of Allotment	Number of Equity Shares	Face Value (₹)	Issue Price (₹)	Reason of Allotment	Benefits Accrued to our Company	Name of Allottees	No. of Shares Allotted
						Parita Manish Shah	12,168
						Priti Dinesh Shah	12,168
						Jill Pankaj Patel	12,168
						Amita Amit Munot	12,168
						Rushabh Kunverji Gada	9,126
						Shoaib Kalim Khan	9,126
						Sajrunnisa Aboul Wafa Khan	9,126
						Ankit Manilal Gala	6,253
						Heena Manish Gandhi	6,084
						Pooja Dhavalkumar Gandhi	6,084
						Ajay Vijay Jaywant	6,084
						Meena Shivaji Mahamulkar	6,084
						Twinkle Vrutik Nishar	6,084
						Kushal Pravin Haria	3,211
						Milind Bharat Patil	3,042
						Urvi Rohan Shah	3,042
						Vijay Lalji Shah	3,042
						Paras Manoj Gala	3,042
						Priya Aniket Churi	3,042
						Aniket Avinash Churi	3,042
						Rajkumar Premshankar Pandey	3,042
						Shubhangi Vilas Mhaskar	1,183
						Prakash Lal Bahadur Singh	507
						Manju Ramsunder Dubey	507
						Sachin Laxman Sathe	507
						Shashikant Acchelal Tiwari	169
						Tejas Shridhar Borkar	169
						Ganesh Sadashiv Bhalekar	169
						TOTAL	**1,17,82,342**

R. SPLIT/ CONSOLIDATION OF EQUITY SHARES

Our company has not done any split/consolidation/ subdivision of equity shares of the Company since incorporation.

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

As on date of the Prospectus, our Company has not availed any exemption from complying with any provisions of securities laws granted by SEBI.

SECTION III: RISK FACTORS

*An investment in our Equity Shares involves a high degree of financial risk. Prospective investors should carefully consider all the information in the Prospectus, particularly the **"Financial Information of the Company"** and the related notes, **"Our Business"** and **"Management's Discussion and Analysis of Financial Condition and Results of Operations"** on page 119, 79 and 169 respectively of this Prospectus and the risks and uncertainties described below, before making a decision to invest in our Equity Shares.*

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

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

Materiality

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

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

Note:

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

*In this Prospectus, any discrepancies in any table between total and the sums of the amount listed are due to rounding off. Any percentage amounts, as set forth in **"Risk Factors"** on page 22 and **"Management Discussion and Analysis of Financial Condition and Results of Operations"** on page 169 of this Prospectus unless otherwise indicated, has been calculated on the basis of the amount disclosed in the **"Restated Financial Statements"**.*

INTERNAL RISK FACTORS

1. We generate our major portion of sales from our operations in certain geographical regions and any adverse developments affecting our operations in these regions could have an adverse impact on our revenue and results of operations.

Currently, we market our products to around 27 states & Union Territories in India of which majority portion of the revenue comes from the state of Maharashtra. We had also exported our products from our Proprietorship concern- M/s Harshdeep Agro Products in past to countries such as East Africa, United Kingdom, Nepal etc. Our revenue from exports for fiscal 2023 and 2022 was ₹75.58 lakhs and ₹70.25 lakhs respectively which constituted 1.85% and 2.02% of our revenue from operations for the respective fiscal. For the four months' period ended July 2023 we derived major portion of our revenue from the state of Maharashtra i.e., 41.99% of the total sales in said period.

We carry our entire manufacturing operations from our manufacturing units situated at Bhiwandi and Pune in Maharashtra. Due to the geographical concentration of our manufacturing operations at Maharashtra, our operations are prone to local, regional and environmental factors, such any materially adverse social, political or economic development, civil disruptions, or changes in the policies of the state government or state or local governments and require a modification of our business strategy, or require us to incur significant capital expenditure or suspend our operations. Any such adverse development affecting continuing operations at our manufacturing facilities could result in significant loss due to an inability to meet customer contracts and production schedules,

which could materially affect our business reputation within the industry. The occurrence of or our inability to effectively respond to, any such events or effectively manage the competition in the region, could have an adverse effect on our business, results of operations, financial condition, cash flows and future business prospects.

Further, as we enter into new markets and geographical areas, we are likely to compete with not only national players, but also the local players, who might have an established local presence, and are more familiar with local business practices and have stronger relationships with local distributors, dealers, relevant government authorities, suppliers or are in a stronger financial position than us, all of which may give them a competitive advantage over us. Our inability to expand into other areas may adversely affect our business prospects, financial conditions and results of operations. While our management believes that the Company has requisite expertise and vision to grow and mark its presence in other markets going forward, investors should consider our business and prospects in light of the risks, losses and challenges that we face and should not rely on our results of operations for any prior periods as an indication of our future performance.

2. We are primarily dependent upon few key suppliers within limited geographical location for procurement of raw materials. Any disruption in the supply of the raw materials or fluctuations in their prices could have a material adverse effect on our business operations and financial conditions.

We procure a large portion of raw material from a few key suppliers, with whom we do not have any long-term supply contracts and therefore, we cannot assure you that we shall always have a steady supply of raw material at prices favourable to us. The principal raw materials used in our manufacturing process are Reprocess Granules, Linear low-density polyethylene (LLDPE) powder, Biomass, Polypropylene etc. The raw materials we use are subject to price volatility and unavailability caused by external conditions, such as commodity price fluctuations within India and globally, weather conditions, supply and demand dynamics, logistics and processing costs, our bargaining power with the suppliers, inflation and governmental regulations and policies.

We source our raw materials requirement indigenously. Major portion of our purchases for the period ending July 31, 2023 is from the state of Maharashtra which is 95.98% of the total purchases. We do not have long term agreements with any of our suppliers and we acquire raw materials pursuant to our purchase orders from suppliers. Purchases of raw material made from our top 10 suppliers for the four months' period ended July 31, 2023 were ₹886.74 lakhs representing 85.15%, total raw material purchases for the said period.

There can be no assurance that demand, capacity limitations or other problems experienced by our suppliers will not result in occasional shortages or delays in their supply of raw materials. If we were to experience a significant or prolonged shortage of raw materials from any of our suppliers, and we cannot procure the raw materials from other sources, we would be unable to meet our production schedules for our key products and to deliver such products to our customers in a timely manner, which would adversely affect our sales, margins and customer relations. While we may find additional suppliers to supply these raw materials, any failure of our suppliers to deliver these raw materials in the necessary quantities or to adhere to delivery schedules, credit terms or specified quality standards and technical specifications may adversely affect our production processes and our ability to deliver orders on time and at the desired level of quality. As a result, we may lose customers which could have a material adverse effect on our business, financial condition and results of operations.

Further our raw material supply and pricing may become volatile due to a number of factors beyond our control, including global demand and supply, general economic and political conditions, transportation and labour costs, labour unrest, natural disasters, competition, tariffs, the outbreak of infectious diseases such as COVID-19, and currency exchange rates, and there are inherent uncertainties in estimating such variables, regardless of the methodologies and assumptions that we may use. Therefore, we cannot assure that we will be able to procure adequate supplies of raw materials in the future, as and when we need them on commercially acceptable terms. Further, there can be no assurance that we will be able to effectively manage relationships with our existing or new suppliers or that we will be able to enter into arrangements with new suppliers at attractive terms. If we fail to successfully leverage our existing and new relationships with suppliers, our business and financial performance could be adversely affected.

3. We have very short span of operating history as company.

Our company was incorporated on December 30, 2022 as a public limited company with an object of taking over the running business of our erstwhile proprietorship concern- M/s Harshdeep Agro Products w.e.f April 03, 2023. Thus, our operating history as company is less than one year. However, the Promoter of the Company has transferred his running business M/s Harshdeep Agro Products, which has a long experience since year 2002. Short span of our operating history, makes it difficult to assess our future prospects and historic growth rates or results of operations and which may not be representative or reliable indicators of our future performance. While we intend to continue to expand our operations, we may not be able to sustain historic growth levels and may not be able to leverage our experience in our existing markets in order to grow our business in new markets. If our operations continue to grow, for which there can be no assurance, we will be requiring to continue to expand our sales and marketing, product development and distribution functions, to upgrade our management information systems and other processes, and to obtain more space for our expanding administrative support. Our continued growth could increase the strain on our resources, and we could experience serious operating difficulties, including difficulties in hiring, training and managing an increasing number of employees. If we are unable to manage our operations at our current size or to manage any future growth effectively, our brand image and financial performance may suffer adversely.

4. ***We do not own the registered office, manufacturing unit and stores from which we carry out our business activities. In case of nonrenewal of rent agreements or dispute in relation to use of the said premise, our business and results of operations can be adversely affected.***

Our registered office, manufacturing unit and stores, from which we carry out our business activities, are being taken by us on rent. In the event of termination/non-renewal of said agreements, we may be required to vacate the said premises which may cause disruption in our inventory management, corporate affairs and business and impede our effective operations which could temporarily impact on our business operations until we get suitable alternative premises. For details on the duration of existing rent/lease agreements for our premises, please refer to the section titled ***"Our Business"*** beginning on page 79 of this Prospectus.

In addition, agreements pertaining to the lease/rent have irregularities of enforceability, such as non-registration of agreement and inadequate payment of stamp duty, which may affect the value of the relevant agreements in specific performance or other injunctive procedures in a court of law, and could impair our operations. Further, it may result in levy of penal charges, in case cognizance being taken by concerned authorities.

There can be no assurance that we will, in the future, be able to renew the agreements for the existing locations on same or similar terms, or will be able to find alternate locations for the offices on similar terms favorable to us, or at all. We may also fail to negotiate the renewal of our rent agreements for our premises, either on commercially acceptable terms or at all, which could result in increased rental rates for subsequent renewals or searching of new premises, affecting our financial condition and operations. In the event that the rent agreement is terminated or they are not renewed on commercially acceptable terms, we may suffer a disruption in our manufacturing operations which could materially and adversely affect our business, financial condition and results of operations.

5. ***We have not registered the trademarks which we are using for our business in the name of our company. We may be unable to protect our intellectual property or knowhow from third party infringement which could harm our brand and services.***

Our Company has not registered the trademark HARSHDEEP in the name of our Company. However, the same is registered in the name of our Promoter & Managing Director i.e., Hitesh Chunilal Shah which is used by us. In respect of such trademarks, we have not entered into any assignment agreement or license agreement with him as permitted under the Trade Marks Act 1999, however, we have been permitted by the owner of the trademark namely Hitesh Chunilal Shah to use the aforementioned trademark. While we believe that the NOC shall continue to remain in place, we may not be able to protect our rights in the said trademarks assigned to us through NOC instead of executing formal Assignment Agreement or License Agreement as it may not be acceptable in legal proceedings under the extant provisions of trade marks law. Further, in the event of non-renewal/ revocation of NOC, we may be forbidden from using this trademark and this may affect our brand image adversely. For further details, please refer to section titled ***"Government & Other Approvals"*** on page 178 of this Prospectus.

6. ***We operate in a price sensitive industry wherein the purchasing decisions of consumers are highly influenced by the product price. Our inability to continue to offer our products at competitive prices may adversely affect our business, results of operations and financial condition.***

We operate in gardening and home-decor industry wherein the purchasing decisions of consumers are highly influenced by the product price. We may not always be able to offer our products at price points which represent value for money and is competitive in the market. Accordingly, companies like us need to be able to reduce their operating costs in order to maintain profitability while maintaining high quality standards.Our ability to maintain and enhance our competitiveness through our competitive pricing strategy will have a direct effect on our business, financial condition and results of operations. There can be no assurance that price hikes will not take place in future. If we are unable to maintain our pricing competitiveness and are not able to effectively respond to competition from existing manufacturers and prospective entrants and consequent pricing pressures our business, financial condition and results of operations may be adversely affected.

7. ***Inventories and trade receivables form a major part of our current assets. Failure to manage our inventory and trade receivables could have an adverse impact on our net sales, profitability, cash flow and liquidity.***

We are a manufacturing company, and, at all points of time, a certain portion of our assets comprises of an inventory of raw materials, work in progress products and finished products. Maintaining sufficient inventory of raw materials is critical for our operations including as a buffer against any supply disruptions. Any failure on our part to effectively manage our inventory of raw materials and finished products in response to changing market scenario may have an adverse effect on our financial condition and may even lead to loss of business and increase the costs of our operations. During the period ending July 31, 2023 our inventories were ₹725.31 Lakhs.

In the event we overestimate our requirements for raw materials as compared to the demand for our products, it may lead to situations that require us to block more capital and increase in our operating costs in connection with inventories and further expose us to variations in raw materials risk. Equally, if we underestimate our requirements for raw materials, it may adversely affect our ability to manufacture the required quantity of products for our customers' requirements in a timely and cost-efficient manner which may lead to loss of business and / or the opportunity to service customers which could adversely affect our business, results of operations

and financial condition. Further, we may also lose opportunities to acquire raw materials in a cost-effective manner, thereby increasing costs of operations and adversely affecting our working capital requirements.

Additionally, if our inventory of finished products is not dispatched on time or if there is any unanticipated delay in the delivery of our finished products or if the finished products are not properly maintained or are damaged or destroyed, we could lose such inventory which could have an adverse impact on our production cycle, results of operation and financial condition.

To effectively manage our trade receivables, we must be able to accurately evaluate the credit worthiness of our customers and ensure that suitable terms and conditions are given to them in order to ensure our continued relationship with them. However, if we fail to accurately evaluate the credit worthiness of our customers, it may lead to bad debts, delays in recoveries and / or write-offs which could lead to a liquidity crunch, thereby adversely affecting our business and results of operations. During the period ending July 31, 2023 our trade receivables were ₹1,041.92 Lakhs.

8. We require certain approvals, licenses, registrations and permits to operate our business, and failure to obtain or renew them in a timely manner or maintain the statutory and regulatory permits and approvals required to operate our business may adversely affect our operations and financial conditions.

We require certain statutory and regulatory licenses, registrations and approvals to operate our business some of which our Company has either received, applied for or is in the process of application, we cannot assure that there is no other statutory/regulatory requirement which we are required to comply with. Further, some of these approvals are granted for fixed periods of time and need renewal from time to time. Non-renewal of the said permits and licenses would adversely affect our operations, thereby having a material adverse effect on our business, results of operations and financial conditions. There can be no assurance on the renewal or there might be delay in renewal of licenses, registrations and approvals from relevant authorities.

We have made an application for obtaining Factory license dated November 02, 2023 for manufacturing unit-I in Bhiwandi, and application dated October 26, 2023 for Manufacturing Unit-II in Pune.

Upon cognizance being taken by the appropriate authority, the Company and its officers in default may face penalties and/or prosecution under the extant provisions, which could have an adverse impact on our business, results of operations and cash flows. Further, these licenses, registrations and approvals are subject to several conditions, and we cannot assure that we will be able to continuously meet such conditions or be able to prove compliance with such conditions to statutory authorities, and this may lead to cancellation, revocation or suspension of relevant licenses, approvals and registrations. Failure by us to renew, maintain or obtain the required licenses or approvals, or cancellation, suspension, or revocation of any of the licenses, approvals and registrations may result in the interruption of our operations and may have a material adverse effect on our business, results of operations and financial condition. For details regarding pending approvals, please refer to section titled ***"Government and Other Approvals"*** beginning on page 178 of the Prospectus.

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

Our operations are subject to accidents which are inherent to any manufacturing process such as risks of machinery/equipment failure, worker accidents, fire, earthquakes, flood and other force majeure events, acts of terrorism and explosions including accidents that may cause injury and loss of life, severe damage to and the destruction of property and equipment and environment. We have taken Bharat Laghu Udyam Suraksha and Burglary & House breaking Insurance from Iffco-Tokio General Insurance Co. Ltd Policy for our Registered office and manufacturing Unit-I and New India Bharat Sookshma Udyam Suraksha Policy from The New India Assurance Co. Ltd. for our manufacturing unit-II, which covers building, plant & machinery & stock insurance from loss due to Fire, Explosion, Lightening, Earthquake, Storm, Cyclone, RSMD, terrorism, theft etc. Further, we have taken New India Bharat Sookshma Udyam Suraksha Policy from The New India Assurance Co. Ltd. along with Fire & Burglary insurance from Bajaj Allianz General Insurance Co. Ltd. for our Store in Pune, Burglary & Fire insurance policy for our store in Andhra Pradesh and Bharat Sookshma Udyam Suraksha policy for our store in Delhi from Bajaj Allianz General Insurance Company Ltd.

While we believe that we maintain insurance coverage in adequate amounts consistent with size of our business, our insurance policies do not cover all risks, specifically risks such as cash in transit, key man insurance, group personal accident or Mediclaim policy. Failure to effectively cover ourselves against the associated risks may potentially lead to material losses. There can be no assurance that our insurance policies will be adequate to cover the losses/ damages suffered or that such insurance coverage will continue to be available on reasonable terms or will be available in sufficient amounts to cover one or more large claims, or that the insurer will not disclaim coverage as to any future claim. If we suffer a significant uninsured loss or if insurance claim in respect of the subject matter of insurance is not accepted or any insured loss suffered by us significantly exceeds our insurance coverage, our business, financial condition and results of operations may be materially and adversely affected.

10. We have to update the name of our company in some of the statutory approvals and certificates due to the takeover of Proprietorship Firm into the Company.

Some of our statutory approvals and certificates are in the name of M/s Harshdeep Agro Products, Proprietorship firm of Hitesh Chunilal Shah. For instance, the company has taken over loan sanctioned from Karnataka Bank to the proprietorship concern in

past, which is yet to be transferred in the name of the company, Company has made an application for the same with the bank and it is under process.

Since our Company has recently acquired the on-going business of the firm pursuant Business Purchase Agreement dated April 03, 2023 and in compliance with the Companies Act, 2013, we are yet to update the name of the company i.e., Harshdeep Hortico Limited on the statutory approvals and certificates. We cannot ensure 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 178 of this Prospectus.

11. We have had certain inaccuracy in relation to regulatory filings to be made with the RoC.

The company had not filed Form CHG-1 for creation of vehicle loans and term loan taken in the past which inter-alia includes non-compliance of Section 77 of the Companies Act, 2013 and is subject to penalty under section 86 and/or other relevant provision(s) of Companies Act, 2013, as may be applicable, however our company has now repaid as on date of the Prospectus. Although, no show cause notice in respect of the above has been received by the Company till date, any penalty imposed for such non-compliance in future by any regulatory authority could affect our financial conditions to that extent.

Further, while restating the financials of the proprietorship concern for past three years i.e. F.Y 2020-21, 2021-22 & 2022-23, we have not made the provision for Gratuity payable to employees.

12. We face competition from other large and established competitors, and we may fail to compete successfully against existing or new competitors, which may reduce the demand for our products which may lead to reduced prices, operating margins, profits and further result in decline in revenue.

We face increasing competition in our industry from our existing and potential competitors in India that may have substantially greater brand recognition, longer operating histories, greater financial, product development, sales, marketing, more experienced management, access to a cheaper cost of capital and other resources than we do. Our competitors may have lower costs, or be able to offer lower prices and a larger variety of products in order to gain market share. Our competitors may also make acquisitions or establish cooperative or other strategic relationships, among themselves or with third parties, thereby increasing their ability to address the needs of our targeted customers and offering lower cost products than we do which may have a negative effect on our sales. Further, new competitors may emerge at any time. Our competitors may be able to respond more quickly to new or emerging technologies or customer requirements, and may bring with them customer loyalties that may limit our ability to compete, which could reduce our sales. In addition, a variety of known and unknown events could have a material adverse impact on our ability to compete. The success of our products as well as our ability to maintain or increase our sales may also depend upon the effectiveness of our marketing initiatives which may adversely affect our ability to compete effectively.

Factors affecting our competitive success include, amongst other things, price, demand for our products, availability of raw materials and reliability. Our competitors vary in size, and may have greater financial, production, marketing, personnel and other resources than us. Competitive conditions in some of our segments have caused us to realise lower net selling prices and reduced gross margins and net earnings. These conditions may continue indefinitely. Changes in the identity, ownership structure, and strategic goals of our competitors and the emergence of new competitors in our target markets may impact our financial performance. Our failure to compete effectively, including any delay in responding to changes in the industry and market, may affect the competitiveness of our products, which may result in a decline in our revenues and profitability.

New competitors may include foreign-based companies and domestic producers who could enter our markets. Our failure to compete effectively, including any delay in responding to changes in the industry and market, together with increased spending on advertising, may affect the competitiveness of our products, which may result in a decline in our revenues and profitability. Also, see "***Business - Competition***" on page 79 of this Prospectus.

13. Adverse publicity regarding our products could negatively impact us.

Adverse publicity regarding any of our products or similar products marketed or sold by others could adversely affect us. If any studies raise or substantiate concerns regarding the efficacy or safety of our products or other concerns, our reputation could be harmed and demand for our products could diminish, which could have a material adverse effect on growth in new customers and sales of our product, leading to a decline in revenues, cash collections, and ultimately our ability to meet operating cash flow requirements.

14. As we continue to grow, we may not be able to effectively manage our growth and the increased complexity of our business, which could adversely impact our brand and financial performance.

Continued growth of our business and user base requires us to expand our product portfolio, strengthen our brand recognition, expand and enhance our sales channels, better manage our supply chain, upgrade our information systems and technologies, secure more space for our expanding workforce, and devote other resources to our business expansions, among others. As we continue to grow, managing our business will become more complicated as we develop a wider product mix, some of which we may have less experience in. In addition, as we increase our product offerings, we will need to work with a larger number of business partners and

maintain and expand mutually beneficial relationships with our existing and new business partners. Our inability to manage the expansion of our products range, customer base and manufacturing capacities, and execute our growth strategy in a timely manner or within budget estimates, or our inability to meet the expectations to track the changing preferences of our customers or other stakeholders could have an adverse effect on our business, results of operations and financial condition.

We cannot assure you that we will be able to effectively manage our growth, that our current personnel, infrastructure, systems, procedures and controls or any measures to enhance them will be adequate and successful to support our expanding operations or that our strategies and new business initiatives will be executed successfully. If we are not able to manage our growth or execute our strategies effectively, our expansion may not be successful and our business and prospects may be materially and adversely affected. As we continue to expand, we may experience similar difficulties if we are unable to manage our growth, which may adversely affect our reputation and results of operations.

15. There is an increased awareness towards controlling pollution and many economies including India have joined in the efforts to ban plastic products. In case any plastic made product manufactured by us is banned in India or in any of the markets where we export our products, it could have a material and adverse effect on our business and results of operations.

Plastic takes many years to decompose and is very dangerous for other living beings. Many countries around the world are finding alternatives to the use of plastic products. While none of the measures taken so far have directly impacted our business, our Company cannot assure that future measures will not have a negative impact on our business. If the Government of India legislates against the use of plastic products, it could have a material and adverse effect on our business and results of operations.

16. Our Promoter and Directors are parties to certain legal proceedings.

Our Promoter and Directors are parties to certain legal proceedings. These legal proceedings are pending at different levels of adjudication authorities. Mentioned below are the details of the proceedings involving our Promoter and Directors as on the date of this Prospectus along with the amount involved:

Litigations involving our Promoter & Directors: -

Amt. (Rs. in lakhs)

Nature of Cases	No. of Outstanding Cases	Amount in dispute/demanded to the extent ascertainable
Direct Tax		
Harshit Hitesh Shah	1	0.050
Hitesh Chunilal Shah	12	4.47
	13	**4.522**

The amount may be subject to additional interest/other charges being levied by the concerned authorities which are unascertainable as on date of this Prospectus. For further details, please refer to the chapter titled ***"Outstanding Litigations and Material Developments"*** *on page* 176 *of this Prospectus.*

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

Our ability to borrow and the terms of our borrowings will depend on our financial condition, the stability of our cash flows, general market conditions, economic and political conditions in the markets where we operate and our capacity to service debt. As on July 31, 2023, our total outstanding indebtedness was ₹636.82 Lakhs.

Our significant indebtedness in future may result in substantial amount of debt service obligations which could lead to:

1. increasing our vulnerability to general adverse economic, industry and competitive conditions;
2. limiting our flexibility in planning for, or reacting to, changes in our business and the industry;
3. affecting our credit rating;
4. limiting our ability to borrow more money both now and in the future; and
5. increasing our interest expenditure and adversely affecting our profitability.

If the loans are recalled on a shorter notice, we may be required to arrange for funds to fulfil the necessary requirements. The occurrence of these events may have an adverse effect on our cash flow and financial conditions of the company. For further details regarding our indebtedness, see ***"Statement of Financial Indebtedness"*** on page 167 of this Prospectus.

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

Our business requires significant amount of working capital and major portion of our working capital is utilized towards inventories and trade receivables. Our growing scale and expansion, if any, may result in increase in the quantum of current assets. Our inability to maintain sufficient cash flow, credit facility and other sources of funding, in a timely manner, or at all, to meet the requirement of working capital or pay out debts, could adversely affect our financial condition and result of our operations. Further, we have

high outstanding amount due from our debtors which may result in a high risk in case of non-payment by these debtors. In case of any such defaults from our debtors, may adversely affect our business operations and financials. For further details regarding working capital requirement, please refer to the section ***"Objects of the Issue"*** on page 57 of this Prospectus.

19. We have in the past entered into related party transactions and may continue to do so in the future. There can be no assurance that such transactions, individually or in the aggregate, will not have an adverse effect on our Company's financial condition and results of operations.

We have entered into various transactions with our Directors/ Promoter and Promoter Group members. These transactions, inter-alia include, remuneration, Rent, loans and advances, etc. For details, please refer to "Annexure-Y- Related Party Transactions" under Section titled ***"Financial Information of the Company"*** of this Prospectus. Our Company has entered such transactions due to easy proximity and quick execution on arms-length price in compliance with provisions of Companies Act 2013 and other applicable laws. Although all related-party transactions that we may enter into in the future are subject to approval by Board or shareholders, as required under the Companies Act, we cannot assure you that such future transactions or any other future transactions, individually or in aggregate, will not have an adverse effect on our financial condition and results of operations or that we could not have achieved more favorable terms if such transactions are not entered into with related parties.

Furthermore, it is likely that we may enter into related party transactions in the future. Any future transactions with our related parties could potentially involve conflicts of interest. Accordingly, there can be no assurance that such transactions, individually or in the aggregate, will not have a material adverse effect on our business, financial condition, cash flows, results of operations and prospects.

20. Our continued operations at our manufacturing facilities are critical to our business and any disruption, breakdown or failure of machinery, disruption to power sources or any temporary shutdown of our manufacturing facility, may have a material adverse effect on our business, results of operations, financial condition and cash flows.

Our manufacturing facilities are subject to operating risks, such as breakdown or failure of machinery, power supply or processes, performance below expected levels of efficiency, obsolescence of equipment or machinery, labour disputes, natural disasters, industrial accidents and the need to comply with the directives of relevant government authorities. Our customers rely significantly on the timely delivery of our products and our ability to provide an uninterrupted and timely supply of our products is critical to our business. We also require substantial electricity for our manufacturing facilities which is sourced from state electricity boards. In case, the supply is not available for any reason, our production schedule may be hampered. Further, our customer relationship, business and financial results may be materially adversely affected by any disruption of manufacturing operations of our products, including as a result of any of the factors mentioned above.

21. A notable portion of our revenue is from limited number of customers, the loss of such customers, the deterioration of their financial position or prospects, or a reduction in their demand for our products could affect our business, financial position and future prospects of our Company.

Notable portion of our revenues has been dependent upon few customers. For instance, our top ten customers for the four months' period ended July, 2023, accounted for 21.91% of our revenue from operations for the said period. Our reliance on a selected group of customers for our business exposes us to risks, that may include, but are not limited to, reductions, delays or cancellation of orders from our customers, failure to negotiate favorable terms or the loss of these customers, all of which could affect financial position and future prospects of our Company.

Further, we have not entered into any definitive agreements with our customers and the success of our business is dependent on maintaining good relationship with them. There is no guarantee that we will retain the business of our existing key customers or maintain the current level of business with each of these customers. The deterioration of the financial position or business prospects of these customers could reduce their requirement of our products and result in a decrease in the revenues we derive from these customers.

In addition, we are exposed to payment delays and/or defaults by our major customers and our financial position and financial performance are dependent on the creditworthiness of our customers. There is no guarantee that all or any of our customers will honor their outstanding amounts in time and whether they will be able to fulfil their obligations, due to any financial difficulties, cash flow difficulties, deterioration in their business performance, or a downturn in the global economy. If such events or circumstances occur from all or any of our major customer, our financial performance and our operating cash flows may be affected.

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

Our performance depends upon the continued services efforts and abilities of our Promoter and Key managerial personnel, particularly Hitesh Chunilal Shah. He has gained experience in this line of business and has over the years-built relations with our suppliers, third party suppliers, customers and other persons who are connected with us and have been actively involved in the day-to-day operations and management. Further we believe that the inputs and experience of our senior management, in particular, and other key personnel are valuable for successful delivery of products, our overall business operations and the strategic directions

taken by our Company. For details in relation to the experience of our key management personnel, please refer to Section ***"Our Management"*** on page 103 of this Prospectus.

We cannot assure you that these individuals or any other member of our senior management team will not leave us or join a competitor or that we will be able to retain such personnel or find an adequate replacement in a timely manner, or at all. The loss of any of our promoter, senior management and other key personnel, or failure to recruit suitable or comparable replacements, could have an adverse effect on us. The loss of service of the promoter, senior management and other key personnel could seriously impair the ability to continue to manage and expand the business efficiently. If we are unable to retain qualified employees at a reasonable cost, we may be unable to execute our growth strategy.

23. Compliance with, and changes in, safety, health and environmental laws and labour regulations may adversely affect our business, prospects, financial condition and results of operations.

Due to the nature of our business, we expect to be or continue to be subject to extensive and increasingly stringent environmental, health and safety laws and regulations and various labour, related laws and regulations. We are subject to environmental laws and regulations, including but not limited to, which govern the discharge, emission, storage, handling and disposal of a variety of substances that may be used in or result from the operations of our business.

The scope and extent of new environmental regulations, including their effect on our operations, cannot be predicted and hence the costs and time required to comply with these requirements could be significant. Amendments to such statutes may impose additional provisions to be followed by our Company and accordingly the Company needs to incur clean-up and remediation costs, as well as damages, payment of fines or other penalties, closure of production facilities for non-compliance, other liabilities and related litigation, could adversely affect our business, prospects, financial condition and results of operations.

24. Dependence upon third party transportation services for supply and transportation of our products are subject to various uncertainties and risks, and delays in delivery may result in rejection of products by customer.

We do not have an in-house transportation facility and we rely on third party transportation and other logistic facilities at every stage of our business activity including for procurement of raw materials from our suppliers and for transportation of products to our customers. For this purpose, we hire services of transportation companies. However, we have not entered into any definitive agreements with any third-party transport service providers and engage them on a need basis. Additionally, availability of transportation solutions in the markets we operate in is typically fragmented. The cost of our goods carried by such third-party transporters is typically much higher than the consideration paid for transportation, due to which it may be difficult for us to recover compensation for damaged, delayed or lost goods.

Our operations and profitability are dependent upon the availability of transportation and other logistic facilities in a time and cost-efficient manner. Accordingly, our business is vulnerable to increased transportation costs, transportation strikes and lock-outs, shortage of labour, delays and disruption of transportation services for events such as weather-related problems and accidents. Further, movement of goods encounters additional risks such as accidents, pilferage, spoilage, shrinkage and our inability to claim insurance may adversely affect our operations, results of operations and financial condition. Although we have not experienced any material logistics and transport related disruptions in the past, any prolonged disruption or unavailability of such facilities in a timely manner could result in delays or non-supply or may require us to look for alternative sources which may not be cost-effective, thereby adversely affecting our operations, results of operations, cash flows and financial condition.

25. 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 its first year of operation, 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 clients. Changes in regulations applicable to us may also make it difficult to implement our business strategies. Failure to implement our business strategies would have a material adverse effect on our business and results of operations.

26. The average cost of acquisition of Equity Shares by our Promoter is lower than the face value of Equity Share.

The average cost of acquisition of Equity Shares of our Promoter is lower than the face value of Equity Shares i.e., ₹ 10/-. For further details regarding the average cost of acquisition of Equity Shares by our Promoter in our Company and build-up of Equity Shares of our Promoter in our Company, please see Chapter titled ***"Capital Structure"*** beginning on page 47 of this Prospectus.

27. We have negative operating cash flows in the past. Any operating losses or negative cash flows in the future could adversely affect our results of operations and financial conditions

As per Restated Financial Statements, our cash flows are as set out below: -

(₹ in lakhs)

Particulars	**For The Period/Year Ended**	
	July 31, 2023	**March 31, 2023**
Net cash from operating activities	108.62	(0.11)
Net cash flow from investing activities	(64.92)	-
Net cash flow from financing activities	43.59	5.00

Cash flow of a company is a key indicator to show the extent of cash generated to meet capital expenditure, pay dividends, repay loans and make new investments without raising finance from external resources. Any operating losses or negative cash flows could adversely affect our results of operations and financial conditions. If we are not able to generate sufficient cash flows, it may adversely affect our business and financial operations.

28. Our Promoter and the Promoter Group will jointly continue to retain majority shareholding in our Company after the issue, which will allow them to determine the outcome of the matters requiring the approval of shareholders

Our Promoter and Directors are interested in our Company, in addition to regular remuneration or benefits and reimbursement of expenses, to the extent of their shareholding in our Company or their relatives, dividend entitlement, properties given by them on lease/rental basis or loans advanced by them to the Company, and benefits deriving from the directorship in our Company. There can be no assurance that our Promoter will exercise their rights as shareholders to the benefit and best interest of our Company. Our Promoter will continue to exercise significant control over us, including being able to control the composition of our Board of Directors and determine decisions requiring simple or special majority voting of shareholders, and our other shareholders may be unable to affect the outcome of such voting. For further information, please refer to the chapters/section titled ***"Our Business"***, ***"Our Promoter and Promoter Group"*** and ***"Annexure Y - Related Party Transactions"***, beginning on pages 79, 115 and 141 respectively of this Prospectus.

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

One of our directors namely Dipti Hitesh Shah have extended personally guarantee towards loan facilities taken by our Company. Any default or failure by us to repay the loans in a timely manner, or at all could trigger repayment obligations of our guarantor in respect of such loans, which in turn, could have an adverse impact on her ability to effectively service her obligations as Director of our Company, thereby having an effect on our business, results of operation and financial conditions. Furthermore, in the event that our director withdraws or terminate her guarantees, our lenders for such facilities may ask for alternate guarantees, repayment of amounts outstanding under such facilities, or even terminate such facilities. We may not be successful in procuring guarantees satisfactory to the lenders, and as a result may need to repay outstanding amounts under such facilities or seek additional sources of capital, which could affect our financial condition and cash flows. For further details regarding loans availed by our Company, please refer ***"Statement of Financial Indebtedness"*** on page 167 of this Prospectus.

30. Excessive dependence on Kotak Mahindra Bank and Karnataka Bank Ltd in respect of loan facilities obtained by our Company.

Our company has been sanctioned credit facilities by Kotak Mahindra Bank and Karnataka Bank Ltd. The Company is dependent on such facility for its Term loans, working capital facility and other funding requirement and any default under such arrangement with such lender may create problem for operation of the Company, which may affect the financial stability of the Company. At the same time this may result into difficulty in arranging for funds for re-payment and may also adversely affect the financial position of the Company.

31. We may require further equity issuance, which will lead to dilution of equity and may affect the market price of our Equity Shares or additional funds through incurring debt to satisfy our capital needs, which we may not be able to procure and any future equity offerings by us.

Our growth is dependent on having a strong balance sheet to support our activities. In addition to the IPO Proceeds and our internally generated cash flow, we may need other sources of financing to meet our capital needs which may include entering into new debt facilities with lending institutions or raising additional equity in the capital markets. We may need to raise additional capital from time to time, dependent on business conditions. The factors that would require us to raise additional capital could be business growth beyond what the current balance sheet can sustain; additional capital requirements imposed due to changes in regulatory regime or significant depletion in our existing capital base due to unusual operating losses. Any fresh issue of shares or convertible securities would dilute existing holders, and such issuance may not be done at terms and conditions, which are favourable to the then existing shareholders of our Company. If our Company decides to raise additional funds through the incurrence of debt, our interest obligations will increase, and we may be subject to additional covenants, which could further limit our ability to access cash flows from our operations. Such financings could cause our debt-to-equity ratio to increase or require us to create charges or liens on our assets in favor of lenders. We cannot assure you that we will be able to secure adequate financing in the future on acceptable terms, in time, or at all. Our failure to obtain sufficient financing could result in the delay or abandonment of our expansion plans. Our business and future results of operations may be affected if we are unable to implement our expansion strategy.

Any future issuance of Equity Shares by our Company may dilute shareholding of investors in our Company; and hence affect the trading price of our Company's Equity Shares and its ability to raise capital through an issue of its securities. In addition, any perception by investors that such issuances or sales might occur could also affect the trading price of our Company's Equity Shares. Additionally, the disposal, pledge or encumbrance of Equity Shares by any of our Company's major shareholders, or the perception that such transactions may occur may affect the trading price of the Equity Shares. No assurance may be given that our Company will not issue Equity Shares or that such shareholders will not dispose of, pledge or encumber their Equity Shares in the future.

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

The proposed fund requirement for our Working Capital requirements, as detailed in the section titled "Objects of the Issue" is to be funded from the proceeds of this IPO. We have not identified any alternate source of funding and hence any failure or delay on our part to mobilize the required resources or any shortfall in the Issue proceeds may delay the implementation schedule. We therefore, cannot assure that we would be able to execute our future plans/strategy within the given timeframe. For details, please refer to the Chapter titled ***"Objects of the Issue"*** beginning on page 57 of this Prospectus.

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

The deployment of funds as stated in the ***"Objects of the Issue"*** beginning on page 57 of this Prospectus is entirely at the discretion of our management and has not been appraised by any independent agency. Further, the purposes for which the Net Proceeds are to be utilized have not been appraised by an independent entity and are based on our estimates and on third-party quotations. In the event, for whatsoever reason, we are unable to execute our plans, we could have a significant amount of unallocated net proceeds. In such a situation, we would have broad discretion in allocating these net proceeds from the Issue without any action or approval of our shareholders. In case the assumptions on which these estimates have been made are not correct or they become un-realistic then there will be a variation in the estimates and the actual expenditure incurred which could result in execution delays and have an adverse effect on our operations and profitability.

34. Information relating to our production capacities and the historical capacity utilization of our production facilities included in this Prospectus is based on certain assumptions and has been subjected to rounding off, and future production and capacity utilization may vary.

Information relating to our production capacities and the historical capacity utilization of our production facilities included in this Prospectus is based on various assumptions and estimates of our management, including proposed operations, assumptions relating to availability and quality of raw materials and assumptions relating to operational efficiencies. Actual production levels and utilization rates may differ significantly from the estimated production capacities or historical estimated capacity utilization information of our facilities. Undue reliance should therefore not be placed on our production capacity or historical estimated capacity utilization information for our existing facilities included in this Prospectus. For further information, see the section titled ***"Our Business"*** on page 79 of this Prospectus.

35. The activities carried out at our manufacturing facilities can cause injury to people or property in certain circumstances.

The activities carried out at our manufacturing facilities may be potentially dangerous to our employees. While we employ safety procedures in the operation of our manufacturing facilities and maintain what we believe to be adequate insurance, there is a risk that an accident may occur at any of our manufacturing facilities. An accident may result in personal injury to our employees, or the deployed at our facilities, destruction of property or equipment, manufacturing or delivery delays, environmental damage, or may lead to suspension of our operations and/or imposition of liabilities. Any such accident may result in litigation, the outcome of which is difficult to assess or quantify, and the cost to defend such litigation can be significant. As a result, the costs to defend any action or the potential liability resulting from any such accident or death or arising out of any other litigation, and any negative publicity associated therewith, may have a negative effect on our business, financial condition, results of operations, cash flows and prospects.

36. Fraud, theft, employee negligence or similar incidents may adversely affect our results of operations and financial condition.

Our operations may be subject to incidents of theft or damage to inventory. The business may also encounter some inventory loss on account of employee theft, vendor fraud and general administrative error. While we have not experienced any such instance in the past, there can be no assurance that we will not experience any fraud, theft, employee negligence, security lapse or similar incidents in the future, which could adversely affect our results of operations and financial condition. Though we have insurance, losses due to theft, fire, breakage or damage caused by other casualties, could adversely affect our results of operations and financial condition.

37. We are subject to restrictive covenants under our credit facilities that limit our operational flexibility.

The loan agreements entered into by us with banks contain specific covenants which require us to obtain the prior approval/ permission from the banks on the occurrence of certain events such as formulation of any scheme of amalgamation or reconstruction, undertaking of any new project or expansion, making any substantial change in our management set up, any change in our capital structure resulting in reduction of capital, etc. We have not obtained consent/ approval from Karnataka Bank Ltd. before undertaking any such steps which have been mentioned in the loan agreements. Further, there can be no assurance that such consent will be granted or that we will be able to comply with the financial covenants under our financing arrangements. In the event we breach any financial or other covenants contained in any of our financing arrangements, we may be required under the terms of such financing arrangements to immediately repay our borrowings either in whole or in part, together with any related costs. This may adversely impact our results of operations and cash flows. For further details on the Cash Credit Limits and other banking facilities, please see ***"Statement of Financial Indebtedness"*** on page 167 of this Prospectus.

38. The deployment of funds raised through this Issue shall not be subject to any Monitoring Agency and shall be purely dependent on the discretion of the management of our Company.

Since the Issue is for an amount not exceeding ₹10,000 lakhs, in terms of SEBI ICDR Regulations, our Company is not required to appoint an Independent Monitoring Agency for overseeing the deployment of utilization of funds raised through this Issue. The deployment of these funds raised through this Issue, is hence, at the discretion of the management and the Board of Directors of our Company and will not be subject to monitoring by any independent agency. Any inability on our part to effectively utilize the Issue proceeds could adversely affect our finances.

39. Our ability to pay dividends in the future will depend upon our future earnings, financial condition, cash flows, working capital requirements, capital expenditure and restrictive covenants in our financing arrangements.

We may retain all our future earnings, if any, for use in the operations and expansion of our business. As a result, we may not declare dividends in the foreseeable future. Any future determination as to the declaration and payment of dividends will be at the discretion of our Board of Directors and will depend on factors that our Board of Directors deem relevant, including among others, our results of operations, financial condition, working capital requirements, business prospects and any other financing arrangements. Accordingly, realization of a gain on shareholder's investments may largely depend upon the appreciation of the price of our Equity Shares. There can be no assurance that our Equity Shares will appreciate in value. For details of our dividend history, see ***"Dividend Policy"*** on page 118 of this Prospectus.

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

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

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

We are currently engaged in the manufacture and supply of pots and planters which attracts tax liability such as Goods and Service tax and Income tax as per the applicable provisions of Law. Any demand or penalty raised by the concerned authority in future for any previous years or current year will affect the financial position of the Company.

42. Any future issuance of Equity Shares may dilute your shareholdings, and sale of the Equity Shares by our major shareholders may adversely affect the trading price of our Equity Shares.

Any future equity issuance by our Company may lead to the dilution of investors' shareholdings in our Company. In addition, any sale of substantial Equity Shares in the public market after the completion of this Issue, including by our major shareholders, or the perception that such sales could occur, could adversely affect the market price of the Equity Shares and could significantly impair our future ability to raise capital through offerings of the Equity Shares. We cannot predict what effect, if any, market sales of the Equity Shares held by the major shareholders of our Company or the availability of these Equity Shares for future sale will have on the market price of our Equity Shares.

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

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

44. The Equity Shares have never been publicly traded, and, after the Issue, the Equity Shares may experience price and volume fluctuations, and an active trading market for the Equity Shares may not develop. Further, the price of the Equity Shares may be volatile, and you may be unable to resell the Equity Shares at or above the Issue Price, or at all.

Prior to the Issue, there has been no public market for the Equity Shares, and an active trading market on the Stock Exchanges may not develop or be sustained after the Issue. Listing and quotation do not guarantee that a market for the Equity Shares will develop, or if developed, the liquidity of such market for the Equity Shares. The Issue Price of the Equity Shares is proposed to be determined in accordance with the SEBI ICDR Regulations and may not be indicative of the market price of the Equity Shares at the time of commencement of trading of the Equity Shares or at any time thereafter. The market price of the Equity Shares may be subject to significant fluctuations in response to, among other factors, variations in our operating results of our Company, market conditions specific to the industry we operate in, developments relating to India, volatility in securities markets in jurisdictions other than India, variations in the growth rate of financial indicators, variations in revenue or earnings estimates by research publications, and changes in economic, legal and other regulatory factors.

EXTERNAL RISK FACTORS

45. A slowdown in economic growth in India may adversely affect our business, financial condition, cash flows, results of operations and prospects.

The performance and growth of our business are necessarily dependent on economic conditions prevalent in India, which may be materially and adversely affected by Centre or state political instability or regional conflicts, a general rise in interest rates, inflation, and economic slowdown elsewhere in the world or otherwise. Further, there have been periods of slowdown in the economic growth of India. India's economic growth is affected by various factors including domestic consumption and savings, balance of trade movements, namely export demand and movements in key imports (oil and oil products), global economic uncertainty and liquidity crisis, volatility in exchange currency rates and annual rainfall which affects agricultural production. Any continued or future slowdown in the Indian economy or a further increase in inflation could have a material adverse effect on the price of our raw materials and demand for our products and, as a result, on our business and financial results. The Indian financial market and the Indian economy are influenced by economic and market conditions in other countries, particularly in emerging market in Asian countries. Financial turmoil in Asia, Europe, the U.S. and elsewhere in the world in recent years has affected the Indian economy. Although economic conditions are different in each country, investors' reactions to developments in one country can have adverse effects on the securities of companies in other countries, including India. A loss in investor confidence in the financial systems of other emerging markets may cause increased volatility in Indian financial markets and, indirectly, in the Indian economy in general. Any worldwide financial instability, including the financial crisis and fluctuations in the stock markets in China and further deterioration of credit conditions in the U.S. or European markets, could also have a negative impact on the Indian economy. Financial disruptions may occur again and could harm our business and financial results.

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

Our business and financial performance could be adversely affected by changes in law or interpretations of existing, or the promulgation of new, laws, rules and regulations in India applicable to us and our business. For further details, please refer to the chapter ***"Government and Other Approvals"*** on page 178 of this Prospectus for details of the laws currently applicable to us. The governmental and regulatory bodies in India and other jurisdictions where we operate may notify new regulations and/or policies, which may require us to obtain approvals and licenses from the government and other regulatory bodies, or impose onerous requirements and conditions on our operations, in addition to those which we are undertaking currently. Any such changes and the related uncertainties with respect to the implementation of new regulations may have a material adverse effect on our business, financial condition, results of operations and cash flows.

In addition, unfavorable changes in or interpretations of existing, or the promulgation of new, laws, rules and regulations including foreign investment laws governing our business, operations and investments in our Company by non-residents, could result in us being deemed to be in contravention of such laws and/or may require us to apply for additional approvals. Tax and other levies imposed by the central and state governments in India that affect our tax liability include central and state taxes and other levies, income tax, turnover tax, goods and services tax, stamp duty and other special taxes and surcharges which are introduced on a temporary or permanent basis from time to time. The final determination of our tax liabilities involves the interpretation of local tax laws and related regulations in each jurisdiction as well as the significant use of estimates and assumptions regarding the scope of future operations and results achieved and the timing and nature of income earned and expenditures incurred.

Any change in Indian tax laws could have an effect on our operations. For instance, the Taxation Laws (Amendment) Ordinance, 2019, a new tax ordinance issued by India's Ministry of Finance on September 20, 2019, prescribes a number of changes to the income tax rate applicable to companies in India. According to this new ordinance, companies can henceforth voluntarily opt for a concessional tax regime (subject to no other special benefits/exemptions being claimed), which would ultimately reduce the effective tax rate for Indian companies. Any such future amendments may affect other benefits such as an exemption for income earned by way of dividend from investments in other domestic companies and units of mutual funds, exemption for interest received in respect of tax-free bonds, and long-term capital gains on equity shares if withdrawn by the statute in the future, and the same may no longer be available to us. Any adverse order passed by the appellate authorities/ tribunals/ courts would influence our profitability.

The Finance Act, 2022 ("Finance Act"), has, amongst others things, provided a number of amendments to the direct and indirect tax regime, including, without limitation, a simplified alternate direct tax regime and that dividend distribution tax ("DDT"), will not be payable in respect of dividends declared, distributed or paid by a domestic company after March 31, 2020, and accordingly, such dividends would not be exempt in the hands of the shareholders, both resident as well as nonresident and are likely to be subject to tax deduction at source. The Company may or may not grant the benefit of a tax treaty (where applicable) to a non-resident shareholder for the purposes of deducting tax at source from such dividend. Investors should consult their own tax advisors about the consequences of investing or trading in the Equity Shares. Further, the Government of India has notified the Finance Act, 2023, which has introduced various amendments to taxation laws in India. There is no certainty on the impact that the Finance Act may have on our business and operations or on the industry in which we operate. Uncertainty in the applicability, interpretation or implementation of any amendment to, or change in, governing law, regulation or policy, including by reason of an absence, or a limited body, of administrative or judicial precedent may be time consuming as well as costly for us to resolve and may impact the viability of our current business or restrict our ability to grow our business in the future.

47. Our business and results of operations could be adversely affected by disruptions in global economic and geo political conditions.

As substantially all of our operations are dependent on our customers who have their head offices or parent companies situated outside India, our financial performance and growth are necessarily dependent on economic conditions prevalent globally. The global economy may be materially and adversely affected by political instability or regional conflicts; a general rise in interest rates; inflation; exchange rate fluctuations; changes in tax, trade, and monetary policies; occurrence of natural or manmade disasters; downgrade in debt rating; and adverse economic conditions occurring elsewhere in the world, such as a slowdown in economic growth in China, the repercussions of the United Kingdom exit from the European Union and other matters. While the Indian economy has grown significantly in recent years, it has experienced economic slowdowns in the past due to global economic and geo political conditions. The Indian economy in particular could be adversely impacted by inflationary pressures, currency depreciation, the poor performance of its large agricultural and manufacturing sectors, trade deficits, recent initiatives by the Indian government and other factors. Unfavorable changes in the above factors or in other business and economic conditions affecting our customers could result in a corresponding decline in our business.

48. The continuing effect of the COVID-19 pandemic on our business, results of operations and financial condition is highly uncertain and cannot be predicted.

The outbreak, or threatened outbreak, of any severe communicable disease (particularly COVID-19) could adversely affect the overall business sentiment and environment, particularly if such outbreak is inadequately controlled. The outbreak of COVID-19 has resulted in authorities implementing several measures such as travel bans and restrictions, quarantines and lockdowns. These measures have impacted and may further impact our workforce and operations, the operations of our consumers. In case there is a rapid increase in severe cases of infections leading to deaths, where the measures taken by governments are not successful or are any bans imposed by the government in this regard are lifted prematurely, may cause significant economic disruption in India and in the rest of the world. If any of our employees were suspected of contracting COVID-19 or any other epidemic disease, this could require us to quarantine some or all of these employees or disinfect the facilities. In addition, our revenue and profitability could be impacted to the extent that a natural disaster, health epidemic or other outbreak harms the Indian and global economy in general. The outbreak has significantly increased economic uncertainty. It is likely that the current outbreak or continued spread of COVID-19 will cause an economic slowdown and it is possible that it could cause a global recession.

49. Our performance is linked to the stability of policies and the political situation in India.

The Government of India has traditionally exercised, and continues to exercise, a significant influence over many aspects of the economy. Our business, and the market price and liquidity of our Equity Shares, may be affected by interest rates, changes in government policy, taxation, social and civil unrest and other political, economic or other developments in or affecting India. Any political instability in India may adversely affect the Indian securities markets in general, which could also adversely affect the trading price of our Equity Shares. Any political instability could delay the reform of the Indian economy and could have a material adverse effect on the market for our Equity Shares. There can be no assurance to the investors that these liberalization policies will continue under the newly elected government. Protests against privatization could slow down the pace of liberalization and deregulation. The rate of economic liberalization could change, and specific laws and policies affecting companies in the industrial equipment manufacturing sectors, foreign investment, currency exchange rates and other matters affecting investment in our securities could change as well. A significant change in India's economic liberalization and deregulation policies could disrupt business and economic conditions in India and thereby affect our business.

50. If certain labour laws become applicable to us, our profitability may be adversely affected.

India has stringent labour legislations that protect the interests of workers, including legislation that sets forth detailed procedures for dispute resolution and employee removal and legislation that imposes certain financial obligations on employers upon retrenchment. Any change or modification in the existing labour laws may affect our flexibility in formulating labour related policies.

51. Government regulation of foreign ownership of Indian securities may have an adverse effect on the price of the Equity Shares.

Foreign ownership of Indian securities is subject to government regulation. Under foreign exchange regulations currently in affect in India, transfer of shares between non-residents and residents are freely permitted (subject to certain exceptions) if they comply with the pricing guidelines and reporting requirements specified by the RBI. If the transfer of shares, which are sought to be transferred, is not in compliance with such pricing guidelines or reporting requirements or fall under any of the exceptions referred to above, then the prior approval of the RBI will be required. Additionally, shareholders who seek to convert the rupees proceeds from the sale of shares in India into foreign currency and repatriate that foreign currency from India will require a no objection/ tax clearance certificate from the Income Tax authorities. There can be no assurance that any approval required from the RBI or any other government agency can be obtained.

52. Financial instability in both Indian and international financial markets could adversely affect our results of operations and financial condition.

The Indian market and the Indian economy are influenced by economic and market conditions in other countries, including conditions in the United States, Europe and certain emerging economies in Asia. Financial turmoil in Asia, Russia and elsewhere in the world in recent years has adversely affected the Indian economy. Any worldwide financial instability may cause increased volatility in the Indian financial markets and, directly or indirectly, adversely affect the Indian economy and financial sector and us. Although economic conditions vary across markets, loss of investor confidence in one emerging economy may cause increased volatility across other economies, including India. Financial instability in other parts of the 42 worlds could have a global influence and thereby negatively affect the Indian economy. Financial disruptions could materially and adversely affect our business, prospects, financial condition, results of operations and cash flows. Further, economic developments globally can have a significant impact on our principal markets. Concerns related to a trade war between large economies may lead to increased risk aversion and volatility in global capital markets and consequently have an impact on the Indian economy. Recent developments in the ongoing conflict between Russia and Ukraine has resulted in and may continue to result in a period of sustained instability across global financial markets, induce volatility in commodity prices, increase borrowing costs, cause outflow of capital from emerging markets and may lead to overall slowdown in economic activity in India. In addition, China is one of India's major trading partners and there are rising concerns of a possible slowdown in the Chinese economy as well as a strained relationship with India, which could have an adverse impact on the trade relations between the two countries.

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

Natural disasters (such as typhoons, flooding and earthquakes), epidemics, pandemics such as COVID-19, man-made disasters, including acts of war, terrorist attacks, environmental issues and other events, many of which are beyond our control, may lead to economic instability, including in India or globally, which may in turn materially and adversely affect our business, financial condition, cash flows and results of operations.

Our operations may be adversely affected by fires, natural disasters and/or severe weather, which can result in damage to our property or inventory and generally reduce our productivity and may require us to evacuate personnel and suspend operations. Any terrorist attacks or civil unrest as well as other adverse social, economic and political events in India could have a negative effect on us. Such incidents could also create a greater perception that investment in Indian companies involves a higher degree of risk and could have an adverse effect on our business and the price of the Equity Shares.

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

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

The issue price of the equity shares has been based on many factors and may not be indicative of the market price of our Equity Shares after the Issue. For further information, please refer the section titled ***"Basis for Issue Price"*** beginning on page 63 of the Prospectus. The market price of our Equity Shares could be subject to significant fluctuations after the Issue, and may decline below the Issue Price. We cannot assure you that you will be able to sell your Equity Shares at or above the Issue Price.

55. Investors other than retail (including non-institutional investors and Corporate Bodies) are not permitted to withdraw or lower their Bids (in terms of quantity of Equity Shares or the Amount) at any stage after submitting an Application.

Pursuant to the SEBI ICDR Regulations, Investors other than retail (including non-institutional investors and Corporate Bodies) are not permitted to withdraw or lower their application (in terms of quantity of Equity Shares or the Amount) at any stage after submitting an application. While our Company is required to complete Allotment pursuant to the issue within six Working Days from the issue Closing Date, events affecting the Applicants decision to invest in the Equity Shares, including material adverse changes in international or national monetary policy, financial, political or economic conditions, our business, results of operation or financial condition, may arise between the date of submission of the Application and Allotment. Our Company may complete the Allotment of the Equity Shares even if such events occur, and such events limit the applicant's ability to sell the Equity Shares Allotted pursuant to the issue or cause the trading price of the Equity Shares to decline on listing.

SECTION IV – INTRODUCTION

THE ISSUE

PRESENT ISSUE IN TERMS OF THIS PROSPECTUS	
Equity Shares Offered through Public Issue[(1) (2)]	Issue of upto 42,42,000 Equity Shares of face value of ₹ 10 each fully paid-up of our Company for cash at a price of ₹ 45/- per Equity Share aggregating to ₹ 1,908.90 Lakhs.
Out of which:	
Issue Reserved for the Market Makers	Upto 2,16,000 Equity Shares of face value of ₹ 10 each fully paid-up of our Company for cash at a price of ₹ 45/- per Equity Share aggregating to ₹ 97.20 Lakhs.
Net Issue to the Public	Upto 40,26,000 Equity Shares of face value of ₹ 10 each fully paid-up of our Company for cash at a price of ₹ 45/- per Equity Share aggregating to ₹ 1,811.70 Lakhs.
Out of which	
A. QIB Portion [(3)(4)]	20,10,000* Equity Shares aggregating up to ₹ 904.50 lakhs.
i) Allocation made to Anchor Investor	12,06,000* Equity Shares aggregating up to ₹ 542.70 lakhs.
ii) Net QIB Portion	8,04,000* Equity Shares aggregating up to ₹ 361.80 lakhs.
B. Non-Institutional Portion	6,06,000* Equity Shares aggregating up to ₹ 272.70 lakhs
C. Retail Portion	14,10,000* Equity Shares aggregating up to ₹ 634.50 lakhs
Pre and Post – Issue Equity Shares	
Equity Shares outstanding prior to the Issue	1,18,52,060 Equity Shares of face value of ₹ 10 each
Equity Shares outstanding after the Issue	Upto 1,60,94,060 Equity Shares of face value ₹ 10 each
Use of Net Proceeds by our Company	Please see the chapter titled ***"Objects of the Issue"*** on page 57 of this Prospectus.

**Subject to finalization of Basis of Allotment*

*[(1)] Public issue upto 42,42,000 Equity Shares face value of ₹ 10.00 each for cash at a price of ₹ 45/- per Equity Share of our Company aggregating to ₹ 1,908.90 Lakhs. This issue is being made in terms of Chapter IX of the SEBI (ICDR) Regulations, 2018, as amended from time to time. For further details please refer to section **"Issue Structure"** beginning on page* 198 *of this Prospectus.*

Notes:

1) The Issue is being made in terms of Chapter IX of the SEBI (ICDR) Regulations, 2018, as amended from time to time. This Issue is being made by our company in terms of Regulation of 229 (2) of SEBI ICDR Regulations read with Rule 19(2)(b)(i) of SCRR wherein not less than 25% of the post – issue paid up equity share capital of our company are being offered to the public for subscription.

2) The Issue has been authorized by the Board of Directors vide a resolution passed at its meeting held on October 20, 2023 and by the Shareholder of our Company, vide a special resolution passed pursuant to Section 62(1)(c) of the Companies Act, 2013 at the Extra Ordinary General Meeting held on October 31, 2023.

3) The SEBI ICDR Regulations permit the issue of securities to the public through the Book Building Process, which states that, not less than 15% of the Net Issue shall be available for allocation on a proportionate basis to Non-Institutional Bidders and not less than 35% of the Net Issue shall be available for allocation on a proportionate basis to Retail Individual Bidders and not more than 50% of the Net Issue shall be allotted on a proportionate basis to QIBs, subject to valid Bids being received at or above the Issue Price. Accordingly, we have allocated the Net Issue i.e., not more than 50% of the Net Issue to QIB and not less than 35% of the Net Issue shall be available for allocation to Retail Individual Investors and not less than 15% of the Net Issue shall be available for allocation to non-institutional bidders.

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

Our Company may, in consultation with the Book Running Lead Manager, has allocated 60% of the QIB Portion (i.e., 12,06,000 Equity Shares)to Anchor Investors on a discretionary basis in accordance with the SEBI ICDR Regulations. For further details, please refer section titled ***"Issue Procedure"*** beginning on page 200 of this Prospectus.

SUMMARY OF OUR FINANCIALS

ANNEXURE – I

RESTATED STATEMENT OF ASSETS AND LIABILITIES

(₹ in Lakhs)

Particulars		As at the Period/ Year ended	
		July 31, 2023	**March 31, 2023**
A)	**EQUITY AND LIABILITIES**		
1.	Shareholders' Funds		
(a)	Share Capital	6.97	5.00
(b)	Reserves & Surplus	1,318.85	(0.27)
		1,325.82	**4.73**
2.	Non-Current Liabilities		
(a)	Long Term Borrowings	438.08	-
(b)	Deferred Tax Liabilities (Net)	-	-
(c)	Long Term Provisions	2.17	-
		440.25	**-**
3.	Current Liabilities		
(a)	Short Term Borrowings	198.74	-
(b)	Trade Payables		
	(i) total outstanding dues of micro enterprises and small enterprises; and	-	-
	(ii) total outstanding dues of creditors other than micro enterprises and small enterprises.	899.57	0.15
(c)	Other Current Liabilities	134.38	-
(d)	Short Term Provisions	60.73	-
		1,293.42	**0.15**
	Total	**3,059.49**	**4.89**
B)	**ASSETS**		
1.	Non-Current Assets		
(a)	Property, Plant & Equipment and Intangible Assets		
	i) Tangible Assets		
	(i) Gross Block	1,049.17	-
	(ii) Depreciation	46.75	-
	(iii) Net Block	1,002.42	-
	ii) Intangible Assets		-
	(i) Gross Block	-	-
	(ii) Depreciation	-	-
	(iii) Net Block	-	-
	iii) Capital Work in Progress	-	-
		1,002.42	**-**
(b)	Non-Current Investment	-	-
(c)	Deferred Tax Assets (Net)	0.52	-
(d)	Long Term Loans and Advances	102.29	-
		102.81	**-**
2.	Current Assets		
(a)	Current Investment	-	-
(b)	Inventories	725.31	-
(c)	Trade Receivables	1,041.92	-
(d)	Cash and Cash equivalents	92.18	4.89
(e)	Short-Term Loans and Advances	-	-
(f)	Other Current Assets	94.86	-
		1,954.27	**4.89**
	Total	**3,059.49**	**4.89**

ANNEXURE – II

RESTATED STATEMENT OF PROFIT AND LOSS

(₹ in Lakhs)

PARTICULARS			For the Period/Year ended on	
			July 31, 2023	**March 31, 2023**
1	Revenue From Operation		1,481.05	-
2	Other Income		1.79	-
3	**Total Income (1+2)**		**1,482.84**	**-**
4	Expenditure			
(a)	Cost of Goods Sold		1,420.66	-
(b)	Purchases of Stock in Trade		-	-
(c)	Changes in inventories of finished goods.		(656.52)	-
(d)	Employee Benefit Expenses		106.69	-
(e)	Finance Cost		4.14	-
(f)	Depreciation and Amortisation Expenses		46.75	-
(g)	Other Expenses		324.26	0.27
5	**Total Expenditure 4(a) to 4(d)**		**1,245.98**	**0.27**
6	**Profit/(Loss) Before Exceptional & extraordinary items & Tax (3-5)**		**236.86**	**(0.27)**
7	Exceptional item		-	-
8	**Profit/(Loss) Before Tax (6-7)**		**236.86**	**(0.27)**
9	Tax Expense:			
(a)	Tax Expense for Current Year		60.13	-
(b)	Short/(Excess) Provision of Earlier Year		-	
(c)	Deferred Tax		(0.52)	-
	Net Current Tax Expenses		59.61	-
10	**Profit/(Loss) for the Year (8-9)**		**177.24**	**(0.27)**
11	**Earnings per equity shares (Face Value of ₹10 each)**			
	i	Basic	1.50	(0.00)
	ii	Diluted	1.50	(0.00)

ANNEXURE III

RESTATED CASH FLOW STATEMENT

(₹ in Lakhs)

Particulars		For the Period/Year ended on	
		July 31, 2023	**March 31, 2023**
A) Cash Flow from Operating Activities:			
Net Profit before tax		236.86	(0.27)
Adjustment for:			
Depreciation		46.75	-
Interest Paid		3.64	-
Provision of Gratuity		2.28	-
Loss/(Profit) on Sale of Asset		-	-
Interest Income		-	-
Profit/(Loss) on sale of Investment		-	-
Operating profit before working capital changes		**289.53**	**(0.27)**
Changes in Working Capital			
(Increase)/Decrease in Inventory		(309.60)	-
(Increase)/Decrease in Current Investment		-	-
(Increase)/Decrease in Trade Receivables		(198.07)	-
(Increase)/Decrease in Short Term Loans & Advances and Provisions		-	-
Increase)/Decrease in Other Current Assets		(94.86)	-
Increase/(Decrease) in Trade Payables		324.79	0.15
Increase/(Decrease) in Other Current Liabilities		102.85	-
Increase/(Decrease) in Short Term Provisions		54.11	-
Cash generated from operations		**168.75**	**(0.11)**
Less: Income Taxes paid		(60.13)	-
Net cash flow from operating activities	**A**	**108.62**	**(0.11)**
B) Cash Flow from Investing Activities:			
Purchase of Fixed Assets including of CWIP		(64.92)	-
Long term Investment made/Sold during the year		-	-
Increase/(Decrease) in Long Term Loans and Advances		-	-
Interest Income		-	-
Net cash flow from investing activities	**B**	**(64.92)**	**-**
C) Cash Flow from Financing Activities:			
Proceeds from Issue of Share Capital		-	5.00
Increase/(Decrease) in Short Term Borrowings		138.70	-
Profit/(Loss) on sale of Investment		-	-
Increase/(Decrease) in Long Term Borrowings		(91.48)	-
Interest Paid		(3.64)	-
Net cash flow from financing activities	**C**	**43.59**	**5.00**
Net Increase/(Decrease) In Cash & Cash Equivalents	**(A+B+C)**	87.29	4.89
Cash equivalents at the beginning of the year		4.89	-
Cash equivalents at the end of the year		92.18	4.89

Notes:		**July 31, 2023**	**March 31, 2023**
1.	Component of Cash and Cash equivalents		
	Cash on hand	12.59	-
	Balance With banks	79.58	4.89
	Other Bank Balance	-	-
		92.18	**4.89**
2	Cash flows are reported using the indirect method, whereby profit before tax is adjusted for the effects of transactions of a non-cash nature and any deferrals or accruals of past or future cash receipts or payments. The cash flows from regular revenue generating, financing and investing activities of the company are segregated.		

GENERAL INFORMATION

Brief Summary:

Our Company was originally incorporated as a Limited Company under the name "Harshdeep Hortico Limited" on December 30, 2022 under the provisions of the Companies Act, 2013 with the Registrar of Companies, Mumbai, Maharashtra bearing CIN U26994MH2022PLC396421. Later, on April 03, 2023, our Company took over the business of proprietorship concern of the promoter Hitesh Chunilal Shah, namely M/s Harshdeep Agro Products as per business purchase agreement dated April 03, 2023 along with the assets and liabilities of the proprietorship concern as going concern.

For further details please refer to chapter titled ***"History and Corporate Structure"*** beginning on page 101 of this Prospectus.

Registered Office	Building No.1 Shree Sai Logistics, Survey No.18/2E 18/2P 17/2A, 17/2B Part, Elkunde, Bhiwandi, Thane, Thane-421302, Maharashtra India **Tel. No.:** +91-9090900508 **Email**: info@harshdeepindia.com **Website**: https://harshdeepindia.com/ **CIN**: U26994MH2022PLC396421 **Registration Number**: 396421

Address of the RoC:

Registrar of Companies, Mumbai
Registrar Of Companies, 100, Everest, Marine Drive,
Mumbai-400002 Maharashtra India.
Phone: 022-22812627/22020295/22846954
Email: roc.mumbai@mca.gov.in
Website: www.mca.gov.in

Board of Directors:

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

Name of Director	Designation	Address	DIN
Hitesh Chunilal Shah	Chairman & Managing Director	Flat No.5, 4th Floor, Arham CHS, Old Mumbai Road, Near St John High School, Charai, Thane West, Thane-400601, Maharashtra, India	09843633
Harshit Hitesh Shah	Whole-Time Director & CFO	Flat No. 5, Arham CHS, Old Mumbai Road, Near St John High School, Charai, Thane W, Thane-400601, Maharashtra, India	09843635
Dipti Hitesh Shah	Non-Executive Director	Flat No. 5, Arham CHS, Old Mumbai Road, Near St John High School, Charai, Thane W, Thane-400601, Maharashtra, India	09843634
Megh Hitesh Shah	Non-Executive Director	Flat No. 5, Arham CHS, Old Mumbai Road, Near St John High School, Charai, Thane W, Thane-400601, Maharashtra, India	10322752
Arjun Manish Bhanushali	Independent Director	A-1101, Dhaivat, Kalpnagri Complex, Near Vaishali Nagar, B.R. Road, Mulund West, Mumbai-400080, Maharashtra, India	10322739
Dhruva Hemandra Parekh	Independent Director	408 / A, Hari Ichha Banglow, Shankar Sheth Road Near Sharada Clinic Ghorpade Peth, Pune City-411042, Maharashtra, India	07039600

For further details in relation to our directors, please refer to chapter titled ***"Our Management"*** on page 103 of this Prospectus.

Chief Financial Officer	Company Secretary and Compliance Officer
Harshit Hitesh Shah **Harshdeep Hortico Limited** **Address:** Building No.1 Shree Sai Logistics, Survey No.18/2E 18/2P 17/2A, 17/2B Part, Elkunde, Bhiwandi, Thane, Thane-421302, Maharashtra, India. **Tel. No.:** +91-96194-39047 **Email:** harshit.shah@harshdeepindia.com	**Shreya Gandhi** **Harshdeep Hortico Limited** **Address:** Building No.1 Shree Sai Logistics, Survey No.18/2E 18/2P 17/2A, 17/2B Part, Elkunde, Bhiwandi, Thane, Thane-421302, Maharashtra, India. **Tel. No.:** +91-94245-04224 **Email:** cs@harshdeepindia.com

Investor Grievances:

Investors can contact the Company Secretary and Compliance Officer, the Book Running 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, noncredit of

Allotted Equity Shares in the respective beneficiary account, non-receipt of refund orders and non-receipt of funds by electronic mode.

All grievances relating to the issue other than the Anchor Investors 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 Bidders should give full details such as name of the sole or first Bidder, ASBA Form number, Bidder DP ID, Client ID, PAN, date of the ASBA Form, details of UPI IDs (if applicable), address of the Bidder, number of Equity Shares applied for and the name and address of the Designated Intermediary where the ASBA Form was submitted by the ASBA Bidder.

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

All grievances relating to the Anchor Investors may be addressed to the Book Running Lead Manager, giving full details such as name of the sole or first Bidder, bid cum Application Form number, Bidders DP ID, Client ID, PAN, date of the Anchor Investor Application Form, address of the Bidder, number of Equity Shares applied for, Bid Amount paid on submission of the Anchor Investor Application Form. For all Issue related queries and for redressal of complaints, investors may also write to the Book Running Lead Manager.

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

Book Running Lead Manager of the Issue	Legal Advisor to the Issue
Hem Securities Limited **Address:** 904, A Wing, Naman Midtown, Senapati Bapat Marg, Elphinstone Road, Lower Parel, Mumbai-400013, Maharashtra, India **Tel No.:** +91-22-4906 0000 **Email:** ib@hemsecurities.com **Investor Grievance Email:** redressal@hemsecurities.com **Website:** www.hemsecurities.com **Contact Person:** Ajay Jain **SEBI Reg. No.:** INM000010981	**Mindspright Legal** **Address:** 712-714, C-Wing, Trade World, Kamla City, Senapati Bapat Marg, Lower Parel (West), Mumbai-400013, Maharashtra, India **Contact Person:** Richa Bhansali **Tel No.:** +91-022- 42197000 **Email:** legal@mindspright.co.in **Website:** www.mindspright.co.in
Registrar to the Issue	**Statutory Auditor**
Link Intime India Private Limited **Address:** C-101, 247 Park, L. B. S. Marg, Vikhroli (West), Mumbai – 400 083 Maharashtra, India **Tel. No.:** +91 810 811 4949 **Email:** harshdeephortico.ipo@linkintime.co.in **Website:** www.linkintime.co.in **Investor Grievance Email:** harshdeephortico.ipo@linkintime.co.in **Contact Person:** Shanti Gopalkrishnan **SEBI Registration No.:** INR000004058	**D G M S & Co.** **Chartered Accountants,** **Address:** 9, Shreepal Building, SN Road, Tambe Nagar, Mulund-west, Mumbai – 400080, Maharashtra, India. **Tel No.:** +91-9869638045 **Email:** atuldoshi77@gmail.com **Firm Registration No.:** 112187W **Contact Person:** CA Atul B Doshi **Peer Review Certificate No.:** 014466
Bankers to the Company	**Bankers to the Issue/ Refund Banker/ Sponsor Bank**
Kotak Mahindra Bank **Address:** Shop No. 2-14, Ground & Mezzanine Floor, Shreeji Center, Katrap Naka, Ghorpade Chowak, Badlapur East-421503 Maharashtra, India **Tel:** +91-251-2691167/68 **Email:** atul.jaiswal@kotak.com **Website:** www.kotak.com **Contact Person:** Atul Jaiswal **Designation:** Branch Manager	**HDFC Bank Limited** **Address:** HDFC Bank ltd, FIG-OPS Department-Lodha I Think Campus O-3 Lever, Next to Kanjumarg Railway Station, Kanjumarg (East) Mumbai-400042, Maharashtra India **Telephone:** +91-22-30752927/ 28/ 2914 **Email Id:** siddharth.jadhav@hdfcbank.com; eric.bacha@hdfcbank.com; vikas.rahate@hdfcbank.com; **Website:** www.hdfcbank.com **Contact Person:** Siddharth Jadhav, Eric Bacha, Vikas Rahate **Designation:** Relationship Manager
Syndicate Member	
Hem Finlease Private Limited **Address:** 203, Jaipur Tower, M. I. Road, Jaipur-302001 Rajasthan **Tel No.:** +91-0141-4051000 **Email:** ib@hemsecurities.com **Website:** www.hemsecurities.com **Contact Person:** Ashok Soni **SEBI Registration Number:** INZ000167734	

Designated Intermediaries:

Self-Certified Syndicate Banks (SCSB's)

The list of SCSBs, as updated till date, is available on website of Securities and Exchange Board of India at below link. https://www.sebi.gov.in/sebiweb/other/OtherAction.do?doRecognisedFpi=yes&intmId=34; https://www.sebi.gov.in/sebiweb/other/OtherAction.do?doRecognisedFpi=yes&intmId=35
Investors are requested to refer the SEBI website for updated list of SCSBs and their 33 designated branches.

Self-Certified Syndicate Banks eligible as Sponsor Banks for UPI

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

Syndicate SCSB Branches

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

Registered Brokers

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

Registrar and Share Transfer Agents

The list of the Registrar to Issue and Share Transfer Agents (RTAs) eligible to accept Applications forms at the Designated RTA Locations, including details such as address, telephone number and e-mail address, are provided at https://www.sebi.gov.in/sebiweb/other/OtherAction.do?doRecognisedFpi=yes&intmId=10 , as updated from time to time.

Collecting Depository Participants

The list of the Collecting Depository Participants (CDPs) eligible to accept Bid-cum-Application Forms at the Designated CDP Locations, including details such as name and contact details, are provided at https://www.sebi.gov.in/sebiweb/other/OtherAction.do?doRecognisedFpi=yes&intmId=19 for NSDL CDPs and at https://www.sebi.gov.in/sebiweb/other/OtherAction.do?doRecognisedFpi=yes&intmId=18 for CDSL CDPs, as updated from time to time. The list of branches of the SCSBs named by the respective SCSBs to receive deposits of the Bid cum Application Forms from the Designated Intermediaries will be available on the website of the SEBI (www.sebi.gov.in) and updated from time to time.

Brokers to the Issue

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

Expert Opinion

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

Inter-se Allocation of Responsibilities

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

Appraisal and 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 ₹ 10,000 Lakh. Since the Issue size is below ₹ 10,000 Lakh, 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.

Credit Rating

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

IPO Grading

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

Debenture Trustees

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

Filing of Draft Offer Documents/ Offer Documents with the SEBI/ RoC

The Prospectus is being filed with BSE Ltd., Phiroze Jeejeebhoy Towers, Dalal Street, Mumbai-400001 Maharashtra, India.

The Draft Red Herring Prospectus will not be filed with SEBI, nor will SEBI issue any observation on the Offer Document in terms of Regulation 246(2) of SEBI (ICDR) Regulations, 2018. Pursuant to Regulation 246(5) of SEBI (ICDR) Regulations, 2018 and SEBI Circular Number SEBI/HO/CFD/DIL1/CIR/P/2018/011 dated January 19, 2018, a copy of Red Herring Prospectus/ Prospectus will be filed online through SEBI Intermediary Portal at https://siportal.sebi.gov.in.

A copy of the Red Herring Prospectus, along with the material contracts and documents required to be filed under Section 26 & 32 of the Companies Act, 2013 was filed to the RoC and a copy of the Prospectus to be filed under Section 26 of the Companies Act, 2013 is filed to the RoC through the electronic portal at http://www.mca.gov.in.

Book Building Process

Book Building, in the context of the Issue, refers to the process of collection of Bids from bidders on the basis of the Prospectus and the Bid Cum Application Forms and the Revision Forms within the Price Band. The Price Band which was decided by our Company in consultation with the Book Running Lead Manager, and which was advertised in all editions of the English national newspaper Business Standard, all editions of Hindi national newspaper Business Standard and Marathi Edition of Regional newspaper Pratahkal where our registered office is situated at least two working days prior to the Bid/ Issue Opening date. The Issue Price shall be determined by our Company, in consultation with the Book Running Lead Manager in accordance with the Book Building Process after the Bid/ Issue Closing Date.

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

In terms of SEBI ICDR Regulations, QIBs and Non-Institutional Investors were not permitted to withdraw their Bid(s) or lower the size of their Bid(s) (in terms of number of Equity Shares or the Bid Amount) at any stage. RIIs Bidding could revise their Bid(s) during Bid/ Issue Period and withdraw their Bid(s) until Bid/ Issue Closing date. Allocation in the issue will be made on a proportionate basis.

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

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

For further details on the method and procedure for Bidding, please see section entitled ***"Issue Procedure"*** on page 200 of this Prospectus.

Withdrawal of the Issue

Our Company in consultation with the BRLM, reserve the right to not to proceed with the Issue at any time before the Bid/Issue Opening Date without assigning any reason thereof.

If our Company withdraws the Issue any-time after the Bid/Issue Opening Date but before the allotment of Equity Shares, a public notice within 2 (two) working days of the Bid/Issue Closing Date, providing reasons for not proceeding with the Issue shall be issued by our Company. The notice of withdrawal will be issued in the same newspapers where the pre- Issue advertisements have appeared and the Stock Exchange will also be informed promptly. The BRLM, through the Registrar to the Issue, will instruct the SCSBs to unblock the ASBA Accounts within 1 (one) working Day from the day of receipt of such instruction.

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

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

Underwriting

The Company and the Book Running Lead Manager to the Issue hereby confirm that the Issue will be 100% Underwritten by the underwriter Hem Securities Limited.

Pursuant to the terms of the Underwriting Agreement dated November 13, 2023 entered into by Company, Underwriter, the obligations of the Underwriter are subject to certain conditions specified therein. The Details of the Underwriting commitments are as under:

Details of the Underwriter	No. of shares underwritten	Amount Underwritten (₹ in Lakhs)	% of Total Issue Size Underwritten
Hem Securities Limited **Address:** 904, A Wing, Naman Midtown, Senapati Bapat Marg, Elphinstone Road, Lower Parel, Mumbai 400013, India **Tel No.:** +91-22-4906 0000 **Email:** ib@hemsecurities.com **Investor Grievance Email:** redressal@hemsecurities.com **Website:** www.hemsecurities.com **Contact Person:** Rohit Sharma **SEBI Registration Number.:** INM000010981	42,42,000	1,908.90	100%

**Includes upto 2,16,000 Equity Shares of the Market Maker Reservation Portion which are to be subscribed by the Market Maker, Hem Finlease Private Limited in its own account in order to claim compliance with the requirements of Regulation 261 of the SEBI (ICDR) Regulations, 2018, as amended.*

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

Change in Auditors during the last three (3) years

There has been no change in our Company's auditors in the last three (3) years.

Details of the Market Making arrangement for this Issue

Our Company and the BRLM has entered into Market Making Agreement dated November 13, 2023 with the following Market Maker, to fulfill the obligations of Market Making for this issue:

Name	Hem Finlease Private Limited
Correspondence Address	203, Jaipur Tower, M I Road, Jaipur, Rajasthan 302001, India.
Tel No.	0141-4051000
E-mail	ib@hemsecurities.com
Website	http://www.hemsecurities.com/
Contact Person	Ashok Soni
SEBI Registration No.	INZ000167734
Market Maker Registration No.	SMEMM0674109092020

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:

- The Market Maker(s) (individually or jointly) shall be required to provide a 2-way quote for 75% of the time in a day. The same shall be monitored by the stock exchange. Further, the Market Maker(s) shall inform the exchange in advance for each and every black out period when the quotes are not being offered by the Market Maker(s).

- The prices quoted by Market Maker shall be in compliance with the Market Maker Spread Requirements and other particulars as specified or as per the requirements of the BSE SME and SEBI from time to time.

- 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(s) (individually or jointly) in that scrip provided that he sells his entire holding in that scrip in one lot along with a declaration to the effect to the selling broker.

- The Market Maker shall not sell in lots less than the minimum contract size allowed for trading on the SME platform of BSE (in this case currently the minimum trading lot size is 3,000 equity shares; however, the same may be changed by the SME platform of BSE from time to time).

- After a period of three (3) months from the market making period, the Market Maker would be exempted to provide quote if the Shares of Market Maker in our company reaches to 25% of Issue Size. Any Equity Shares allotted to Market Maker under this Issue over and above 25% of Issue Size would not be taken in to 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.

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

- Execution of the order at the quoted price and quantity must be guaranteed by the Market Maker(s), for the quotes given by him.

- There would not be more than five Market Makers for a script at any point of time and the Market Makers may compete with other Market Makers for better quotes to the investors.

- On the first day of the listing, there will be pre-opening session (call auction) and there after the trading will happen as per the equity market hours. The circuits will apply from the first day of the listing on the discovered price during the pre-open call auction.

- The Market maker may also be present in the opening call auction, but there is no obligation on him to do so.

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

- The Market Maker(s) shall have the right to terminate said arrangement by giving a six months' notice or on mutually acceptable terms to the Merchant Banker, who shall then be responsible to appoint a replacement Market Maker(s) and execute a fresh arrangement.

  In case of termination of the above-mentioned Market Making agreement prior to the completion of the compulsory Market Making period, it shall be the responsibility of the BRLM to arrange for another Market Maker in replacement during the term of the notice period being served by the Market Maker but prior to the date of releasing the existing Market Maker from its duties in order to ensure compliance with the requirements of regulation 261 of the SEBI (ICDR) Regulations, 2018, as amended. Further our Company and the BRLM reserve the right to appoint other Market Makers either as a replacement of the current Market Maker or as an additional Market Maker subject to the total number of Designated Market Makers does not exceed five or as specified by the relevant laws and regulations applicable at that particulars point of time. The Market Making Agreement is available for inspection at our office from 10.00 a.m. to 5.00 p.m. on working days.

- **Risk containment measures and monitoring for Market Makers:** BSE SME will have all margins, which are applicable on 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.

- **Punitive Action in case of default by Market Makers:** SBE will monitor the obligations on a real time basis and punitive action will be initiated for any exceptions and/or non-compliances. Penalties/ fines may be imposed by the Exchange on the Market Maker, in case he is not able to provide the desired liquidity in a particular security as per the specified guidelines. These penalties/ fines will be set by the Exchange from time to time. The Exchange will impose a penalty on the Market Maker in case

he is not present in the market (offering two-way quotes) for at least 75% of the time. The nature of the penalty will be monetary as well as suspension in market making activities / trading membership. The Department of Surveillance and Supervision of the Exchange would decide and publish the penalties/ fines/ suspension for any type of misconduct/ manipulation/ other irregularities by the Market Maker from time to time.

- **Price Band and Spreads:** The price band shall be 20% and the market maker spread (difference between the sell and the buy quote) shall be within 10% or as intimated by Exchange from time to time.

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

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

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

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.

Additionally, the securities of the Company will be placed in SPOS and would remain in Trade for Trade settlement for first 10 days from commencement of trading. The following spread will be applicable on the SME platform.

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

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

CAPITAL STRUCTURE

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

(₹ in Lakhs, except share data)

Sr. No.	Particulars	Aggregate Value at Face Value	Aggregate Value at Issue Price
A	**Authorized Share Capital** 2,00,00,000 Equity Shares having Face Value of ₹ 10/- each	2,000.00	-
B	**Issued, Subscribed & Paid-up Share Capital prior to the Issue** 1,18,52,060 Equity Shares having Face Value of ₹10/- each	1,185.21	-
C	**Present Issue in terms of this Prospectus*** Upto 42,42,000** Equity Shares having Face Value of ₹ 10/- each at a price of ₹ 45/- per share	424.20	1,908.90
	Which comprises of:		
D	**Reservation for Market Maker Portion** Upto 2,16,000** Equity Shares of ₹10/- each at a price of ₹ 45/- per Equity Share reserved as Market Maker Portion	21.60	97.20
E	**Net Issue to Public** Net Issue to Public of upto 40,26,000** Equity Shares of ₹10/- each at a price of ₹ 45/- per Equity Share to the Public	402.60	1,811.70
F	**Issued, Subscribed and Paid-up Equity Share Capital after the Issue**		
	Upto 1,60,94,060 Equity Shares of face value of ₹10/- each	1609.41	
G	**Securities Premium Account**		
	Before the Issue (as on date of this Prospectus)	-	
	After the Issue	1484.70	

**The Present Issue of upto 42,42,000 Equity Shares in terms of this Prospectus has been authorized pursuant to a resolution of our Board of Directors dated October 20, 2023 and by special resolution passed under Section 62(1)(c) of the Companies Act, 2013 at an Extra Ordinary General Meeting of the members held on October 31, 2023.*
***Subject to finalisation of the Basis of Allotment*

Classes of Shares:

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

NOTES TO THE CAPITAL STRUCTURE:

1. **Changes in Authorized Equity Share Capital of our Company:**

Sr. No.	Particulars	Cumulative No. of Equity Shares	Face Value of Equity Share	Cumulative Authorized Share Capital (₹ in lakhs)	Date of Meeting	Whether AGM/ EGM
1.	On incorporation	1,50,000	10/-	15.00	On Incorporation	N.A.
2.	Increase in Authorized Share Capital from ₹15.00 Lakh to ₹2,000.00 Lakhs	2,00,00,000	10/-	2,000.00	August 28, 2023	EGM

2. **Equity Share Capital History of our Company:**

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

Date of Allotment of Equity Shares	No. of Equity Shares allotted	Face Value (₹)	Issue Price (including Premium if applicable) (₹)	Consideration Cash/ Other than Cash	Nature of Allotment	Cumulative number of Equity Shares	Cumulative Paid-up Capital (In Rs.)
Upon Incorporation	50,000	10/-	10/-	Cash	Subscription to MOA(i)	50,000	5,00,000
May 19, 2023	19,718	10/-	5,801/-	Other than Cash	Preferential Allotment (ii)	69,718	6,97,180
November 01, 2023	1,17,82,342	10/-	Nil	Nil	Bonus issue in the Ratio of 169:1(iii)	11,85,206	1,18,52,060

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

(i) Initial Subscribers to the Memorandum of Association subscribed 50,000 Equity Shares of Face Value of ₹ 10/- each, details of which are given below:

Sr. No.	Name of Subscribers	Number of Shares Subscribed
1.	Hitesh Chunilal Shah	49,000
2.	Dipti Hitesh Shah	995
3.	Harshit Hitesh Shah	1
4.	Ankit Manilal Gala	1
5.	Kushal Pravin Haria	1
6.	Prakash Lal Bahadur Singh	1
7.	Shashikant Acchelal Tiwari	1
	Total	**50,000**

(ii) Allotment of 19,718 Equity Shares of Face Value of ₹ 10/- each on Preferential Allotment basis pursuant to the acquisition of M/s Harshdeep Agro Products (refer point no. 4 below for allottees list)

(iii) Bonus issue of 1,17,83,342 Equity Shares of Face Value of ₹ 10/-each in the ratio of 169:1 i.e., One Hundred Sixty-Nine (169) Bonus Equity Share for every One (1) Equity Shares held by shareholders. (refer point no. 4 below for allottees list)

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

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

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

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

Date of Allotment	Number of Equity Shares	Face Value (₹)	Issue Price (₹)	Reason of Allotment	Benefits Accrued to our Company	Name of Allottees	No. of Shares Allotted
May 19, 2023	19,718	10/-	5,801/-	Pursuant to the acquisition of M/s Harshdeep Agro Products	Acquisition of the running business of M/s Harshdeep Agro Products	Hitesh Chunilal Shah	19,718
						TOTAL	**19,718**
November 01, 2023	1,17,82,342	10/-	Nil	Bonus Issue in the ratio of 169:1	Capitalization of Reserves & Surplus	Hitesh Chunilal Shah	1,13,02,551
						Dipti Hitesh Shah	1,68,155
						Bhavana Gala	3,042
						Harshit Hitesh Shah	169
						Megh Hitesh Shah	169
						Paresh Chimanlal Shah	32,955
						Manish Vimalkant Shah	32,955
						Kalpesh Chimanlal Shah	32,955
						Rajesh Pundlik Gaikwad	32,955
						Priyambada Choubey	20,956
						Vimalkant Jivanlal Shah	15,041
						Parita Manish Shah	12,168
						Priti Dinesh Shah	12,168
						Jill Pankaj Patel	12,168
						Amita Amit Munot	12,168
						Rushabh Kunverji Gada	9,126
						Shoaib Kalim Khan	9,126
						Sajrunnisa Aboul Wafa Khan	9,126
						Ankit Manilal Gala	6,253
						Heena Manish Gandhi	6,084
						Pooja Dhavalkumar Gandhi	6,084
						Ajay Vijay Jaywant	6,084
						Meena Shivaji Mahamulkar	6,084
						Twinkle Vrutik Nishar	6,084
						Kushal Pravin Haria	3,211
						Milind Bharat Patil	3,042
						Urvi Rohan Shah	3,042

Date of Allotment	Number of Equity Shares	Face Value (₹)	Issue Price (₹)	Reason of Allotment	Benefits Accrued to our Company	Name of Allottees	No. of Shares Allotted
						Vijay Lalji Shah	3,042
						Paras Manoj Gala	3,042
						Priya Aniket Churi	3,042
						Aniket Avinash Churi	3,042
						Rajkumar Premshankar Pandey	3,042
						Shubhangi Vilas Mhaskar	1,183
						Prakash Lal Bahadur Singh	507
						Manju Ramsunder Dubey	507
						Sachin Laxman Sathe	507
						Shashikant Acchelal Tiwari	169
						Tejas Shridhar Borkar	169
						Ganesh Sadashiv Bhalekar	169
						TOTAL	**1,17,82,342**

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

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

7. Except for bonus issue made on November 01, 2023, our Company has not issued Equity shares at price below the Issue price within last one year from the date of the Prospectus.

8. We have not revalued our assets since inception and have not issued any Equity Shares (including bonus shares) by capitalizing any revaluation reserves.

9. **Shareholding Pattern of the Company**

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

I - Our Shareholding Pattern:-

Category	Category of shareholder	Nos. of shareholders	No. of fully paid-up equity shares held	No. of Partly paid-up equity shares held	No. of shares underlying Depository Receipts	Total nos. shares held	Shareholding as a % of total no. of shares (calculated as per SCRR, 1957) As a % of (A+B+C2)	Number of Voting Rights held in each class of securities*				No. of Shares Underlying Outstanding convertible	Shareholding, as a % assuming full conversion of convertible securities (as a percentage of diluted share capital) As a % of (A+B+C2)	Number of Locked in shares		Number of Shares pledged or otherwise encumbered		Number of equity shares held in dematerialized form
								No of Voting Rights			Total as a % of (A+B+C)			No. (a)	As a % of total Shares held (b)	No. (a)	As a % of total Shares held (b)	
								Class Equity Shares of ₹10/- each^	Class e.g.: y	Total								
I	II	III	IV	V	VI	VII = IV+V+VI	VIII	IX				X	XI=VII+X	XII		XIII		XIV
(A)	Promoter & Promoter Group	5	11541980	-	-	11541980	97.38	11541980	-	11541980	97.38	-	97.38	-		-		11541980
(B)	Public	34	310080	-	-	310080	2.62	310080	-	310080	2.62	-	2.62	-		-		310080
(C)	Non-Promoter-Non-Public	-	-	-	-	-	-	-	-	-	-	-	-	-		-		
(C1)	Shares underlying DRs	-	-	-	-	-	-	-	-	-	-	-	-	-		-		
(C2)	Shares held by Emp. Trusts	-	-	-	-	-	-	-	-	-	-	-	-	-		-		
	Total	**39**	**11852060**	**-**	**-**	**11852060**	**100.00**	**11852060**	**-**	**11852060**	**100.00**	**-**	**100.00**	**-**		**-**		**11852060**

The term "Encumbrance" has the same meaning as assigned under regulation 28(3) of SEBI (Substantial Acquisition of Shares and Takeovers) Regulations, 2011

Notes:

- *As on date of this Prospectus 1 Equity share holds 1 vote.*
- *We have only one class of Equity Shares of face value of ₹ 10/- each.*
- *We have entered into tripartite agreement dated January 23, 2023 and January 24, 2023 with CDSL & NSDL respectively.*
- *Our Company will file the shareholding pattern in the form prescribed under Regulation 31 of the SEBI (Listing Obligations and Disclosure Requirements), Regulations, 2015, one day prior to the listing of the Equity shares. The shareholding pattern will be uploaded on the Website of the BSE before commencement of trading of such Equity.*

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

a) As on the date of filing of this Prospectus:

Sr. No.	Names of Shareholders	Shares held (Face Value of ₹ 10 each)	% Pre-Issue paid up Share Capital
1.	Hitesh Chunilal Shah	1,13,69,430	95.93
2.	Dipti Hitesh Shah	1,69,150	1.43
	Total	**1,15,38,580**	**97.36**

b) Ten days prior to the date of filing of this Prospectus:

Sr. No.	Names of Shareholders	Shares held (Face Value of ₹ 10 each)	% Pre-Issue paid up Share Capital
1.	Hitesh Chunilal Shah	1,13,69,430	95.93
2.	Dipti Hitesh Shah	1,69,150	1.43
	Total	**1,15,38,580**	**97.36**

c) One Year prior to the date of filing of this Prospectus:

Sr. No.	Names of Shareholders	Shares held (Face Value of ₹ 10 each)	% Pre-Issue paid up Share Capital
1.	Hitesh Chunilal Shah	49,000	98.00
2.	Dipti Hitesh Shah	995	1.99
	Total	**49,995**	**99.99**

*Details of shares held on January 31, 2023 and percentage held has been calculated based on the paid-up capital of our Company as on January 31, 2023.

d) Two Years prior to the date of filing of this Prospectus:

Our Company incorporated on December 30, 2022 viz. less than two years prior to the date of filing of the Prospectus. Hence, requirement of disclosing the list of shareholders prior to two years from the date of filing of the Prospectus, is not applicable on us.

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

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

13. **Capital Build-up in respect of Shareholding of our Promoter**

As on the date of this Prospectus, Our Promoter Hitesh Chunilal Shah hold 1,13,69,430 Equity Shares of our Company. None of the Equity Shares held by our Promoter is subject to any pledge.

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

Date of Allotment and made fully paid up/ Transfer	No. of Equity Shares	Face Value Per Share (₹)	Issue/ Acquisition/ Transfer Price (₹)	Consideration	Nature of Issue	Pre-Issue Shareholding %	Post-Issue Shareholding %
Hitesh Chunilal Shah							
December 30, 2022	49,000	10	10	Cash	Subscription to MOA	0.38	0.30

Date of Allotment and made fully paid up/ Transfer	No. of Equity Shares	Face Value Per Share (₹)	Issue/ Acquisition/ Transfer Price (₹)	Consideration	Nature of Issue	Pre-Issue Shareholding %	Post-Issue Shareholding %
May 19, 2023	19,718	10	5,801	Other than Cash	Preferential Allotment	0.17	0.12
October 23, 2023	(1,653)	10	7,650	Cash	Transfer of shares (i)	(0.01)	(0.01)
October 23, 2023	(1)	10	Nil	Nil	Transfer of shares by way of Gift (ii)	(0.00)	(0.00)
October 25, 2023	(185)	10	7,650	Cash	Transfer of shares (iii)	(0.00)	(0.00)
November 01, 2023	1,13,02,551	10	Nil	Nil	Issue of Bonus Shares in ratio of 169:1	95.36	70.23
Total	**1,13,69,430**					**95.93**	**70.64**

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

i. Details of transfer of 1,653 Equity shares by Hitesh Chunilal Shah:

Sr. No.	Date of Transfer	Name of Transferee	No. of Share Transfer
1.	October 23, 2023	Paresh Chimanlal Shah	195
2.	October 23, 2023	Manish Vimalkant Shah	195
3.	October 23, 2023	Kalpesh Chimanlal Shah	195
4.	October 23, 2023	Rajesh Pundlik Gaikwad	195
5.	October 23, 2023	Priyambada Choubey	124
6.	October 23, 2023	Vimalkant Jivanlal Shah	89
7.	October 23, 2023	Parita Manish Shah	72
8.	October 23, 2023	Priti Dinesh Shah	72
9.	October 23, 2023	Jill Pankaj Patel	72
10.	October 23, 2023	Rushabh Kunverji Gada	54
11.	October 23, 2023	Shoaib Kalim Khan	54
12.	October 23, 2023	Ankit Manilal Gala	36
13.	October 23, 2023	Heena Manish Gandhi	36
14.	October 23, 2023	Pooja Dhavalkumar Gandhi	36
15.	October 23, 2023	Ajay Vijay Jaywant	36
16.	October 23, 2023	Meena Shivaji Mahamulkar	36
17.	October 23, 2023	Bhavana Mulchand Gala	18
18.	October 23, 2023	Kushal Pravin Haria	18
19.	October 23, 2023	Milind Bharat Patil	18
20.	October 23, 2023	Urvi Rohan Shah	18
21.	October 23, 2023	Vijay Lalji Shah	18
22.	October 23, 2023	Paras Manoj Gala	18
23.	October 23, 2023	Priya Aniket Churi	18
24.	October 23, 2023	Aniket Avinash Churi	18
25.	October 23, 2023	Shubhangi Vilas Mhaskar	7
26.	October 23, 2023	Manju Ramsunder Dubey	3
27.	October 23, 2023	Tejas Shridhar Borkar	1
28.	October 23, 2023	Ganesh Sadashiv Bhalekar	1
		TOTAL	**1,653**

ii. Details of transfer of 1 Equity shares by way of gift by Hitesh Chunilal Shah:

Sr. No.	Date of Transfer	Name of Transferee	No. of Share Transfer
1.	October 23, 2023	Megh Hitesh Shah	1
		Total	**1**

iii. Details of transfer of 185 Equity shares by Hitesh Chunilal Shah:

Sr. No.	Date of Transfer	Name of Transferee	No. of Share Transfer
1.	October 25, 2023	Amita Amit Munot	72
2.	October 25, 2023	Sajrunnisa Aboul Wafa Khan	54
3.	October 25, 2023	Twinkle Vrutik Nishar	36
4.	October 25, 2023	Rajkumar Premshankar Pandey	18
5.	October 25, 2023	Sachin Laxman Sathe	3
6.	October 25, 2023	Prakash Lal Bahadur Singh	2
		Total	**185**

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

Sr. No.	Name of the Promoter	No. of Shares held	Average cost of Acquisition (in ₹)
1.	Hitesh Chunilal Shah	1,13,69,430	8.87

15. **Shareholding of Promoter & Promoter Group**

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

Sr. No	Names	Pre IPO		Post IPO	
		Shares Held	% Shares Held	Shares Held	% Shares Held
	Promoter (A)				
1.	Hitesh Chunilal Shah	1,13,69,430	95.93	1,13,69,430	70.64
	Sub Total (A)	1,13,69,430	95.93	1,13,69,430	**70.64**
	Promoter Group (B)				
2.	Dipti Hitesh Shah	1,69,150	1.43	1,69,150	1.05
3.	Bhavana Mulchand Gala	3,060	0.03	3,060	0.02
4.	Harshit Hitesh Shah	170	Negligible	170	Negligible
5.	Megh Hitesh Shah	170	Negligible	170	Negligible
	Sub Total (B)	**1,72,550**	**1.46**	**1,72,550**	**1.07**
	Total (A) + (B)	**1,15,41,980**	**97.38**	**1,15,41,980**	**71.72**

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

Date of Allotment/ Transfer	Name of Shareholder	No. of Equity Share	% of Pre issue Capital	Allotment/ Acquire/ Transfer	Category of Allottees (Promoter/ Promoter Group/ Director)
December 30, 2022	Hitesh Chunilal Shah	49,000	0.42	Subscribed on Incorporation	Promoter & Director
	Dipti Hitesh Shah	995	0.01		Promoter Group & Director
	Harshit Hitesh Shah	1	0.00		Promoter Group & Director
May 19, 2023	Hitesh Chunilal Shah	19,718	0.17	Allotment	Promoter & Director
October 23, 2023	Hitesh Chunilal Shah	(1,653)	(0.01)	Transfer	Promoter & Director
October 23, 2023	Hitesh Chunilal Shah	(1)	(0.00)	Transfer	Promoter & Director
October 25, 2023	Hitesh Chunilal Shah	(185)	(0.00)	Transfer	Promoter & Director
November 01, 2023	Hitesh Chunilal Shah	1,13,02,551	95.36	Allotment	Promoter & Director
	Dipti Hitesh Shah	1,68,155	1.42		Promoter Group & Director
	Bhavana Mulchand Gala	3,042	0.03		Promoter Group
	Harshit Hitesh Shah	169	0.00		Promoter Group & Director
	Megh Hitesh Shah	169	0.00		Promoter Group & Director

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

18. **Details of Promoters' Contribution Locked-in for Three Years**

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

As on the date of this Prospectus, our Promoter hold 1,13,69,430 Equity Shares constituting 20.07% of the post-issued, subscribed and paid-up Equity Share Capital of our Company, which are eligible for the Promoters' contribution.

Our Promoter, Hitesh Chunilal Shah, has given written consent to include 32,30,000 Equity Shares held and subscribed by him as part of Promoters Contribution constituting 20.07% of the post issue Equity Shares of our Company. Further, he has agreed not to sell or transfer or pledge or otherwise dispose of in any manner, the Promoters contribution, for a period of three years from the date of allotment in the Issue.

Date of Allotment/ Transfer and made fully Paid Up	No. of Equity Shares locked-in	Face Value Per Share (₹)	Issue/ Acquisition/ Transfer Price (₹)	Nature of transaction	Post-Issue Shareholding %	Lock in Period
Hitesh Chunilal Shah						
November 01, 2023	32,30,000	10	Nil	Bonus Issue	20.07%	3 years
Total	**32,30,000**				**20.07%**	

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

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

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

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

Details of Promoters' Contribution Locked-in for One Year

In terms of Regulation 238(b) and 239 of the SEBI (ICDR) Regulations, 2018, in addition to the Minimum Promoters contribution which is locked in for three years, as specified above, the entire pre-issue equity share capital constituting 86,22,060 Equity Shares shall be locked in for a period of one year from the date of allotment of Equity Shares in this Issue.

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

Other requirements in respect of lock-in:

1. In terms of Regulation 242 of the SEBI (ICDR) Regulations, the locked in Equity Shares held by the Promoter, as specified above, can be pledged with any scheduled commercial bank or public financial institution or a systemically important non-banking finance company or a housing finance company as collateral security for loan granted by such bank or institution provided that the pledge of Equity Shares is one of the terms of the sanction of the loan. Provided that securities locked in as minimum promoter's contribution may be pledged only if, in addition to fulfilling the above requirements, the loan has been granted by such bank or institution, for the purpose of financing one or more of the objects of the Issue.

2. In terms of Regulation 243 of the SEBI (ICDR) Regulations, the Equity Shares held by persons other than the Promoter prior to the Issue may be transferred to any other person holding the Equity Shares which are locked in as per Regulation 239 of the SEBI (ICDR) Regulations, subject to continuation of the lock-in in the hands of the transferees for the remaining period and compliance with the SEBI (Substantial Acquisition of Shares and Takeovers) Regulations, 2011, as applicable.

3. Further in terms of Regulation 243 of the SEBI (ICDR) Regulations, the specified securities held by the promoter and locked-in as per regulation 238 may be transferred to other promoter or any person of the Promoter Group or a new promoter or a person in control of the issuer subject to continuation of the lock-in in the hands of the transferees for the remaining period and compliance with SEBI (Substantial Acquisition of Shares and Takeovers) Regulations, 2011, as applicable.

19. Neither, we nor our Promoter, Directors and the BRLM to this Issue have entered into any buyback and/ or standby arrangements and/ or similar arrangements for the purchase of our Equity Shares from any person.

20. As on the date of this Prospectus, the entire Issued Share, Subscribed and Paid-up Share Capital of our Company is fully paid up. Since the entire issue price in respect of the issue is payable on application, all the successful applicants will be allotted fully paid-up Equity Shares.

21. The BRLM i.e., Hem Securities Limited and their associates do not hold any Equity Shares in our Company as on the date of filing of this Prospectus.

22. As on the date of this Prospectus, we do not have any Employees Stock Option Scheme/ Employees Stock Purchase Scheme and we do not intend to allot any shares to our employees under Employee Stock Option Scheme/ Employee Stock Purchase Plan from the proposed issue. As and when, options are granted to our employees under the Employee Stock Option Scheme, our Company shall comply with the SEBI (Share Based Employee Benefits) Regulations, 2014.

23. We have 39 (Thiry Nine) shareholders as on the date of filing of this Prospectus.

24. As on the date of filing of this Prospectus, there are no outstanding warrants, options or rights to convert debentures, loans or other instruments which would entitle Promoter or any shareholders or any other person any option to acquire our Equity Shares after this Initial Public Offer

25. Our Company has not raised any bridge loan against the proceeds of the Issue.

26. As on the date of this Prospectus, none of the shares held by our Promoter/ Promoter Group are subject to any pledge.

27. We here by confirm that there will be no further issue of capital whether by way of issue of bonus shares, preferential allotment, rights issue or in any other manner during the period commencing from the date of the Prospectus until the Equity Shares offered have been listed or application money unblocked on account of failure of Issue.

28. An over-subscription to the extent of 1% of the Issue, subject to the maximum post issue paid up capital of ₹ 25 Cr., can be retained for the purpose of rounding off to the nearest integer during finalizing the allotment, subject to minimum allotment, which is the minimum application size in this Issue. Consequently, the actual allotment may go up by a maximum of 1% of the Issue, as a result of which, the post-issue paid up capital after the Issue would also increase by the excess amount of allotment so made. In such an event, the Equity Shares held by the Promoter and subject to 3-year lock- in shall be suitably increased; so as to ensure that 20% of the post Issue paid-up capital is locked in.

29. 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 BRLM and the Designated Stock Exchange. Such inter-se spill over, if any, would be effected in accordance with applicable laws, rules, regulations and guidelines. Under-subscription, if any, in the QIB Category will not be allowed to be met with spill over from any category or combination thereof.

30. In case of over-subscription in all categories the allocation in the issue shall be as per the requirements of Regulation 253 of SEBI (ICDR) Regulations, 2018 and its amendments from time to time.

31. At any given point of time there shall be only one denomination of the Equity Shares, unless otherwise permitted by law.

32. Our Company shall comply with such disclosure and accounting norms as may be specified by BSE, SEBI and other regulatory authorities from time to time.

33. There are no Equity Shares against which depository receipts have been issued.

34. Other than the Equity Shares, there is no other class of securities issued by our Company.

35. There are no safety net arrangements for this public issue.

36. As per RBI regulations, OCBs are not allowed to participate in this issue.

37. Our Promoter and Promoter Group will not participate in this Issue.

38. This Issue is being made through Book Building Method.

39. Our Company has not made any public issue or rights issue of any kind or class of securities since its incorporation.

40. In terms of Rule 19(2)(b)(i) of the Securities Contracts (Regulation) Rules, 1957, as amended, (the SCRR) the Issue is being made for at least 25% of the post-issue paid-up Equity Share capital of our Company. Further, this Issue is being made in terms of Chapter IX of the SEBI (ICDR) Regulations, 2018, as amended from time to time.

41. No person connected with the Issue shall offer any incentive, whether direct or indirect, in the nature of discount, commission, and allowance, or otherwise, whether in cash, kind, services or otherwise, to any Applicant.

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

OBJECTS OF THE ISSUE

The Issue includes a fresh Issue of up to 42,42,000 Equity Shares of our Company at an Issue Price of ₹ 45/- per Equity Share. We intend to utilize the proceeds of the Issue to meet the following objects:

1. Repayment and/or pre-payment, in full or part, of certain borrowings availed by our Company
2. To meet Working Capital requirements
3. General Corporate Purpose

*(Collectively referred as the "**Objects**")*

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

The main objects clause of our Memorandum enables our Company to undertake its existing activities.

Net Proceeds

The details of the Net Proceeds are set forth below:

Particulars	Amount (₹ in Lakhs)
Gross Proceeds of the Issue	1,908.90
Less: Issue related expenses in relation to Issue	236.71
Net Proceeds	**1,672.19**

Requirement of Funds and Utilization of Net Proceeds

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

Sr. No.	Particulars	Amount (₹ in lakhs)
1.	Repayment and/or pre-payment, in full or part, of certain borrowings availed by our Company	407.94
2.	To meet Working Capital requirements	900.00
3.	General Corporate Purpose	364.25
	Total	**1,672.19**

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

Means of Finance

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

Particulars	Amount (₹ in Lakhs)
Net Issue Proceeds	1,672.19
Total	**1,672.19**

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

In case of any increase in the actual utilization of funds earmarked for the Objects, such additional funds for a particular activity will be met by way of means available to our Company, including from internal accruals. If the actual utilization towards any of the Objects is lower than the proposed deployment such balance will be used for future growth opportunities including funding existing objects, if required. In case of delays in raising funds from the Issue, our Company may deploy certain amounts towards any of the above-mentioned Objects through a combination of Internal Accruals or Unsecured Loans (Bridge Financing) and in such case the Funds raised shall be utilized towards repayment of such unsecured Loans or recouping of Internal Accruals. However, we confirm that no bridge financing has been availed as on date, which is subject to being repaid from the Issue Proceeds.

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

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

Details of Utilization of Net Proceeds

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

1. Repayment and/or pre-payment, in full or part, of certain borrowings availed by our Company

As on July 31, 2023, our total outstanding fund-based borrowings amounted to ₹ 636.82 lakhs. Our Company proposes to utilise an estimated amount of ₹ 407.94 lakhs proceeds towards full or partial repayment or pre-payment of certain borrowings availed from the lenders by our Company.

Our Company has entered into various financial arrangements from time to time, with banks and financial institutions. The loan facilities availed by our Company include borrowing in the form of, *inter alia*, term loans and working capital facility from various lenders. For further details, see **"Statement of *Financial Indebtedness*"** on page 167 of this Prospectus. Our Company proposes to utilise an estimated amount of ₹ 407.94 lakhs from the Net Proceeds towards full or partial repayment or pre-payment of certain borrowings, listed below, availed from the lenders by our Company. Pursuant to the terms of the financing arrangements, prepayment of certain borrowings may attract prepayment charges as prescribed by the respective lender. Such prepayment charges, as applicable, will be funded from the internal accruals of our Company.

We believe that such repayment/ pre-payment will help reduce our outstanding indebtedness, debt servicing costs, assist us in maintaining a favourable debt to equity ratio and enable utilisation of our internal accruals for further investment in our business growth and expansion. Additionally, we believe that the leverage capacity of our Company will improve our ability to raise further resources in the future to fund our potential business development opportunities and plans to grow and expand our business.

We hereby confirm that, we want to repay the loan as we believe that such repayment or prepayment will help reduce our outstanding indebtedness and debt servicing costs and enable utilization of the internal accruals for further investment towards business growth and expansion.

The details of the borrowings availed by our Company, which are proposed to be fully or partially repaid or pre-paid from the Net Proceeds is mentioned below:

Sr. No.	Name of the lender	Nature of the borrowing	Sanctioned amount (in ₹ lakhs)	Amount Outstanding as at November 01, 2023 (in ₹ lakhs)	Rate of interest (%)	Repayment date/ Schedule	Prepayment Penalty	Amount (in ₹ lakhs)
1	Kotak Mahindra Bank Ltd	Term Loan	192.00	175.77	9.25	Repayable in 56 equal monthly instalments of ₹4.23 lakhs	Not Specified	160.00
		Working Capital	300.00	247.94		Repayable on Demand		247.94
Total								**407.94**

Note: The details included in the above table have been certified by our Statutory Auditors pursuant to their certificate dated November 03, 2023.

*Our Statutory Auditors by way of their certificate dated November 03, 2023, have confirmed that the borrowings specified above has been utilized for the purposes availed, as per the sanction letters/loan agreements issued by the respective banks.

2. To Meet Working Capital Requirements

Our business requires working capital majorly for investment in trade receivables, inventories and payment to trade payables and funding day to day operations. The Company will meet the requirement to the extent of ₹ 900.00 from the Net Proceeds of the Issue and balance from borrowings at an appropriate time.

With the expansion of the business the company, we will be in the need of additional working capital requirements. The major capital will be invested in the trade receivables, inventories and payment to trade payables and funding day to day operations. The Company will meet the requirement to the extent of ₹ 900.00 Lakhs from the Net Proceeds of the Issue and balance from borrowings at an appropriate time as per the requirement.

Details of Estimation of Working Capital requirement are as follows:

(₹ In Lakhs)

S. No.	Particulars	Audited		Provisional	Estimated
		March 31, 2023	July 31, 2023	March 31, 2024	March 31, 2025
I	**Current Assets**				
	Inventories	0.00	725.31	851.30	1,049.45
	Trade receivables	0.00	1,041.92	1,399.90	1,749.87
	Cash and Cash Equivalents	4.89	92.18	46.87	54.65
	Other current assets	0.00	94.86	118.58	148.22
	Total (A)	**4.89**	**1,954.27**	**2,416.65**	**3,002.20**
II	**Current Liabilities**				
	Trade payables	0.15	899.57	667.75	741.95
	Other current liabilities	0.00	134.38	137.07	139.81
	Short-term provisions	0.00	60.73	24.13	31.69
	Total (B)	**0.15**	**1,094.68**	**828.95**	**913.44**
III	**Total Working Capital Gap (A-B)**	**4.74**	**859.59**	**1,587.70**	**2,088.76**
IV	Funding Pattern				
	Borrowings & Internal Accruals	4.74	859.59	987.70	1822.88
	IPO Proceeds			**600.00**	**300.00**

As certified by M/s *DGMS & Co., Chartered Accountants, by their certificate dated November 15, 2023.*

Key assumptions for working capital projections made by Our Company:

Particulars	Unit	Audited		Estimated	
		March 31, 2023	July 31, 2023	March 31, 2024	March 31, 2025
Inventories	Days	-	116	120	120
Debtors	Days	-	86	100	100
Creditors	Days	-	102	90	80

Justification:

Inventories	Inventory levels are maintained by our Company depending upon the demand and delivery schedules. We have assumed Inventories turnover days to be around 120 days for F.Y. 2023-24 and F.Y. 2024-25. Our inventories are significant and are expected to grow in line with the growth in our business.
Debtors	The historical holding days of trade receivables was 86 days for the period ending July 31,2023. As per the current credit terms and prevalent trend of the industry & in order to expand company's operations, the holding level for debtors is anticipated at 100 days of total revenue from operations during Fiscal 24 & Fiscal 25. The projected increase in trade receivables days is a strategic decision aimed at fostering higher sales growth. We intend to provide our customers with extended credit periods, allowing them more time to settle their invoices. By offering this flexibility, we expect to stimulate increased sales volume and foster stronger customer relationships.
Cash and Cash Equivalents	Cash & Cash Equivalents is in line with the previous years. The said balance is to maintain liquidity for day-to-day operations of the company.
Other Current Assets	Other Current Assets consist of balance with Revenue Authorities, Advance to suppliers and other receivables. Advance to Suppliers in the period from April 2023 to July 2023 has been done to procure raw materials. The company intends to continue the same system in coming years to speed up the manufacturing process.
Creditors	Past trend of Trade payables holding days has been 102 days for the period ending July 31, 2023. However, with additional working capital funding, our Company intends to reduce trade payable to 90 days during Fiscal 2024 & 80 days during fiscal year 2025 to avail cash discount as well as competitive purchase price to increase overall profitability of our Company. By reducing the time, it takes to settle our payables we aim to negotiate more favourable terms and conditions with our suppliers, enabling us to access competitive pricing for the goods we procure
Other Current Liabilities	Other Current Liabilities consist of Advance received from Customers, statutory Payables such as GST payable, TDS/TCS payable and other current liabilities.

	Other Current Liabilities has increased in line with the sales over the years, and the same has been continued in the estimates
Short- term Provisions	Short term provisions consists of Income tax Provisions net of Advance tax and TDS, Provision for Gratuity and Audit fees payable.

3. General Corporate Purpose

Our management, in accordance with the policies of our Board, will have flexibility in utilizing the proceeds earmarked for general corporate purposes. We intend to deploy the balance Fresh Issue proceeds aggregating ₹ 364.25 Lakhs towards the general corporate purposes to drive our business growth. In accordance with the policies set up by our Board, we have flexibility in applying the remaining Net Proceeds, for general corporate purpose including but not restricted to, meeting operating expenses, initial development costs for projects other than the identified projects, and the strengthening of our business development and marketing capabilities, meeting exigencies, which the Company in the ordinary course of business may not foresee or any other purposes as approved by our Board of Directors, subject to compliance with the necessary provisions of the Companies Act, 2013.

We confirm that any issue related expenses shall not be considered as a part of General Corporate Purpose. Further in case, our actual issue expenses turn to be lesser than the estimated issue expenses of ₹ 236.71 lakhs, such surplus amount shall be utilized for General Corporate Purpose in such a manner that the amount for general corporate purposes, as mentioned in the Red Herring Prospectus/ Prospectus, shall not exceed 25% of the amount raised by our Company through this Issue.

Public Issue Expenses

The total estimated Issue Expenses are ₹ 236.71 Lakhs, which is 12.40% of the total Issue Size. The details of the Issue Expenses are tabulated below:

Activity	(₹ in Lakh)	As a % of Estimates Issue Expenses	As a % of Issue Size
Book Running Lead Manger Fees	30.00	12.67%	1.57%
Fees Payable to Registrar to the Issue	1.00	0.42%	0.05%
Fees Payable for Advertising and Publishing Expenses	6.00	2.53%	0.31%
Fees Payable to Regulators including Stock Exchanges	14.00	5.91%	0.73%
Payment for Printing & Stationery, Postage, etc.	2.50	1.06%	0.13%
Fees Payable to StatutoryAuditor, Legal Advisors and other Professionals	6.41	2.71%	0.34%
Others (Commission/processing fee for SCSBs, Sponsor Bank and Banker(s) to the Issue and brokerage and selling commission and bidding charges for Members of the Syndicate, Registered Brokers, RTAs and CDPs and Miscellaneous Expenses)	176.80	74.69%	9.26%
Total	**236.71**	**100.00%**	**12.40%**

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

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

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

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

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

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

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

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

Members of the Syndicate/ RTAs/ CDPs (uploading charges)	*₹ 10 per valid application (plus applicable taxes)*

Sponsor Bank HDFC Bank Limkited	*₹ 6 per valid Bid cum Application Form* (plus applicable taxes) The Sponsor Bank shall be responsible for making payments to the third parties such as remitter bank, NPCI and such other parties as required in connection with the performance of its duties under the SEBI circulars, other agreements and other applicable laws.*

**For each valid application by respective Sponsor Bank*

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

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

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

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

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

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

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

** Based on valid applications*

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

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

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

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

Proposed Schedule of Implementation:

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

(₹ in Lakhs)

S. No.	Particulars	Amount to be deployed and utilized in F.Y.	
		2023-24	2024-25
1.	Repayment and/or pre-payment, in full or part, of certain borrowings availed by our Company	407.94	-
2.	To meet Working Capital requirements	600.00	300.00
3.	General Corporate Purpose	91.00	273.25
	Total	**1,098.94**	**573.25**

Appraisal

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

Shortfall of Funds

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

Bridge Financing Facilities

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

Monitoring Utilization of Funds

As the size of the Issue will not exceed ₹ 10,000 Lakhs, the appointment of Monitoring Agency would not be required as per Regulation 262(1) of the SEBI ICDR Regulations. Our Board and the management will monitor the utilization of the Net Issue Proceeds through our audit committee. Pursuant to Regulation 32 of the SEBI Listing Regulations, our Company shall on half-yearly basis disclose to the Audit Committee the Application of the proceeds of the Issue. On an annual basis, our Company shall prepare a statement of funds utilized for purposes other than stated in this Prospectus and place it before the Audit Committee. Such disclosures shall be made only until such time that all the proceeds of the Issue have been utilized in full.

Interim Use of Proceeds

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

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

Variation in Objects

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

Other confirmations

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

BASIS FOR ISSUE PRICE

*Investors should read the following summary with the section titled **"Risk Factors"**, the details about our Company under the section titled **"Our Business"** and its financial statements under the section titled **"Financial Information of the Company"** beginning on page 22, 79 and 119 respectively of the Prospectus. The trading price of the Equity Shares of Our Company could decline due to these risks and the investor may lose all or part of his investment.*

Price Band/ Issue Price shall be determined by our Company in consultation with the Book Running Lead Manager on the basis of the assessment of market demand for the Equity Shares through the Book Building Process and on the basis of the qualitative and quantitative factors as described in this section. The face value of the Equity Shares is ₹ 10/- each and the Issue Price is 4.5 times of the face value at the lower end of the Price Band and 4.2 times of the face value at the upper end of the Price Band.

For the purpose of making an informed investment decision, the investors should also refer ***"Risk Factors"***, ***"Our Business"*** and ***"Financial Statement as restated"*** beginning on page 22, 79 and 119 respectively of this Prospectus.

QUALITATIVE FACTORS

We believe the following business strengths allow us to successfully compete in the industry:

a) Diverse range of products across consumer preferences.
b) Consistent focus on Quality
c) Revenue from multiple geographies
d) In-house Manufacturing capabilities
e) Experienced and Qualified Management

For a detailed discussion on the qualitative factors which form the basis for computing the price, please refer to sections titled ***"Our Business"*** beginning on page 79 of this Prospectus.

QUANTITATIVE FACTORS

The information presented below relating to our Company is based on the Restated Financial Statements. For details, please refer section titled ***"Financial Information of the Company"*** on page 119 of this Prospectus.

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

1. Basic & Diluted Earnings per share (EPS) (Face value of ₹ 10 each):

As per the Restated Financial Statements:

Sr. No	Financial Year/ Period	Basic & Diluted (₹)	Weights
1.	Financial Year ending March 31, 2023	-	-
	Weighted Average	-	-
	Period ending July 31, 2023	**1.50**	

Notes:

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

2. Price Earning (P/E) Ratio in relation to the Price Band of ₹ 42/- to ₹ 45/- per Equity Share of Face Value of ₹ 10/- each fully paid up:

Particulars	(P/E) Ratio at the Floor Price	(P/E) Ratio at the Cap Price
P/E ratio based on the Basic & Diluted EPS, as restated for year ended March 31, 2023	Not Available	
P/E ratio based on the Weighted Average EPS, as restated.		

**EPS for fiscal 2023 is not available, hence Price/ Earnings ratio cannot be calculated.*

3. Return on Net worth (RoNW)

Sr. No	Period	RONW (%)	Weights
1	year ending March 31, 2023	-	-
	Weighted Average	-	-
	Period ending July 31, 2023	13.37%	

Note:

i. The figures disclosed above are based on the Restated Financial Statements of the Company.

ii. The RoNW has been computed by dividing restated net profit after tax (excluding exceptional items) with restated Net worth as at the end of the year/period

iii. 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) per Equity Share:

Sr. No.	NAV per Equity Share	(Amount in ₹)*
1.	As at March 31, 2023	0.04
2.	As at July 31, 2023	11.19
3.	NAV per Equity Share after the Issue	
	(i) at Floor Price	19.31
	(i) at Cap Price	20.10
4.	Issue Price	45.00

**The above NAV has been calculated based on weighted number of shares outstanding at the end of the respective year/period.*

Notes:

i. The figures disclosed above are based on the Restated Financial Statements of the Company.

ii. NAV per share=Restated Net worth at the end of the year/period divided by weighted average number of equity shares outstanding at the end of the year/period

iii. Net worth is computed as the sum of the aggregate of paid-up equity share capital, all reserves created out of the profits, securities premium account received in respect of equity shares and debit or credit balance of profit and loss account.

iv. Issue Price per Equity Share will be determined by our Company in consultation with the Book Running Lead Manager.

5. Comparison of Accounting Ratios with Industry Peers

There are no listed companies in India that are engaged in the business line similar to that of our company, thus it is not possible to provide an industry comparison in relation to our company.

6. Indicators

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

The KPIs disclosed below have been approved by a resolution of our Audit Committee dated November 03, 2023 and the members of the Audit Committee have verified the details of all KPIs pertaining to our Company. Further, the members of the Audit Committee have confirmed that there are no KPIs pertaining to our Company that have been disclosed to any investors at any point of time for the period and financial year ended July 31, 2023 and March 31, 2023 from the date of filing of this Prospectus. Further, the KPIs herein have been certified by M/s DGMS & Co., Chartered Accountants, by their certificate dated November 03, 2023.

The KPIs of our Company have been disclosed in the sections titled ***"Our Business"*** and ***"Management's Discussion and Analysis of Financial Condition and Results of Operations – Key Performance Indicators"*** on pages 79 and 169, respectively. We have described and defined the KPIs as applicable in ***"Definitions and Abbreviations"*** on page 1.

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

Key Performance Indicators of our Company

(₹ In Lakhs except percentages and ratios)

Key Financial Performance	Period ended July 31, 2023*	Financial Year ended March 31, 2023
Revenue from operations [(1)]	1481.05	-
EBITDA [(2)]	285.46	(0.27)
EBITDA Margin [(3)]	19.27%	-
PAT [(4)]	177.24	(0.27)
PAT Margin [(5)]	11.97%	-

** Not Annualised*

Notes:

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

[(2)] EBITDA is calculated as Profit before tax + Depreciation + Interest Expenses – Other Income

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

[(4] PAT is calculated as Profit before tax – Tax Expenses

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

Explanation for KPI metrics:

KPI	Explanations
Revenue from Operations	Revenue from Operations is used by our management to track the revenue profile of the business and in turn helps to assess the overall financial performance of our Company and volume of our business
EBITDA	EBITDA provides information regarding the operational efficiency of the business
EBITDA Margin (%)	EBITDA Margin (%) is an indicator of the operational profitability and financial performance of our business
PAT	Profit after tax provides information regarding the overall profitability of the business.
PAT Margin (%)	PAT Margin (%) is an indicator of the overall profitability and financial performance of our business.

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

There are no listed companies in India that engage in a business similar to that of our Company. Accordingly, it is not possible to provide a comparison of key performance indicators of industry with our Company.

8. Weighted average cost of acquisition

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

Except as disclosed below, there has been no issuance of Equity Shares other than Equity Shares issued pursuant to a bonus issue on November 01, 2023, during the 18 months preceding the date of this Prospectus, where such issuance is equal to or more than 5% of the fully diluted paid-up share capital of the Company (calculated based on the pre-issue capital before such transaction(s) and excluding employee stock options granted but not vested), in a single transaction or multiple transactions combined together over a span of 30 days:

Date of Allotment	No. of equity shares allotted	Issue Price per equity shares (₹)	Nature of Allotment	Nature of consideration	Total Consideration (in ₹ lakhs)
December 20, 2022	50,000	10/-	Initial Subscription	Cash	5.00
May 19, 2023	19,718	5,801/-	Preferential Allotment	Other than Cash	1143.84

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

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

Weighted average cost of acquisition & Issue price

Types of transactions	Weighted average cost of acquisition (₹ per Equity Shares)	Floor Price (i.e., ₹ 42/-)	Cap Price (i.e., ₹ 45/-)
Weighted average cost of acquisition of primary/ new issue as per paragraph 8(a) above.	9.69*	4.33 times	4.64 times
Weighted average cost of acquisition for secondary sale/ acquisition as per paragraph 8(b) above.	NA^	NA^	NA^

Note:
^There were no secondary sale/ acquisitions of shares as mentioned in paragraph 8(b) above, in last 18 months from the date of this Prospectus.
** Post adjustment of bonus shares.*

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

The Price Band/ Floor Price/ Issue Price shall be determined by our Company in consultation with the BRLM and will be justified by us in consultation with the BRLM on the basis of the above information. Investors should read the above-mentioned information along with ***"Our Business", "Risk Factors" and "Restated Financial Statements"*** on pages 79, 22 and 119 respectively, to have a more informed view. The trading price of the Equity Shares of our Company could decline due to the factors mentioned in **"Risk Factors"** or any other factors that may arise in the future and you may lose all or part of your investments.

STATEMENT OF SPECIAL TAX BENEFITS

To,
The Board of Directors,
Harshdeep Hortico Limited
Building No.1 Shree Sai Logistics,
Survey No.18/2E 18/2P 17/2A, 17/2B Part,
Elkunde, Bhiwandi, Thane-421302, Maharashtra, India

Dear Sir,

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

We hereby report that the enclosed annexure prepared by the management of **Harshdeep Hortico Limited**, states the special tax benefits available to the Company and the shareholders of the Company under the Income-Tax Act, 1961, the Central Goods and Services Tax Act, 2017, the Integrated Goods and Services Tax Act, 2017, the Union Territory Goods and Services Tax Act, 2017, respective State Goods and Services Tax Act, 2017 (collectively the "GST Act") presently in force in India. Several of these benefits are dependent on the Company or its shareholders fulfilling the conditions prescribed under the relevant provisions of the Act. Hence, the ability of the Company or its shareholders to derive the tax benefits is dependent upon fulfilling such conditions which, based on business imperatives which the Company may face in the future, the Company may or may not choose to fulfill.

The benefits discussed in the enclosed Annexure cover only special tax benefits available to the Company and do not cover any general tax benefits available to the Company. Further, the preparation of enclosed statement and the contents stated therein is the responsibility of the Company's management. We are informed that, this Statement is only intended to provide general information to the investors and is neither designed nor intended to be a substitute for professional tax advice. In view of the individual nature of the tax consequences and the changing tax laws, each investor is advised to consult his or her own tax consultant with respect to the specific tax implications arising out of their participation in the proposed initial public offering of Equity shares ("the Issue") by the Company.

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

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

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

Limitations:

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

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

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

For DGMS & Co.
Chartered Accountants
FRN: 112187W

Sd/-
Atul Bhupatrai Doshi
Partner
M. No. 102585
Place: Thane
Date: November 03, 2023
UDIN: 23102585BGTDBY3432

ANNEXURE TO THE STATEMENT OF SPECIAL TAX BENEFITS

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

A. SPECIAL DIRECT AND INDIRECT TAX BENEFITS TO THE COMPANY

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

B. SPECIAL DIRECT AND INDIRECT TAX BENEFITS TO THE SHAREHOLDERS

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

Notes:

1. For the purpose of reporting here, we have not considered the general tax benefits available to the company or shareholders.

2. The above statement covers only certain relevant direct tax law benefits and indirect tax law benefits or benefit.

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

SECTION V – ABOUT THE COMPANY

INDUSTRY OVERVIEW

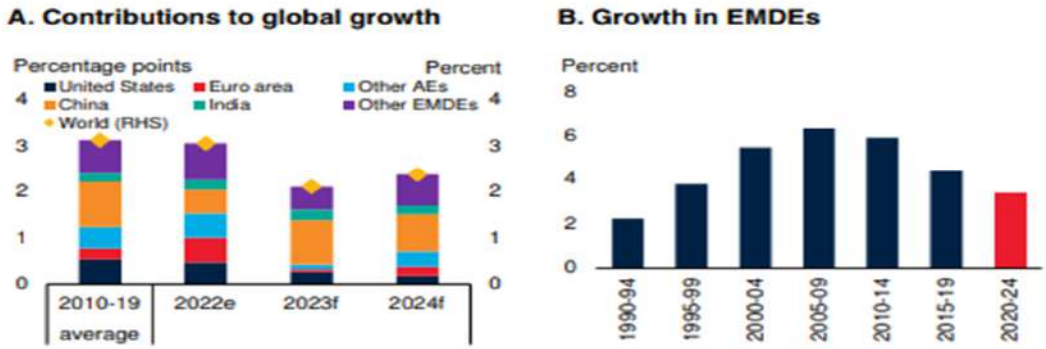
The information in this section has been extracted from various websites and publicly available documents from various industry sources. The data may have been re-classified by us for the purpose of presentation. Neither we nor any other person connected with the issue has independently verified the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

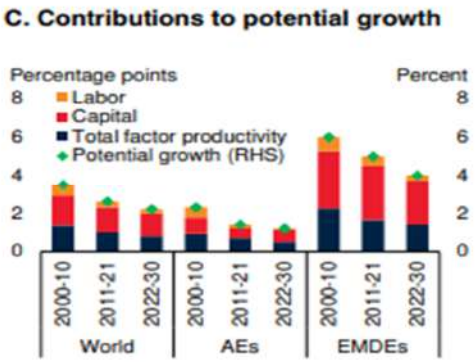
GLOBAL ECONOMY

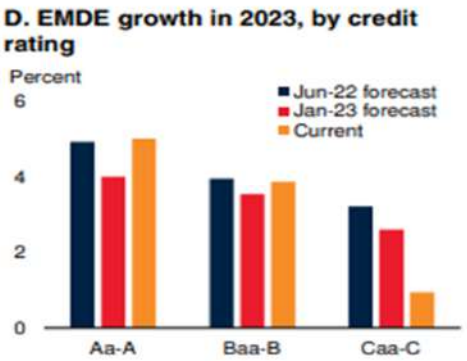
The resilience that global economic activity exhibited earlier this year is expected to fade. Growth in several major economies was stronger than envisaged at the beginning of the year, with faster-than-expected economic reopening in China and resilient consumption in the United States. Nonetheless, for 2023 as a whole, global activity is projected to slow, with a pronounced deceleration in advanced economies and a sizable pickup in China (figure 1.1.A). Inflation pressures persist, and the drag on growth from the ongoing monetary tightening to restore price stability is expected to peak in 2023 in many major economies. Recent banking sector stress will further tighten credit conditions. This will result in a substantial growth deceleration in the second half of this year. This slowdown will compound a period of already-subdued growth over the first half of the 2020s (2020-2024), growth in EMDEs is expected to average just 3.4 percent, one of the weakest half-decades of the past 30 years (figure 1.1.B). This slowdown reflects both cyclical dynamics and the current trend of declining global potential output growth (figure 1.1.C).

Global financial conditions have tightened as a result of policy rate hikes and, to a lesser extent, recent bouts of financial instability. Many banks experienced substantial unrealized losses due to the sharp rise in policy interest rates. Concerns about the viability of balance sheets of some banks led to depositor flight and market volatility in the United States and Europe earlier in the year, which were stemmed by a swift and extensive policy response. Financial markets remain highly sensitive to evolving expectations about the future path of interest rates of major central banks. Spillovers from banking turmoil in advanced economies to EMDEs have so far been limited. However, countries with more pronounced macroeconomic policy vulnerabilities, as reflected by lower credit ratings, have experienced slower growth and greater financial stress, including large currency depreciations and a sharp widening of sovereign spreads. Projections for 2023 growth in these economies have fallen by more than half over the past year (figure 1.1.D).

FIGURE 1.1







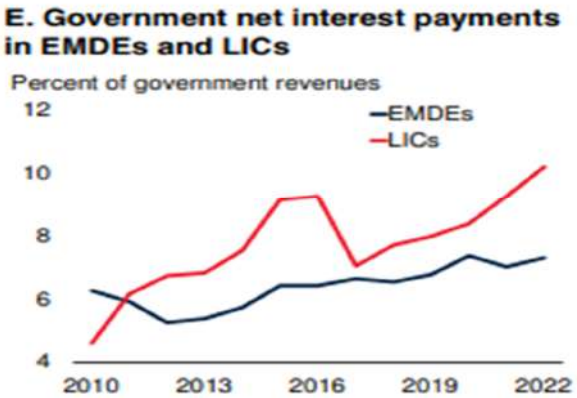
Inflation pressures persist. Although global headline inflation has been decelerating as a result of base effects, abating supply chain pressures, and falling commodity prices, core inflation in many countries remains elevated, and inflation is above target in almost all inflation-targeting economies. Inflation is expected to continue to be above its pre-pandemic level beyond 2024 (figure 1.1.E). That said, inflation expectations in most inflation targeting countries have so far not undergone a major shift and appear to remain anchored.

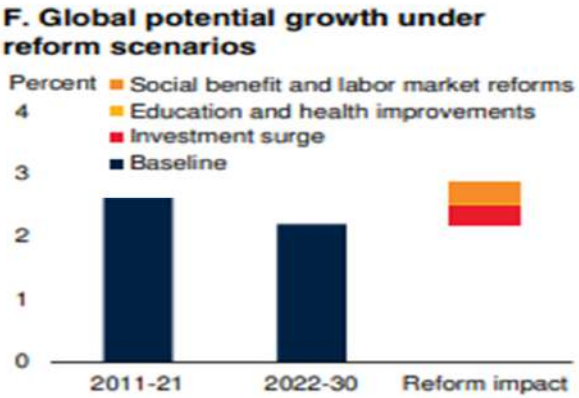
Energy prices have eased considerably since their peak in 2022 on account of weaker global growth prospects and a warmer-than-expected Northern winter, which reduced natural gas and electricity consumption. Metal prices increased in early 2023, reflecting signs of a stronger-than anticipated recovery in China, but subsequently retraced those gains. Agricultural prices have been easing on the back of good production prospects for most crops.

In all, global growth is forecast to slow from 3.1 percent in 2022 to 2.1 percent in 2023, before edging up to 2.4 percent in 2024. Relative to the January projections, this is 0.4 percentage point stronger in 2023 and 0.3 percentage point weaker in 2024. Greater-than-expected resilience of major economies at the end of 2022 and early in 2023 led to the overall upgrade to growth in 2023.

However, the drag on activity from tighter monetary policy is increasingly apparent, particularly in more interest-rate-sensitive activities such as business and residential investment, including construction. Growth over the rest of 2023 is set to slow substantially as it is weighed down by the lagged and ongoing effects of monetary tightening, and more restrictive credit conditions. These factors are envisaged to continue to affect activity heading into next year, leaving global growth below previous projections. Notwithstanding a continued recovery in tourism, global trade growth is likewise expected to slow in view of the ongoing rotation of consumption toward services, which tend to be less trade-intensive. Fiscal policy is expected to have little net impact on global growth over the forecast horizon, with modest tightening in EMDEs generally offsetting support in advanced economies.

Growth in advanced economies is set to decelerate substantially for 2023 as a whole, to 0.7 percent, and to remain feeble in 2024, due to monetary tightening, less favorable credit conditions, softening labor markets, and still-high energy prices. In EMDEs, aggregate growth is projected to edge up to 4 percent in 2023, almost entirely due to a rebound in China following the removal of strict pandemic-related mobility restrictions. Excluding China, growth in EMDEs is set to slow substantially to 2.9 percent this year. This projection is predicated on the assumption of a protracted period of tight global monetary policy, fiscal consolidation in most EMDEs, and weak external demand. The slowdown is expected to be even more severe for EMDEs with elevated fiscal vulnerabilities and external financing needs. Persistent weak growth means that, excluding China, EMDEs are expected to continue making next to no progress at closing the differential in per capita incomes relative to advanced economies (figure 1.1.F). By 2024, economic activity in EMDEs will still be about 5 percent below levels projected on the eve of the pandemic.

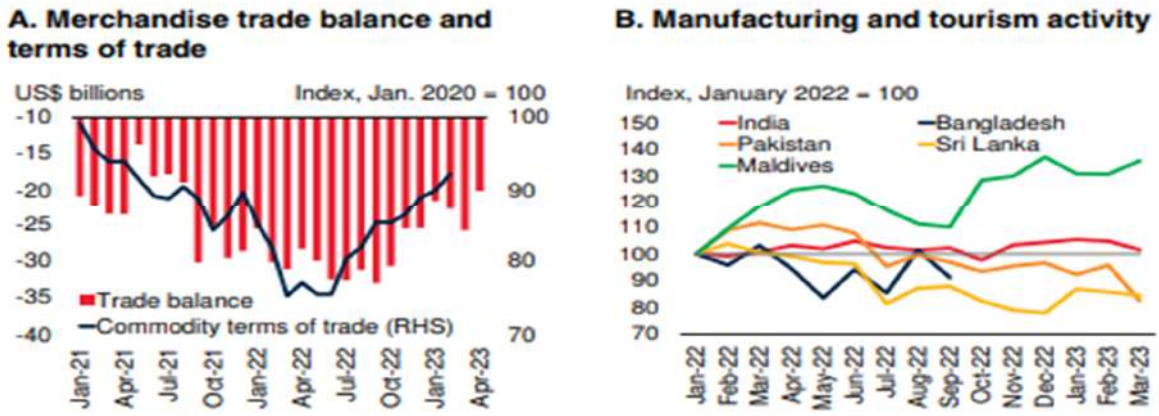




In 2022, South Asia (SAR) endured significant negative spillovers from rapid monetary policy tightening in advanced economies, weak growth in China, and the Russian Federation's invasion of Ukraine. The peak impact of these shocks appears to have passed, and regional economic conditions have improved so far in 2023, however, the economic and financial consequence of these shocks persist. Terms of trade have become more favorable since the second half of 2022, and large trade deficits caused by high import commodity prices have partially receded (figure 1.A). Maldives, the region's fastest-growing economy in 2022, benefited from sustained high levels of tourists from Europe, India, and Russia, and returning tourism from China since early this year (figure 1.B). Import restrictions imposed by several economies (Bangladesh, Nepal, Pakistan, Sri Lanka), which adversely affected economic activity, have been relaxed as external imbalances have improved and exchange rate pressures have eased. Food export bans, however, are expected to remain in place in Bangladesh, India, and Pakistan through 2023 despite falling global prices.

In India, which accounts for three-quarters of output in the region, growth in early 2023 remained below what it achieved in the decade before the pandemic as higher prices and rising borrowing costs weighed on private consumption. However, manufacturing rebounded into 2023 after contracting in the second half of 2022, and investment growth remained buoyant as the government ramped up capital expenditure. Private investment was also likely boosted by increasing corporate profits. Unemployment declined to 6.8 percent in the first quarter of 2023, the lowest since the onset of the COVID-19 pandemic, and labor force participation increased. India's headline consumer price inflation has returned to within the central bank's 2-6 percent tolerance band.

FIGURE 1



(Source: https://openknowledge.worldbank.org/server/api/core/bitstreams/6e892b75-2594-4901-a036-46d0dec1e753/content)

INDIAN ECONOMIC OVERVIEW

Strong economic growth in the first quarter of FY23 helped India overcome the UK to become the fifth-largest economy after it recovered from the COVID-19 pandemic shock. Real GDP at constant prices in the second quarter of 2022–23 is estimated at US$ 1.94 trillion (₹160.06 trillion), showing a growth of 7.2% as compared to the First Revised Estimates of GDP for the year 2021-22 of US$ 1.81 trillion (₹149.26 trillion), indicating a strong start for India's recovery from the pandemic. Given the release of pent-up demand and the widespread vaccination coverage, the contact-intensive services sector will probably be the main driver of development in 2022–2023. In FY22, India's service exports stood at US$ 254.4 billion. Furthermore, India's overall exports (services and merchandise) was estimated at US$ 770.18 billion in FY23. Rising employment and substantially increasing private consumption, supported by rising consumer sentiment, will support GDP growth in the coming months.

Future capital spending of the government in the economy is expected to be supported by factors such as tax buoyancy, the streamlined tax system with low rates, a thorough assessment and rationalization of the tariff structure, and the digitization of tax filing. In the medium run, increased capital spending on infrastructure and asset-building projects is set to increase growth multipliers, and with the revival in monsoon and the Kharif sowing, agriculture is also picking up momentum. The contact-based services sector has largely demonstrated promise to boost growth by unleashing the pent-up demand over the period of April-December 2022. The sector's success is being captured by a number of HFIs (High-Frequency Indicators) that are performing well, indicating the beginnings of a comeback.

India has emerged as the fastest-growing major economy in the world and is expected to be one of the top three economic powers in the world over the next 10-15 years, backed by its robust democracy and strong partnerships.

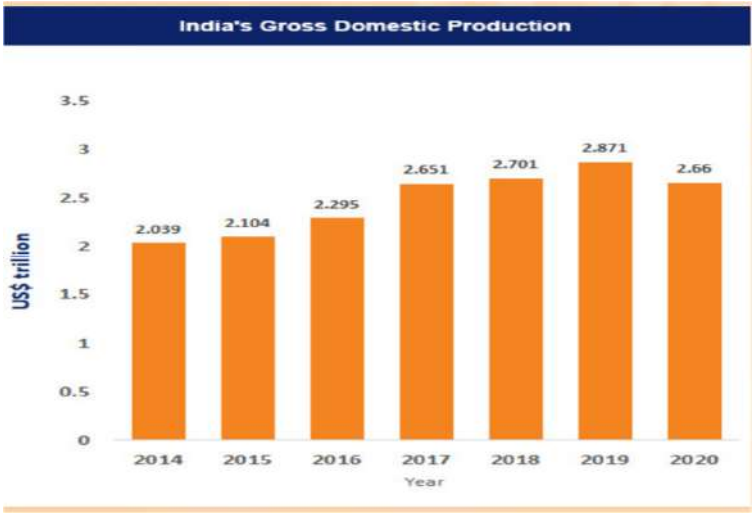
India's appeal as a destination for investments has grown stronger and more sustainable as a result of the current period of global unpredictability and volatility, and the record amounts of money raised by India-focused funds in 2022 are evidence of investor faith in the "Invest in India" narrative.

MARKET SIZE

India's nominal gross domestic product (GDP) at current prices is estimated to be at US$ 3.31 trillion (₹272.41 trillion) in FY22. Additionally, the Nominal GDP at current prices in Q3 of 2022-23 was US$ 874.84 billion (₹71.82 trillion), as against US$ 792.3 billion (₹65.05 trillion) in 2021-22, estimating a growth of 10.4%. With 115 unicorns valued at more than US$ 350 billion, as of February 2023, India presently has the third-largest unicorn base in the world. The government is also focusing on renewable sources by achieving 40% of its energy from non-fossil sources by 2030. India is committed to achieving the country's ambition of Net Zero Emissions by 2070 through a five-pronged strategy, 'Panchamrit'. Moreover, India ranked 3rd in the renewable energy country attractive index.

According to the McKinsey Global Institute, India needs to boost its rate of employment growth and create 90 million non-farm jobs between 2023 and 2030 in order to increase productivity and economic growth. The net employment rate needs to grow by 1.5% per annum from 2023 to 2030 to achieve 8-8.5% GDP growth between 2023 and 2030. India's current account deficit (CAD), primarily driven by an increase in the trade deficit, stood at US$ 1.3 billion, 0.2% of GDP in the fourth quarter of FY23.
Exports fared remarkably well during the pandemic and aided recovery when all other growth engines were losing steam in terms of their contribution to GDP. Going forward, the contribution of merchandise exports may waver as several of India's trade partners witness an economic slowdown. According to Mr. Piyush Goyal, Minister of Commerce and Industry, Consumer Affairs, Food and Public Distribution and Textiles, Indian exports are expected to reach US$ 1 trillion by 2030.

India is primarily a domestic demand-driven economy, with consumption and investments contributing to 70% of the economic activity. With an improvement in the economic scenario and the Indian economy recovering from the Covid-19 pandemic shock, several investments and developments have been made across various sectors of the economy. According to World Bank, India must continue to prioritise lowering inequality while also putting growth-oriented policies into place to boost the economy.



ROAD AHEAD

In the second quarter of FY23, the growth momentum of the first quarter was sustained, and high-frequency indicators (HFIs) performed well in July and August of 2022. India's comparatively strong position in the external sector reflects the country's generally positive outlook for economic growth and rising employment rates. India ranked fifth in foreign direct investment inflows among the developed and developing nations listed for the first quarter of 2022.

India's economic story during the first half of the current financial year highlighted the unwavering support the government gave to its capital expenditure, which, in FY23 (until August 2022), stood 46.8% higher than the same period last year. The ratio of revenue expenditure to capital outlay decreased from 6.4 in the previous year to 4.5 in the current year, signalling a clear change in favour of higher-quality spending. Stronger revenue generation because of improved tax compliance, increased profitability of the company, and increasing economic activity also contributed to rising capital spending levels.

Since India's resilient growth despite the global pandemic, India's exports climbed at the second-highest rate with a year-over-year (YoY) growth of 8.39% in merchandise exports and a 29.82% growth in service exports till April 2023. With a reduction in port congestion, supply networks are being restored. The CPI-C inflation reduction from June 2022 already reflects the impact. In June 2023 (Provisional), CPI-C inflation was 4.81%, down from 7.01% in June 2022. With a proactive set of administrative actions by the government, flexible monetary policy, and a softening of global commodity prices and supply-chain bottlenecks, inflationary pressures in India look to be on the decline overall**.**

(Source: https://www.ibef.org/economy/indian-economy-overview)

MANUFACTURING SECTOR IN INDIA

Manufacturing is emerging as an integral pillar in the country's economic growth, thanks to the performance of key sectors like automotive, engineering, chemicals, pharmaceuticals, and consumer durables. The Indian manufacturing industry generated 16-17% of India's GDP pre-pandemic and is projected to be one of the fastest growing sectors.

The machine tool industry was literally the nuts and bolts of the manufacturing industry in India. Today, technology has stimulated innovation with digital transformation a key aspect in gaining an edge in this highly competitive market. Technology has today encouraged creativity, with digital transformation being a critical element in gaining an advantage in this increasingly competitive industry. The Indian manufacturing sector is steadily moving toward more automated and process-driven manufacturing, which is projected to improve efficiency and enhance productivity.

India has the capacity to export goods worth US$ 1 trillion by 2030 and is on the road to becoming a major global manufacturing hub.

With 17% of the nation's GDP and over 27.3 million workers, the manufacturing sector plays a significant role in the Indian economy. Through the implementation of different programmes and policies, the Indian government hopes to have 25% of the economy's output come from manufacturing by 2025.

India now has the physical and digital infrastructure to raise the share of the manufacturing sector in the economy and make a realistic bid to be an important player in global supply chains.

A globally competitive manufacturing sector is India's greatest potential to drive economic growth and job creation this decade. Due to factors like power growth, long-term employment prospects, and skill routes for millions of people, India has a significant potential to engage in international markets. Several factors contribute to their potential. First off, these value chains are well positioned to benefit from India's advantages in terms of raw materials, industrial expertise, and entrepreneurship.

Second, they can take advantage of four market opportunities: expanding exports, localising imports, internal demand, and contract manufacturing. With digital transformation being a crucial component in achieving an advantage in this fiercely competitive industry, technology has today sparked creativity. Manufacturing sector in India is gradually shifting to a more automated and process driven manufacturing which is expected to increase the efficiency and boost production of the manufacturing industry.

India is gradually progressing on the road to Industry 4.0 through the Government of India's initiatives like the National Manufacturing Policy which aims to increase the share of manufacturing in GDP to 25 percent by 2025 and the PLI scheme for manufacturing which was launched in 2022 to develop the core manufacturing sector at par with global manufacturing standards.

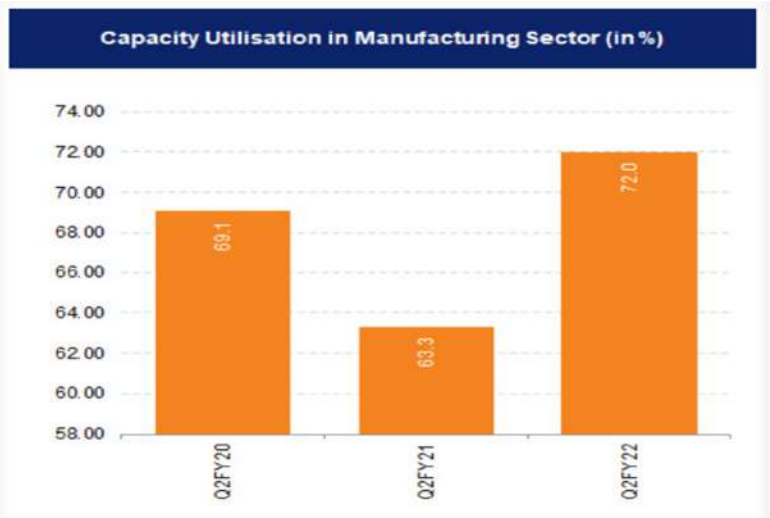
Manufacturing has emerged as one of the high growth sectors in India. Prime Minister of India, Mr Narendra Modi, launched the 'Make in India' program to place India on the world map as a manufacturing hub and give global recognition to the Indian economy. Government aims to create 100 million new jobs in the sector by 2022.

MARKET SIZE

Manufacturing exports have registered highest ever annual exports of US$ 447.46 billion with 6.03% growth during FY23 surpassing the previous year (FY22) record exports of US$ 422 billion. By 2030, Indian middle class is expected to have the second-largest share in global consumption at 17%.

India's gross domestic product (GDP) at current prices stood at ₹51.23 lakh crore (US$ 694.93 billion) in the first quarter of FY22, as per the provisional estimates of gross domestic product for the first quarter of 2021-22. The manufacturing GVA at current prices was estimated at US$ 77.47 billion in the third quarter of FY22 and has contributed around 16.3% to the nominal GVA of during the past ten years. India has potential to become a global manufacturing hub and by 2030, it can add more than US$ 500 billion annually to the global economy.

As per the economic survey reports, estimated employment in manufacturing sector in India was 5.7 crore in 2017-18, 6.12 crore in 2018-19 which was further increased to 6.24 crore in 2019-20. India's display panel market is estimated to grow from ~US$ 7 billion in 2021 to US$ 15 billion in 2025. As per the survey conducted by the Federation of Indian Chambers of Commerce and Industry (FICCI), capacity utilization in India's manufacturing sector stood at 72.0% in the second quarter of FY22, indicating significant recovery in the sector.



INVESTMENT

Some of the major investments and developments in this sector in the recent past are:

1. According to Department for Promotion of Industry and Internal Trade (DPIIT), India received a total foreign direct investment (FDI) inflow of US$ 58.77 billion in FY22.
2. Between April 2000-September 2022:
   a. The automobile sector received FDI inflows of US$ 33,774 million.
   b. The chemical manufacturing sector (excluding fertilisers) received FDI inflows worth US$ 20,759 million.
   c. The drug and pharmaceutical manufacturing sector received FDI inflows worth US$ 20,104 million.
   d. The Food Processing Industries received FDI inflows worth US$ 11,514 million.
3. The combined index of eight core industries stood at 144.6 for Apr-Feb 2023 against 134.1 for Apr-Feb 2022.
4. The Index of Industrial (Production IIP) from April-February 2023 stood at 137.1.
5. In FY23, the Manufacturing Purchasing Managers' Index (PMI) in India stood at 55.6.
6. In FY23 (until September 2022), export of top 10 major commodities (Engineering goods, Petroleum products, Gems and Jewellery, Organic and Inorganic chemicals, Drugs and Pharmaceuticals, Electronic goods, RMG of all Textiles, Cotton Yarn/Fabs. /Madeups, Rice, Plastic and Linoleum) stood at US$ 187.2 billion.
7. In FY23 (until February 2023), EPFO added 131 lakh net subscribers. The Employees' Provident Fund Organisation (EPFO) added 1,396,185 in February 2023.
8. In October 2021, information technology major Zoho, announced that it will invest ₹50–100 crore (US$ 6.7-13.4 million) and form a new company, that will focus on research and development (R&D) in the manufacturing sector.
9. In August 2021, Wistron Corp. collaborated with India's Optiemus Electronics to manufacture products such as laptops and smartphones, giving a major boost to the 'Make in India' initiative and electronics manufacturing in the country.
10. In April 2021, Samsung started manufacturing mobile display panels at its Noida plant and plans to ramp up manufacturing IT display panels soon.
    a. Samsung Display Noida, which has invested ₹4,825 crores (US$ 650.42 million) to move its mobile and IT display manufacturing plant from China to Uttar Pradesh, has received special incentives from the state government.
11. In April 2021, Bharti Enterprises Ltd. and Dixon Technologies (India) Ltd., formed a joint venture to take advantage of the government's PLI scheme for the manufacturing of telecom and networking products

GOVERNMENT INITIATIVES

The Government of India has taken several initiatives to promote a healthy environment for the growth of manufacturing sector in the country. Some of the notable initiatives and developments are:

1. In the Union Budget 2023-24:
   a. Start-ups incorporated within a time-period and meeting other conditions can deduct up to 100% of their profits; the end of this period has been extended from March 31, 2023 to March 31, 2024. In addition, the period within which losses of start-ups may be carried forward has been extended from seven to ten years.
   b. As per the Union Budget 2023 – 23, the income tax rate for new co-operative societies engaged in manufacturing activities has been lowered from 22% to 15% (plus 10% surcharge).
   c. The upper limit on turnover for MSMEs to be eligible for presumptive taxation has been raised from ₹2 crores (US$ 2,43,044) to ₹3 crores (US$ 3,64,528). The upper limit on gross receipts for professionals eligible for presumptive taxation has been raised from ₹50 lakhs (US$ 60,754) to ₹75 lakhs (US$ 91,132).
   d. Expenditure on fertilizer subsidy is estimated at ₹1,75,100 crores (US$ 21.2 billion) in 2023-24. This is a decrease of ₹50,120 crores (US$ 6.09 billion) (22.3%) from the revised estimate of 2022-23. Fertilizer subsidy for 2022-23 was

increased substantially in response to a sharp increase in international prices of raw materials used in the manufacturing of fertilizers.

e. The Centre will facilitate one crore farmers to adopt natural farming. For this, 10,000 Bio-Input Resource Centres will be set-up, creating a national-level distributed micro-fertilizer and pesticide manufacturing network.
f. To avoid cascading of taxes on blended compressed natural gas, excise duty on GST-paid compressed bio-gas contained in it has been exempted from excise duty. Customs duty exemption has been extended to import of capital goods and machinery required for manufacture of lithium-ion cells for batteries used in electric vehicles.
g. To further deepen domestic value addition in manufacture of mobile phones, the finance minister announced relief in customs duty on import of certain parts and inputs like camera lens. The concessional duty on lithium-ion cells for batteries will continue for another year. Basic customs duty on parts of open cells of TV panels has been reduced to 2.5%. The Budget also proposes changes in the basic customs duty to rectify inversion of duty structure and encourage manufacturing of electrical kitchen chimneys.
h. Basic customs duty on seeds used in the manufacture of Lab Grown Diamonds has also been reduced.

2. Ministry of Defence has set a target of achieving a turnover of US$ 25 million in aerospace and defence Manufacturing by 2025, which includes US$ 5 billion exports. Till October 2022, a total of 595 Industrial Licences have been issued to 366 companies operating in Defence Sector.
3. A new category of capital procurement 'Buy {Indian-IDDM (Indigenously Designed, Developed and Manufactured)}' has been introduced in Defence Procurement Procedure (DPP)-2016.
4. By 2030, the Indian government expects the electronics manufacturing sector to be worth US$ 300 billion.
5. Initiatives like Make in India, Digital India and Startup India have given the much-needed thrust to the Electronics System Design and Manufacturing (ESDM) sector in India.
6. Moreover, the government's endeavours such as Modified Special Incentive Scheme (M-SIPS), Electronics Manufacturing Clusters, Electronics Development Fund and National Policy on Electronics 2019 (NPE 2019) have been a huge success.
7. The Scheme for Promotion of Manufacturing of Electronic Components and Semiconductors (SPECS) has been notified with an aim to strengthen the value chain for the manufacturing of electronic products in India.
8. In the Union Budget 2022-23:
   a. Ministry of Defence has been allocated ₹525,166 crores (US$ 67.66 billion)
   b. The government allocated ₹2,403 crores (US$ 315 million) for Promotion of Electronics and IT Hardware Manufacturing.

1. The PLI for semiconductor manufacturing is set at ₹760 billion (US$ 9.71 billion), with the goal of making India one of the world's major producers of this crucial component.
2. The government approved a PLI scheme for 16 plants for key starting materials (KSMs)/drug intermediates and active pharmaceutical ingredients (APIs). The establishment of these 16 plants would result in a total investment of ₹348.70 crore (US$ 47.01 million) and generation of ~3,042 jobs. The commercial development of these plants is expected to begin by April 2023.
3. In September 2022, the National Logistics Policy was launched by Prime Minister Mr. Narendra Modi which ensures quick last mile delivery, end transport-related challenges.
4. In November 2021, the Experts' Advisory Committee (EAC) of the Department for Promotion of Industry and Internal Trade approved ₹3 crores (US$ 403,293.54) for the Atal Incubation Centre (AIC), Pondicherry Engineering College Foundation (PECF), under the Start-up India Seed Fund scheme.
5. In September 2021, Prime Minister Mr. Narendra Modi approved the production-linked incentive (PLI) scheme in the textiles sector—for man-made fibre (MMF) apparel, MMF fabrics and 10 segments/products of technical textiles—at an estimated outlay of ₹10,683 crores (US$ 1.45 billion).
6. India outlines a plan in August 2021 to reach its goal of US$ 1 trillion in manufactured goods exports.
7. In July 2021, the government launched six technology innovation platforms to develop technologies and thereby, boost the manufacturing sector in India to compete globally.
8. To propagate Make in India, in July 2021, the Defence Ministry issued a tender of ₹50,000 crores (US$ 6.7 billion) for building six conventional submarines under Project-75 India.
9. In May 2021, the government approved a PLI scheme worth ₹18,000 crores (US$ 2.47 billion) for production of advanced chemical cell (ACC) batteries; this is expected to attract investments worth ₹45,000 crores (US$ 6.18 billion) in the country, and further boost capacity in core component technology and make India a clean energy global hub.
10. In India, the market for grain-oriented electrical steel sheet manufacturing is witnessing high demand from power transformer producers, due to the rising demand for electric power and increasing adoption of renewable energy in the country.
11. The Mega Investment Textiles Parks (MITRA) scheme to build world-class infrastructure will enable global industry champions to be created, benefiting from economies of scale and agglomeration. Seven Textile Parks will be established over three years.
12. The government proposed to make significant investments in the construction of modern fishing harbours and fish landing centres, covering five major fishing harbours in Kochi, Chennai, Visakhapatnam, Paradip, and Petuaghat, along with a multipurpose Seaweed Park in Tamil Nadu. These initiatives are expected to improve exports from the textiles and marine sectors.

13. The 'Operation Green' scheme of the Ministry of the Food Processing Industry, which was limited to onions, potatoes and tomatoes, has been expanded to 22 perishable products to encourage exports from the agricultural sector. This will facilitate infrastructure projects for horticulture products.

ROAD AHEAD

India is an attractive hub for foreign investments in the manufacturing sector. Several mobile phone, luxury and automobile brands, among others, have set up or are looking to establish their manufacturing bases in the country. The manufacturing sector of India has the potential to reach US$ 1 trillion by 2025. The implementation of the Goods and Services Tax (GST) will make India a common market with a GDP of US$ 2.5 trillion along with a population of 1.32 billion people, which will be a big draw for investors. The Indian Cellular and Electronics Association (ICEA) predicts that India has the potential to scale up its cumulative laptop and tablet manufacturing capacity to US$ 100 billion by 2025 through policy interventions.

One of the initiatives by the Government of India's Ministry for Heavy Industries & Public Enterprises is SAMARTH Udyog Bharat 4.0, or SAMARTH Advanced Manufacturing and Rapid Transformation Hubs. This is expected to increase competitiveness of the manufacturing sector in the capital goods market. With impetus on developing industrial corridors and smart cities, the Government aims to ensure holistic development of the nation. The corridors would further assist in integrating, monitoring and developing a conducive environment for the industrial development and will promote advance practices in manufacturing.

(Source: https://www.ibef.org/industry/manufacturing-sector-india)

REAL ESTATE SECTOR

By 2040, real estate market will grow to ₹65,000 crore (US$ 9.30 billion) from ₹12,000 crore (US$ 1.72 billion) in 2019. Real estate sector in India is expected to reach US$ 1 trillion in market size by 2030, up from US$ 200 billion in 2021 and contribute 13% to the country's GDP by 2025. Retail, hospitality, and commercial real estate are also growing significantly, providing the much-needed infrastructure for India's growing needs.

In FY23, India's residential property market witnessed with the value of home sales reaching an all-time high of ₹3.47 lakh crore (US$ 42 billion), marking a robust 48% year-on-year increase. The volume of sales also exhibited a strong growth trajectory, with a 36% rise to 379,095 units sold.

Indian real estate developers operating in the country's major urban centres are poised to achieve a significant feat in 2023, with the completion of approximately 558,000 homes.

India's real estate sector saw over 1,700 acres of land deals in top eight cities in the first nine months of FY22. Foreign investments in the commercial real estate sector were at US$ 10.3 billion from 2017-2021. As of February 2022, Developers expect demand for office spaces in SEZs to shoot up after the replacement of the existing SEZs act.

As per ICRA estimates, Indian firms are expected to raise >₹3.5 trillion (US$ 48 billion) through infrastructure and real estate investment trusts in 2022, as compared with raised funds worth US$ 29 billion to date.

The office market in the top eight cities recorded transactions of 22.2 msf from July 2020 to December 2020, whereas new completions were recorded at 17.2 msf in the same period. In terms of share of sectoral occupiers, Information Technology (IT/ITeS) sector dominated with a 41% share in the second half of 2020, followed by BSFI and Manufacturing sectors with 16% each, while Other Services and Co-working sectors recorded 17% and 10%, respectively.

Around 40 million square feet were delivered in India in 2021. It is expected that the country will have a 40% market share in the next 2-3 years. India is expected to deliver 46 million square feet in 2022.

According to Savills India, real estate demand for data centres is expected to increase by 15-18 million sq. ft. by 2025.

In 2020, the manufacturing sector accounted for 24% of office space leasing at 5.7 million square feet. SMEs and electronic component manufacturers leased the most between Pune, Chennai and Delhi NCR, followed by auto sector leasing in Chennai, Ahmedabad and Pune. The 3PL, e-commerce and retail segments accounted for 34%, 26% and 9% of office space leases, respectively. Of the total PE investments in real estate in Q4 FY21, the office segment attracted 71% share, followed by retail at 15% and residential and warehousing with 7% each.

In 2022, office absorption in the top seven cities stood at 38.25 million Sq. ft.

In the first quarter of 2023 (January-March), net office absorption in the top six cities stood at 8.3 million sq. ft.

Fresh real estate launches across India's top seven cities grabbed a 41% share in the first quarter of 2023 (January-March), marking an increase from the 26% recorded in the same period four years ago. Out of approximately 1.14 lakh units sold across the top seven cities in the first quarter of 2023, over 41% were fresh launches.

In the third quarter of 2021 (between July 2021-September 2021), new housing supply stood at ~65,211 units, increased by 228% YoY across the top eight cities compared with ~19,865 units launched in the third quarter of 2020.

In 2021-22, the commercial space is expected to record increasing investments. For instance, in October 2021, Chintels Group announced to invest ₹400 crore (US$ 53.47 million) to build a new commercial project in Gurugram, covering a 9.28 lakh square feet area. The transactions of commercial real estate doubled and reached 1.5 million sq. ft. in Q1 of 2023.

According to the Economic Times Housing Finance Summit, about three houses are built per 1,000 people per year compared with the required construction rate of five houses per 1,000 population. The current shortage of housing in urban areas is estimated to be ~10 million units. An additional 25 million units of affordable housing are required by 2030 to meet the growth in the country's urban population.

(Source: https://www.ibef.org/industry/real-estate-india)

INDIAN FLORICULTURE: THE SUNRISE SECTOR

In the last few decades Floriculture in India has seen phenomenal growth. Due to the exceptional performance of the sector, it is expected to grow to $5.9 Bn by 2030 with a CAGR of 7.4% (2021-2030)[1]. Floriculture is an ancient farming method that now has become a major agri-business in more than 140 countries. The floriculture industry essentially includes - the cut flower trade, loose flower trade, cut foliage trade, potted plants, nursery plants, micro-propagation, and extraction of essential oils too. The floriculture industry is one of the most profitable sectors that can provide an avalanche of income and employment to many Indian farmers. The Indian floriculture market is projected to reach INR 47200 crore by 2022.

The recent popularity and acceptance of an environment-friendly lifestyle have expanded the scope of the floriculture industry. Many farmers and garden enthusiasts from all over the globe have started growing and marketing flowers with much interest and passion. There is a yearning need of spreading awareness about floriculture among farmers as Floriculture can provide 5 times more return than traditional crops.

As flowers are considered a sign of grace and elegance and hold spiritual and emotional value, the scope of floriculture in the commercial industry is undeniable. Unlike last many decades, the industry is thriving and making a separate space in the international market too. Although flowers have been an integral part of Indian culture and tradition, the industry is still new to the marketplace and the customers.

Floriculture gardens are now part of the modern lifestyle that people are adopting at a very fast rate. It is expected that the consumption of flowers will increase further as trends of urbanization and the influence of western culture are expected to increase in the coming years.

As India holds abundant varieties of flora and fauna, states like Tamil Nadu (16.6%), Andhra Pradesh (19.1%), Madhya Pradesh (11.9%) with Karnataka and West Bengal are the largest producer of flowers in the country and are developing more gardens and indigenous varieties to excel in the industry. Fact that both traditional and modern flowers have a high demand in the hospitality and wedding industry, the entrepreneurship wave has also initiated, and many floriculture- based startups are also booming. In 2020-21, India exported 15,695 MT of floriculture products worth $77.84 Mn[3]. Top export destinations include USA, Netherlands, UAE, UK, Germany, Japan, Canada etc.

There is no doubt about the potential of this industry but there are a few challenges that exist in the market and are unfavourable to the growth and development of the industry. As India's floriculture sector has an abundant and varied production base and has huge potential, it can easily annihilate all the challenges. Multiple factors including environment, infrastructure, and marketing are some constraints behind the decline in the export of floriculture products. Lack of information regarding new varieties and new cultivation techniques is the reason why farmers practising garden farming are unaware of the generative results of floriculture. Though India has diverse agro-climatic and edaphic conditions, and rich plant diversity, it shares only 0.6 % of the global floriculture market. At least 1200 million $ worth of floriculture products are being imported by India every year from different countries.5There are multiple challenges in the flower industry but rapid urbanization, better flower transportation facilities and other measures have aided the floriculture industry in India and have helped in maintaining the high growth rate of the sector.

Green technologies are favourable for the improvement in flower growth and trade but lack of infrastructure leads to poor performance of the industry. At the production level the industry is facing challenges mostly related to the availability of basic inputs including quality seeds and planting materials, efficient irrigation systems, and skilled manpower hence floriculture industry requires sufficient investment to resolve all these issues.

To deal with these mainstream obstacles Government of India has initiated the CSIR floriculture mission. It has been implemented in 21 states and union territories wherein available knowledgebase in CSIR Institutes will be utilized and leveraged to help Indian farmers and industry re-position themselves to meet the import requirements.

CSIR has been developing new floral varieties and several value addition technologies. Through the Floriculture Mission of CSIR, agro-technologies, new varieties, and value addition technologies available with the CSIR institutions, efforts are being made to take these to farmers and entrepreneurs, and help them in multiplying their income". Also, 100% FDI under the automatic route is allowed in the Floriculture sector making the investment process much easier for the foreign investor and the Indian companies too and Government of India has identified floriculture as a prospering sector and with the current growth rate and opportunities, it will establish great records in the future. Indian floriculture is an essential part of rising India and thus provides abundant investment opportunities to rising India and thus provides abundant investment opportunities for the investors from across the globe. Indian floriculture sector is a wellspring of profit for all potential investors as new policies have paved the way for the development of export-oriented production of flowers and growth in the industry is revolutionary and inspiring.

(Source: https://www.investindia.gov.in/team-india-blogs/indian-floriculture-sunrise-sector)

OUR BUSINESS

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

All financial information included herein is based on our ***"Financial information of the Company"*** *included on page 119 of this Prospectus.*

BUSINESS OVERVIEW

We are primarily engaged in the business of designing, developing, manufacturing and supplying of various types of pots and planters like: plastic Indoor Planters, Outdoor Planters, Illuminated Planters, Decorative Planters, Roto Moulded Planters, Fiber Reinforced Plastic (FRP) Planters, Eco series Planters etc. along with related accessories like Garden Hose Pipe & Water Can. Apart from this recently we have also entered into the field of Roto Moulded Outdoor Furniture.

Our company was incorporated in December 2022, prior to which our Promoter, Hitesh Chunilal Shah was carrying on the business operations as a proprietorship concern under the name of "M/s Harshdeep Agro Products" to design and manufacture quality pots and planters. Later, our company was incorporated with an object of taking over the running business of the above proprietorship concern for which a Business Purchase Agreement dated April 03, 2023 was executed, whereby the company acquired all know-how, goodwill, customer and assets & liabilities of the proprietorship firm. Hitesh Chunilal Shah, our Promoter was appointed as Director in the company and since then he is looking after the overall business operations of the company. Below are the restated financials of the proprietorship firm "M/s Harshdeep Agro Products"

(₹ In Lakhs)

Particular	March 31, 2023	March 31, 2022	March 31, 2021
Revenue from Operations	4076.70	3485.61	2519.05
Net Profit for the year (after tax)	222.86	247.75	199.73

Our company has accreditation with ISO 9001:2015, ISO 14001:2015 and ISO 45001:2018 for quality management system from Sigma Certification Pty Ltd. The company's product portfolio comprises of more than 500 different variants of pots, planters and related accessories which are available in multiple size and color. For the period ending July 31, 2023, our Roto Moulded Series, Grower Series, Indoor Series, FRP Series & Gropo Series contributed 30.22%, 26.12%, 15.13%, 7.37% & 6.80% of total revenue of said period. Other categories of planters like Decorative Series, Garden Furniture, Eco Series, Illuminated Planters/Furniture & other Garden Accessories collectively contributed to 14.36% of total revenue of said period.

Currently we have two manufacturing units, one is situated at Building No.1 Shree Sai Logistics, Survey No.18/2E 18/2P 17/2A, 17/2B Part, Elkunde, Bhiwandi, Thane - 421302, Maharashtra – India, spreading in an area of 93769 sq. ft. and the other one is situated at Gat No. 589, Darekarwadi Road, Boriaind, Daund, Pune -412202, Maharashtra, India, spreading in an area of 40000 sq. ft., along with three stores located in Delhi, Pune (Maharashtra) and Rajahmundry (Andhra Pradesh). Apart from these manufacturing units and stores, we have 04 Distributors at Hyderabad, Kolkata, Chandigarh and Visakhapatnam, who are exclusively dealing in our products. We provide an Omni-channel experience to customers through our website, various online marketplaces such as Amazon and Flipkart, as well as, social media platforms like Facebook and Instagram to promote our products.

Currently, we market our products to around 27 states & Union Territories in India of which majority portion of the revenue comes from the state of Maharashtra. We had also exported our products from our Proprietorship concern- M/s Harshdeep Agro Products in past to countries such as Djibouti, East Africa, United Kingdom, Nepal etc. Our revenue from exports for fiscal 2023 and 2022 was ₹75.58 lakhs and ₹70.25 lakhs respectively which constituted 1.85 % and 2.02 % of our revenue from operations for the respective fiscal.

In year 2008, M/s Harshdeep Agro Products purchased and installed its first Rotational Moulding Machine at Bhiwandi and began manufacturing of Rotomoluded Series. Gradually, over the years, to expand the business operations, other machines were purchased along with Rotational Moulding machines including Injection Moulding Machine and Blow Extrusion Machine. Currently, we operate a total of 04 Rotational molding machines, 20 Injection Molding Machines and 01 Blow Extrusion Machine. These machines are complemented by various handling equipment that streamlines the manufacturing process at both our production locations.

Our Company is managed by our Promoter, Hitesh Chunilal Shah (Managing Director & Chairman of the company and proprietor of erstwhile M/s Harshdeep Agro Products) who is responsible for the overall management and control of the affairs of our

Company. He ventured into the business of synthetic pots and planters in year 2002. Since then, he has gained a good knowledge and experience of more than 20 years in this industry. He is supported by his son, Harshit Hitesh Shah, Whole time director and CFO of the company, who has approx. 2 years of experience in same industry and taking care of legal and financial aspects of the company.

The following table sets forth certain key performance indicators for the period indicated:

(₹ In Lakhs except percentages and ratios)

Key Financial Performance	Period ended July 31, 2023*	Financial Year ended March 31, 2023
Revenue from operations (1)	1481.05	-
EBITDA (2)	285.46	(0.27)
EBITDA Margin (3)	19.27%	-
PAT (4)	177.24	(0.27)
PAT Margin (5)	11.97%	-

** Not Annualised*

Notes:

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

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

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

(4) PAT is calculated as Profit before tax – Tax Expenses

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

OUR STRENGTHS

We believe that the following are our primary strengths:

Diverse range of products across consumer preferences.

Our company has diverse product portfolio across various segments of pots and planters which includes Roto Moulded Series, Grower Series, Indoor Series, FRP Series, Illuminated Planters etc. along with related accessories. We deal in a wide range of products, which enables us to cater widespread customer base across various states in India and also expand our reach in international locations. We believe that we have necessary resources and experience that can be customized and leveraged to cater to wider range of planters as per requirements of the customers.

Recently, we have also entered into the field of Roto Moulded Outdoor Furniture that designs outdoor illuminated furniture for gardens keeping in mind customer's outdoor living area, offering options to accommodate gardens of any size or shape. We have also introduced an Eco-friendly series of planters "Eco Series" which are planters crafted from a blend of sustainable materials, including rice husk and natural fibers. Our commitment to diversity empowers us to meet the requirements of customers.

Consistent focus on Quality

We believe that quality is an ongoing process of building and sustaining long term relationships with customers and long-term brand loyalty. Our company has accreditation with ISO 9001:2015, ISO 14001:2015 and ISO 45001:2018 for quality management system from Sigma Certification Pty Ltd. These certifications provide assurance to our domestic as well as overseas customers for the quality and durability of our products. Our Company is dedicated towards quality of our products, processes and input raw material. We adhere to quality standards as prescribed by our customers to meet the desired requirement; hence we get repetitive orders from our customers. Delivering Quality products on time is one of our prime objectives. We believe that our focus on quality of products has enabled us to sustain and grow our business model to benefit our customers.

Revenue from multiple geographies

Our Company has diversified revenue from multiple geographical locations from various states in India. For the period from April 01, 2023 to July 31, 2023 we have generated around 88.93% of our total revenue from sales in top 10 geographical regions in India. In this period, we had sold our products to around 27 states & Union Territories in India of which majority portion of the revenue comes from the state of Maharashtra which contributes 41.99% of total revenue followed by Andhra Pradesh which contributed 11.34% of total revenue. Apart from this, Karnataka contributed 7.78%, Delhi contributed 7.45%, Tamil Nadu contributed 5.57% and Gujrat contributed 5.45% of our total revenue from operations. The other 21 states and Union territories such as Haryana, Rajasthan, Madhya Pradesh, Kerala, Punjab, Telangana, Odisha, West-Bengal, Chhattisgarh etc. contributed approx. 20% of total revenue from operations. We believe that with our expanded geographical outreach in India, we have the ability to quickly respond to changing consumer preferences and constantly fluctuating demand. Our presence in multiple geographies not only helps us in expanding our customer base but also helps us by keeping ourselves in tune with the latest technological advancements and help us to mitigate risk for any unforeseen circumstances in the domestic market and expand our business operations.

In-house Manufacturing capabilities

As on the date of this Prospectus, we have two manufacturing units, one is situated at Building No.1 Shree Sai Logistics, Survey No.18/2E 18/2P 17/2A, 17/2B Part, Elkunde, Bhiwandi, Thane - 421302, Maharashtra – India, spreading in an area of 93769 sq. ft. and the other one is situated at Gat No. 589, Darekarwadi Road, Boriaind, Daund, Pune -412202, Maharashtra, India, spreading in an area of 40000 sq. ft. The land where our manufacturing facilities have been established is owned by third parties and the same has been licensed out to our Company by them. The in-house manufacturing operations enable us to stream line inventory management and production process resulting into maintenance of quality production standards, minimizing production time and bringing cost effectiveness. We currently operate a total of twenty (20) Injection Molding Machines, four (4) Roto molding machines and one (1) blow extrusion machine. These machines are complemented by various handling equipment that streamlines the manufacturing process at both our production locations.

Experienced and Qualified Management

We have an experienced and qualified management team led by our Promoter and Managing Director Hitesh Chunilal Shah. Prior to the incorporation of our company, our promoter was carrying on the business operations as a proprietorship concern under the name of "Harshdeep Agro Products" to design and manufacture quality pots and planters. Since then, he has gained a good knowledge and experience of more than 20 years in this industry. Thus, we are well placed to capitalize the knowledge and experience of our management team which has been instrumental in growth of our Company and enables us to capture market opportunities, formulate and execute business strategies, manage customer expectations as well as proactively respond to changes in the market conditions.

OUR STRATEGIES

Continue to improve quality standards

Our company places a strong focus on maintaining high-quality product standards. This strategy involves regularly reviewing our products and promptly taking corrective actions if we notice any quality issues. Our goal is to consistently provide products of the desired quality, which is essential for building trust with our customers, fostering long-lasting relationships, and encouraging brand loyalty. By doing so, we aim to increase our brand's visibility and strengthen our position in the industry. Elevating our quality standards through this strategy sets us apart from our competitors, making us a trusted choice and gaining us more recognition in the market.

Increasing our geographical presence in existing and new markets

To expand and grow our business, we intend to aggressively penetrate in the domestic markets by expanding our sales network. We intend to grow our business continuously by adding new customers. For the period April 01, 2023 to July 31, 2023, we have generated around 88.93 % of our revenue from sales in top 10 geographical regions. Going forward, we would like to continue to expand our domestic and international presence to enhance our visibility We seek to identify markets where we believe we can provide cost advantages to our clients and distinguish ourselves from other competitors. We gradually intend to expand our business operations to other regions of the country which will enable us to reach our customers faster by reducing transportation time, optimize inventory, and limit trade over-dues. Through further diversification of our operations geographically, we hope to hedge against risks of operations in only specific areas and protection from fluctuations resulting from business concentration in limited geographical areas.

Maintaining cordial relationship with our customers and suppliers.

We believe that maintaining strong relationship with customers is a most critical factor to keep the business growing and secure repeat business. We will continue to focus on timely delivery of quality products which will help in forging strong relationships with our customers and gaining increased business from them. We also conduct regular senior management reviews with our key customers to engage them for feedback and future opportunities.

Further, we believe that establishing strong, mutually beneficial long-term relationships with strategic suppliers is a critical step in improving performance across the supply chain, generating greater cost efficiency and enabling the business to grow and develop. This will enable us to continuously improve our operational efficiencies.

Continue to strengthen our existing product portfolio and diversify into new products

Our product portfolio consists of various segments of synthetic planters like: plastic Indoor Planters, Outdoor Planters, Illuminated Planters, Decorative Planters, Roto Moulded Planters, Fiber Reinforced Plastic (FRP) Pot, Eco series Planters etc. along with related accessories like Garden Hose Pipe & Water Can. The company's product portfolio comprises of more than 500 products and accessories. This diverse range of products will attract and help to retain customers and increase revenue streams.

We intend to continue to devote substantial resources towards expanding our capabilities to offer new products to cater to the evolving requirements of a large customer base and cover newer customer segments. Recently, we have also entered into a new segment of Roto Moulded Outdoor Furniture to diversify our range of products. We believe that a continuous review of our portfolio according to our understanding of industry and technology will help us to maximize our sales.

OUR PRODUCTS PORTFOLIO

Our product portfolio comprises of wide array of synthetic planters manufactured and supplied by our company, as follows:

1. **Illuminated planters**: Illuminated planters are decorative containers designed to hold plants while providing built-in lighting to enhance the ambiance of indoor or outdoor spaces. Following are some of our products under this category:

Paris Planters

Milano short planters

Pebble Planter

2. **Rotational Moulded Planter Series:** This features durable and versatile plant containers, ideal for outdoor landscaping. Following are some of our products under this category:

Flora Planter

Barca Round Planters

Milano Dual Tone Planter

3. **Indoor Series:** Our Indoor Planter Series comprises a range of plant containers designed specifically for indoor use. Following are some of our products under this category:

Lagos Planter

Arty Rectangle Planter

Magnet Pots Planter

4. **Decorative Series**: These planters are plant containers designed with an emphasis on aesthetics and ornamental features, serving as both functional and decorative elements in their surroundings. Following are some of our products under this category:

Bello Hook Pot

Kyiv Planter

Bello Hanging Planter

5. **Grower Planter Series:** Our Grower Planter Series comprises a range of plant containers designed specifically for gardens**.** Following are some of our products under this category:

Bowl Planter

Window Planter

Bonsai Oval Planter

6. **FRP Series:** Pots and Planters Made from Fibreglass-Reinforced Plastic. Following are some of our products under this category:

Cubico Planter

Ring Stone High Planter

Allure Bowl Planter

7. **Eco Series:** Eco Series Planters are made from natural materials such as rice husk, coffee husk, and bamboo. Following are some of our products under this category:

Bello Square Eco Planter

Verona Diamond Eco Planter

Atlantis Eco Planter

<u>DETAILS OF OUR BUSINESS:</u>

LOCATIONS:

Currently we are operating business from below mentioned locations:

Registered Office & Manufacturing Unit-I	Building No.1 Shree Sai Logistics, Survey No.18/2E 18/2P 17/2A, 17/2B Part, Elkunde, Bhiwandi, Thane - 421302, Maharashtra - India
Manufacturing Unit-II	Gat No. 589, Darekarwadi Road, Boriaind, Daund, Pune -412202, Maharashtra, India
Store-I	Kh no. 48/18, G/F Dera Village, Near Roda, New Delhi-110074, India
Store-II	Gat No - 744 /A Pune Solapur Road, Haveli, Sortapwadi Pune -412110, Maharashtra, India
Store-III	D No. 3-377/1, NH-16, Opposite Subramanyeswara Temple, Burrilanka, East Godavari District - 533126, Andhra Pradesh, India.

Manufacturing Unit-I

Manufacturing Unit-II

Store-1

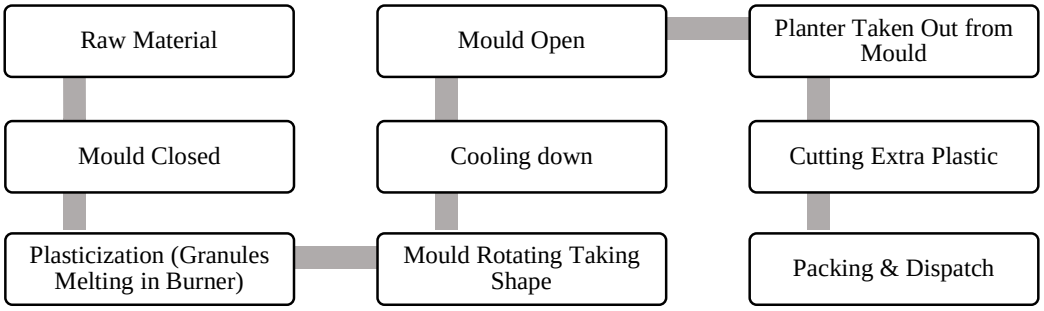
Store-II

Store-III

OUR OPERATIONS & MANUFACTURING PROCESS

Our operations involve manufacturing of various types of pots and planters along with related accessories like Garden Hose Pipe & Water Can, depending upon the design of product required. Set forth below is a process of manufacturing carried out by our Company in three different machines i.e., Rotational molding machines, Injection Molding Machines and Blow Extrusion Machine.

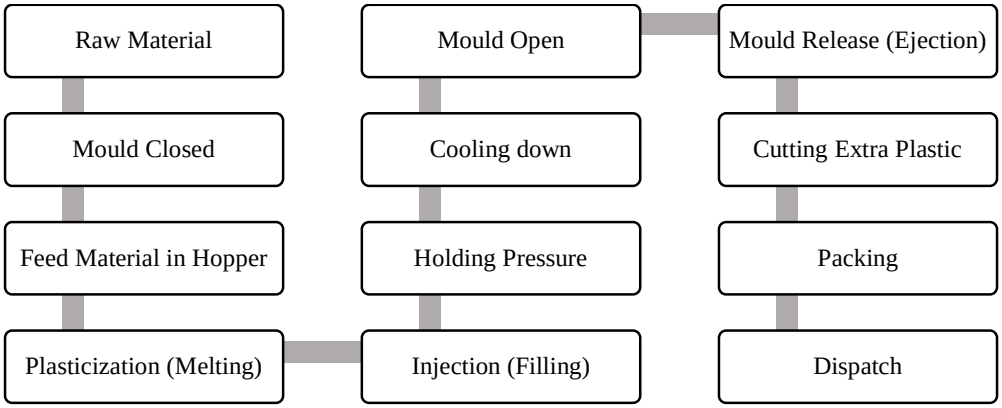
1. Rotational Moulding Machine Manufacturing Process:



The manufacturing operations described through above diagram is explain as follows:

1. The manufacturing process begins with plastic granules, which serve as the major raw material for the product. Plastic granules are placed inside a hollow mould.
2. The mould is securely closed, creating a sealed chamber for the plastic.
3. The mould is then rotated, and the plastic granules inside it melt due to heat generated by burners within the machine. The molten plastic coats the inner surface of the mould, taking its shape as the mould continues to rotate.
4. The mould is gradually cooled to solidify the plastic and set its shape and then the mould is opened to reveal the newly formed plastic product.
5. The finished product, in this case, a planter, is removed from the mould and any excess plastic or flash is trimmed and removed from the product.
6. The final product is inspected, packaged, and prepared for shipment to customers.

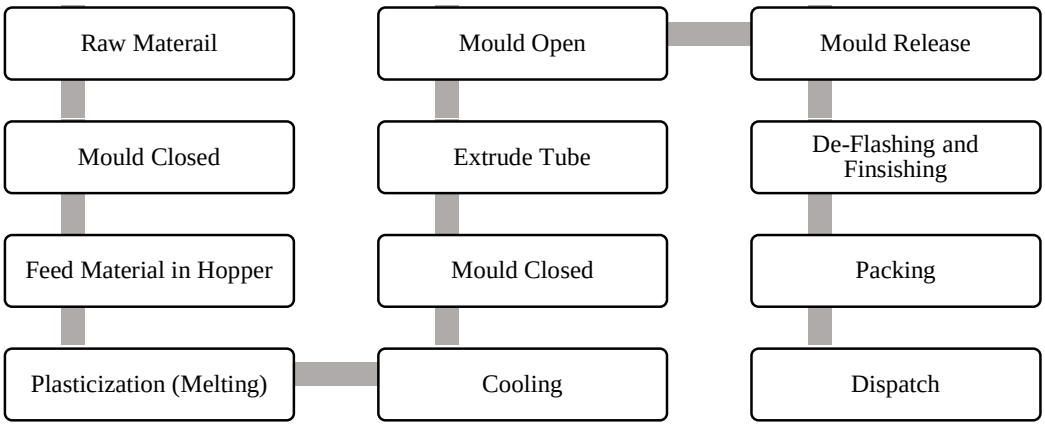
2. Injection Moulding Machines Manufacturing Process:



The manufacturing operations described through above diagram is explain as follows:

1. The manufacturing process begins with plastic granules, which serve as the major raw material for the product.
2. The mould, which defines the shape of the product, is securely closed, creating a space where the melted plastic will take its form.
3. The plastic granules are loaded into a container called a hopper. This hopper acts as a reservoir, ensuring a constant supply of plastic for the manufacturing machine.
4. Inside the injection Moulding machine, the plastic granules undergo a transformation. They are heated and mechanically mixed until they reach a molten state.
5. The molten plastic is injected into the closed mould under high pressure. Through a nozzle and runner system, allowing the plastic to adopt the precise shape defined by the mould.
6. After injection, pressure is maintained for a specific duration. This step ensures that the material fully occupies every part of the mould and compensates for any potential shrinkage during the cooling process.
7. The mould, housing the molten plastic, is gradually cooled down. This cooling process is essential as it causes the plastic to solidify, taking on the final, desired product shape
8. Once the plastic has cooled and hardened, the mould is opened. This opening step allows access to the newly formed part.
9. The finished product is carefully ejected from the mould using ejector pins or other mechanisms designed for this purpose.
10. Any excess material or unintended pieces that may have formed during the Moulding process are trimmed or removed from the product. This ensures a clean and precise final product.
11. The completed plastic parts are inspected for quality and then prepared for packaging.
12. The packaged products are ready for shipment to customers or distribution points.

Blow Moulding Manufacturing Process:



The manufacturing operations described through above diagram is explain as follows:

1. The manufacturing process starts with small pieces of plastic, known as granules, which serve as the primary raw material for the product.
2. The mould, which defines the shape of the product, is securely closed, creating a space where the melted plastic will take its form.
3. Plastic granules are loaded into a hopper, which acts as a reservoir for the raw material, ensuring a consistent supply for the machine.
4. Inside the blow moulding machine, the plastic granules undergo heating and mechanical mixing, transforming them into a molten state.
5. The molten plastic is allowed to cool to a certain extent, preparing it for the next stages of the process. The mould is closed again to encase the molten plastic and prepare it for the shaping process.
6. Molten plastic is pushed out through a tube (called Extrude Tube) into the closed mould, taking the mould's shape.
7. After plastic takes its shape, the mould is opened to retrieve the newly formed part i.e. the finished product which is released from the mould.
8. Any excess plastic or imperfections, such as flash or fins, are removed or trimmed from the product to ensure it meets the desired quality standards.
9. The completed plastic parts are inspected for quality, and once approved, they are prepared for packaging.
10. The packaged products are ready for shipment to customers or distribution points

PRODUCTION AND INSTALLED CAPACITY

For Manufacturing Unit-I i.e., Bhiwandi

Name of Machine	Unit	April 01, 2023 to July 31, 2023 (Four Month Period)		
		Installed	Utilized	%
Rotational Moulding Machine	Pcs	2,19,000	1,88,961	86.28%
Injection Moulding Machines	Pcs	1,05,48,500	94,16,697	89.27%
Total	**Pcs**	**1,07,67,500**	**96,05,658**	**89.21%**

For Manufacturing Unit-II i.e., Pune

Name of Machine	Unit	April 01, 2023 to July 31, 2023 (Four Month Period)		
		Installed	Utilized	%
Injection Moulding Machines	Pcs	90,88,500	81,75,856	89.96%
Blow Moulding Machines	Pcs	5,47,500	4,62,851	84.54%
Total	**Pcs**	**96,36,000**	**86,38,707**	**89.65%**

The information related to the installed capacity is based on the certificate received from M/s Kakode Associates, Chartered Engineers vide their certificate dated October 28, 2023.

**The information related to the installed capacity is based on the assumptions and estimates that have been taken into account for the calculation of the installed production capacity. The assumptions and estimates are on the basis of explanations provided and on the basis of operating days calculated on an annual basis. Considering the nature of our business catering to various types of pots and planters, manufacturing of each of which require different composition and time and accordingly we have taken a combination of these factors to determine the installed capacity and utilization percentage.*

COLLABORATIONS/ TIE UPS/ JOINT VENTURES

Except as disclosed in this Prospectus and in the normal course of business, we do not have any Collaboration/ Tie Ups/ Joint Ventures as on date.

EXPORT OBLIGATION

As on date of the Prospectus our company has no outstanding export obligation

SALES AND MARKETING:

Our Sales and Marketing team of 10 employees keep a track of new leads and stay in touch with our existing customers for procuring and execution of orders. We undertake a detailed exercise periodically to identify existing and prospective customers with the potential to develop into a large customer base. Our senior management is actively involved in maintaining customer relationships and business development through interaction at different levels in the customer organization. In order to maintain good relation with our customers, our promoters and our marketing team regularly interacts with them and focuses on gaining an insight into the additional needs of our customers. As a part of our marketing strategy, we employ various marketing techniques such as participation in National Level Exhibitions & Expos like Acetech in Mumbai & Delhi in 2022, Spoga Gafa 2023 etc. presence over e-commerce platform such as Flipkart, Amazon etc. and presence over social media platforms like Facebook and Instagram to promote our brand and services.

COMPETITION:

We face competition from organized and unorganized players in this industry which have a presence across multiple regions in India. There are various companies offering products similar to us. We believe the principal elements of competition in our industry are price, durability, product quality, timely delivery and reliability and most importantly our pace in keeping up with the changing technology in the industry. To stay competitive, we regularly update our existing facilities/technology and adopt new technology for our manufacturing facilities. We aim to keep our costs of production low to maintain our competitive advantage and our profit margins.

INFRASTRUCTURE & UTILITIES:

- ***Raw Materials:*** Major Raw Materials which we require for manufacturing of our products includes Reprocess Granules, Linear low-density polyethylene (LLDPE) powder, Biomass, Polypropylene etc. We procure raw materials from the suppliers based in domestic market.
- ***Power:*** The requirement of power for our operations, at our registered office and manufacturing unit I in Bhiwandi, Manufacturing Unit II in Pune, Store-I in Delhi, Store –II in Pune & Store-III in Rajahmundry is met through state electricity boards.
- ***Water:*** Our water requirement is fulfilled through local sources in Registered office & Manufacturing Units along with all three Stores.

HUMAN RESOURCES

We believe that our employees are key contributors to our business success and thus we focus on attracting and retaining the best possible talent. We aim towards recruiting the talent that we need, facilitating the integration of our employees into the Company and encouraging the development of skills in order to support our performance and the growth of our operations. As on September 30, 2023, our Company has employed around 125 employees (including semi-skilled staff) at various levels of the Organization.

INSURANCE

Our operations are subject to accidents which are inherent to any manufacturing process such as risks of machinery/equipment failure, worker accidents, fire, earthquakes, flood and other force majeure events, acts of terrorism and explosions including accidents that may cause injury and loss of life, severe damage to and the destruction of property and equipment and environment. We have taken Bharat Laghu Udyam Suraksha and Burglary & House breaking Insurance from Iffco-Tokio General Insurance Co. Ltd Policy for our Registered office and manufacturing Unit-I and New India Bharat Sookshma Udyam Suraksha Policy from The New India Assurance Co. Ltd. for our manufacturing unit-II, which covers building, plant & machinery & stock insurance from loss due to Fire, Explosion, Lightening, Earthquake, Storm, Cyclone, RSMD, terrorism, theft etc. Further, we have taken New India Bharat Sookshma Udyam Suraksha Policy from The New India Assurance Co. Ltd. along with Fire & Burglary insurance from Bajaj Allianz General Insurance Co. Ltd. for our Store in Pune, Burglary & Fire insurance policy for our store in Andhra Pradesh and Bharat Sookshma Udyam Suraksha policy for our store in Delhi from Bajaj Allianz General Insurance Company Ltd. For further details, please refer to **Risk factor *"Our insurance coverage may not be adequate to protect us against certain operating hazards and this may have a material adverse effect on our business"*** on page 22 of this Prospectus.

INTELLECTUAL PROPERTIES

As on the date of this Prospectus, we have a trademark registration in India in the name of our Promoter i.e., Hitesh Chunilal Shah. In respect of such trademarks, we have not entered into any assignment agreement or license agreement with him as permitted under the Trade Marks Act 1999, however, we have been permitted by the owner of the trademark namely Hitesh Chunilal Shah to use the aforementioned trademark through NOC dated October 21, 2023.

Sr. No.	Brand Name/ Logo/ Trademark	Class	TM Category	Owner	Application No./ Registration Certificate No.	Date of Registration	Current Status
1.	HARSHDEEP	21	Device	Hitesh Chunilal Shah	Application No.: 5148980/ Certificate No: 2953195	April 02, 2022	Registered

IMMOVABLE PROPERTIES

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

S. No.	Details of the Properties	Actual use	Owned/ Leased/Rented
1.	Building No.1 Shree Sai Logistics, Survey No.18/2E 18/2P 17/2A, 17/2B Part, Elkunde, Bhiwandi, Thane - 421302, Maharashtra - India	Registered Office & Manufacturing Unit-I	**Rented**- The said property has been obtained on lease vide leave and license agreement dated September 26, 2023 from M/s Shankheshwar Kreaters by Hitesh Chunilal Shah, Promoter & Managing Director of the company; which was further Sub-let to the company vide sub-lease agreement dated May 01, 2023 in accordance to the original leave and license agreement.
2.	Gat No. 589, Darekarwadi Road, Boriaind, Daund, Pune -412202, Maharashtra, India	Manufacturing Unit-II	**Rented**- The said property has been obtained from Hitesh Chunilal Shah on rent vide rent agreement dated April 01, 2023
3.	Kh no. 48/18, G/F Dera Village, Near Roda, New Delhi-110074, India	Store-I	**Rented**- The said property has been obtained from Anil Kumar Tanwar on rent vide rent agreement dated January 18, 2024.
4.	Gat No - 744 /A Pune Solapur Road, Haveli, Sortapwadi Pune -412110, Maharashtra, India	Store-II	**Rented**- The said property has been obtained from Dipti Hitesh Shah on rent vide rent agreement dated April 01, 2023
5.	D No. 3-377/1, NH-16, Opposite Subramanyeswara Temple, Burrilanka, East Godavari District - 533126, Andhra Pradesh, India.	Store-III	**Rented**- The said property has been obtained from Hitesh Chunilal Shah on rent vide rent agreement dated May 23, 2023.

KEY INDUSTRY REGULATIONS AND POLICIES

The following description is a summary of the relevant regulations and policies as prescribed by the Government of India and other regulatory bodies that may be applicable to our business. The information detailed in this chapter has been obtained from various legislations, including rules and regulations promulgated by the regulatory bodies that are available in the public domain. The regulations and policies set out below may not be exhaustive and are only intended to provide general information to the investors and are neither designed nor intended to be a substitute for professional legal advice. The Company may be required to obtain licenses and approvals depending upon the prevailing laws and regulations as applicable.

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

In addition to what has been specified in this Prospectus, taxation statutes such as the Income Tax Act, 1961 and Central Goods and Services Tax Act, 2017, various labour laws and other miscellaneous laws apply to us as they do to any other Indian company. The statements below are based on the current provisions of Indian law, and the judicial and administrative interpretations thereof, which are subject to change or modification by subsequent legislative, regulatory, administrative or judicial decisions. For details of government approvals obtained by us, see the chapter titled 'Government and Other Statutory Approvals'.

LAWS RELATED TO OUR BUSINESS:

BUREAU OF INDIAN STANDARDS ACT, 1986

The Bureau of Indian Standards Act, 2016 (the "BIS Act") provides for the establishment of a national standards body for the harmonious development of the activities of standardization, conformity assessment and quality assurance of goods, articles, processes, systems and services. The BIS Act provides for establishment of Bureau of Indian Standards which will formulate, implement and certify certain standards of quality for goods, services, articles, processes and systems. The Government of India, through Ministry of Consumer Affairs, Food & Public Distribution and the Ministry of Electronics & Information Technology, amongst others, regulate manufacturing or storing for sale, import, selling or distribution of goods which do not conform to the Indian Standard specified in the BIS Act, by way of passing orders. The orders can provide for compulsory registration for undertaking any of the specified activities relating to an identified category of product.

FACTORIES ACT, 1948

The term 'factory', as defined under the Factories Act, means any premises which employs or has employed on any day in the previous 12 months, 10 or more workers and in which any manufacturing process is carried on with the aid of power, or any premises wherein 20 or more workmen are employed at any day during the preceding 12 months and in which any manufacturing process is carried on without the aid of power. State Governments have issued rules in respect of the prior submission of plans and their approval for the establishment of factories and registration and licensing of factories.

The Factories Act requires the 'occupier' of a factory to ensure the health, safety and welfare of all workers in the factory premises. Further, the "occupier" of a factory is also required to ensure (i) the safety and proper maintenance of the factory such that it does not pose health risks to persons in the factory premises; (ii) the safe use, handling, storage and transport of factory articles and substances; (iii) provision of adequate instruction, training and supervision to ensure workers' health and safety; and (iv) cleanliness and safe working conditions in the factory premises. If there is a contravention of any of the provisions of the Factories Act or the rules framed thereunder, the occupier and manager of the factory may be punished with either imprisonment or fine or both.

IMPORTER-EXPORTER CODE

Under the Indian Foreign Trade Policy, 2004, no export or import can be made by a person or company without an Importer Exporter Code number unless such person/company is specifically exempted. An application for an Importer Exporter Code number has to be made to the office of the Joint Director General of Foreign Trade, Ministry of Commerce. An Importer Exporter Code number allotted to an applicant is valid for all its branches/divisions/ units/factories.

LAWS RELATING TO THE SPECIFIC STATE WHERE OUR ESTABLISHMENT IS SITUATED

MAHARASHTRA INDUSTRIAL POLICY, 2019

The Maharashtra Industrial Policy, 2019 (the "Industrial Policy") envisages making Maharashtra USD 1 Trillion economy in the country, by augmenting manufacturing ecosystem, complemented by ease of doing business initiatives, thereby evolving it into a preferred destination for global manufacturers and investors, resulting into largest employment creating state with balanced regional and inclusive growth, by 2025. In the Industrial Policy, the target has been to attain manufacturing sector growth rate of 12% to 13% to reach GSDP share of 25% by 2023-24; to attract investments worth INR 10 lakh crore by 2023-24 and to create employment opportunities for 40 lakh people by 2023-24.

Some of the objectives and strategies of the policy includes retaining leadership position in industrial investment by providing conducive business environment, creating land bank for industries through MIDC, promoting investments through sector specific promotion/policies with focus on identified thrust sectors, incentivizing investments in R&D and start-ups, facilitating 'Ease of Doing Business' initiatives and strengthening Maharashtra's Single Window System i.e. MAITRI - an online portal, making a single point for delivery of services, setting up of State level councils for promotion of investments and exports etc.

BOMBAY SHOPS AND ESTABLISHMENTS ACT, 1948

The provisions of Bombay Shops and Establishments Act, 1948 regulates the conditions of work and employment in shops and commercial establishments and generally prescribe obligations in respect of inter alia registration, opening and closing hours, daily and weekly working hours, holidays, leave, health and safety measures, and wages for overtime work.

BOMBAY STAMP ACT, 1958 ("STAMP ACT")

The purpose of Stamp Act was to streamline and simplify transactions of immovable properties and securities by the State government. The Stamp Act provides for the imposition of stamp duty at the specified rates on instruments listed in Schedule I of the Stamp Act.

MAHARASHTRA STATE TAX ON PROFESSIONS, TRADES, CALLINGS AND EMPLOYMENTS ACT, 1975

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

MAHARASHTRA FACTORIES RULES, 1963 ("FACTORIES RULES")

The Factories Rules were notified by State of Maharashtra within the framework of Factories Act, 1948 which is a social legislation that has been enacted for occupational safety, health, and welfare of workers at workplace. As per the Factories Rules an application for obtaining prior permission for the site on which the factory is to be situated and for the construction or extension of a factory shall be made to the Chief Inspector of Factories which shall grant the license with terms and conditions after being satisfied that there is no objection to the same.

LABOUR AND EMPLOYMENT RELATED LAWS

PAYMENT OF WAGES ACT, 1936

The Payment of Wages Act, 1936 as amended (the Payment of Wages Act) has been enacted to regulate the payment of wages in a particular form at regular intervals without unauthorized deductions and to ensure a speedy and effective remedy to employees against illegal deductions and / or unjustified delay caused in paying wages. It applies to the persons employed in a factory, industrial or other establishment, whether directly or indirectly, through a sub-contractor and provides for the imposition of fines and deductions and lays down wage periods. The Payment of Wages Act is applicable to factories and industrial or other establishments where the monthly wages payable are less than ₹6,500 per month.

EQUAL REMUNERATION ACT, 1976

The Equal Remuneration Act, 1976, as amended (ER Act) provides for the payment of equal remuneration to men and women workers for same or similar nature of work and prevention of discrimination, on the ground of sex, against women in the matter

of employment and for matters connected therewith or incidental thereto. Under the ER Act, no discrimination is permissible in recruitment and service conditions, except where employment of women is prohibited or restricted by law. It also provides that every employer should maintain such registers and other documents in relation to the workers employed by him/ her in the prescribed manner.

APPRENTICES ACT, 1961

The Apprentices Act, 1961, as amended (the Apprentices Act) regulates and controls the programme of training of apprentices and matters connected there with. The term Apprentice means a person who is undergoing apprenticeship training in pursuance of a contract of apprenticeship. Apprenticeship Training means a course of training in any industry or establishment undergone in pursuance of a contract of apprenticeship and under prescribed terms and conditions which may be different for different categories of apprentices. Every person engaging as an apprentice is required to enter into a contract of apprenticeship with the employer which is reviewed and registered by the apprenticeship advisor.

PAYMENT OF GRATUITY ACT, 1972

This act applies to all factories, mines, oilfields, plantations, ports and railway companies. But in the case of shops or establishments, other than those stated before, it applies to those organizations with 10 or more people employed on any day of the preceding 12 months. If the number of employee is below 10, the employer must still pay gratuities. Thus, no employer will be able to refuse gratuity under this act based on the number of employees. The act does not applies to apprentices and persons who hold civil posts under the Central Government or State Governments and are subjected to any other act or rule other than this act.

PAYMENT OF BONUS ACT, 1965

The Payment of Bonus Act, 1965 is applicable to every establishment employing 20 or more employees. The said Act provides for payment of the minimum bonus specified under the Act to the employees. It further requires the maintenance of certain books and registers such as the register showing computation of the allocable surplus; the register showing the set on & set off of the allocable surplus and register showing the details of the amount of Bonus due to the employees. Further it also requires for the submission of Annual Return in the prescribed form (FORM D) to be submitted by the employer within 30 days of payment of the bonus to the Inspector appointed under the Act.

MINIMUM WAGES ACT, 1948

The Minimum Wages Act, 1948 came into force with an objective to provide for the fixation of a minimum wage payable by the employer to the employee. Every employer is mandated to pay the minimum wages to all employees engaged to do any work skilled, unskilled, and manual or clerical (including out-workers) in any employment listed in the schedule to this Act, in respect of which minimum rates of wages have been fixed or revised under the Act.

MATERNITY BENEFIT ACT, 1961

The Maternity Benefit Act, 1961, as amended regulates the employment of pregnant women and ensures that they get paid leave for a specified period during and after their pregnancy. The Maternity Benefit Act is applicable to establishments in which 10 or more employees are employed, or were employed on any day of the preceding 12 months. Under the Maternity Benefit Act, a mandatory period of leave and benefits should be granted to female employees who have worked in the establishment for a minimum period of 80 days in the preceding 12 months from the date of her expected delivery. Such benefits essentially include payment of average daily wage for the period of actual absence of the female employee. The maximum period for which any woman shall be entitled to maternity benefit shall be 12 weeks, of which not more than six weeks shall precede the date of her expected delivery. Entitlement of six weeks of paid leave is also applicable in case of miscarriage or medical termination of pregnancy.

CHILD LABOUR (PROHIBITION AND REGULATION) ACT, 1986

This statute prohibits employment of children below 14 years of age in certain occupations and processes and provides for regulation of employment of children in all other occupations and processes. Under this Act the employment of child labour in the building and construction industry is prohibited.

INDUSTRIAL EMPLOYMENT (STANDING ORDERS) ACT 1946

The Industrial Employment (standing orders) Act requires employers in industrial establishments to formally define conditions of employment under them. It applies to every industrial establishment wherein 100 (reduced to 50 by the Central Government in respect of the establishments for which it is the Appropriate Government) or more workmen are employed. The Act calls for the submission of such conditions of work to the relevant authorities for their approval.

INDUSTRIAL DISPUTES ACT, 1947

The Industrial Disputes Act, 1947 (Industrial Disputes Act) provides for mechanism and procedure to secure industrial peace and harmony by investigation and settlement of industrial disputes by negotiations. The Industrial Disputes Act extends to whole of India and applies to every industrial establishment carrying on any business, trade, manufacture or distribution of goods and services irrespective of the number of workmen employed therein. Every person employed in an establishment for hire or reward including contract labour, apprentices and part time employees to do any manual, clerical, skilled, unskilled, technical, operational or supervisory work, is covered by the Act. The Act also provides for (a) the provision for payment of compensation to the Workman on account of closure or layoff or retrenchment. (b) the procedure for prior permission of appropriate Government for laying off or retrenching the workers or closing down industrial establishments (c) restriction on unfair labour practices on part of an employer or a trade union or workers.

EMPLOYEES' STATE INSURANCE ACT, 1948

It is an Act to provide for certain benefits to employees in case of sickness, maternity and employment injury and to make provision for certain other matters in relation thereto. Whereas it is expedient to provide for certain benefits to employees in case of sickness, maternity and employment injury and to make provision for certain other matters in relation thereto; this Act requires all the employees of the establishment to which this act applies to be insured to the manner provided there under. The Employer and Employees both are required to make contribution to the fund. The return of the contribution made is required to be filed with the Employee State Insurance department.

EMPLOYEES (PROVIDENT FUND AND MISCELLANEOUS PROVISIONS) ACT, 1952

The Employees Provident Funds and Miscellaneous Provisions Act, 1952 (PF Act), provides that every establishment employing more than 20 (twenty) persons, either directly or indirectly, in any other capacity whatsoever, is covered by the provisions of the PF Act. The employer of such establishment is required to make a monthly contribution matching to the amount of the employee's contribution to the provident fund. It is also mandatory requirement to maintain prescribed records and registers and filing of forms with the PF authorities. The PF Act also imposes punishments on any person who violate any of the provisions of the schemes made under the PF Act and specifically on employers who contravene or default in complying with certain provisions of the PF Act. If the person committing an offence is a company, every person, who at the time the offence was committed was in charge of the company, as well as the company, shall be deemed to be guilty of the offence and shall be liable to be prosecuted accordingly.

WORKMEN'S COMPENSATION ACT, 1923

The Workmen Compensation Act, 1923 has been enacted with the objective to provide for the payment of compensation to workmen by employers for injuries by accident arising out of and in the course of employment, and for occupational diseases resulting in death or disablement. The WCA makes every employer liable to pay compensation in accordance with the WCA if a personal injury/disablement/loss of life is caused to a workman (including those employed through a contractor) by accident arising out of and in the course of his employment. In case the employer fails to pay compensation due under the WCA within one month from the date it falls due, the commissioner appointed under the WCA may direct the employer to pay the compensation amount along with interest and may also impose a penalty.

SEXUAL HARASSMENT AT WORKPLACE (PREVENTION, PROHIBITION AND REDRESSAL) ACT, 2013

The Sexual Harassment at Workplace (Prevention, Prohibition and Redressal) Act, 2013 (SHWPPR Act) provides for protection against sexual harassment at the workplace to women and prevention and redressal of complaints of sexual harassment. The SHWPPR Act defines-Sexual Harassment to include any unwelcome sexually determined behaviour (whether directly or by implication). Workplace under the SHWPPR Act has been defined widely to include government bodies, private and public sector organizations, non-governmental organizations, organizations carrying on commercial, vocational, educational, entertainment, industrial, financial activities, hospitals and nursing homes, educational institutes, sports institutions and stadiums used for training individuals. The SHWPPR Act requires an employer to set up an Internal Complaints Committee at each office or branch, of an organization employing at least 10 employees. The Government in turn is required to set up a Local Complaint Committee at the district level to investigate complaints regarding sexual harassment from establishments where our internal complaints committee has not been constituted.

TRADE UNION ACT, 1926 AND TRADE UNION (AMENDMENT) ACT, 2001

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

TAXATION RELATED LAWS

INCOME-TAX ACT, 1961

Income Tax Act, 1961 is applicable to every Domestic / Foreign Company whose income is taxable under the provisions of this Act or Rules made under it depending upon its Residential Status and-Type of Income involved. U/s 139(1) every Company is required to file its Income tax return for every Previous Year by 30th September of the Assessment Year. Other compliances like those relating to Tax Deduction at Source, Fringe Benefit Tax, Advance Tax, and Minimum Alternative Tax like are also required to be complied by every Company.

GOODS AND SERVICES TAX ACT, 2017

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

Tax payers with an aggregate turnover of ₹20 lakhs would be exempted from tax. The exemption threshold for special category of states like North-East shall be ₹10 lakhs. Small taxpayers with an aggregate turnover in preceding financial year up to ₹75 lakhs (50 lakhs in case of special category states) may opt for composition levy. Under GST, goods and services are taxed at the following rates, 0%, 5%, 12% and 18%. There is a special rate of 0.25% on rough precious and semi-precious stones and 3% on gold. In addition a cess of 15% or other rates on top of 28% GST applies on few items like aerated drinks, luxury cars and tobacco products. Export and supplies to SEZ shall be treated as zero-rated supplies. Import of goods and services would be treated as inter-state supplies. Every person liable to take registration under these Acts shall do so within a period of 30 days from the date on which he becomes liable to registration. The Central/State authority shall issue the registration certificate upon receipt of application. The Certificate shall contain fifteen digit registration numbers known as Goods and Service Tax Identification Number (GSTIN). In case a person has multiple business verticals in multiple locations in a state, a separate application will be made for registration of each and every location. The registered assesse is then required to pay GST as per the rules applicable thereon and file the appropriate returns as applicable thereon. GST has replaced following indirect taxes and duties at the central and state levels.

CENTRAL EXCISE ACT, 1944

Excise duty is levied on production of goods but the liability of excise duty arises only on removal of goods from the place of storage, i.e., factory or warehouse. Unless specifically exempted, excise duty is levied even if the duty was paid on the raw material used in production.

INDIAN CUSTOMS ACT, 1962

Customs duty is levied on imports into or exports from India vide Section 12 of the Customs Act, 1962 at the rates prescribed under the Customs Tariff Act, 1975 read with the relevant exemption notifications.

ENVIRONMENTAL LAWS

THE ENVIRONMENT (PROTECTION) ACT, 1986 AND THE ENVIRONMENT (PROTECTION) RULES, 1986

The Environment Protection Act was enacted to act as an “umbrella” legislation designed to provide a framework for coordination of the activities of various central and state authorities established under previous laws. The Environment Protection Act authorises the Central Government to protect and improve environment quality, control, and reduce pollution.

The Environment Protection Rules framed under the Environment Protection Act lay down specific provisions regarding standards for emission or discharge of environmental pollutants, prohibition of carrying out industrial activities in certain geographical locations, procedures for function of environmental laboratories and submission of samples. The draft Environment (Protection) Amendment Rules, 2020 provide for regulations on use of membrane - based water purification system which, if passed, shall be applicable to all filtration - based purification or wastewater treatment system, where polymer - based membrane is used and discarded at the end of its life.

WATER (PREVENTION AND CONTROL OF POLLUTION) ACT, 1974

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

WATER (PREVENTION AND CONTROL OF POLLUTION) CESS ACT, 1977

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

THE PLASTIC WASTE MANAGEMENT RULES, 2016

The Plastic Waste Management Rules of 2016 provide us with the sharpest measures taken against plastic use in India. The most significant feature of these rules is that the plastic manufacturers and retail establishments that use plastic as their main component are legally bound to follow the system of collecting back the plastic waste.

REGULATIONS RELATED TO FOREIGN TRADE AND INVESTMENT

THE FOREIGN DIRECT INVESTMENT

The Government of India, from time to time, has made policy pronouncements on Foreign Direct Investment ("FDI") through press notes and press releases. The Department of Industrial Policy and Promotion, Ministry of Commerce and Industry, Government of India ("DIPP"), has issued consolidated FDI Policy Circular of 2020 ("FDI Policy 2020"), which with effect from October 15, 2020, 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 Offers an updated circular. The reporting requirements for any investment in India by a person resident in India under Foreign Exchange Management (Non-Debt Instruments) Rules, 2019 are specified by the RBI. Regulation 4 of the Foreign Exchange Management (Mode of Payment and Reporting of Non-Debt Instruments) Regulations, 2019 vide notification No. FEMA. 395/2019-RB dated 17.10.2019 issued by the RBI stipulates the reporting requirement for any investment in India by a person resident outside India. All the reporting is required to be done through the Single Master Form (SMF) available on the Foreign Investment Reporting and Management System (FIRMS) platform at https://firms.rbi.org.in. Under the current FDI Policy of 2020, foreign direct investment in micro and small enterprises is subject to sectoral caps, entry routes and other sectoral regulations. At present 100 % foreign direct investment through automatic route is permitted in the sector in which our Company operates.

FOREIGN TRADE (DEVELOPMENT AND REGULATION) ACT, 1992

Foreign Trade Act empowers the Government of India to, among other things, (a) make provisions for development and regulation of foreign trade; (b) prohibit, restrict or otherwise regulate exports and imports; (c) formulate an EXIM policy; and (d) appoint a Director General of Foreign Trade for the purpose of administering foreign trade and advising the Central Government in formulating EXIM policy and implementing the same. Every importer and exporter are required to obtain an 'Importer Exporter Code' from the Director General of Foreign Trade or from any other duly authorized officer.

FOREIGN TRADE POLICY

The Foreign Trade Policy provides that no export or import can be made by a person without an IEC unless such person is specifically exempted. The policy provides for all exports and imports made shall be governed by the Foreign Trade Policy, unless otherwise specified. FTP provides for handbook of procedures laying down the procedure to be followed by an exporter or importer or by any Licensing/Regional Authority or by any other authority for purposes of implementing provisions of FT (D&R) Act, the Rules and the Orders made there under and provisions of FTP.

FOREIGN EXCHANGE MANAGEMENT ACT, 1999 ("FEMA") AND REGULATIONS FRAMED THEREUNDER

Foreign investment in India is governed primarily by the provisions of the FEMA which relates to regulation primarily by the RBI and the rules, regulations and notifications there under, and the policy prescribed by the Department of Promotion of Industry and Internal Trade. As laid down by the FEMA Regulations no prior consents and approvals are required from the Reserve Bank of India, for Foreign Direct Investment under the 'automatic route' within the specified sectoral caps. In respect of all industries not specified as FDI under the automatic route, and in respect of investment in excess of the specified sectoral limits under the

automatic route, approval may be required from the FIPB and/or the RBI. The RBI, in exercise of its power under the FEMA, has notified the Foreign Exchange Management (Transfer or Issue of Security by a Person Resident Outside India) Regulations, 2000 ("FEMA Regulations"), as amended from time to time to prohibit, restrict or regulate, transfer by or issue security to a person resident outside India and Foreign Exchange Management (Export of Goods and Services) Regulations, 2000 for regulation on exports of goods and services.

INTELLECTUAL PROPERTY RELATED LAW

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, and 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 governs the statutory protection of trademarks and prevention of the use of fraudulent marks in India. It provides for the application and registration of trademarks in India. It also provides for exclusive rights to marks such as brand, label, and heading and to obtain relief in case of infringement for commercial purposes as a trade description. Under the provisions of the Trade Marks Act, an application for trade mark registration may be made with the Controller General of Patents, Designs and Trademarks by any person or persons claiming to be the proprietor of a trade mark, whether individually or as joint applicants, and can be made on the basis of either actual use or intention to use a trade mark in the future.

Once granted, a trade mark registration is valid for 10 years unless cancelled, subsequent to which, it can be renewed. If not renewed, the mark lapses and the registration is required to be restored to gain protection under the provisions of the Trade Marks Act. The Trade Marks Act prohibits registration of deceptively similar trademarks and provides penalties for infringement, falsifying or falsely applying for trademarks. Further, pursuant to the notification of the Trade Marks (Amendment) Act, 2010, simultaneous protection of trade mark in India and other countries has been made available to owners of Indian and foreign trade marks. It also seeks to simplify the law relating to the transfer of ownership of trade marks by assignment or transmission and to bring the law in line with international practices.

THE DESIGN ACT, 2000

The Design Act, which came into force in May 2001, along with the rules made thereunder consolidate and amend the law relating to protection of designs. A design refers to the features of shape, configuration, pattern, ornamentation or composition of lines or colours applied to any article, in two or three dimensional or both forms, by an industrial process or means, whether manual, mechanical or chemical, separate or combined which in the finished article appeal to and is judged solely by the eye. In order to register a design, it must be new or original and must not be disclosed to the public anywhere in India or any other country by publication in tangible form or by use or in any other way prior to the filing date. A design should be significantly distinguishable from known designs or combination of known designs in order for it to be registered. A registered design is valid for a period of 10 years after which the same can be renewed for a second period of five years, before the expiration of the original period of 10 years. After such period, the design is made available to the public by placing it in the public domain.

GENERAL LEGISLATIONS

MICRO, SMALL AND MEDIUM ENTERPRISES DEVELOPMENT ACT, 2006 AND INDUSTRIES (DEVELOPMENT AND REGULATION) ACT, 1951

The Micro, Small and Medium Enterprises Development Act, 2006 and Industries (Development and Regulation) Act, 1951 ("MSMED Act") inter-alia seeks to provide for facilitating the promotion and development and enhancing the competitiveness of micro, small and medium enterprises. The MSMED Act inter-alia empowers the Central Government to classify by notification, any class of enterprises including inter-alia, a company, a partnership, firm or undertaking by whatever name called, engaged in the manufacture or production of goods pertaining to any industry specified in the First Schedule to the Industries (Development and Regulation) Act, 1951 as:

(i) a micro enterprise, where the investment in plant and machinery does not exceed ₹ 25,00,000/- (Rupees Twenty- Five Lakhs Only);
(ii) a small enterprise, where the investment in plant and machinery is more than ₹ 25,00,000/- (Rupees Twenty -Five Lakh Only) but does not exceed ₹ 5,00,00,000/- (Rupees Five Crores Only); or
(iii) a medium enterprise, where the investment in plant and machinery is more than ₹ 5,00,00,000/- (Rupees Five Crores Only) but does not exceed ₹ 10,00,00,000/- (Rupees Ten Crores Only).

In case of enterprises engaged in providing or rendering of services, the enterprise may be classified as:

(i) a micro enterprise, where the investment in equipment does not exceed ₹ 10,00,000/- (Rupees Ten Lakhs Only);
(ii) a small enterprise, where the investment in equipment is more than ₹ 10,00,000/- (Rupees Ten Lakhs Only) but does not exceed ₹ 2,00,00,000/- (Rupees Two Crores Only); or (iii) a medium enterprise, where the investment in equipment is more than ₹ 2,00,00,000/- (Rupees Two Crores Only) but does not exceed ₹ 5,00,00,000/- (Rupees Five Crores Only).

The MSMED Act also inter-alia stipulates that any person who intends to establish, a micro or small enterprise or a medium enterprise engaged in rendering of services, may at his discretion and a medium enterprise engaged in the manufacture or production of goods as specified hereinabove, file a memorandum of micro, small or medium enterprise, as the case may be, with the prescribed authority.

COMPANIES ACT, 2013 ("COMPANIES ACT")

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

COMPETITION ACT, 2002

The Competition Act, 2002 prohibits anti-competitive agreements, abuse of dominant positions by enterprises and regulates combinations in India. The Competition Act also established the Competition Commission of India (the ―CCI) as the authority mandated to implement the Competition Act. The provisions of the Competition Act relating to combinations were notified recently on March 4, 2011 and came into effect on June 1, 2011. Combinations which are Likely to cause an appreciable adverse effect on competition in a relevant market in India are void under the Competition Act. A combination is defined under Section 5 of the Competition Act as an acquisition, merger or amalgamation of enterprise(s) that meets certain asset or turnover thresholds. There are also different thresholds for those categorized as Individuals and Group. The CCI may enquire into all combinations, even if taking place outside India, or between parties outside India, if such combination is Likely to have an appreciable adverse effect on competition in India. Effective June 1, 2011, all combinations have to be notified to the CCI within 30 days of the execution of any agreement or other document for any acquisition of assets, shares, voting rights or control of an enterprise under Section 5(a) and (b) of the Competition Act (including any binding document conveying an agreement or decision to acquire control, shares, voting rights or assets of an enterprise); or the board of directors of a company (or an equivalent authority in case of other entities approving a proposal for a merger or amalgamation under Section 5(c) of the Competition Act. The obligation to notify a combination to the CCI falls upon the acquirer in case of an acquisition, and on all parties to the combination jointly in case of a merger or amalgamation.

INDIAN CONTRACT ACT, 1872

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

SPECIFIC RELIEF ACT, 1963

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

SALE OF GOODS ACT, 1930

The law relating to the sale of goods is codified in the Sale of Goods Act, 1930. It defines sale and agreement to sell as a contract whereby the seller transfers or agrees to transfer the property in goods to the buyer for a price and provides that there may be a contract of sale between part owner and another and that the contract of sale may be absolute or conditional.

CONSUMER PROTECTION ACT, 2019 ("CONSUMER PROTECTION ACT") AND RULES MADE THEREUNDER

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

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

CODE OF CIVIL PROCEDURE, 1908

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

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

CODE OF CRIMINAL PROCEDURE CODE, 1973

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

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

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

ARBITRATION AND CONCILIATION ACT, 1996

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

been strengthened by empowering them to decide on jurisdiction and to consider objections regarding the existence or validity of the arbitration agreement.

NEGOTIABLE INSTRUMENTS ACT, 1881

In India, cheques are governed by the Negotiable Instruments Act, 1881, which is largely a codification of the English Law on the subject. The Act provides effective legal provision to restrain people from issuing cheques without having sufficient funds in their account or any stringent provision to punish them in the event of such cheque not being honoured by their bankers and returned unpaid. Section 138 of the Act, creates statutory offence in the matter of dishonour of cheques on the ground of insufficiency of funds in the account maintained by a person with the banker which is punishable with imprisonment for a term which may extend to two years, or with fine which may extend to twice the amount of the cheque, or with both.

INDIAN STAMP ACT, 1899

Under the Indian Stamp Act, 1899 (the "Stamp Act") stamp duty is payable on instruments evidencing a transfer or creation or extinguishment of any right, title or interest in immovable property. Stamp duty must be paid on all instruments specified under the Stamp Act at the rates specified in the schedules to the Stamp Act. The applicable rates for stamp duty on instruments chargeable with duty vary from state to state. Instruments chargeable to duty under the Stamp Act, which are not duly stamped are incapable of being admitted in court as evidence of the transaction contained therein and it also provides for impounding of instruments that are not sufficiently stamped or not stamped at all.

OTHER APPLICABLE LAWS

MUNICIPALITY LAWS

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

APPROVALS FROM LOCAL AUTHORITIES

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

HISTORY AND CORPORATE STRUCTURE

Brief history of our Company:

Our Company was originally incorporated as a Limited Company under the name "Harshdeep Hortico Limited" on December 30, 2022 under the provisions of the Companies Act, 2013 with the Registrar of Companies, Mumbai, Maharashtra bearing CIN U26994MH2022PLC396421. Later, on April 03, 2023, our Company took over the business of proprietorship concern of the promoter Hitesh Chunilal Shah, namely M/s Harshdeep Agro Products along with the assets and liabilities of the proprietorship concern as going concern.

Hitesh Chunilal Shah, Dipti Hitesh Shah, Harshit Hitesh Shah, Ankit Manilal Gala, Kushal Pravin Haria, Prakash Lal Bahadur Singh and Shashikant Acchelal Tiwari were the initial subscribers to the Memorandum of Association of our Company.

Address of the Registered Office:

Registered Office	Building No.1 Shree Sai Logistics, Survey No.18/2E 18/2P 17/2A, 17/2B Part, Elkunde, Bhiwandi, Thane, Thane-421302, Maharashtra, India

Changes in Registered Office of the Company:

There has been no change in our Registered Office since incorporation.

Main Objects of Memorandum of Association:

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

1. To carry on in India or abroad the business to manufacture, produce, trade, resale, process, design, develop, invent, assemble, stock, fabricate, equipment manufacture, brand, rebrand, pack, Repack, distribute, market, sell online and offline, service, deal, import, export and other related activities allied thereto in relation to all kinds of pots and planters and such other allied Products related to garden, landscape, home décor, pets. Interior design, furnishing and decoration made from materials including but not limited to, plastic wood, WPC, fiberglass, composite, metals, ceramic, sand, clay, stone glass refractory and non-refractory, material composite other raw materials etc.
2. To take over business of a sole proprietorship named as 'Harshdeep Agro Products'.

Amendments to the Memorandum of Association:

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

Date of Meeting	Type of Meeting	Amendments
August 10, 2023	EGM	Increase in the authorized share capital of the Company from ₹15.00 Lakh divided into 1,50,000 Equity Shares of ₹ 10/- each to ₹2,000.00 Lakhs divided into 2,00,00,000 Equity Shares of ₹10/- each.
October 31, 2023	EGM	To alter the existing Sub Clause 1 of clause III(A) of the main objects of the Company was deleted and substituted with the following new Sub Clause 1 as under: 1. To carry on in India or abroad the business to manufacture, produce, trade, resale, process, design, develop, invent, assemble, stock, fabricate, equipment manufacture, brand, rebrand, pack, Repack, distribute, market, sell online and offline, service, deal, import, export and other related activities allied thereto in relation to all kinds of pots and planters and such other allied Products related to garden, landscape, home décor, pets. Interior design, furnishing and decoration made from materials including but not limited to, plastic wood, WPC, fiberglass, composite, metals, ceramic, sand, clay, stone glass refractory and non-refractory, material composite other raw materials etc.

Major events and milestones of our Company:

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

Year/ F.Y.	Key Events/ Milestone/ Achievements
2002	Starting the business under proprietorship as M/s Harshdeep Agro Products by our Promoter i.e., Hitesh Chunilal Shah
2022	Incorporation as Public Limited Company in the name of "Harshdeep Hortico Limited" under the Companies Act, 2013.
2023	Took over the business of proprietorship concern of promoter Hitesh Chunilal Shah, namely Harshdeep Agro Products

Our holding company:

As on the date of this Prospectus, our Company does not have a holding company.

Our Subsidiaries, Joint Ventures and Associates:

As on date of this Prospectus, our Company does not have any Subsidiaries, joint ventures or Associates.

Accumulated profits or losses:

As on the date of this Prospectus, there are no accumulated profits or losses of the firm that have not been accounted for or consolidated by our Company.

Strategic or Financial Partnerships:

As on the date of this Prospectus, Our Company does not have any strategic or financial partnerships.

Time and Cost Overruns in Setting up Projects:

There has been no time/ cost overrun in setting up projects by our Company.

Other details about our Company:

For details of our Company's activities, products, growth, awards & recognitions, capacity, location of manufacturing units, marketing strategy, competition please refer section titled ***"Our Business", "Management's Discussion and Analysis of Financial Conditions and Results of Operations" and "Basis for Issue Price"*** on pages 79, 169 and 63 respectively of this Prospectus. For details of our management and managerial competence and for details of shareholding of our Promoter, please refer to sections titled ***"Our Management"*** and ***"Capital Structure"*** beginning on page 103 and 47 of the Prospectus respectively.

Defaults or Rescheduling of Borrowings with Financial Institutions/ Banks:

There have been no defaults or rescheduling of borrowings with any financial institutions/banks as on the date of the Prospectus.

Details regarding material acquisitions or divestments of business/ undertakings, mergers, amalgamation, any revaluation of assets, etc.:

Our Company has acquired the running business of the M/s Harshdeep Agro Products proprietorship concern of the promoter Hitesh Chunilal Shah, namely M/s Harshdeep Agro Products along with the assets and liabilities of the proprietorship concern as going concern, pursuant to a Business Purchase Agreement dated April 03, 2023 entered among Hitesh Chunilal Shah proprietor of M/s Harshdeep Agro Products and Harshdeep Hortico Limited. Major details of the agreement are as below -

i. Our Company acquired the business of M/s Harshdeep Agro Products for an aggregate sale consideration of ₹ 1,143.84 Lakhs including specified assets and liabilities as on April 03, 2023;

ii. The company has issued 19,718 Equity shares at a price of ₹5,801 per equity shares of face value ₹10 each to Hitesh Chunilal Shah towards the sales payable to him amounting to ₹1,143.84 lakhs.

Shareholders Agreements:

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

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

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

Other Material Agreements:

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

OUR MANAGEMENT

Board of Directors:

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

Name, designation, age, date of birth, address, experience, occupation, qualification, current term, date of appointment and DIN	Other directorships
Hitesh Chunilal Shah **Designation:** Chairman & Managing Director **Age:** 49 years **Date of Birth:** May 27, 1974 **Address:** Flat No.5, 4th Floor, Arham CHS, Old Mumbai Road, Near St John High School, Charai, Thane West, Thane-400601, Maharashtra, India **Experience:** More than 20 Years **Occupation:** Business **Qualification:** Higher Senior Secondary Education (Class 12th) **Current Term:** For a period of five years with effect from September 01, 2023; not liable to retire by rotation **Period of Directorship:** Since incorporation **DIN:** 09843633	**Nil**
Harshit Hitesh Shah **Designation:** Whole-time Director & Chief Financial Officer **Age:** 25 years **Date of Birth:** February 10, 1998 **Address:** Flat No. 5, Arham CHS, Old Mumbai Road, Near St John High School, Charai, Thane W, Thane-400601, Maharashtra, India **Experience:** 2 Years **Occupation:** Business **Qualification:** Master of Business Administration **Current Term:** For a period of five years with effect from September 01, 2023; liable to retire by rotation **Period of Directorship:** Since incorporation **DIN:** 09843635	**Nil**
Dipti Hitesh Shah **Designation:** Non-Executive Director **Age:** 45 years	**Nil**

Name, designation, age, date of birth, address, experience, occupation, qualification, current term, date of appointment and DIN	Other directorships
Date of Birth: November 21, 1977 **Address:** Flat No. 5, Arham CHS, Old Mumbai Road, Near St John High School, Charai, Thane W, Thane-400601, Maharashtra, India **Experience:** 1 year **Occupation:** Business **Qualifications:** Senior Secondary Certificate (Class 10th) **Current Term:** Appointed with effect from September 01, 2023, liable to retire by rotation **Period of Directorship:** Since incorporation **DIN:** 09843634	
Megh Hitesh Shah **Designation:** Non-Executive Director **Age:** 18 years **Date of Birth:** May 17, 2005 **Address:** Flat No. 5, Arham CHS, Old Mumbai Road, Near St John High School, Charai, Thane W, Thane-400601, Maharashtra, India **Experience:** Fresher **Occupation:** Business **Qualifications:** Senior Secondary Education and Pursuing Chartered Accountant Course **Current Term:** Appointed with effect from September 01, 2023, liable to retire by rotation **Period of Directorship:** Since incorporation **DIN:** 10322752	**Nil**
Arjun Manish Bhanushali **Designation:** Independent Director **Age:** 25 years **Date of Birth:** April 25, 1998 **Address:** A-1101, Dhaivat, Kalpnagri Complex, Near Vaishali Nagar, B.R. Road, Mulund West, Mumbai-400080, Maharashtra, India **Experience:** 2 Years **Occupation:** Service **Qualification:** Chartered Accountant **Current Term:** For a period of 5 years with effect from September 25, 2023; not liable to retire by rotation **Period of Directorship:** From September 25, 2023	**Nil**

Name, designation, age, date of birth, address, experience, occupation, qualification, current term, date of appointment and DIN	Other directorships
DIN: 10322739	
Dhruva Hemandra Parekh **Designation:** Independent Director **Age:** 45 years **Date of Birth:** July 20, 1978 **Address:** 408 / A, Hari Ichha Banglow, Shankar Sheth Road Near Sharada Clinic Ghorpade Peth, Pune City-411042, Maharashtra, India **Experience:** 17 years **Occupation:** Business **Qualification:** Diploma in Interior Design & Decoration **Current Term:** For a period of 5 years with effect from September 25, 2023; not liable to retire by rotation **Period of Directorship:** Since September 25, 2023 **DIN:** 07039600	**1.** Dhandeep Seedtech India Private Limited

Brief Profile of Directors:

1. **Hitesh Chunilal Shah** is the Promoter and Chairman & Managing Director of our Company. He has been on the Board since incorporation. He is a visionary entrepreneur and has played a pivotal role in expanding business operations of our Company. He has a work experience of over 20 years in the industry and has completed his Higher Senior Secondary Education (Class 12th) from Maharashtra state board of Secondary & High Secondary Education, Pune in year 1992. He currently looks after the overall management of the Company. Under his guidance, our Company has witnessed continuous growth.

2. **Harshit Hitesh Shah** is the Whole-time Director & Chief Financial Officer of our Company. He has been on the Board since incorporation. He has completed his Master of Business Administration in 2021 from SVKM's Narsee Monjee Institute of Management Studies. He has an experience of around 2 years in the industry. He is currently looking after the finance and accounting and legal and secretarial function of our Company.

3. **Dipti Hitesh Shah** is the Non-Executive Director of our Company. She has an experience of around 1 year in the administration field. She has completed her Senior Secondary Certificate (Class 10th) from Maharashtra state board of Secondary & High Secondary Education, Pune in year 1993.

4. **Megh Hitesh Shah** is the Non-Executive Director of our Company. He has completed his Senior Secondary School from Maharashtra State Board of Secondary and Higher Secondary Education, Pune in year 2023.

5. **Arjun Manish Bhanushali** is an Independent Director of our Company. He has a work experience of around 2 years in Derivatives trading and portfolio management and Financial Management. He is a Qualified Member of the Institute of Chartered Accountants of India.

6. **Dhruva Hemandra Parekh** is the Independent Director of our Company. He has a work experience of around 17 years in horticulture business. He has done Diploma in Interior Design & Decoration in 2001.

Confirmations:

As on the date of this Prospectus:

a) None of our Directors is or was a director of any listed company during the last five years preceding the date of this Prospectus, whose shares has been or were suspended from being traded on the BSE or the NSE, during the term of their directorship in such company.

b) None of our Directors is or was a director of any listed company which has been or was delisted from any stock exchange during the tenure of their directorship in such company.

c) None of the Directors are categorized as a wilful defaulter or a fraudulent borrower, as defined under Regulation 2(1)(lll) of SEBI (ICDR) Regulations.

d) None of our Directors is declared as fugitive economic offender under section 12 of the Fugitive Economic Offenders Act, 2018.

Arrangements with major Shareholders, Customers, Suppliers or Others:

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

Service Contracts:

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

Details of Borrowing Powers of Directors:

Pursuant to a special resolution passed at an Extra-ordinary General Meeting of our Company held on May 16, 2023 and pursuant to provisions of Section 180(1)(c) and other applicable provisions, if any, of the Companies Act, 2013 and rules made thereunder, the Board of Directors of the Company have authorized to borrow monies from time to time, any sum or sums of money on such security and on such terms and conditions as the Board may deem fit, notwithstanding that the money to be borrowed together with the money already borrowed by our Company may exceed in the aggregate, its paid up capital and free reserves and security premium (apart from temporary loans obtained / to be obtained from bankers in the ordinary course of business), provided that the outstanding principal amount of such borrowing at any point of time shall not exceed in the aggregate of ₹ 200.00 Crore.

Compensation of our Managing Director & Whole-time Director:

The compensation payable to our Managing Director and Whole-time Director will be governed as per the terms of their appointment and shall be subject to the provisions of Sections 2(54), 2(94), 188, 196, 197, 198 and 203 and any other applicable provisions, if any of the Companies Act, 2013 read with Schedule V to the Companies Act, 2013 and the rules made there under (including any statutory modification(s) or re-enactment thereof or any of the provisions of the Companies Act, 1956, for the time being in force).

The following compensation has been approved for Managing Director & Whole time Director:

1. Hitesh Chunilal Shah: Chairman & Managing Director

Pursuant to the resolutions passed by our Board and our Shareholders on August 03, 2023 and August 28, 2023 respectively, Hitesh Chunilal Shah was appointed as Chairman & Managing Director for a period of five years with effect from September 01, 2023 at a remuneration, which is to be given by way of salary, dearness allowance, perquisites and other allowances or any other combination thereof which shall not exceed ₹ 240 lakhs p.a.

2. Harshit Hitesh Shah: Whole-time Director

Pursuant to the resolutions passed by our Board and our Shareholders on August 03, 2023 and August 28, 2023 respectively, Harshit Hitesh Shah was appointed as Whole-time Director for a period of five years with effect from September 01, 2023 at a remuneration, which is to be given by way of salary, dearness allowance, perquisites and other allowances or any other combination thereof which shall not exceed ₹ 60 lakhs p.a.

Payments or benefits to Directors:

The remuneration paid to our Directors in Fiscal 2023 is as follows:

Name of Director	Remuneration paid in F.Y. 2022-23 (₹ in lakhs)
Hitesh Chunilal Shah	0.00
Harshit Hitesh Shah	0.00
Dipti Hitesh Shah	0.00

Bonus or Profit-Sharing Plan for our directors:

We have no bonus or profit-sharing plan for our directors.

Sitting Fees:

Our Board of Directors have resolved in their meeting dated October 20, 2023 for payment of sitting fees to Directors (including independent directors) of the Company, such sum as may be decided by the Board of Directors which shall not exceed ₹ 1,00,000/- (Rupees One Lakh Only) per meeting of the Board or Committee thereof, attended by such director.

Shareholding of our Directors as on the date of this Prospectus:

Sr. No.	Name of the Directors	No. of Shares Held	Holding in % (pre-issue)
1.	Hitesh Chunilal Shah	1,13,69,430	95.93
2.	Dipti Hitesh Shah	1,69,150	1.43
3.	Harshit Hitesh Shah	170	Negligible
4.	Megh Hitesh Shah	170	Negligible
	Total	**1,15,38,920**	**97.36**

None of the Independent Directors of the Company holds any Equity Shares of Company as on the date of this Prospectus.

We do not have any Subsidiary Company as defined under Section 2(87) of the Companies Act, 2013.

Our Articles of Association do not require our directors to hold any qualification Equity Shares in the Company.

INTEREST OF DIRECTORS

All the Directors may be deemed to be interested to the extent of remuneration and reimbursement of expenses payable to them under the Articles, and to the extent of remuneration paid to them for services rendered as an officer or employee of the Company. For further details, please refer to Chapter titled ***"Our Management"*** beginning on page 103 of this Prospectus.

Our directors may also be regarded as interested to the extent of their shareholding and dividend payable thereon, if any, and to the extent of Equity Shares, if any held by them in our Company or held by their relatives. Further our directors are also interested to the extent of unsecured loans, if any, given by them to our Company or by their relatives or by the companies/ firms in which they are interested as directors/ Members/ Partners. Further our directors are also interested to the extent of loans, if any, taken by them or their relatives or taken by the companies/ firms in which they are interested as Directors/ Members/ Partners and for the details of Personal Guarantee given by Directors towards Financial facilities of our Company please refer to ***"Statement of Financial Indebtedness"*** on page 167 of this Prospectus.

Except as stated otherwise in this Prospectus, our Company has not entered into any Contract, Agreements or Arrangements during the preceding two years from the date of the Prospectus in which the Directors are interested directly or indirectly and no payments have been made to them in respect of the contracts, agreements or arrangements which are proposed to be entered into with them.

Interest of Directors & KMP in the property of Our Company:

Except as disclosed below, our directors & KMP's do not have any interest in any property acquired by our Company in a period of two years before filing of this Prospectus or proposed to be acquired by us as on date of filing the Prospectus with RoC:

Sr. No.	Usage	Address	Nature of Interest
1.	Registered Office & Manufacturing Unit-I	Building No.1 Shree Sai Logistics, Survey No.18/2E 18/2P 17/2A, 17/2B Part, Elkunde, Bhiwandi, Thane - 421302, Maharashtra - India	**Rented-** The said property has been obtained on lease vide leave and license agreement dated September 26, 2023 from M/s Shankheshwar Kreaters by Hitesh Chunilal Shah, Promoter & Managing Director of the company; which was further Sub-let to the company vide sub-lease agreement dated May 01, 2023 in accordance to the original leave and license agreement.
2.	Manufacturing Unit– II	Gat No. 589, Darekarwadi Road, Boriaind, Daund, Pune -412202, Maharashtra, India	The said property has been obtained from Hitesh Chunilal Shah on rent vide rent agreement dated April 01, 2023
3.	Store-II	Gat No - 744 /A, Pune-Solapur Road, Sortapwadi Phata, Opposite Bank Of Baroda, Pune-412202 Maharashtra, India	The said property has been obtained from Dipti Hitesh Shah on rent vide rent agreement dated April 01, 2023

Sr. No.	Usage	Address	Nature of Interest
4.	Store-III	D No. 3-377/1, NH-16, Opposite Subramanyeswara Temple, Burrilanka, East Godavari District - 533126, Andhra Pradesh, India.	The said property has been obtained from Hitesh Chunilal Shah on rent vide rent agreement dated May 23, 2023.

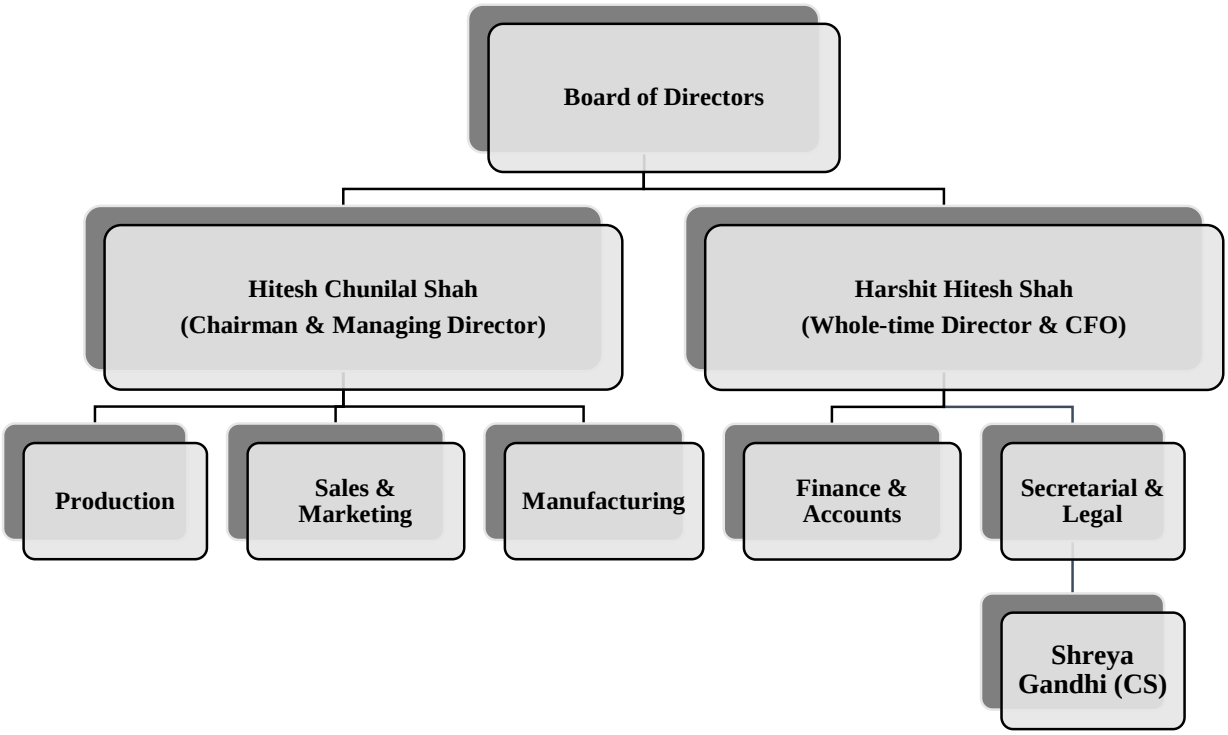
Except as stated in this section ***"Our Management"*** or the section titled ***"Financial information of the Company –Annexure Y - Related Party Disclosure"*** beginning on page 103 and 141 respectively of this Prospectus, and except to the extent of shareholding in our Company, our Directors do not have any other interest in our business.

Changes in Board of Directors in Last 3 Years:

Name	Designation (at the time of appointment/ Change in designation / Cessation)	Date of Appointment/ Change in designation/ Cessation	Reason
Hitesh Chunilal Shah	Change in Designation from Director to Chairman & Managing Director	September 01, 2023	To ensure better Corporate Governance and compliance with Companies Act, 2013.
Harshit Hitesh Shah	Change in Designation from Director to Whole-time Director	September 01, 2023	
Dipti Hitesh Shah	Change in Designation from Executive Director to Non-Executive Director	September 01, 2023	
Megh Hitesh Shah	Appointment as Non-Executive Director	September 25, 2023	
Arjun Manish Bhanushali	Appointment as Independent Director	September 25, 2023	
Dhruva Hemandra Parekh	Appointment as Independent Director	September 25, 2023	

MANAGEMENT ORGANISATION STRUCTURE

The following chart depicts our Management Organization Structure:



COMPLIANCE WITH CORPORATE GOVERNANCE

In addition to the applicable provisions of the Companies Act, 2013, provisions of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 and SEBI (ICDR) Regulations, 2018 will be applicable to our Company immediately upon the listing of our Company's Equity Shares on the SME platform of BSE (BSE SME). The requirements pertaining to the composition of the Board of Directors and the constitution of the committees such as the Audit Committee, Stakeholders Relationship Committee and Nomination & Remuneration Committee as applicable on us, have been complied with.

Our Board has been constituted in compliance with the Companies Act, 2013 and in accordance with the best practices in corporate governance. Our Board functions either as a full board or through various committees constituted to oversee specific operational areas. The executive management provides our Board detailed reports on its performance periodically.

Our Board of Directors consist of six (6) directors of which two (2) are Independent Directors, and we have one women director on the Board. The constitution of our Board is in compliance with Section 149 of the Companies Act, 2013.

Our Company has constituted the following committees:

1. Audit Committee

Our Company has formed an Audit Committee, vide Board Resolution dated October 20, 2023 as per the applicable provisions of the Section 177 of the Companies Act, 2013 read with rule 6 of the companies (Meeting of board and its power) Rules, 2014 and Regulation 18 of SEBI Listing Regulations. The Audit Committee comprises following members:

Name of the Director	Status in Committee	Nature of Directorship
Arjun Manish Bhanushali	Chairman	Independent Director
Dhruva Hemandra Parekh	Member	Independent Director
Harshit Hitesh Shah	Member	Whole Time Director

The Company Secretary of our Company shall act as a Secretary to the Audit Committee. The scope and function of the Audit Committee and its terms of reference shall include the following:

A. Tenure of the committee:
The Audit Committee shall continue to be in function as a committee of the Board until otherwise resolved by the Board, to carry out the functions of the Audit Committee as approved by the Board.

B. Meetings of the Committee:
The committee shall meet at least four times in a year and not more than four months shall elapse between any two meetings. The quorum for the meeting shall be either two members or one third of the members of the committee, whichever is higher but there shall be presence of minimum two Independent members at each meeting. The Chairman of the Audit Committee shall attend the Annual General Meeting of our Company to answer shareholder queries.

C. Power of the Committee:
The Audit Committee shall have powers, including the following:

a) to investigate any activity within its terms of reference;
b) to seek information from any employee;
c) to obtain outside legal or other professional advice;
d) to secure attendance of outsiders with relevant expertise, if it considers necessary as may be prescribed under the Companies Act, 2013 (together with the rules thereunder) and SEBI Listing Regulations; and
e) To have full access to information contained in records of Company.

D. Role of the Committee:
The Role of Audit Committee together with its powers as per Part C of Schedule II of SEBI Listing Regulation and Companies Act, 2013 shall be as under:

1) Overseeing the Company's financial reporting process and disclosure of its financial information to ensure that its financial statements are correct, sufficient and credible;
2) Recommending to the Board for the appointment, re-appointment, replacement, remuneration and terms of appointment of the statutory auditors of the Company;
3) Reviewing and monitoring the statutory auditor's independence and performance, and effectiveness of audit process;
4) Approving payments to the statutory auditors for any other services rendered by the statutory auditors;
5) Reviewing, with the management, the annual financial statements and auditor's report thereon before submission to the Board for approval, with particular reference to:
    a. Matters required to be included in the Director's Responsibility Statement to be included in the Board's report in terms of clause (c) of sub-section 3 of Section 134 of the Companies Act;
    b. Changes, if any, in accounting policies and practices and reasons for the same;
    c. Major accounting entries involving estimates based on the exercise of judgment by management;
    d. Significant adjustments made in the financial statements arising out of audit findings;
    e. Compliance with listing and other legal requirements relating to financial statements;
    f. Disclosure of any related party transactions; and

   g. Qualifications and modified opinions in the draft audit report.

6) Reviewing, with the management, the quarterly, half-yearly and annual financial statements before submission to the Board for approval;
7) Reviewing, with the management, the statement of uses/ application of funds raised through an issue (public issue, rights issue, preferential issue, etc.), the statement of funds utilized for purposes other than those stated in the offer document/ prospectus/ notice and the report submitted by the monitoring agency monitoring the utilization of proceeds of a public or rights issue, and making appropriate recommendations to the Board to take up steps in this matter. This also includes monitoring the use/application of the funds raised through the proposed initial public offer by the Company;
8) Approval or any subsequent modifications of transactions of the Company with related parties and omnibus approval for related party transactions proposed to be entered into by the Company subject to such conditions as may be prescribed;
9) Scrutiny of inter-corporate loans and investments;
10) Valuation of undertakings or assets of the Company, wherever it is necessary;
11) Evaluation of internal financial controls and risk management systems;
12) Establishing a vigil mechanism for directors and employees to report their genuine concerns or grievances;
13) Reviewing, with the management, the performance of statutory and internal auditors, and adequacy of the internal control systems;
14) Reviewing the adequacy of internal audit function if any, including the structure of the internal audit department, staffing and seniority of the official heading the department, reporting structure coverage and frequency of internal audit;
15) Discussing with internal auditors on any significant findings and follow up thereon;
16) Reviewing the findings of any internal investigations by the internal auditors into matters where there is suspected fraud or irregularity or a failure of internal control systems of a material nature and reporting the matter to the Board;
17) Discussing with statutory auditors before the audit commences, about the nature and scope of audit as well as post-audit discussion to ascertain any area of concern;
18) Looking into the reasons for substantial defaults in the payment to the depositors, debenture holders, shareholders (in case of non-payment of declared dividends) and creditors;
19) Reviewing the functioning of the whistle blower mechanism;
20) Approving the appointment of the chief financial officer or any other person heading the finance function or discharging that function after assessing the qualifications, experience and background, etc. of the candidate;
21) Reviewing the utilization of loans and/ or advances from/investment by the holding company in any subsidiary exceeding ₹1,000 million or 10% of the asset size of the subsidiary, whichever is lower including existing loans / advances / investments;
22) Considering and commenting on the rationale, cost-benefits and impact of schemes involving merger, demerger, amalgamation etc., on the Company and its shareholders;
23) Such roles as may be delegated by the Board and/or prescribed under the Companies Act, 2013 and SEBI Listing Regulations or other applicable law.

Further, the Audit Committee shall mandatorily review the following:

1) management discussion and analysis of financial condition and results of operations;
2) statement of significant related party transactions (as defined by the audit committee), submitted by management;
3) management letters / letters of internal control weaknesses issued by the statutory auditors;
4) internal audit reports relating to internal control weaknesses;
5) the appointment, removal and terms of remuneration of the chief internal auditor shall be subject to review by the audit committee; and
6) statement of deviations:
   a. quarterly statement of deviation(s) including report of monitoring agency, if applicable, submitted to stock exchange(s) in terms of Regulation 32(1) of the SEBI ICDR Regulations;
   b. Annual statement of funds utilized for purposes other than those stated in the offer document/prospectus/notice in terms of Regulation 32(7) of the SEBI ICDR Regulations.

2. Stakeholders Relationship Committee

Our Company has formed an Stakeholders Relationship Committee vide Board Resolution dated October 20, 2023 as per the applicable provisions of the Section 178(5) of the Companies Act, 2013 read with rule 6 of the companies (Meeting of board and its power) rules, 2014 and Regulation 20 of SEBI Listing Regulations. The Stakeholders Relationship Committee comprises following members:

Name of the Director	Status in Committee	Nature of Directorship
Arjun Manish Bhanushali	Chairman	Independent Director
Dhruva Hemandra Parekh	Member	Independent Director
Harshit Hitesh Shah	Member	Whole Time Director

The scope and function of the Committee and its terms of reference shall include the following:

A. Tenure of the committee:

The Stakeholders Relationship Committee shall continue to be in function as a committee of the Board until otherwise resolved by the Board, to carry out the functions of the Stakeholders Relationship Committee as approved by the Board.

B. Meetings of the committee:

The Stakeholders Relationship Committee shall meet at least once a year and shall report to the Board on a quarterly basis regarding the status of redressal of complaints received from the shareholders of the Company. The Chairman of the Stakeholders Relationship Committee shall be present at the Annual General Meeting to answer queries of the securities holders. The Quorum shall be two members present.

C. Terms of Reference:

The role of the Stakeholders Relationship Committee as per Part D of Schedule II of the SEBI Listing Regulations and Companies Act, 2013 shall be as under:

1. 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.;
2. Review of measures taken for effective exercise of voting rights by shareholders;
3. 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;
4. 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;
5. Allotment, transfer of shares including transmission, splitting of shares, changing joint holding into single holding and vice versa, issue of duplicate shares in lieu of those torn, destroyed, lost or defaced or where the space at back for recording transfers have been fully utilized;
6. Formulation of procedures in line with the statutory guidelines to ensure speedy disposal of various requests received from shareholders from time to time;
7. To issue duplicate share or other security(ies) certificate(s) in lieu of the original share/security(ies) certificate(s) of the Company;
8. Non-receipt of share certificate(s), non-receipt of declared dividends, non-receipt of interest/ dividend warrants, non-receipt of annual report and any other grievance/ complaints with Company or any officer of the Company arising out in discharge of his duties;
9. Oversee the performance of the Registrar & Share Transfer Agent and also review and take note of complaints directly received and resolved them;
10. Oversee the implementation and compliance of the Code of Conduct adopted by the Company for prevention of Insider Trading for Listed Companies as specified in the Securities & Exchange Board of India (Prohibition of insider Trading) Regulations, 2015 as amended from time to time;
11. Any other power specifically assigned by the Board of Directors of the Company from time to time by way of resolution passed by it in a duly conducted Meeting; and
12. Such roles as may be delegated by the Board and/ or prescribed under the Companies Act, 2013 and SEBI Listing Regulations or other applicable law.

3. Nomination and Remuneration Committee

Our Company has formed a Nomination and Remuneration Committee vide Board Resolution dated October 20, 2023 as per the applicable provisions of the Schedule V and other applicable provisions of the Companies Act, 2013 read with rule 6 of the companies (Meeting of board and its power) rules, 2014 and Regulation 19 of SEBI Listing Regulations. The Nomination and Remuneration Committee comprises following members:

Name of the Director	Status in Committee	Nature of Directorship
Arjun Manish Bhanushali	Chairman	Independent Director
Dhruva Hemandra Parekh	Member	Independent Director
Dipti Hitesh Shah	Member	Non-Executive Director

The scope and function of the Committee and its terms of reference shall include the following:

A. Tenure of the committee:

The Nomination and Remuneration Committee shall continue to be in function as a committee of the Board until otherwise resolved by the Board.

B. Meetings of the committee:

The committee shall meet as and when the need arises, subject to at least once in a year. The quorum for a meeting of the Nomination and Remuneration Committee shall be either two members or one third of the members of the committee, whichever is greater, including at least one independent director in attendance. The Chairman of the Nomination and

Remuneration Committee is entitled to attend the general Meeting of the company to furnish clarifications to the shareholders on any matter relating to remuneration.

C. Role of Terms of Reference:

The role of the Nomination and Remuneration Committee as per Part D of Schedule II of the SEBI Listing Regulations and Companies Act, 2013 shall be as under:

1. formulating the criteria for determining qualifications, positive attributes and independence of a director and recommend to the Board a policy relating to the remuneration of the directors, key managerial personnel and other employees;
2. For the appointment of an independent director, the 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 of directors of the Company for appointment as an independent director shall have the capabilities identified in such description. For the purpose of identifying suitable candidates, the Committee may:
    a. use the services of external agencies, if required;
    b. consider candidates from a wide range of backgrounds, having due regard to diversity; and
    c. Consider the time commitments of the candidates.
3. formulation of criteria for evaluation of the performance of independent directors and the Board;
4. devising a policy on diversity of our Board;
5. identifying persons, who are qualified to become directors or who may be appointed in senior management in accordance with the criteria laid down, recommending to the Board their appointment and removal and carrying out evaluation of every director's performance;
6. determining whether to extend or continue the term of appointment of the independent director, on the basis of the report of performance evaluation of independent directors;
7. recommending remuneration of executive directors and any increase therein from time to time within the limit approved by the members of our Company;
8. recommending remuneration to non-executive directors in the form of sitting fees for attending meetings of the Board and its committees, remuneration for other services, commission on profits;
9. recommending to the Board, all remuneration, in whatever form, payable to senior management;
10. performing such functions as are required to be performed by the compensation committee under the SEBI (Share Based Employee Benefits and Sweat Equity) Regulations, 2021, as amended;
11. engaging the services of any consultant/professional or other agency for the purpose of recommending compensation structure/policy;
12. analyzing, monitoring and reviewing various human resource and compensation matters;
13. reviewing and approving compensation strategy from time to time in the context of the then current Indian market in accordance with applicable laws;
14. framing suitable policies and systems to ensure that there is no violation, by an employee of any applicable laws in India or overseas, including:
    a. The SEBI (Prohibition of Insider Trading) Regulations, 2015, as amended; or
    b. The SEBI (Prohibition of Fraudulent and Unfair Trade Practices relating to the Securities Market) Regulations, 2003, as amended; and
15. Performing such other functions as may be delegated by the Board and/or prescribed under the SEBI Listing Regulations, Companies Act, each as amended or other applicable law.

KEY MANAGERIAL PERSONNEL

Our Company is supported by a team of professionals having exposure to various operational aspects of our business. A brief detail about the Key Managerial Personnel of our Company is provided below:

Name, Designation & Educational Qualification	Age (Years)	Year of Joining	Remuneration paid for F.Y. ended 2022-23 (in ₹ Lakhs)	Overall experience (in years)	Previous employment
Hitesh Chunilal Shah **Designation:** Chairman & Managing Director **Educational Qualification:** Higher Senior Secondary Education (Class 12th) **Term of office:** For a period of five years with effect from September 01, 2023; not liable to retire by rotation	49	2022	Nil	20	-
Harshit Hitesh Shah **Designation:** Whole-time Director & Chief Financial Officer	25	2022	Nil	2	-

Name, Designation & Educational Qualification	Age (Years)	Year of Joining	Remuneration paid for F.Y. ended 2022-23 (in ₹ Lakhs)	Overall experience (in years)	Previous employment
Educational Qualification: Master of Business Administration **Term of office:** For a period of five years with effect from September 01, 2023; liable to retire by rotation					
Shreya Gandhi **Designation:** Company Secretary and Compliance Officer **Educational Qualification:** Company Secretary	30	2023	Nil	5	M. Maheshwari & Associates

BRIEF PROFILE OF KEY MANAGERIAL PERSONNEL

Hitesh Chunilal Shah- Please refer to section **"Brief Profile of our Directors"** beginning on page 103 of this Prospectus for details.

Harshit Hitesh Shah- Please refer to section **"Brief Profile of our Directors"** beginning on page 103 of this Prospectus for details.

Shreya Gandhi is the Company Secretary and Compliance officer of our Company. She is the member of Institute of Company Secretaries of India since 2015. She has an experience of over 5 years in the secretarial matters. She looks after the overall corporate governance and secretarial matters of our Company. She has been appointed as Company Secretary and Compliance Officer of our Company with effect from October 20, 2023.

We confirm that:

a. All the persons named as our Key Managerial Personnel above are the permanent employees of our Company.
b. There is no understanding with major shareholders, customers, suppliers or any others pursuant to which any of the above-mentioned Key Managerial Personnel have been recruited.
c. None of our KMPs except Hitesh Chunilal Shah and Harshit Hitesh Shah are also part of the Board of Directors.
d. In respect of all above mentioned Key Managerial Personnel there has been no contingent or deferred compensation accrued for the four months period ended July 31, 2023.
e. Except for the terms set forth in the appointment letters, the Key Managerial Personnel have not entered into any other contractual arrangements or service contracts (including retirement and termination benefits) with the issuer.
f. Our Company does not have any bonus/ profit sharing plan for any of the Key Managerial Personnel.
g. None of the Key Managerial Personnel in our Company hold any shares of our Company as on the date of filing of this Prospectus except:

Sr. No.	Name of the KMP's	No. of Shares held
1	Hitesh Chunilal Shah	1,13,69,430
2	Harshit Hitesh Shah	170
	Total	**1,13,69,600**

h. Presently, we do not have ESOP/ ESPS scheme for our employees.

Nature of any family relationship between our Directors and Key Managerial Personnel (KMP)

The Directors and KMPs of the Company are related to each other within the meaning of section 2 (77) of the Companies Act, 2013. Details of which are as follows:

Sr. No.	Name of the Director/ KMP	Relationship with other Directors/ KMP's
1.	Hitesh Chunilal Shah	Husband of Dipti Hitesh Shah and Father of Harshit Hitesh Shah & Megh Hitesh Shah
2.	Dipti Hitesh Shah	Wife of Hitesh Chunilal Shah and Mother of Harshit Hitesh Shah & Megh Hitesh Shah
3.	Harshit Hitesh Shah	Son of Hitesh Chunilal Shah & Dipti Hitesh Shah and Brother Megh Hitesh Shah
4.	Megh Hitesh Shah	Son of Hitesh Chunilal Shah & Dipti Hitesh Shah and Brother Harshit Hitesh Shah

Payment of benefits to officers of Our Company (*non-salary related*)

Except as disclosed in this Prospectus and any statutory payments made by our Company to its officers, our Company has not paid any sum, any non-salary related amount or benefit to any of its officers or to its employees including amounts towards super-annuation, ex-gratia/ rewards.

Except statutory benefits upon termination of employment in our Company or superannuation, no officer of our Company is entitled to any benefit upon termination of such officer's employment in our Company or superannuation. Contributions are made by our Company towards provident fund, gratuity fund and employee state insurance.

Changes in the Key Managerial Personnel in last three years:

There have been no changes in the Key Managerial Personnel of our Company during the last 3 (three) year except as stated below:

Name	Designation (at the time of appointment/ Change in designation/ Cessation)	Date of Appointment/ Change in designation/ Cessation	Reason
Hitesh Chunilal Shah	Change in Designation from Director to Chairman & Managing Director	September 01, 2023	To ensure better Corporate Governance and compliance with Companies Act, 2013
Harshit Hitesh Shah	Change in Designation from Director to Whole-time Director	September 01, 2023	
Shreya Gandhi	Appointed as Company Secretary & Compliance Officer	October 20, 2023	

Interest of Our Key Managerial Persons

Apart from the shares held in the Company and to extent of remuneration allowed and reimbursement of expenses incurred by them for or on behalf of the Company and to the extent of loans and advances made to or borrowed from the Company, none of our key managerial personal are interested in our Company. For details, please refer section titled ***"Financial information of the Company – Annexure Y- Related Party Disclosures"*** beginning on page 141 of this Prospectus.

Details of Service Contracts of the Key Managerial Personnel

Except for the terms set forth in the appointment letters, the Key Managerial Personnel have not entered into any other contractual arrangements with our Company for provision of benefits or payments of any amount upon termination of employment.

Loans given/ availed by Directors/ Key Managerial Personnel of Our Company

For details of unsecured loan taken from or given to our Directors/ KMPs and for details of transaction entered by them in the past please refer to ***"Annexure Y- Related Party Disclosures"*** page 141 of this Prospectus.

ESOP/ ESPS SCHEME TO EMPLOYEES

Presently, we do not have any ESOP/ ESPS Scheme for our employees.

OUR PROMOTER & PROMOTER GROUP

Our Promoter:

The promote of our Company is Hitesh Chunilal Shah.

As on date of this Prospectus, the Promoter, holds 1,13,69,430 Equity shares of our Company, representing 95.93% of the pre-issue paid-up Equity Share capital of our Company. For details of the build-up of the Promoter's shareholding in our Company, see ***"Capital Structure-Capital Build-up in respect of Shareholding of our Promoter"***, on page 47 of this Prospectus.

Details of our Promoter:

Hitesh Chunilal Shah- Chairman and Managing Director	
Qualification	Higher Senior Secondary Education (Class 12th)
Age	49 years
Date of Birth	May 27, 1974
Address	Flat No.5, 4th Floor, Arham CHS, Old Mumbai Road, Near St John High School, Charai, Thane West, Thane-400601, Maharashtra, India
Experience	More than 20 Years
Occupation	Business
PAN	AJUPS5386A
No. of Equity Shares &% of Shareholding (Pre-Issue)	1,13,69,430 Equity Shares aggregating to 95.93% of Pre-Issue Paid up Share Capital
Other Ventures	**Proprietorship Firm:** 1. Harshdeep Agro Products **Partnership Firm:** 1. Emdee Roto **HUF:** 1. Hitesh C Shah HUF

*For brief biography of our Individual Promoter, please refer to Chapter titled **"Our Management"** beginning on page 103 of this Prospectus.*

Confirmations/ Declarations:

In relation to our individual Promoter, our Company confirms that the PAN, bank account number, passport number, Aadhaar card number and driving license number shall be submitted to BSE at the time of filing of this Prospectus. And, in relation to our non-individual promoter, our Company confirms that the PAN and bank account number shall be submitted to BSE at the time of filing of this Prospectus.

Undertaking/ Confirmations:

None of our Promoter or Promoter Group or Group Company or person in control of our Company has been:

- Prohibited or debarred from accessing or operating in the capital market or restrained from buying, selling or dealing in securities under any order or direction passed by SEBI or any other authority or
- Refused listing of any of the securities issued by such entity by any stock exchange, in India or abroad.
- No material regulatory or disciplinary action is taken by any stock exchange or regulatory authority in the past one year in respect of our Promoter, Group Company and Company promoted by the promoter of our company.
- There are no defaults in respect of payment of interest and principal to the debenture/ bond/ fixed deposit holders, banks, FIs by our Company, our Promoter, Group Company and Company promoted by the promoter during the past three years.
- The litigation record, the nature of litigation, and status of litigation of our Company, Promoter, Group company and Company promoted by the Promoter are disclosed in chapter titled **"Outstanding Litigations and Material Developments"** beginning on page 176 of this Prospectus.
- None of our Promoter, person in control of our Company are or have ever been a promoter, director or person in control of any other company which is debarred from accessing the capital markets under any order or direction passed by the SEBI or any other authority.

Interest of our Promoter:

i) Interest in promotion and shareholding of Our Company:

Our Promoter are interested in the promotion of our Company and also to the extent of their shareholding and shareholding of their relatives, from time to time, for which they are entitled to receive dividend payable, if any, and other distribution in respect of the Equity Shares held by him and his relatives. As on the date of this Prospectus, our Promoter, Hitesh Chunilal Shah, holds 1,13,69,430 Equity Shares in our Company i.e., 95.93% of the pre issue paid up Equity Share Capital of our Company. Our Promoter may also be deemed to be interested to the extent of the remuneration, as per the terms of their appointment and reimbursement of expenses payable to them for the rent, purchase and sale transactions. For details, please refer to ***Annexure Y– "Related Party Transactions"*** beginning on page 141 of this Prospectus.

For details regarding the shareholding of our Promoter in our Company, please see ***"Capital Structure"*** on page 47 of this Prospectus.

ii) Interest in the property of Our Company:

Except as disclosed below, our Promoter do not have any other interest in any property acquired by our Company in a period of two years before filing of this Prospectus or proposed to be acquired by us as on date of this Prospectus:

Sr. No.	Usage	Address	Nature of Interest
1.	Registered Office & Manufacturing Unit-I	Building No.1 Shree Sai Logistics, Survey No.18/2E 18/2P 17/2A, 17/2B Part, Elkunde, Bhiwandi, Thane - 421302, Maharashtra - India	**Rented**- The said property has been obtained on lease vide leave and license agreement dated September 26, 2023 from M/s Shankheshwar Kreaters by Hitesh Chunilal Shah, Promoter & Managing Director of the company; which was further Sub-let to the company vide sub-lease agreement dated May 01, 2023 in accordance to the original leave and license agreement.
2.	Manufacturing Unit– II	Gat No. 589, Darekarwadi Road, Boriaind, Daund, Pune -412202, Maharashtra, India	The said property has been obtained from Hitesh Chunilal Shah on rent vide rent agreement dated April 01, 2023
3.	Store-III	D No. 3-377/1, NH-16, Opposite Subramanyeswara Temple, Burrilanka, East Godavari District - 533126, Andhra Pradesh, India.	The said property has been obtained from Hitesh Chunilal Shah on rent vide rent agreement dated May 23, 2023.

iii) ***In transactions for acquisition of land, construction of building and supply of machinery:***

Except as mentioned in point (ii) above, none of our promoter or directors is interested in any transaction for the acquisition of land, construction of building or supply of machinery.

iv) Other Interests in our Company:

For transactions in respect of loans and other monetary transactions entered in past please refer ***Annexure Y*** *on* ***"Related Party Transactions"*** *on page* 141 *forming part of* ***"Financial Information of the Company"*** *of this Prospectus.*

Further, our promoter may be interested to the extent of personal guarantees given by them in favour of the Company, for the details of Personal Guarantee given by Promoter towards Financial facilities of our Company please refer to ***"Statement of Financial Indebtedness"*** and ***"Financial Information of Our Company"*** on page 167 and 119 respectively of this Prospectus.

Payment or Benefits to our Promoter and Promoter Group during the last 2 years:

For details of payments or benefits paid to our Promoter and Promoter Group, please refer to the paragraph ***"Compensation of our Chairman"*** in the chapter titled ***"Our Management"*** beginning on page 103 also refer ***Annexure Y*** *on* ***"Related Party Transactions"*** on page 141 forming part of "***Financial Information of the Company"*** and Paragraph on ***"Interest of Promoter"*** in chapter titled "***Our Promoter and Promoter Group***" on page 115 of this Prospectus.

Companies/ Firms with which our Promoter have disassociated in the last (3) three years

Our promoter has not disassociated himself from any of the Company, Firms or other entities during the last three years preceding the date of this Prospectus:

Other ventures of our Promoter

Save and except as disclosed in this section titled ***"Our Promoter & Promoter Group"*** beginning on page 115 of this Prospectus, there are no ventures promoted by our Promoter in which they have any business interests/ other interests.

Litigation details pertaining to our Promoter

For details on litigations and disputes pending against the Promoter and defaults made by the Promoter please refer to the section titled ***"Outstanding Litigations and Material Developments"*** beginning on page 176 of this Prospectus.

Experience of Promoter in the line of business

Our Promoter, Hitesh Chunilal Shah has an experience of more than 20 years in the industry. The Company shall also endeavor to ensure that relevant professional help is sought as and when required in the future.

Related Party Transactions

Except as stated in ***"Annexure Y- Related Party Transactions***" beginning on page 141 of this Prospectus, and as stated therein, our Promoter or any of the Promoter Group Entities do not have any other interest in our business.

OUR PROMOTER GROUP:

In addition to the Promoter, the following individual and entities are part of our Promoter Group:

1. Natural Persons who are part of the Promoter Group

As per Regulation 2(1)(pp)(ii) of the SEBI (ICDR) Regulations, 2018, the Natural persons who are part of the Promoter Group (due to their relationship with the Promoter) are as follows:

Relationship with Promoter	Hitesh Chunilal Shah
Father	Chunilal Khimji Gogari
Mother	Madhuri Chunilal Gogari
Spouse	Dipti Hitesh Shah
Brother	-
Sister	Neena Vijay Shah
	Bhavana Mulchand Gala
	Darshana Pravin Haria
Son	Harshit Hitesh Shah
	Megh Hitesh Shah
Daughter	-
Spouse's Father	Rambhia Lalji
Spouse's Mother	Maniben Lalji
Spouse's Brother	-
Spouse's Sister	-

2. Corporate Entities or Firms forming part of the Promoter Group

As per Regulation 2(1)(pp)(iv) of the SEBI (ICDR) Regulations, 2018, the following entities forms part of our Promoter Group:

Sr. No.	Nature of Relationship	Name of Entities
A.	Any Body Corporate in which 20% or more of the Equity Share Capital is held by Promoter or an immediate relative of the Promoter or a firm or Hindu Undivided Family (HUF) in which Promoter or any one or more of his immediate relatives are a member.	-
B.	Any Body Corporate in which a body corporate as provided in (A) above holds twenty per cent or more, of the equity share capital.	-
C.	Any Hindu Undivided Family or firm in which the aggregate share of the promoter and their relatives is equal to or more than twenty per cent of the total capital.	**Partnership Firms:** 1. Emdee Roto **Proprietorship Firms:** 1. Harshdeep Agro Products **HUF's:** 1. Hitesh C Shah HUF

3. Other Persons included in Promoter Group:

None of other persons forms part of promoter group for the purpose of shareholding of the Promoter Group under Regulation 2(1)(pp)(v) of SEBI (ICDR) Regulations 2018**.**

DIVIDEND POLICY

Under the Companies Act, our Company can pay dividends upon a recommendation by our Board of Directors and approval by the shareholders at the general meeting of our Company. The Articles of Association of our Company give our shareholders, the right to decrease, and not to increase, the amount of dividend recommended by the Board of Directors.

The Articles of Association of our Company also gives the discretion to our Board of Directors to declare and pay interim dividends. No dividend shall be payable for any financial except out of profits of our Company for that year or that of any previous financial year or years, which shall be arrived at after providing for depreciation in accordance with the provisions of Companies Act, 2013.

Our Company does not have any formal dividend policy for declaration of dividend in respect of the Equity Shares. The declaration and payment of dividend will be recommended by our Board of Directors and approved by the shareholders of our Company at their discretion and may depend on a number of factors, including the results of operations, earnings, Company's future expansion plans, capital requirements and surplus, general financial condition, contractual restrictions, applicable Indian legal restrictions and other factors considered relevant by our Board of Directors.

Our Company has not declared any dividend on the Equity Shares in the four months period ended July 31, 2023 and financial year ended March 31, 2023 to the date of the filing of this Prospectus. Our Company's corporate actions pertaining to payment of dividends in the past are not to be taken as being indicative of the payment of dividends by our Company in the future.

SECTION VI FINANCIAL INFORMATION OF THE COMPANY

RESTATED FINANCIAL STATEMENTS

INDEPENDENT AUDITOR'S REPORT ON RESTATED FINANCIAL INFORMATION

To,
The Board of Directors of
Harshdeep Hortico Limited,
Building No.1 Shree Sai Logistics, Survey No.18/2E 18/2P 17/2A, 17/2B Part,
Elkunde, Bhiwandi, Thane, Thane, Maharashtra, India, 421302,

Dear Sir,

Reference: - Proposed Public Issue of Equity Shares of **Harshdeep Hortico Limited**

We have examined the attached Restated Financial Statement of **Harshdeep Hortico Limited** (hereunder referred to "the Company", "Issuer") comprising the Restated Statement of Assets and Liabilities as at July 31, 2023 and March 31, 2023, the Restated Statement of Profit & Loss, the Restated Cash Flow Statement for the period ended July 31, 2023 and year ended March 31, 2023, the statement of Significant Accounting Policies and other explanatory Information (Collectively the Restated Financial Statement) as approved by the Board of Directors in their meeting held on November 03, 2023 for the purpose of inclusion in the Draft Red Herring Prospectus/ Red Herring Prospectus/Prospectus ("Offer Document") in connection with its proposed Initial Public Offering (IPO) of equity shares, prepared by the Company in connection with its Initial Public Offer of Equity Shares (IPO) prepared in terms of the requirement of:-

a) Section 26 of Part I of Chapter III of the Companies Act, 2013 as amended (the "Act");

b) The Securities and Exchange Board of India (Issue of Capital and Disclosure Requirements) Regulations 2018 as amended ("ICDR Regulations"); and

c) The Guidance Note on Reports in Company Prospectuses (Revised 2020) issued by the Institute of Chartered Accountants of India as amended from time to time. ("The Guidance Note")

The Company's Board of Directors is responsible for the preparation of the Restated Financial Statement for the purpose of inclusion in the offer document to be filed with Stock Exchange, Securities and Exchange Board of India, and Registrar of Companies, of relevant state in connection with the proposed IPO. The Restated Financial Statements have been prepared by the management of the Company for the year/period ended on July 31, 2023, and March 31, 2023 on the basis of notes to restatement in note IV to the Restated Financial Statement. The Board of Directors of the company's responsibility includes designing, implementing, and maintaining adequate internal control relevant to the preparation and presentation of the Restated Financial Statement.

We have examined such Restated Financial Statement taking into consideration:

a) The terms of reference and terms of our engagement agreed upon with you in accordance with our engagement letter dated October 18, 2023 in connection with the proposed IPO of equity shares of the Company;

b) The Guidance Note also requires that we comply with the ethical requirements of the Code of Ethics issued by the ICAI;

c) Concepts of test checks and materiality to obtain reasonable assurance based on verification of evidence supporting the Restated Financial Statements; and

d) The requirements of Section 26 and 32 of the Act and the SEBI ICDR Regulations. Our work was performed solely to assist you in meeting your responsibilities in relation to your compliance with the Act, the SEBI ICDR Regulations and the Guidance Note in connection with the IPO.

This Restated Financial Statements have been compiled by the management from:

a) Audited financial statements of the company as at and for the year ended/period on July 31, 2023, and March 31, 2023 prepared in accordance with the Accounting Standards as prescribed under Section 133 of the Act, read with Rule 7 of the Companies (Accounts) Rules, 2014, as amended, and other accounting principles generally accepted in India,

For the purpose of our examination, we have relied on:

a) Auditors' Report issued by us dated 18th October, 2023, and 25th August 2023, for the year/period ended July 31, 2023, and March 31, 2023 respectively.

The modification in restated financials were carried out based on the modified reports, if any, as at and for the years/period ended July 31, 2023, March 31, 2023.

a) The Restated Financial Statement have been made after incorporating adjustments for the changes in accounting policies retrospectively in respective financial period/years to reflect the same accounting treatment as per the changed accounting policy for all reporting periods, if any;

b) The Restated Financial Statement have been made after incorporating adjustments for prior period and other material amounts in the respective financial year to which they relate;

c) Extra-ordinary items that need to be disclosed separately in the accounts has been disclosed wherever required;

d) Profits and losses have been arrived at after charging all expenses including depreciation and after making such adjustments/restatements and regroupings as in our opinion are appropriate and are to be read in accordance with the Significant Accounting Polices and Notes to Accounts as set out in Annexure IV to this report;

e) Adjustments in Restated Financial Statement have been made in accordance with the correct accounting policies,

f) There was no change in accounting policies, which needs to be adjusted in the Restated Financial Statement.

g) There are no revaluation reserves, which need to be disclosed separately in the Restated Financial Statement

h) The Company has not paid dividend during FY 2022-23 and for period ended July 31, 2023.

In accordance with the requirements of Part I of Chapter III of Act including rules made there under, ICDR Regulations, Guidance Note and Engagement Letter, we report that

a) The "Restated Statement of Assets and Liabilities" as set out in Annexure I to this report, of the Company as at July 31, 2023 and March 31, 2023 is prepared by the Company and approved by the Board of Directors. These Restated Statement of Assets and Liabilities, have been arrived at after making such adjustments and regroupings to the individual financial statements of the Company, as in our opinion were appropriate and more fully described in Significant Accounting Policies and Notes to Accounts as set out in Annexure IV to this Report.

b) The "Restated Statement of Profit and Loss" as set out in Annexure II to this report, of the Company for Financial year ended/period July 31, 2023 and March 31, 2023 is prepared by the Company and approved by the Board of Directors. These Restated Statement of Profit and Loss have been arrived at after making such adjustments and regroupings to the individual financial statements of the Company, as in our opinion were appropriate and more fully described in Significant Accounting Policies and Notes to Accounts as set out in Annexure IV to this Report.

c) The "Restated Statement of Cash Flow" as set out in Annexure III to this report, of the Company for Financial year ended/period July 31, 2023 and March 31, 2023 is prepared by the Company and approved by the Board of Directors. These Statement of Cash Flow, as restated have been arrived at after making such adjustments and regroupings to the individual financial statements of the Company, as in our opinion were appropriate and more fully described in Significant Accounting Policies and Notes to Accounts as set out in Annexure IV to this Report.

We have also examined the following other financial information relating to the Company prepared by the Management and as approved by the Board of Directors of the Company and annexed to this report relating to the Company for Financial year ended/period July 31, 2023 and March 31, 2023 proposed to be included in the Offer Document for the proposed IPO.

Restated Statement of Share Capital, Reserves and Surplus	Annexure-A
Restated Statement of Long Term and Short - Term Borrowings/ Statement of principle Term of Secured loan and Assets charges as security and Statement of term & Condition of unsecured Loans.	Annexure-B, B(A) and B(B)
Restated Statement of Deferred Tax (Assets) / Liabilities	Annexure-C
Restated Statement of long-term Provisions	Annexure-D
Restated Statement of Trade Payables	Annexure-E
Restated Statement of Other Current Liabilities and short-term Provisions	Annexure-F
Restated Statement of Property, Plant and Equipment and Intangible Assets	Annexure-G
Restated Statement of Non-Current Investments	Annexure-H
Restated Statement of Long-Term Loans and Advances	Annexure-I
Restated Statement of Current Investment	Annexure-J

Restated Statement of Inventory	Annexure-K
Restated Statement of Trade Receivables	Annexure-L
Restated Statement of Cash & Cash Equivalents	Annexure-M
Restated Statement of Short-Term Loans and Advances	Annexure-N
Restated Statement of Other Current Assets	Annexure-O
Restated Statement of Turnover	Annexure-P
Restated Statement of Non- Operating Income	Annexure-Q
Restated Statement of Cost of Material Consumed and Purchases of Stock in Trade	Annexure-R
Restated Statement of Change in Inventories	Annexure-S
Restated Statement of Employee Benefits Expenses	Annexure-T
Restated Statement of Finance Cost	Annexure-U
Restated Statement of Depreciation & Amortization	Annexure-V
Restated Statement of Other Expenses	Annexure-W
Restated Statement of Mandatory Accounting Ratios	Annexure-X
Restated Statement of Related Party Transaction	Annexure-Y
Restated Statement of Capitalization	Annexure-Z
Restated Statement of Tax Shelter	Annexure-AA
Restated Statement of Contingent Liabilities	Annexure-AB
Restated Statement of Other Financial Ratio	Annexure-AC
Significant Accounting Policy and Notes to The Restated financial Statements	Annexure IV
Material Adjustment to the Restated Financial	Annexure V

In our opinion and to the best of information and explanation provided to us, the Restated Financial Statement of the Company, read with significant accounting policies and notes to accounts as appearing in Annexure IV are prepared after providing appropriate adjustments and regroupings as considered appropriate**.**

We, M/s. **D G M S & Co.**, Chartered Accountants have been subjected to the peer review process of the Institute of Chartered Accountants of India (ICAI) and our peer Review Certificate is valid as on the date of signing of this report.

The preparation and presentation of the Financial Statements referred to above are based on the Audited financial statements of the Company and are in accordance with the provisions of the Act and ICDR Regulations. The Financial Statements and information referred to above is the responsibility of the management of the Company.

The report should not in any way be construed as a re-issuance or re-dating of any of the previous audit reports issued by any other Firm of Chartered Accountants nor should this report be construed as a new opinion on any of the financial statements referred to therein.

We have no responsibility to update our report for events and circumstances occurring after the date of the report.

In our opinion, the above Financial Statements along with Annexure A to AC of this report read with the respective Significant Accounting Polices and Notes to Accounts as set out in Annexure IV and V are prepared after making adjustments and regrouping as considered appropriate and have been prepared in accordance with the Companies Act, ICDR Regulations, Engagement Letter and Guidance Note issued by ICAI.

Our report is intended solely for use of the management and for inclusion in the Offer Document in connection with the Proposed SME IPO of Equity Shares of the Company and our report should not be used, referred to or distributed for any other purpose without our prior consent in writing.

For **D G M S & Co.**
Chartered Accountants
Firm Registration Number: 112187W

CA Atul Bhupatrai Doshi
Partner
Membership No: 102585
Date: November 03, 2023
Place: Thane
UDIN: 23102585BGTDDO6565

ANNEXURE – I

RESTATED STATEMENT OF ASSETS AND LIABILITIES

(₹ in Lakhs)

Particulars		Annexure No	As at the Period/ Year ended	
			July 31, 2023	**March 31, 2023**
A)	**EQUITY AND LIABILITIES**			
1.	Shareholders' Funds			
(a)	Share Capital	A	6.97	5.00
(b)	Reserves & Surplus		1,318.85	(0.27)
			1,325.82	**4.73**
2.	Non-Current Liabilities			
(a)	Long Term Borrowings	B, B(A) and B(B)	438.08	-
(b)	Deferred Tax Liabilities (Net)	C	-	-
(c)	Long Term Provisions	D	2.17	-
			440.25	**-**
3.	Current Liabilities			
(a)	Short Term Borrowings	B, B(A) and B(B)	198.74	-
(b)	Trade Payables	E		
	(i) total outstanding dues of micro enterprises and small enterprises; and		-	-
	(ii) total outstanding dues of creditors other than micro enterprises and small enterprises.		899.57	0.15
(c)	Other Current Liabilities	F	134.38	-
(d)	Short Term Provisions		60.73	-
			1,293.42	**0.15**
	Total		**3,059.49**	**4.89**
B)	**ASSETS**			
1.	Non-Current Assets			
(a)	Property, Plant & Equipment and Intangible Assets			
	i) Tangible Assets			
	(i) Gross Block	G	1,049.17	-
	(ii) Depreciation		46.75	-
	(iii) Net Block		1,002.42	-
	ii) Intangible Assets			-
	(i) Gross Block		-	-
	(ii) Depreciation		-	-
	(iii) Net Block		-	-
	iii) Capital Work in Progress		-	-
			1,002.42	**-**
(b)	Non-Current Investment	H	-	-
(c)	Deferred Tax Assets (Net)	C	0.52	-
(d)	Long Term Loans and Advances	I	102.29	-
			102.81	**-**
2.	Current Assets			
(a)	Current Investment	J	-	-
(b)	Inventories	K	725.31	-
(c)	Trade Receivables	L	1,041.92	-
(d)	Cash and Cash equivalents	M	92.18	4.89
(e)	Short-Term Loans and Advances	N	-	-
(f)	Other Current Assets	O	94.86	-
			1,954.27	**4.89**
	Total		**3,059.49**	**4.89**

ANNEXURE – II

RESTATED STATEMENT OF PROFIT AND LOSS

(₹ in Lakhs)

PARTICULARS			Annexure No	For the Period/Year ended on	
				July 31, 2023	March 31, 2023
1	Revenue From Operation		P	1,481.05	-
2	Other Income		Q	1.79	-
3	Total Income (1+2)			1,482.84	-
4	Expenditure				
(a)	Cost of Goods Sold		R	1,420.66	-
(b)	Purchases of Stock in Trade			-	-
(c)	Changes in inventories of finished goods.		S	(656.52)	-
(d)	Employee Benefit Expenses		T	106.69	-
(e)	Finance Cost		U	4.14	-
(f)	Depreciation and Amortisation Expenses		V	46.75	-
(g)	Other Expenses		W	324.26	0.27
5	Total Expenditure 4(a) to 4(d)			1,245.98	0.27
6	Profit/(Loss) Before Exceptional & extraordinary items & Tax (3-5)			236.86	(0.27)
7	Exceptional item			-	-
8	Profit/(Loss) Before Tax (6-7)			236.86	(0.27)
9	Tax Expense:				
(a)	Tax Expense for Current Year			60.13	-
(b)	Short/(Excess) Provision of Earlier Year			-	
(c)	Deferred Tax			(0.52)	-
	Net Current Tax Expenses			59.61	-
10	**Profit/(Loss) for the Year (8-9)**			**177.24**	**(0.27)**
11	**Earnings per equity shares (Face Value of ₹10 each)**				
	i	Basic		1.50	(0.00)
	ii	Diluted		1.50	(0.00)

ANNEXURE III

RESTATED CASH FLOW STATEMENT

(₹ in Lakhs)

Particulars		For the Period/Year ended on	
		July 31, 2023	**March 31, 2023**
A) Cash Flow from Operating Activities:			
Net Profit before tax		236.86	(0.27)
Adjustment for:			
Depreciation		46.75	-
Interest Paid		3.64	-
Provision of Gratuity		2.28	-
Loss/(Profit) on Sale of Asset		-	-
Interest Income		-	-
Profit/(Loss) on sale of Investment		-	-
Operating profit before working capital changes		**289.53**	**(0.27)**
Changes in Working Capital			
(Increase)/Decrease in Inventory		(309.60)	-
(Increase)/Decrease in Current Investment		-	-
(Increase)/Decrease in Trade Receivables		(198.07)	-
(Increase)/Decrease in Short Term Loans & Advances and Provisions		-	-
Increase)/Decrease in Other Current Assets		(94.86)	-
Increase/(Decrease) in Trade Payables		324.79	0.15
Increase/(Decrease) in Other Current Liabilities		102.85	-
Increase/(Decrease) in Short Term Provisions		54.11	-
Cash generated from operations		**168.75**	**(0.11)**
Less: Income Taxes paid		(60.13)	-
Net cash flow from operating activities	**A**	**108.62**	**(0.11)**
B) Cash Flow from Investing Activities:			
Purchase of Fixed Assets including of CWIP		(64.92)	-
Long term Investment made/Sold during the year		-	-
Increase/(Decrease) in Long Term Loans and Advances		-	-
Interest Income		-	-
Net cash flow from investing activities	**B**	**(64.92)**	**-**
C) Cash Flow from Financing Activities:			
Proceeds from Issue of Share Capital		-	5.00
Increase/(Decrease) in Short Term Borrowings		138.70	-
Profit/(Loss) on sale of Investment		-	-
Increase/(Decrease) in Long Term Borrowings		(91.48)	-
Interest Paid		(3.64)	-
Net cash flow from financing activities	**C**	**43.59**	**5.00**
Net Increase/(Decrease) In Cash & Cash Equivalents	**(A+B+C)**	87.29	4.89
Cash equivalents at the beginning of the year		4.89	-
Cash equivalents at the end of the year		92.18	4.89

Notes:		**July 31, 2023**	**March 31, 2023**
1.	Component of Cash and Cash equivalents		
	Cash on hand	12.59	-
	Balance With banks	79.58	4.89
	Other Bank Balance	-	-
		92.18	**4.89**
2	Cash flows are reported using the indirect method, whereby profit before tax is adjusted for the effects of transactions of a non-cash nature and any deferrals or accruals of past or future cash receipts or payments. The cash flows from regular revenue generating, financing and investing activities of the company are segregated.		

ANNEXURE – IV

STATEMENT OF SIGNIFICANT ACCOUNTING POLICIES & NOTES TO RESTATED FINANCIAL STATEMENTS

A. BACKGROUND

Our Company was originally incorporated as a Limited Company under the name "Harshdeep Hortico Limited" on December 30, 2022 under the provisions of the Companies Act, 2013 with the Registrar of Companies, Mumbai, Maharashtra bearing CIN U26994MH2022PLC396421. Later, on April 03, 2023, our Company took over the business of proprietorship concern of the promoter Hitesh Chunilal Shah, namely M/s Harshdeep Agro Products along with the assets and liabilities of the proprietorship concern as going concern.

B. STATEMENT OF SIGNIFICANT ACCOUNTING POLICIES

1. BASIS OF PREPARATION OF FINANCIAL SATEMENTS

The Restated Statement of Assets and Liabilities of the Company as on July 31, 2023 and March 31, 2023 and the Restated Statement of Profit and Loss and Restated Statements of Cash Flows for the year/period ended on July 31, 2023 and March 31, 2023 and the annexure thereto (collectively, the "**Restated Financial Statements**") have been extracted by the management from the Audited Financial Statements of the Company.

The financial statements of the company have been prepared and presented in accordance with the Generally Accepted Accounting Principles (GAAP). GAAP comprises the Accounting Standards notified u/s S.133 read with S.469 of the Companies Act, 2013. The accounting policies have been framed, keeping in view the fundamental accounting assumptions of Going Concern, Consistency and Accrual, as also basic considerations of Prudence, Substance over form, and Materiality. These have been applied consistently, except where a newly issued accounting standard is initially adopted or a revision in the existing accounting standards require a revision in the accounting policy so far in use. The need for such a revision is evaluated on an ongoing basis.

The Financial Statements have been prepared on a going concern basis, in as much as the management neither intends to liquidate the company nor to cease operations. Accordingly, assets, liabilities, income and expenses are recorded on a Going Concern basis. Based on the nature of products and services, and the time between the acquisition of assets and realization in cash or cash equivalents, the company has ascertained its operating cycle as 12 months for the purposes of current and non-current classification of assets and liabilities

2. USE OF ESTIMATES

The preparation of financial statements required the management to make estimates and assumptions that affect the reported balance of assets and liabilities, revenues and expenses and disclosures relating to contingent liabilities. The Management believes that the estimates used in the preparation of financial statements are prudent and reasonable. Future results could differ from these estimates. Any revision of accounting estimates is recognized prospectively in the current and future periods.

3. PROPERTY, PLANT AND EQUIPMENTS

Fixed assets are stated at historical cost less accumulated depreciation and impairment losses. Cost includes purchase price and all other attributable cost to bring the assets to its working condition for the intended use. Fixed assets have been recorded in the books of the Company at WDV as per Income tax Act, 1932 as applicable to firm as on the date of conversion.

Subsequent expenditures related to an item of tangible asset are added to its book value only if they increase the future benefits from the existing asset beyond its previously assessed standard of performance.

4. DEPRECIATION

Depreciation on Fixed Assets has been provided on 'Straight Line Method' based on the useful life of the assets and in the manner prescribed in the Schedule II of the Companies Act, 2013. In first year, company has identified assets whose life as been expired according to company act, 2013, therefore the WDV of such assets has been written off upto salvage value i.e., 5% of original cost of purchase.

5. BORROWING COSTS

Borrowing cost includes interest and amortization of ancillary costs incurred in connection with the arrangement of borrowings. Borrowing costs directly attributable to the acquisition, construction or production of an asset that necessarily takes a substantial

period of time to get ready for its intended use or sale are capitalized as part of the cost of the respective asset. All other borrowing costs are expensed in the period they occur.

6. IMPAIRMENT OF ASSETS

An asset is treated as impaired when the carrying cost of asset exceeds its recoverable value. An impairment loss is charged to the Statement of Profit and Loss in the year in which an asset is identified as impaired. The impairment loss recognized in prior accounting period is reversed if there has been a change in the estimate of amount.

7. INVESTMENTS

Investments, which are readily realizable and intended to be held for not more than one year from the date on which such investments are made, are classified as current investments. All other investments are classified as long-term investments.
On initial recognition, all investments are measured at cost. The cost comprises purchase price and directly attributable acquisition charges such as brokerage, fees and duties.

Current investments are carried in the financial statements at lower of cost and fair value determined on an individual investment basis. Long-term investments are carried at cost. However, provision for diminution in value is made to recognize a decline other than temporary in the value of the investments.

On disposal of an investment, the difference between its carrying amount and net disposal proceeds is charged or credited to the statement of profit and loss.

8. INVENTORIES

i) Raw Material, and Finished Goods are valued at lower of Cost or net realizable value.
ii) Work in Progress at various level is valued at lower of cost or net realizable value. The Management estimates the work in progress according to stage of completion. Cost of inventories comprises of cost of purchase, cost of conversion and other costs including manufacturing overheads incurred in bringing them to their respective present location and condition.

9. REVENUE RECOGNITION

i) Revenue is recognized to the extent that is probable that the economic benefits will flow to the Company and the revenue can be reliably measured.
ii) Revenue from sale of goods is recognized when the significant risk and rewards are transferred as per the terms of sale. Revenues are recorded at invoice value.
iii) Income in respect of interest, insurance claims, export benefits, subsidy etc. is recognized to the extent the company is reasonably certain of its ultimate realization.

10. EMPLOYEE BENEFITS

Defined-contribution plans:

i) The company does not carry forward the balance of earned leave balance of employees, balance earned leave is paid to the employees according to the policy of company.
ii) Company's contribution to Provident Fund and other Funds for the year is accounted on accrual basis and charged to the Statement of Profit & Loss for the year.
iii) Retirement benefits in the form of Gratuity are considered as defined benefit obligations and are provided on the basis of the actuarial valuation as at the date of the Balance Sheet.

11. SEGMENT ACCOUNTING

Business Segment

a) The business segment has been considered as the primary segment.
b) The Company’s primary business segments are reflected based on principal business activities, the nature of service, the differing risks and returns, the organization structure and the internal financial reporting system.
c) The Company’s primary business includes designing, developing, manufacturing and supplying of various types of pots and planters and accordingly this is the only segment as envisaged in Accounting Standard 17 ‘Segment Reporting’ therefore disclosure for Segment reporting is not applicable.

12. ACCOUNTING FOR TAXES ON INCOME

Tax expense comprises of current and deferred tax. Current income tax is measured at the amount expected to be paid to the tax authorities in accordance with the Income-tax Act, 1961 enacted in India. The tax rates and tax laws used to compute the amount are those that are enacted or substantively enacted, at the reporting date.

i) Deferred income taxes reflect the impact of timing differences between taxable income and accounting income originating during the current year and reversal of timing differences for the earlier years. Deferred tax is measured using the tax rates and the tax laws enacted or substantively enacted at the reporting date.

ii) Deferred tax liabilities are recognized for all taxable timing differences. Deferred tax assets are recognized for deductible timing differences only to the extent that there is reasonable certainty that sufficient future taxable income will be available against which such deferred tax assets can be realized. In situations where the Company has unabsorbed depreciation or carry forward tax losses, all deferred tax assets are recognized only if there is virtual certainty supported by convincing evidence that they can be realized against future taxable profits.

The carrying amount of deferred tax assets are reviewed at each reporting date. The company writes-down the carrying amount of a deferred tax asset to the extent that it is no longer reasonably certain or virtually certain, as the case may be, that sufficient future taxable income will be available against which deferred tax asset can be realized. Any such write-down is reversed to the extent that it becomes reasonably certain or virtually certain, as the case may be, that sufficient future taxable income will be available.

13. CONTINGENT LIABILITIES AND PROVISIONS

Provisions are recognized only when there is a present obligation as a result of past events and when a reliable estimate of the amount of obligation can be made.

Contingent Liability is disclosed for

a) Possible obligation which will be confirmed only by future events not wholly within the control of the Company or
b) Present obligations arising from the past events where it is not probable that an outflow of resources will be required to settle the obligation or a reliable estimate of the amount of the obligation cannot be made.
c) Contingent Assets are not recognized in the financial statements since this may result in the recognition of income that may never be realized.

A disclosure for a contingent liability is made when there is a possible obligation or a present obligation that may, but probably will not, require an outflow of resources. Where there is a possible obligation or a present obligation that the likelihood of outflow of resources is remote, no provision or disclosure is made.

14. EARNINGS PER SHARE

In determining the Earnings Per share, the company considers the net profit after tax which does not include any post tax effect of any extraordinary / exceptional item. The number of shares used in computing basic earnings per share is the weighted average number of shares outstanding during the period. Split in face value of equity share of company has been considered as if it took place at the beginning of restatement period.

15. CASH FLOW

Cash flows are reported using the indirect method, whereby profit before tax is adjusted for the effects of transactions of non-cash nature, any deferrals or accruals of past or future operating cash receipts or payments and item of income or expenses associated with investing or financing cash flows. Cash flows from operating, investing and financing activities of the Company are segregated, accordingly.

C. <u>CHANGES IN ACCOUNTING POLICIES IN THE YEARS COVERED IN THE RESTATED FINANCIALS</u>

There was no change in accounting policies, which needs to be adjusted in the Restated Financial Statement.

D. <u>NOTES ON RESTATEMENTS MADEIN THE RESTATED FINANCIALS</u>

1. The financial statements including other financial information have been prepared after making such regroupings and adjustments, considered appropriate to comply with the same. As result of these regroupings and adjustments, the amount reported in the financial statements/information may not necessarily be same as those appearing in the respective audited financial statements for the relevant years**.**

2. Amount due to entities covered under Micro, Small and Medium Enterprises as defined in the Micro, Small, Medium Enterprises Development Act, 2006, have been reported to the extent of information memorandum received from the suppliers.

3. Employee benefit**s:**

The Company has adopted the Accounting Standard 15 (revised 2005) on Employee Benefits as per an actuarial valuation carried out by an independent actuary. The disclosures as envisaged under the standard are as under-:

(₹ in Lakhs)

Particulars	July 31, 2023	March 31, 2023
1.The amounts recognized in the Balance Sheet are as follows:		
Present value of unfunded obligations Recognized	2.28	-
Net Liability	2.28	-
2.The amounts recognized in the Profit & Loss A/c are as follows:		
Current Service Cost	2.28	-
Interest on Defined Benefit Obligation	-	-
Expected Return on Plan Assets		-
Net actuarial losses (gains) recognised in the year	-	-
Total, Included in "Salaries, Allowances & Welfare"	**2.28**	-
3.Changes in the present value of defined benefit obligation:		
Defined benefit obligation as at the beginning of the year/period Net of Fair Value of Opening Plan Assets	-	-
Service cost	2.28	-
Interest cost	-	-
Expected Return on Plan Assets	-	-
Net actuarial losses (gains) recognised in the year	-	-
Benefit paid by the Company	-	-
Defined benefit obligation as at the end of the year/period	**2.28**	-
Benefit Description		
Benefit type:	Gratuity Valuation as per Act	
Retirement Age:	60 years	60 years
Vesting Period:	5 years	5 years
The principal actuarial assumptions for the above are:		
Future Salary Rise:	5.00% P.A.	5.00% P.A.
Discount rate per annum:	7.50%P.A.	7.25% P.A.
Attrition Rate:	5% Per Annum	
Mortality Rate:	IALM 2012-14 Ultimate	

4. Provisions, Contingent Liabilities and Contingent Assets (AS 29)

Contingent liabilities and commitments (to the extent not provided for). There are no contingent liabilities as on the end of respective period except as mentioned in Annexure -AB, for any of the years covered by the statements.

5. Related Party Disclosure (AS 18)

Related party transactions are reported as per AS-18 of Companies (Accounting Standards) Rules, 2006, as amended, in the Annexure – Y of the enclosed financial statements.

6. Accounting For Taxes on Income (AS 22)

Deferred Tax liability/Asset in view of Accounting Standard – 22: "Accounting for Taxes on Income" as at the end of the Period/year is reported as under:

(₹ in Lakhs)

Particulars	As at	
	July 31, 2023	March 31, 2023
Major Components of deferred tax arising on account of timing differences are:		
Timing Difference Due to Depreciation	(0.23)	-
Deferred Tax Assets/(Liabilities) (A)	(0.06)	-
Provision of Gratuity as at the year end	2.28	-
Timing Difference Due to Gratuity Expenses	2.28	-
Deferred Tax Assets/(Liabilities) (B)	0.57	-
Cumulative Balance of Deferred Tax Assets/(Liability) (Net) (A+B)	**0.52**	-

7. Earnings Per Share (AS 20):
Earnings per Share have been calculated is already reported in the Annexure –X of the enclosed financial statements.

8. Realizations:
The Company has considered the possible effects that may result from the pandemic relating to COVID-19 on the carrying amounts of property, plant and equipment, investments, inventories, receivables and other current assets. In developing the assumptions relating to the possible future uncertainties in the global economic conditions because of this pandemic, the Company, as at the date of approval of these Restated financials has used internal and external sources on the expected future performance of the Company and management expects the carrying amount of these assets will be recovered and sufficient liquidity is available to fund the business operations for at least another 12 months. Given the uncertainty because of COVID-19, the final impact on the Company's assets in future may differ from that estimated as at the date of approval of these restated Financials.

9. Contractual liabilities
All other contractual liabilities connected with business operations of the Company have been appropriately provided for.

10. Amounts in the financial statements
Amounts in the financial statements are reported in Indian Rupees in lakhs and rounded off to second digit of decimal. Figures in brackets indicate negative values.

ANNEXURE-V

MATERIAL ADJUSTMENTS [AS PER THE ICDR) REGULATION]

Appropriate adjustments have been made in the restated financial statements, whenever required, by reclassification of the corresponding items of assets, liabilities and cash flow statement, in order to ensure consistency and compliance with requirement of Company Act 2013, and Accounting Standards.

The Summary of results of restatements made in the audited financial statements of the Company for the respective years and their impact on the profit /(losses) of the Company is as under.

Statement of adjustments in the Financial Statements

Statement of Surplus in Profit and Loss Account

(₹ in Lakhs)

Particulars	July 31, 2023	March 31, 2023
Reserves and Surplus as per audited accounts but before adjustments for restated accounts:	1318.85	(0.27)
Add: Cumulative Adjustment made in Statement of Profit and Loss Account	-	-
Adjustment with the Opening Reserves if any	-	-
Net Adjustment in Profit and Loss Account	-	-
Reserves and Surplus as per Restated Accounts:	**1318.85**	**(0.27)**

Statement of Profit and Loss after Tax

The reconciliation of Profit/(loss) after tax as per audited results and the Profit/(loss) after tax as per Restated accounts is presented below in Table-1. This summarizes the results of restatements made in the audited accounts for the respective years and its impact on the respective year profit & losses of the company.

(₹ in Lakhs)

Particulars	July 31, 2023	March 31, 2023
Net Profit/(loss) after Tax as per audited accounts but before adjustments for restated accounts:	177.24	(0.27)
Increase / Decrease in Expenses/Income		
Excess / Short Provision for Tax	-	-
Net Adjustment in Profit and Loss Account	**-**	**(0.27)**

ANNEXURE VI - NOTES TO THE RESTATED FINANCIAL INFORMATION

ANNEXURE – A

RESTATED STATEMENT OF SHARE CAPITAL, RESERVES AND SURPLUS

(₹ in Lakhs)

Particulars	As at	
	July 31, 2023	**March 31, 2023**
Share Capital		
Authorised Share Capital		
No of Equity shares of ₹10 each	1,50,000	1,50,000
Equity Share Capital	15.00	15.00
Issued, Subscribed and Paid-up Share Capital		
No of Equity Shares of ₹10 each fully paid up	69,718	50,000
Equity Share Capital	6.97	5.00
Total	**6.97**	**5.00**
Reserves and Surplus		
a) Share Premium Reserves		
Opening Balance	-	-
Addition during the year	1,141.87	
Reduction during the year		
Closing Balance	1,141.87	-
b) Surplus in Profit and Loss account		
Opening Balance	(0.27)	-
Profit for the Year	177.24	(0.27)
Less: Issue of Bonus Share	-	-
Closing Balance	**176.98**	**(0.27)**
Total (A+B)	**1,318.85**	**-0.27**

1. Terms/rights attached to equity shares:
   i. The company has only one class of shares referred to as equity shares having a par value of ₹10/- as at July 31, 2023.
   ii. Each holder of equity shares is entitled to one vote per share.
   iii. In the event of liquidation of the Company, the holders of equity shares shall be entitled to receive any of the remaining assets of the Company, after distribution of all preferential amounts. The amount distributed will be in proportion to the number of equity shares held by the shareholders.
   iv. Pursuant to Shareholders' resolution dated August 28, 2023 the Increase in the authorized share capital of the Company from ₹15.00 Lakhs divided into 150,000 Equity Shares of ₹ 10/- each to ₹2000.00 Lakhs divided into 2,00,00,000 Equity Shares of ₹ 10/- each ranking pari-passu with the existing share capital.
2. The figures disclosed above are based on the restated summary statement of assets and liabilities of the Company.
3. Company does not have any Revaluation Reserve.
4. The reconciliation of the number of Equity shares outstanding as at:

Particulars	As at	
	July 31, 2023	**March 31, 2023**
Number of shares (Face value ₹10) at the beginning	50,000	-
Add: Issue of Shares *	19,718	50,000
Add: Bonus Shares	-	-
Number of shares (Face value ₹10) at the end of year	**69,718**	**50,000**

*The company has issued 19,718 fully paid-up shares of face value ₹10 each at ₹5,801 per share during the period ended July 31, 2023 pursuant discharge of purchase consideration on Acquisition of Harshdeep Agro Products (Proprietor Hitesh Chunilal Shah) as per one of the main objects of the company on April 03, 2023. The book closure date fixed by the Board was April 03, 2023.

5. The detail of shareholders holding more than 5% of Total Equity Shares:

Name of Shareholders	As at	
	July 31, 2023	**March 31, 2023**
Hitesh Chunilal Sheth	68,718	49,000
Total	**68,718**	**49,000**

6. Shares held by promoter at the end of the respective year is as under:

6a) Shares held by promoter at the period ended 31st July, 2023

Promoter Name	No. of Shares (Face Value ₹10/- each)
Hitesh Chunilal Sheth	68,718
Total	**68,718**

6b) Shares held by promoter at the end of the year 31st March 2023

Promoter Name	No. of Shares (Face Value ₹10/- each)
Hitesh Chunilal Sheth	49,000
Total	**49,000**

ANNEXURE – B

RESTATED STATEMENT OF LONG TERM AND SHORT-TERM BORROWINGS

(₹ in Lakhs)

Particulars	As at	
	July 31, 2023	March 31, 2023
Long Term Borrowings		
(Secured)		
Term loans		
From Bank & Financial Institutions	438.08	-
Sub-total	**438.08**	-
(Unsecured)	-	-
(c) Loans and advances from related parties & shareholders (Unsecured)		
From Shareholder	-	-
Sub-total (c)	-	-
(d) Loans and advances from others (Unsecured)		
Inter-Corporate Borrowings	-	-
Sub-total (d)	-	-
Total	**438.08**	-
Short Term Borrowings		
Secured		
Loan Repayable on Demand		
From Banks	139.34	-
Sub-total (a)	**139.34**	-
Unsecured		
From Financial Institution	-	-
Sub-total (b)	-	-
Current Maturities of Long-Term Debt	59.40	-
Sub Total (c)	**59.40**	-
Total (a+b+c)	**198.74**	-

Note:

1. List of persons/entities classified as 'Promoters' and 'Promoter Group' has been determined by the Management and relied upon by the Auditors. The Auditors have not performed any procedure to determine whether the list is accurate and complete.
2. The terms and conditions and other information in respect of Secured Loans are given in Annexure -B (A)
3. The terms and conditions and other information in respect of Unsecured Loans are given in Annexure - B (B)

ANNEXURE – B(A)

RESTATED STATEMENT OF PRINCIPAL TERMS OF SECURED TERMS LOANS AND ASSETS CHARGED AS SECURITY

(₹ in Lakhs)

Name of Lender	Purpose of Credit Facility	Sanctioned Amount	Rate of interest	Prime Securities offered	Re-Payment Schedule		Moratorium	Outstanding amount as on (as per Books)	
					No of EMI	EMI Amount		July 31, 2023	March 31, 2023
Kotak Mahindra Bank Limited	Term Loan	192.00	9.25%	Hypothecation of assets	56 Months	4.23	NA	182.09	-
	Working Capital	300.00			Repayable on Demand	-	NA	139.34	-
Kotak Mahindra Bank Limited (Vehicle Loan)	Purchase of Vehicle	7.07	10.50%	Hypothecation of Vehicle	48 Months	0.18	NA	6.82	-
Karnataka Bank Ltd. (TL-GECL)	Working Capital Term Loan Under GECL	30.00	10.20%	Hypothecation of Machineries	48 Months	1.07	12 Months	14.91	-
Karnataka Bank Ltd.	Purchase of machineries	97.00	13.60%	Hypothecation of Machinery	84 Months	1.58	NA	69.50	-
Karnataka Bank Ltd.	For Setting up of New Factory Unit & Purchase of Machineries for Manufacturing Unit.	275.00	11.90%	Hypothecation of Machinery and Immovable Property.	84 Months	5.01	6 Months	164.75	-
HDFC Bank EEG-TL	Term Loan	74.43	11.80%	Hypothecation of assets	60 Months	1.65	NA	13.48	-
HDFC Bank EEG-WCTL-GECL	Working Capital	35.34	8.25%		36 Months	1.11	12 Months	17.93	-
HDFC Bank EEG-WCTL-GECL	Working Capital	27.98	8.25%		36 Months	0.51	12 Months	27.98	-
Total								**636.82**	**-**

Note:

A. Collateral Security for the Term loan/WC granted by Kotak Mahindra Bank is as under:

1. Plinth No G-4, Rajlaxmi Sulzer park, S. No 150/0, Sonale, Bhiwandi, Thane- 421302 owned by Hitesh Chunilal Shah and Dipti Hitesh Shah
2. Plinth No 6 & 7, Rajlaxmi Sulzer park, S. No 15/3 (Old no 149/0), Gholgaon (Sonale), Bhiwandi, Thane- 421302 owned by Dipti Hitesh Shah
3. Plinth No G-8, G-9 and G-10 Rajlaxmi Sulzer park, S. No 15/5 (old No 149/0), Gholgaon (Sonale), Bhiwandi, Thane- 421302 owned by Hitesh Chunilal Shah
4. Plinth No 9, F-1, Rajlaxmi Sulzer park, S. No 14 Hissa no 11/E (old No 198/11-part), Gholgaon (Sonale), Bhiwandi, Thane- 421302 owned by Hitesh Chunilal Shah
5. Flat No 5, 4th Floor, Arham Society, Govind Bachaji Road, Charai, CTS no 258 of Tikka No 13 at Thane west- 400601 owned by Madhuriben Chunilal Shah
6. Deposit of title deeds with respect to the N.A(Industrial) plot of land and factory shedbuilding "B" at Gat No. 589/1/1, 589/1/2 &589/1/3 Village-Boriandi, Tal-Daund, Dist:Pune

B. Collateral Security for the Working Capital loan granted by Karnataka Bank Ltd is as under:

1. Deposit of title deeds with respect to the N.A (Industrial) Plot of Land at Gat No. 589 (P), Village-Boriandi, Tal-Daund, Dist: Pune
2. Personal Guarantee of Dipti Hitesh Shah

ANNEXURE – B(B)
RESTATED STATEMENT OF TERMS & CONDITIONS OF UNSECURED LOANS

A. Details of Unsecured Loans outstanding as at the end of the latest Reporting period from Directors/Promoters/Promoter Group /Associates/Relatives of Directors/Group Companies/other entities
Unsecured Loans from Promoters/Directors are interest free and all are taken without any preconditions attached towards repayments.

(₹ in Lakhs)

Name of Lender	Purpose	Rate of interest	Re-Payment Schedule	Moratorium	Outstanding amount as at	
					July 31, 2023	March 31, 2023
Nil						

ANNEXURE – C
RESTATED STATEMENT OF DEFERRED TAX (ASSETS) / LIABILITIES

(₹ in Lakhs)

Particulars	As at	
	July 31, 2023	March 31, 2023
Major Components of deferred tax arising on account of timing differences are:		
Timing Difference Due to Depreciation	(0.23)	-
Deferred Tax Assets/(Liabilities) (A)	(0.06)	-
Provision of Gratuity as at the year end	2.28	-
Timing Difference Due to Gratuity Expenses	2.28	-
Deferred Tax Assets/(Liabilities) (B)	0.57	-
Cumulative Balance of Deferred Tax Assets/(Liability) (Net) (A+B)	**0.52**	**-**

ANNEXURE – D
RESTATED STATEMENT OF LONG-TERM PROVISIONS

(₹ in Lakhs)

Particulars	As at	
	July 31, 2023	March 31, 2023
Provision for Employee Benefits		
Gratuity Provision - Long Term	2.17	-
Others	-	-
Total	**2.17**	**-**

ANNEXURE – E
RESTATED STATEMENT OF TRADE PAYABLES

(₹ in Lakhs)

Particulars	As at	
	July 31, 2023	March 31, 2023
Trade Payables		
For Goods & Services		
Micro, Small and Medium Enterprises	-	-
Others	899.57	0.15
Total	**899.57**	**0.15**
Trade Payable Includes Dues to Related Party	-	-

Notes:

1. Amount due to entities covered under Micro, Small and Medium Enterprises as defined in the Micro, Small, Medium Enterprises Development Act, 2006, have been identified on the basis of information available with the Company.
2. Ageing of the Supplier, alogwith any amount involved in disputes as required by Schedule III of Companies Act, 2013 is disclosed below after it becomes due for payment. In case of no credit terms defined the break-up of age-wise supplier balance is given below after considering from the date of transactions.

Trade Payables ageing schedule: As at 31st July, 2023 **(₹ in Lakhs)**

Particulars	Outstanding for following periods from due date of payment			
	Less than 1 year	1-2 years	More than 3 years	Total
(i) MSME	-	-	-	-

Particulars	Outstanding for following periods from due date of payment			
	Less than 1 year	1-2 years	More than 3 years	Total
(ii) Others	899.57			899.57
(iii) Disputed dues- MSME	-	-	-	-
(iv) Disputed dues - Others	-	-	-	-

Trade Payables ageing schedule: As at 31st March,2023 **(₹ in Lakhs)**

Particulars	Outstanding for following periods from due date of payment			
	Less than 1 year	1-2 years	More than 3 years	Total
(i) MSME	-	-	-	-
(ii) Others	0.15		-	0.15
(iii) Disputed dues- MSME	-	-	-	-
(iv) Disputed dues - Others	-	-	-	-

ANNEXURE – F

RESTATED STATEMENT OF OTHER CURRENT LIABILITIES AND SHORT-TERM PROVISIONS

(₹ in Lakhs)

Particulars	As at	
	July 31, 2023	March 31, 2023
Other Current Liabilities		
Accrued Interest but not due	-	-
Statutory Payables	24.12	-
Advances Received from Customers	100.36	-
Other Current Liabilities	9.90	-
Total	**134.38**	**-**
Short Term Provisions		
Provision for Employee Benefits	-	-
Provision for Gratuity	0.10	-
Other Provisions	0.50	-
	0.60	**-**
Other Provisions		
Income tax Provisions net of Advance tax and TDS	60.13	-
Total	**60.73**	**-**

ANNEXURE – G

RESTATED STATEMENT OF PROPERTY, PLANT & EQUIPMENT AND INTANGIBLE ASSETS

For period ended July 31, 2023

(₹ in Lakhs)

Particulars	Gross Block				Depreciation				Net Block	
	Value as at 01-04-2023	Addition during the year	Deduction during the year	Value as at 31-07-2023	Value as at 01-04-2023	Addition during the year	Deduction during the year	Value as at 31-07-2023	WDV as on 31-07-2023	WDV as on 31-03-2023
Property, Plant and Equipment										
Building	-	210.90	-	210.90	-	6.81	-	6.81	204.09	-
Computer	-	11.86	-	11.86	-	1.00	-	1.00	10.86	-
Furniture & Fixture	-	225.29	-	225.29	-	7.49	-	7.49	217.81	-
Office equipment's	-	32.43	-	32.43	-	1.67	-	1.67	30.76	-
Plant & Equipment	-	494.74	-	494.74	-	26.94	-	26.94	467.80	-
Vehicles	-	73.94	-	73.94	-	2.84	-	2.84	71.10	-
TOTAL	**-**	**1,049.17**	**-**	**1,049.17**	**-**	**46.75**	**-**	**46.75**	**1,002.42**	**-**

For financial year 2022-23

(₹ in Lakhs)

Particulars	Gross Block				Depreciation				Net Block	
	Value as at 30-12-2022	Addition during the year	Deduction during the year	Value as at 31-03-2023	Value as at 30-12-2022	Addition during the year	Deduction during the year	Value as at 31-03-2023	WDV as on 31-03-2023	WDV as on 30-12-2022
Property, Plant and Equipment										
Building	-	-	-	-	-	-	-	-	-	-
Computer	-	-	-	-	-	-	-	-	-	-
Furniture & Fixture	-	-	-	-	-	-	-	-	-	-
Office equipment's	-	-	-	-	-	-	-	-	-	-
Plant & Equipment	-	-	-	-	-	-	-	-	-	-
Vehicles	-	-	-	-	-	-	-	-	-	-
TOTAL	**-**	**-**	**-**	**-**	**-**	**-**	**-**	**-**	**-**	**-**

ANNEXURE – H
RESTATED STATEMENT OF NON-CURRENT INVESTMENTS

(₹ in Lakhs)

Particulars	As at	
	July 31, 2023	March 31, 2023
Non-Current Investment (At Cost)		
Mutual Funds	-	-
Total	-	-
Aggregate amount of quoted investments market value	-	
Aggregate amount of unquoted investments	-	-
Aggregate provision made for diminution in value of investments	-	-

ANNEXURE – I
RESTATED STATEMENT OF LONG-TERM LOANS AND ADVANCES

(₹ in Lakhs)

Particulars	As at	
	July 31, 2023	March 31, 2023
Unsecured, Considered Good-unless otherwise stated		
Capital Advance	-	-
Security Deposit	102.29	-
Loans and Advances to Related Parties	-	-
Total	**102.29**	**-**

Notes:

1. The Company has not given any loans and advances to promoters, Directors, KMP's and other related parties during the above period.

ANNEXURE – J
RESTATED STATEMENT OF CURRENT INVESTMENT

(₹ in Lakhs)

Particulars	As at	
	July 31, 2023	March 31, 2023
Fixed Deposit with Bank	-	-
Total	-	-

ANNEXURE – K
RESTATED STATEMENT OF INVENTORIES

(₹ in Lakhs)

Particulars	As at	
	July 31, 2023	March 31, 2023
Raw Materials	68.79	-
Work in Progress	-	-
Finished Goods	656.52	-
Loose Tools	-	-
Total	**725.31**	**-**

Note:

1. Inventory has been physically verified by the management of the Company at the end of respective year.

ANNEXURE – L
RESTATED STATEMENT OF TRADE RECEIVABLES

(₹ in Lakhs)

Particulars	As at	
	July 31, 2023	March 31, 2023
Outstanding for a period exceeding six months (Unsecured and considered Good)		
From Directors/Promoters/Promoter Group/Associates/ Relatives of Directors/ Group Companies.	-	-
Others	1,041.92	-
Outstanding for a period not exceeding 6 months (Unsecured and considered Good)		

Particulars	As at	
	July 31, 2023	March 31, 2023
From Directors/Promoters/Promoter Group/Associates/ Relatives of Directors/ Group Companies.	-	-
Others	-	-
Total	**1,041.92**	**-**

Note:

1. List of persons/entities classified as 'Promoters' and 'Group Companies' has been determined by the Management and relied upon by the Auditors. The Auditors have not performed any procedure to determine whether the list is accurate and complete.
2. Ageing of the Trade receivable, alogwith any amount involved in disputes, if any as required by Schedule III of Companies Act, 2013 is disclosed as below. Ageing of debtors is based on the date of transaction in case there is no credit period agreed at the time of Supply.

Trade Receivables ageing schedule as at 31st July, 2023

(₹ in Lakhs)

Particulars	Outstanding for following periods from due date of payment				
	Less than 6 months	6 months -1 year	2-3 years	More than 3 years	Total
(i) Undisputed Trade receivables -considered good	1,041.92	-	-	-	1,041.92
(i) Undisputed Trade receivables -considered doubtful	-	-	-	-	-
(iii) Disputed trade receivables considered good	-	-	-	-	-
(iv) Disputed trade receivables considered doubtful	-	-	-	-	-

Trade Receivables ageing schedule as at 31st March, 2023

(₹ in Lakhs)

Particulars	Outstanding for following periods from due date of payment				
	Less than 6 months	6 months -1 year	2-3 years	More than 3 years	Total
(i) Undisputed Trade receivables -considered good	-	-	-	-	-
(i) Undisputed Trade receivables -considered doubtful	-	-	-	-	-
(iii) Disputed trade receivables considered good	-	-	-	-	-
(iv) Disputed trade receivables considered doubtful	-	-	-	-	-

ANNEXURE – M
RESTATED STATEMENT OF CASH & CASH EQUIVALENTS

(₹ in Lakhs)

Particulars	As at	
	July 31, 2023	March 31, 2023
Cash and Cash Equivalents: (as per Accounting Standard 3: Cash flow Statements)		
Balances with Banks in Current Accounts	79.58	4.89
Cash on Hand (As certified and verified by Management)	12.59	-
Other Bank Balances		
Fixed Deposits (Refer Note 1)	-	-
Total	**92.18**	**4.89**

Note:

1. According to management, no fixed deposit is having maturity below 3 months, and accordingly basis of their maturity pattern, such fixed deposits shown in current investments.

ANNEXURE – N
RESTATED STATEMENT OF SHORT-TERM LOANS AND ADVANCES

(₹ in Lakhs)

Particulars	As at	
	July 31, 2023	March 31, 2023
Unsecured, Considered Good unless otherwise stated		
Security Deposit	-	-
Advances to Vendors	-	-
Loan to Staff	-	-
Balance With Revenue Authorities	-	-
Total	**-**	**-**

Note:

1. List of persons/entities classified as 'Promoters' and 'Group Companies' has been determined by the Management and relied upon by the Auditors. The Auditors have not performed any procedure to determine whether the list is accurate and complete.
2. The Company has not given any loans and advances to promoters, Directors, KMP's and other related parties during the above period.

ANNEXURE – O

RESTATED STATEMENT OF OTHER CURRENT ASSETS

(₹ in Lakhs)

Particulars	As at	
	July 31, 2023	March 31, 2023
Other Receivable	24.83	-
Advance to Supplier	69.83	
Other Current Assets	0.20	-
Total	**94.86**	**-**

ANNEXURE – P

RESTATED STATEMENT OF TURNOVER

(₹ in Lakhs)

Particulars	For the period and Year ended on	
	July 31, 2023	March 31, 2023
(i) turnover of products manufactured by the issuer (net of excise Duty)	1,481.05	-
(ii) turnover of products traded in by the issuer; and	-	-
*(iii) turnover in respect of products not normally dealt in by the issuer but included in (ii) above	-	-
(iv) turnover in respect of Services supplied by the issuer	-	-
Total	**1,481.05**	**-**

*As per information provided to us by the Issuer, there is no such item.

ANNEXURE – Q

RESTATED STATEMENT OF OTHER NON-OPERATING INCOME

(₹ in Lakhs)

Particulars	For the period and Year ended on	
	July 31, 2023	March 31, 2023
Related and Recurring Income:		
Interest Income	0.00	0.00
Rate Difference	0.00	0.00
Packing Charges	1.79	0.00
Sub Total (a)	**1.79**	**-**
Non related and Non-Recurring Income:	-	-
Sub Total (b)	**-**	**-**
Total (a+b)	**1.79**	**-**
% of Other Income with Profit Before Tax	0.76%	0.00%

Note:

1. The classification of other income as recurring/not-recurring, related/not-related to business activity is based on the current operations and business activity of the Company as determined by the management.

ANNEXURE – R

RESTATED SATATMENT OF COST OF MATERIAL CONSUMED AND PURCHASE OF STOCK IN TRADE

(₹ in Lakhs)

Particulars	For the period and Year ended on	
	July 31, 2023	March 31, 2023
Cost of Material Consumed		
Opening Stock of Raw Material	-	-
Add: Purchases of Raw Material*	1,457.07	-
Add: Direct Exp	32.39	
Less: Closing Stock of Raw Material	68.79	-
Total	**1,420.66**	**-**

Particulars	For the period and Year ended on	
	July 31, 2023	March 31, 2023
Purchase of Stock in Trade		
Purchase of Stock in Trade	-	-
Total	-	-

* Purchase of Raw Material is inclusive of Stock from Prop. Concern received with take-over amounting to ₹ 415.71 Lakhs

ANNEXURE – S

RESTATED STATEMENT OF CHANGES IN INVENTORIES

(₹ in Lakhs)

Particulars	For the period and Year ended on	
	July 31, 2023	March 31, 2023
Closing Inventories		
Work in Progress	-	-
Finished goods	656.52	-
Sub Total (A)	**656.52**	**-**
Opening Inventories		
Work in Progress	-	-
Finished goods	-	-
Sub Total (B)	**-**	**-**
Changes in Inventories	**(656.52)**	**-**

Note:

1. The Inventory has been physically verified on periodic basis by the management.

ANNEXURE – T

RESTATED STATEMENT OF EMPLOYEE BENEFITS EXPENSES

(₹ in Lakhs)

Particulars	For the period and Year ended on	
	July 31, 2023	March 31, 2023
Salary and Wages	89.89	-
Contribution to Provident Fund and Other Fund	13.93	-
Staff Welfare Expenses	2.87	-
Total	**106.69**	**-**

ANNEXURE – U

RESTATED STATEMENT OF FINANCE COST

(₹ in Lakhs)

Particulars	For the period and Year ended on	
	July 31, 2023	March 31, 2023
Interest expense	3.64	-
Other Borrowing cost	0.50	-
Total	**4.14**	**-**

ANNEXURE – V

RESTATED STATEMENT OF DEPRECIATION & AMORTISATION

(₹ in Lakhs)

Particulars	For the period and Year ended on	
	July 31, 2023	March 31, 2023
Depreciation and Amortization Expenses	46.75	-
Total	**46.75**	**-**

ANNEXURE – W

RESTATED STATEMENT OF OTHER EXPENSES

(₹ in Lakhs)

Particulars	For the period and Year ended on	
	July 31, 2023	March 31, 2023
Electricity Factory - Bhiwandi	25.21	-
Electricity Factory - Pune	15.91	-

Particulars	For the period and Year ended on	
	July 31, 2023	**March 31, 2023**
Gas	30.50	-
Labour Charges	0.51	-
Packing and Forwarding charges	0.00	-
Packing and Forwarding material	16.11	-
Wages of Injection	6.46	-
Wages of Pune factory	8.36	-
Wages of Roto	4.37	-
Miscellaneous Expenses	216.82	0.27
Total	**324.26**	**0.27**
Miscellaneous Expenses		
Advertisement Exp.	4.52	-
Card Swipe Charges	0.30	-
Audit Fees	0.50	-
Commission On Sales	1.44	-
Courier Charges	0.16	-
Electricity	0.39	-
Electricity Expenses	0.23	-
Electricity Pune Showroom	1.21	-
Exhibition & Stall Rent	18.47	-
Fire Extinguisher	0.06	-
Foreign Remittance Charges	0.23	-
Godown Maintenance	7.54	0.27
Hamali Charges	0.02	-
Insurance For Stock	3.98	-
Insurance For Transit	1.15	-
Insurance For Vehicle	0.62	-
Internet Charges	0.09	-
Loan Processing	7.04	-
Petrol	0.02	-
Plant For Display	0.23	-
Printing & Stationery Exp.	0.96	-
Professional Charges	16.48	-
Rent	96.37	-
Repair & Maintenance	1.92	-
Repair & Maintenance Injection Machine	5.15	-
Repair & Maintenance Roto Machine	6.47	-
Repair & Maintenance Tools & Dies	0.86	-
Round Off	(0.00)	-
Share Allotment	0.03	-
Software Charges	0.06	-
Sundry Exp	1.00	-
Telephone Charges	0.23	-
Toll & Escort	0.10	-
Transport Charges	36.46	-
Travelling Exp	0.80	-
Truck Exp	0.26	-
Truck Unloading Charges	0.30	-
Water	0.95	-
Website Charges	0.25	
Sub Total	**216.82**	**0.27**

ANNEXURE – X

RESTATED STATEMENT OF MANDATORY ACCOUNTING RATIOS

(Amount in Lakhs ₹ Except Per Share Data)

Particulars	As at	
	July 31, 2023	**March 31, 2023**
Net Worth (A)	1,325.82	4.73

Particulars	As at	
	July 31, 2023	**March 31, 2023**
Restated Profit after tax	177.24	(0.27)
Less: Prior Period Item	-	-
Adjusted Profit after Tax (B)	177.24	(0.27)
Number of Equity shares (Face Value ₹10) outstanding as on the of Year (Refer Note 6)	69,718	50,000
Weighted Average Number of Equity shares (Face Value ₹10) (c)	69,718	50,000
Weighted Average Number of Equity shares (Face Value ₹10) after considering Bonus Issue of Shares (D)	1,18,52,060	1,18,52,060
Current Assets (E)	1,954.27	4.89
Current Liabilities (F)	1,293.42	0.15
Face Value per Share (Refer Note 6)	10.00	10.00
Restated Basic and Diluted Earning Per Share (₹) (B/D) (After Bonus & Subdivision) Refer Note 6 & 7	1.50	(0.00)
Return on Net worth (%) (B/A)	13.37%	-5.61%
Net asset value per share (A/C) (Face Value of ₹10 Each) Based on actual number of shares	1,901.69	9.47
Net asset value per share (A/D) (Face Value of ₹10 Each) Based on Weighted average number of shares	11.19	0.04
Current Ratio (E/F)	1.51	32.46
Restated Earnings Before Interest Tax Depreciation and Amortisation and Other Income (EBITDA)	285.46	(0.27)

1. The ratios have been computed as below:
   a) Basic earnings per share (₹): Net profit after tax as restated for calculating basic EPS / Weighted average number of equity shares outstanding at the end of the period or year
   b) Diluted earnings per share (₹): Net profit after tax as restated for calculating diluted EPS / Weighted average number of equity shares outstanding at the end of the period or year for diluted EPS
   c) Return on net worth (%): Net profit after tax (as restated) / Net worth at the end of the period or year
   d) Net assets value per share -: Net Worth at the end of the period or year / Total number of equity shares outstanding at the end of the period or year
   e) EBITDA has been calculated as Profit before Tax+ Depreciation+ Interest Expenses-Other Income
2. Weighted average number of equity shares is the number of equity shares outstanding at the beginning of the period/year adjusted by the number of equity shares issued during period/year multiplied by the time weighting factor. The time weighting factor is the number of days for which the specific shares are outstanding as a proportion of total number of days during the period/year. In case of Sub-division and Bonus issue, the event has been considered as if it had occurred at the beginning of restatement period.
3. Net worth for ratios mentioned is equals to Equity share capital + Reserves and surplus (including, Securities Premium, General Reserve and surplus in statement of profit and loss).
4. The figures disclosed above are based on the restated summary statements.
5. The above statement should be read with the significant accounting policies and notes to restated summary statements of assets and liabilities, profits and losses and cash flows appearing in Annexures IV, I, II and III.
6. Pursuant to Board resolution dated on November 01, 2023 and shareholder's consent dated October 31, 2023 bonus issue of 11782342 equity shares of face value of ₹ 10/- in the ratio 169:1 i.e., one hundred sixty-nine (169) bonus equity shares for every one (1) equity share held by shareholder have been issued.

ANNEXURE – Y
RESTATED STATEMENT OF RELATED PARTY TRANSACTION

Lis of Related Parties as per AS - 18

Particulars	Names of related parties	Nature of Relationship
Directors and Key Management Personnel (KMP)	Hitesh Chunilal Shah	Managing director
	Harshit Hitesh Shah	Whole Time Director & CFO
	Dipti Hitesh Shah	Non-Executive Director
	Megh Hitesh Shah	Non-Executive Director
	Arjun Manish Bhanushali	Independent Director
	Dhruva Hemandra Parekh	Independent Director
Enterprises in which KMP/Relatives of KMP can exercise significant influence	Exotic Planters	Proprietorship firm of Relative of KMP

(₹ in Lakhs)

Transactions		Period ended on July 31, 2023	Year Ended on March 31, 2023
(i) Transactions with Director in KMP			
1	**Hitesh Chunilal Shah**		
	Director Remuneration	40.00	-
	Rent	12.00	-
2	**Harshit Hitesh Shah**		
	Director Remuneration	9.96	-
3	**Dipti Hitesh Shah**		
	Rent	3.00	-
(ii) Enterprises in which KMP/Relatives of KMP can exercise significant influence			
4	**Exotic Planters**	-	
	Sales	42.06	-
	Closing Balance (Dr/(Cr))	0.02	-

ANNEXURE – Z

RESTATED STATEMENT OF CAPITALISATION

(₹ in Lakhs)

Particulars	Pre-Issue	Post Issue
	July 31, 2023	
Debt		
Short Term Debt	139.34	139.34
Long Term Debt	497.48	89.54
Total Debt	**636.82**	**228.88**
Shareholders' Fund (Equity)		
Share Capital	6.97	1,609.41
Reserves & Surplus	1,318.85	1,652.32
Less: Miscellaneous Expenses not w/off	-	-
Total Shareholders' Fund (Equity)	**1,325.82**	**3,234.72**
Long Term Debt/Equity	0.38	0.03
Total Debt/Equity	0.48	0.07

Notes:

1. Short term Debts represent which are expected to be paid/payable within 12 months and excludes installment of term loans repayable within 12 months.
2. Long term Debts represent debts other than Short term Debts as defined above but includes installment of term loans repayable within 12 months grouped under other current liabilities.
3. The figures disclosed above are based on restated statement of Assets and Liabilities of the Company as at July 31, 2023.

ANNEXURE – AA

RESTATED STATEMENT OF TAX SHELTER

(₹ in Lakhs)

Particulars		For the period/year ended on	
		July 31, 2023	March 31, 2023
A	Profit before taxes as restated	236.86	(0.27)
B	Tax Rate Applicable %	25.17	25.17
C	Tax Impact (A*B)	59.61	(0.07)
	Adjustments:		
D	**Permanent Differences**		
	Expenses disallowed due to non-deduction of TDS	-	-
	Expenses disallowed Under Section 37 of the IT Act 1961	-	
	Total Permanent Differences	-	-
E	**Timing Difference**		
	Difference between tax depreciation and book depreciation	(0.23)	-
	Expenses Disallowed Under Section 43 B	2.28	-
	Total Timing Differences	**2.05**	-
	Set off of Carried forwarded Business Losses	-	-
F	Net Adjustment (F) = (D+E)	2.05	-
G	Tax Expenses/ (Saving) thereon (F*B)	0.52	-

Particulars		For the period/year ended on	
		July 31, 2023	**March 31, 2023**
H	Tax Liability, After Considering the effect of Adjustment (C +G)	60.13	-
I	Book Profit as per MAT *	Opted for 115BAA	(0.27)
J	MAT Rate (%)		16.69
K	Tax liability as per MAT (I*J)	NA	(0.04)
L	Current Tax being Higher of H or K	60.13	-
M	Interest U/s 234A, B and C of Income Tax Act	-	-
N	Total Tax expenses (L+M+N)	60.13	-
P	Tax Paid Under (Normal/MAT) in Income Tax Return Filed by Company	Normal	Normal

* MAT refers to Minimum Alternative Tax as referred to in section 115 JB of the Income Tax Act,1961

Notes:

1. The aforesaid statement of tax shelters has been prepared as per the restated Summary statement of profits and losses of the Company. The permanent/timing differences have been computed considering the acknowledged copies of the income-tax returns/Provisional computation of total income of respective years as stated above.

ANNEXURE – AB

RESTATED STATEMENT OF CONTINGENT LIABILITIES

(₹ in Lakhs)

Particulars	As at	
	July 31, 2023	**March 31, 2023**
Contingent liabilities in respect of:	-	-
Claims against the company not acknowledged as debts	-	-
Guarantees given on Behalf of the Company	-	-
TDS Defaults with respect to Delay filing fee, Short Deduction and Interest thereon	-	-
Uncalled liability on shares and other investments partly paid	-	-
Total	-	-

ANNEXURE – AC

RESTATED STATEMENT OF OTHER FINANCIAL RATIO

(₹ in Lakhs)

Sr. No.	Ratio	July 31, 2023	March 31, 2023
1	Current Ratio (No of Times)	1.51	32.46
2	Debt Equity Ratio (No of Times)	0.48	-
3	Debt Service Coverage Ratio (No of Times)	3.61	-
4	Return On Equity Ratio (%)	26.64%	0.00%
5	Inventory Turnover Ratio (In Days)	116	-
6	Trade Receivable Turnover Ratio (In Days)	86	-
7	Trade Payable Turnover Ratio (In Days)	102	-
8	Net Capital Turnover Ratio (No of Times) #	2.24	0.00
9	Net Profit Ratio (%)	11.97%	0.00%
10	Return On Capital Employed (%)	12.28%	0.00%
11	Return On Investment/Total Assets (%)	7.88%	0.00%

Note: Details of numerator and denominator for the above ratio are as under

1. Current Ratio = Current Assets / Current Liabilities.
2. Debt- equity ratio = Total debt / Shareholders' equity.
3. Debt service coverage ratio = (Net Profit After Tax+ Depreciation+ Interest) /(Principal + Interest).
4. Return on equity ratio= Net profit after taxes / Avg Shareholder's Equity.
5. Inventory turnover ratio=Cost of goods sold or sales/ inventory.
6. Trade receivables turnover ratio= Revenue from Operations /Closing trade receivables.
7. Trade payables turnover ratio=Purchase/Closing trade payables.
8. Net Capital turnover ratio=Net sales/Closing working capital.
9. Net profit ratio=Net profit after taxes/Total Revenue.
10. Return on capital employed=Earnings before interest and taxes/Capital employed.
11. Return on investment/Total Assets=PAT/Total Assets

RESTATED FINANCIAL STATEMENTS OF

M/S HARSHDEEP AGRO PRODUCTS (PREVIOUSLY PROPRIETORSHIP FIRM WHICH WAS TAKEN OVER W.E.F. 1ST APRIL, 2023 AS PER BUSINESS TRANSFER AGREEMENT BY HARSHDEEP HORTICO LIMITED)

INDEPENDENT AUDITOR'S EXAMINATION REPORT ON RESTATED FINANCIAL INFORMATION

To,
The Board of Directors of
Harshdeep Hortico Limited
(Previously Proprietorship Firm M/s Harshdeep Agro Products-Business Take-Over w.e.f. 1st April,2023 as per Business Transfer Agreement)
Building No.1 Shree Sai Logistics, Survey No.18/2E 18/2P 17/2A, 17/2B Part,
Elkunde, Bhiwandi, Thane, Thane, Maharashtra, India, 421302.

Dear Sir,

Reference: - Proposed Public Issue of Equity Shares of Harshdeep Hortico Limited

We have examined the attached Restated Financial Statement of Harshdeep Hortico Limited (Previously Proprietorship Firm M/s Harshdeep Agro Products-Business Take-Over w.e.f. 1st April,2023 as per Business Transfer Agreement) (hereunder referred to "the Company", "Issuer") comprising the Restated Statement of Assets and Liabilities as at March 31, 2023, March 31, 2022, and March 31, 2021, the Restated Statement of Profit & Loss, the Restated Cash Flow Statement for the year ended March 31, 2023, March 31, 2022, and March 31, 2021, the statement of Significant Accounting Policies and other explanatory Information (Collectively the Restated Financial Statement) as approved by the Board of Directors in their meeting held on 15th January, 2024 for the purpose of inclusion in the Draft Red Herring Prospectus/ Red Herring Prospectus/Prospectus ("Offer Document") in connection with its proposed Initial Public Offering (IPO) of equity shares, prepared by the Company in connection with its Initial Public Offer of Equity Shares (IPO) prepared in terms of the requirement of :-

a) Section 26 and 32 of Part I of Chapter III of the Companies Act, 2013 as amended (the "Act");

b) The Securities and Exchange Board of India (Issue of Capital and Disclosure Requirements) Regulations 2018 as amended ("SEBI ICDR Regulations"); and

c) The Guidance Note on Reports in Company Prospectuses (Revised 2020) issued by the Institute of Chartered Accountants of India as amended from time to time. ("The Guidance Note")

The Company's Board of Directors is responsible for the preparation of the Restated Financial Statement for the purpose of inclusion in the offer document to be filed with Stock Exchange, Securities and Exchange Board of India, and Registrar of Companies, of relevant state in connection with the proposed IPO. The Restated Financial Statements have been prepared by the management of the Company for the year ended on March 31, 2023, March 31, 2022, and March 31, 2021 on the basis of notes to restatement in note IV to the Restated Financial Statement. The Board of Directors of the company's responsibility includes designing, implementing, and maintaining adequate internal control relevant to the preparation and presentation of the Restated Financial Statement.

We have examined such Restated Financial Statement taking into consideration:

a) The terms of reference and terms of our engagement agreed upon with you in accordance with our engagement letter in connection with the proposed IPO of equity shares of the Company;

b) The Guidance Note also requires that we comply with the ethical requirements of the Code of Ethics issued by the ICAI;

c) Concepts of test checks and materiality to obtain reasonable assurance based on verification of evidence supporting the Restated Financial Statements; and

d) The requirements of Section 26 and 32 of the Act and the SEBI ICDR Regulations. Our work was performed solely to assist you in meeting your responsibilities in relation to your compliance with the Act, the ICDR Regulations and the Guidance Note in connection with the IPO.

This Restated Financial Statements have been compiled by the management from:

a) Audited financial statements of the company as at and for the year ended on March 31, 2023, March 31, 2022, and March 31, 2021.

For the purpose of our examination, we have relied on:

a) Special Purpose Auditors' Report for the year ended March 31, 2023, March 31, 2022, and March 31, 2021 respectively issued by us dated January 15, 2024.

The modification in restated financials were carried out based on the modified reports, if any, issued by Statutory Auditor which is giving rise to modifications on the financial statements as at and for the years ended March 31, 2023, March 31, 2022, and March 31, 2021.

a) The Restated Financial Statement have been made after incorporating adjustments for the changes in accounting policies retrospectively in respective financial period/years to reflect the same accounting treatment as per the changed accounting policy for all reporting periods, if any;

b) The Restated Financial Statement have been made after incorporating adjustments for prior period and other material amounts in the respective financial year to which they relate;

c) Extra-ordinary items that need to be disclosed separately in the accounts has been disclosed wherever required;

d) Profits and losses have been arrived at after charging all expenses including depreciation and after making such adjustments/restatements and regroupings as in our opinion are appropriate and are to be read in accordance with the Significant Accounting Polices and Notes to Accounts as set out in Annexure IV to this report;

e) Adjustments in Restated Financial Statement have been made in accordance with the correct accounting policies,

f) There was no change in accounting policies, which needs to be adjusted in the Restated Financial Statement.

g) There are no revaluation reserves, which need to be disclosed separately in the Restated Financial Statement

In accordance with the requirements of Part I of Chapter III of Act including rules made there under, ICDR Regulations, Guidance Note and Engagement Letter, we report that

a) The "Restated Statement of Assets and Liabilities" as set out in Annexure I to this report, of the Company as at March 31, 2023, March 31, 2022, and March 31, 2021 is prepared by the Company and approved by the Board of Directors. These Restated Statement of Assets and Liabilities, have been arrived at after making such adjustments and regroupings to the individual financial statements of the erstwhile Proprietorship firm, as in our opinion were appropriate and more fully described in Significant Accounting Policies and Notes to Accounts as set out in Annexure IV to this Report.

b) The "Restated Statement of Profit and Loss" as set out in Annexure II to this report, of the Company for Financial year ended March 31, 2023, March 31, 2022, and March 31, 2021 is prepared by the Company and approved by the Board of Directors. These Restated Statement of Profit and Loss have been arrived at after making such adjustments and regroupings to the individual financial statements of the erstwhile Proprietorship firm, as in our opinion were appropriate and more fully described in Significant Accounting Policies and Notes to Accounts as set out in Annexure IV to this Report.

c) The "Restated Statement of Cash Flow" as set out in Annexure III to this report, of the Company for Financial year ended March 31, 2023, March 31, 2022, and March 31, 2021 is prepared by the Company and approved by the Board of Directors.

We have also examined the following other financial information relating to the Company prepared by the Management and as approved by the Board of Directors of the Company and annexed to this report relating to the Company for Financial year ended March 31, 2023, March 31, 2022, and March 31, 2021 proposed to be included in the Offer Document for the proposed IPO.

Restated Statement of Proprietor's Capital	Annexure-A
Restated Statement of Long Term and Short - Term Borrowings	Annexure-B
Restated Statement of Trade Payables	Annexure-C
Restated Statement of Other Current Liabilities and short-term Provisions	Annexure-D
Restated Statement of Property, Plant and Equipment and Intangible Assets	Annexure-E
Restated Statement of Deferred Tax (Assets)	Annexure-F
Restated Statement of Inventory	Annexure-G
Restated Statement of Trade Receivables	Annexure-H
Restated Statement of Cash & Cash Equivalents	Annexure-I
Restated Statement of Short-Term Loans and Advances	Annexure-J
Restated Statement of Other Current Assets	Annexure-K
Restated Statement of Turnover	Annexure-L

Restated Statement of Non- Operating Income	Annexure-M
Restated Statement of Cost of Material Consumed and Purchases of Stock in Trade	Annexure-N
Restated Statement of Employee Benefits Expenses	Annexure-O
Restated Statement of Finance Cost	Annexure-P
Restated Statement of Depreciation & Amortization	Annexure-Q
Restated Statement of Other Expenses	Annexure-R
Restated Statement of Mandatory Accounting Ratios	Annexure-S
Restated Statement of Related Party Transaction	Annexure-T
Restated Statement of Capitalization	Annexure-U
Restated Statement of Tax Shelter	Annexure-V
Restated Statement of Contingent Liabilities	Annexure-W
Restated Statement of Other Financial Ratio	Annexure-X
Significant Accounting Policy and Notes to The Restated financial Statements	Annexure IV

In our opinion and to the best of information and explanation provided to us, the Restated Financial Statement of the Company, read with significant accounting policies and notes to accounts as appearing in Annexure IV are prepared after providing appropriate adjustments and regroupings as considered appropriate**.**

We, M/s. DGMS & Co., Chartered Accountants have been subjected to the peer review process of the Institute of Chartered Accountants of India (ICAI) and our peer Review Certificate is valid as on the date of signing of this report.

The preparation and presentation of the Financial Statements referred to above are based on the Audited financial statements of the erstwhile Proprietorship firm, and are in accordance with the provisions of the Act and SEBI ICDR Regulations. The Financial Statements and information referred to above is the responsibility of the management of the Company.

The report should not in any way be construed as a re-issuance or re-dating of any of the previous audit reports issued by any other Firm of Chartered Accountants nor should this report be construed as a new opinion on any of the financial statements referred to therein.

We have no responsibility to update our report for events and circumstances occurring after the date of the report.

In our opinion, the above Financial Statements along with Annexure A to X of this report read with the respective Significant Accounting Polices and Notes to Accounts as set out in Annexure IV are prepared after making adjustments and regrouping as considered appropriate and have been prepared in accordance with the Companies Act, SEBI ICDR Regulations, Engagement Letter and Guidance Note issued by ICAI.

Our report is intended solely for use of the management and for inclusion in the Offer Document in connection with the Proposed SME IPO of Equity Shares of the Company and our report should not be used, referred to or distributed for any other purpose without our prior consent in writing.

For DGMS & Co.
Chartered Accountant
FRN:- 112187W

Sd/-
(Atul Bhupatrai Doshi)
Partner
M. No. 102585
Place: Thane
Date: 15th January, 2024

ANNEXURE – I

RESTATED STATEMENT OF ASSETS AND LIABILITIES

(₹ in Lakhs)

Particulars		Annexure No	Proprietorship As at the Year ended		
			March 31, 2023	March 31, 2022	March 31, 2021
A)	**CAPITAL AND LIABILITIES**				
1.	Proprietor's Capital	A	939.20	835.79	744.52
			939.20	**835.79**	**744.52**
2.	Non-Current Liabilities				
(a)	Long Term Borrowings	B	529.56	421.53	454.55
			529.56	**421.53**	**454.55**
3.	Current Liabilities				
(a)	Short Term Borrowings	B	60.04	62.67	94.24
(b)	Trade Payables	C	574.62	621.82	494.07
(c)	Other Current Liabilities	D	38.04	43.91	(4.83)
(d)	Short Term Provisions		137.84	41.95	33.94
			810.54	**770.35**	**617.41**
	Total		**2,279.31**	**2,027.68**	**1,816.48**
B)	**ASSETS**				
1.	Non-Current Assets				
(a)	Property, Plant & Equipment and Intangible Assets	E	894.99	777.89	760.04
(b)	Deferred Tax Assets (Net)	F	22.47	4.04	3.31
			917.46	**781.93**	**763.35**
2.	Current Assets				
(a)	Current Investment		-	-	-
(b)	Inventories	G	415.71	375.56	222.22
(c)	Trade Receivables	H	843.84	855.35	824.05
(d)	Cash and Cash equivalents	I	-	8.38	2.95
(e)	Short-Term Loans and Advances	J	102.29	6.45	3.91
(f)	Other Current Assets	K	-	-	-
			1,361.85	**1,245.74**	**1,053.13**
	Total		**2,279.31**	**2,027.68**	**1,816.48**

ANNEXURE – II

RESTATED STATEMENT OF PROFIT AND LOSS

(₹ in Lakhs)

Particulars		Annexure No	Proprietorship		
			For the Year ended on		
			March 31, 2023	March 31, 2022	March 31, 2021
1	Revenue From Operation	L	4,076.70	3,485.61	2,519.05
2	Other Income	M	29.74	19.32	11.77
3	**Total Income (1+2)**		**4,106.44**	**3,504.93**	**2,530.82**
4	Expenditure				
(a)	Cost of Goods Sold	N	2,510.67	2,347.08	1,532.47
(b)	Purchases of Stock in Trade		344.21	202.29	272.43
(c)	Employee Benefit Expenses	O	144.73	102.00	67.19
(d)	Finance Cost	P	74.90	66.52	65.51
(e)	Depreciation and Amortisation Expenses	Q	233.12	159.62	147.28
(f)	Other Expenses	R	498.48	296.10	178.59
5	**Total Expenditure 4(a) to 4(f)**		**3806.12**	**3173.61**	**2263.47**
6	**Profit/(Loss) Before Exceptional & extraordinary items & Tax (3-5)**		**300.32**	**331.32**	**267.36**
7	Exceptional item		-	-	-
8	**Profit/(Loss) Before Tax (6-7)**		**300.32**	**331.32**	**267.36**
9	**Tax Expense:**				
(a)	Tax Expense for Current Year	V	95.89	84.30	70.94
(b)	Deferred Tax		(18.43)	(0.73)	(3.31)
	Net Current Tax Expenses		**77.46**	**83.57**	**67.63**
10	**Profit/(Loss) for the Year (8-9)**		**222.86**	**247.75**	**199.73**

ANNEXURE III

RESTATED CASH FLOW STATEMENT

(₹ in Lakhs)

Particulars	Annexure No	Proprietorship For the Year ended on		
		March 31, 2023	March 31, 2022	March 31, 2021
A) Cash Flow From Operating Activities:				
Net Profit before tax		300.32	331.32	267.36
Adjustment for :				
Depreciation		233.12	159.62	147.28
Interest Paid		74.90	66.52	65.51
Provision of Gratuity				
Loss/(Profit) on Sale of Asset				
Interest Income				
Operating profit before working capital changes		**608.35**	**557.46**	**480.14**
Changes in Working Capital				
(Increase)/Decrease in Inventory		(40.15)	(153.34)	(2.37)
(Increase)/Decrease in Current Investment				
(Increase)/Decrease in Trade Receivables		11.51	(31.30)	(114.74)
(Increase)/Decrease in Short Term Loans & Advances and Provisions		(95.84)	(2.54)	-
(Increase)/Decrease in Other Current Assets				
Increase/(Decrease) in Trade Payables		(47.20)	127.76	200.47
Increase/(Decrease) in Other Current Liabilities		(5.87)	48.75	5.41
Increase/(Decrease) in Short Term Provisions		95.89	8.01	33.94
Cash generated from operations		**526.68**	**554.79**	**602.85**
Less:- Income Taxes paid		(95.89)	(84.30)	(70.94)
Net cash flow from operating activities	**A**	**430.79**	**470.50**	**531.91**
B) Cash Flow From Investing Activities :				
Purchase of Fixed Assets including of CWIP		(350.22)	(177.48)	(392.58)
Long term Investment made/Sold during the year				
Increase/(Decrease) in Long Term Loans and Advances				
Net cash flow from investing activities	**B**	**(350.22)**	**(177.48)**	**(392.58)**
C) Cash Flow From Financing Activities :				
Proceeds from Capital		(119.45)	(156.48)	(318.96)
Increase/(Decrease) in Short Term Borrowings		(2.63)	(31.57)	94.24
Increase/(Decrease) in Long Term Borrowings		108.03	(33.02)	146.44
Interest Paid		(74.90)	(66.52)	(65.51)
Net cash flow from financing activities	**C**	**(88.95)**	**(287.59)**	**(143.79)**
Net Increase/(Decrease) In Cash & Cash Equivalents	**(A+B+C)**	(8.38)	5.43	(4.46)
Cash equivalents at the beginning of the year		8.38	2.95	7.41
Cash equivalents at the end of the year		(0.00)	8.38	2.95

Notes :-

1.

	March 31, 2023	March 31, 2022	March 31, 2021
Component of Cash and Cash equivalents			
Cash on hand	(0.00)	8.38	2.95
Balance With banks	-	-	-
	(0.00)	**8.38**	**2.95**

2. Cash flows are reported using the indirect method, whereby profit before tax is adjusted for the effects of transactions of a non-cash nature and any deferrals or accruals of past or future cash receipts or payments. The cash flows from regular revenue generating, financing and investing activities of the company are segregated.

ANNEXURE-IV

SIGNIFICANT ACCOUNTING POLICY AND NOTES TO THE RESTATED FINANCIAL STATEMENTS

A. BACKGROUND

The Company was originally incorporated as a Limited Company under the name "Harshdeep Hortico Limited" on December 30, 2022 under the provisions of the Companies Act, 2013 with the Registrar of Companies, Mumbai, Maharashtra bearing CIN U26994MH2022PLC396421. Later, on April 03, 2023, our Company took over the business of proprietorship concern of the promoter Hitesh Chunilal Shah, namely M/s Harshdeep Agro Products along with the assets and liabilities of the proprietorship concern as going concern.

B. STATEMENT OF SIGNIFICANT ACCOUNTING POLICIES

1. BASIS OF PREPARATION OF FINANCIAL SATEMENTS

The Restated Statement of Assets and Liabilities of the Company as on March 31, 2023, March 31, 2022, and March 31, 2021 and the Restated Statement of Profit and Loss and Restated Statements of Cash Flows for the year ended on March 31, 2023, March 31, 2022, and March 31, 2021 and the annexure thereto (collectively, the "**Restated Financial Statements**") have been extracted by the management from the individual financial statements of the erstwhile Proprietorship firm.

The financial statements of the company have been prepared and presented in accordance with the Generally Accepted Accounting Principles (GAAP). GAAP comprises the Accounting Standards notified u/s S.133 read with S.469 of the Companies Act, 2013. The accounting policies have been framed, keeping in view the fundamental accounting assumptions of Going Concern, Consistency and Accrual, as also basic considerations of Prudence, Substance over form, and Materiality. These have been applied consistently, except where a newly issued accounting standard is initially adopted or a revision in the existing accounting standards require a revision in the accounting policy so far in use. The need for such a revision is evaluated on an ongoing basis.

The Financial Statements have been prepared on a going concern basis, in as much as the management neither intends to liquidate the company nor to cease operations. Accordingly, assets, liabilities, income and expenses are recorded on a Going Concern basis. Based on the nature of products and services, and the time between the acquisition of assets and realization in cash or cash equivalents, the company has ascertained its operating cycle as 12 months for the purposes of current and non-current classification of assets and liabilities

2. USE OF ESTIMATES

The preparation of financial statements required the management to make estimates and assumptions that affect the reported balance of assets and liabilities, revenues and expenses and disclosures relating to contingent liabilities. The Management believes that the estimates used in the preparation of financial statements are prudent and reasonable. Future results could differ from these estimates. Any revision of accounting estimates is recognized prospectively in the current and future periods.

3. PROPERTY, PLANT AND EQUIPMENTS

Fixed assets are stated at historical cost less accumulated depreciation and impairment losses. Cost includes purchase price and all other attributable cost to bring the assets to its working condition for the intended use. Fixed assets have been recorded in the books of the Company at WDV as per Income tax Act, 1932 as applicable to firm as on the date of conversion.
Subsequent expenditures related to an item of tangible asset are added to its book value only if they increase the future benefits from the existing asset beyond its previously assessed standard of performance.

4. DEPRECIATION

Depreciation on Fixed Assets has been provided on 'Written Down Value' based on the useful life of the assets and in the manner prescribed in the Schedule II of the Companies Act, 2013. In first year, company has identified assets whose life as been expired according to company act, 2013, therefore the WDV of such assets has been written off upto salvage value i.e. 5% of original cost of purchase.

5. BORROWING COSTS

Borrowing cost includes interest and amortization of ancillary costs incurred in connection with the arrangement of borrowings. Borrowing costs directly attributable to the acquisition, construction or production of an asset that necessarily takes a substantial period of time to get ready for its intended use or sale are capitalized as part of the cost of the respective asset. All other borrowing costs are expensed in the period they occur.

6. IMPAIRMENT OF ASSETS

An asset is treated as impaired when the carrying cost of asset exceeds its recoverable value. An impairment loss is charged to the Statement of Profit and Loss in the year in which an asset is identified as impaired. The impairment loss recognized in prior accounting period is reversed if there has been a change in the estimate of amount.

7. INVESTMENTS

Investments, which are readily realizable and intended to be held for not more than one year from the date on which such investments are made, are classified as current investments. All other investments are classified as long-term investments.

On initial recognition, all investments are measured at cost. The cost comprises purchase price and directly attributable acquisition charges such as brokerage, fees and duties.

Current investments are carried in the financial statements at lower of cost and fair value determined on an individual investment basis. Long-term investments are carried at cost. However, provision for diminution in value is made to recognize a decline other than temporary in the value of the investments.

On disposal of an investment, the difference between its carrying amount and net disposal proceeds is charged or credited to the statement of profit and loss.

8. INVENTORIES

i) Raw Material, Packaging Material, Tools and Consumables, and Finished Goods are valued at lower of Cost or net realizable value.
ii) Work in Progress at various level is valued at lower of cost or net realizable value. The Management estimates the work in progress according to stage of completion. Cost of inventories comprises of cost of purchase, cost of conversion and other costs including manufacturing overheads incurred in bringing them to their respective present location and condition.

9. REVENUE RECOGNITION

i) Revenue is recognized to the extent that is probable that the economic benefits will flow to the Company and the revenue can be reliably measured.
ii) Revenue from sale of goods is recognized when the significant risk and rewards are transferred as per the terms of sale. Revenues are recorded at invoice value.
iii) Income in respect of interest, insurance claims, export benefits, subsidy etc. is recognized to the extent the company is reasonably certain of its ultimate realization.

10. EMPLOYEE BENEFITS

Defined-contribution plans:
i) The company does not carry forward the balance of earned leave balance of employees, balance earned leave is paid to the employees according to the policy of company.
ii) Company's contribution to Provident Fund and other Funds for the year is accounted on accrual basis and charged to the Statement of Profit & Loss for the year.

11. SEGMENT ACCOUNTING

Business Segment
(a) The business segment has been considered as the primary segment.
(b) The Company's primary business segments are reflected based on principal business activities, the nature of service, the differing risks and returns, the organization structure and the internal financial reporting system.
(c) The Company's primary business includes manufacturing of pots and planters and accordingly this is the only segment as envisaged in Accounting Standard 17 'Segment Reporting' therefore disclosure for Segment reporting is not applicable.

12. ACCOUNTING FOR TAXES ON INCOME

Tax expense comprises of current and deferred tax. Current income tax is measured at the amount expected to be paid to the tax authorities in accordance with the Income-tax Act, 1961 enacted in India. The tax rates and tax laws used to compute the amount are those that are enacted or substantively enacted, at the reporting date.

(i) Deferred income taxes reflect the impact of timing differences between taxable income and accounting income originating during the current year and reversal of timing differences for the earlier years. Deferred tax is measured using the tax rates

and the tax laws enacted or substantively enacted at the reporting date.

(ii) Deferred tax liabilities are recognized for all taxable timing differences. Deferred tax assets are recognized for deductible timing differences only to the extent that there is reasonable certainty that sufficient future taxable income will be available against which such deferred tax assets can be realized. In situations where the Company has unabsorbed depreciation or carry forward tax losses, all deferred tax assets are recognized only if there is virtual certainty supported by convincing evidence that they can be realized against future taxable profits.

The carrying amount of deferred tax assets are reviewed at each reporting date. The company writes-down the carrying amount of a deferred tax asset to the extent that it is no longer reasonably certain or virtually certain, as the case may be, that sufficient future taxable income will be available against which deferred tax asset can be realized. Any such write-down is reversed to the extent that it becomes reasonably certain or virtually certain, as the case may be, that sufficient future taxable income will be available.

13. CONTINGENT LIABILITIES AND PROVISIONS

Provisions are recognized only when there is a present obligation as a result of past events and when a reliable estimate of the amount of obligation can be made.

Contingent Liability is disclosed for

a) Possible obligation which will be confirmed only by future events not wholly within the control of the Company or
b) Present obligations arising from the past events where it is not probable that an outflow of resources will be required to settle the obligation or a reliable estimate of the amount of the obligation cannot be made.
c) Contingent Assets are not recognized in the financial statements since this may result in the recognition of income that may never be realized.

A disclosure for a contingent liability is made when there is a possible obligation or a present obligation that may, but probably will not, require an outflow of resources. Where there is a possible obligation or a present obligation that the likelihood of outflow of resources is remote, no provision or disclosure is made.

14. EARNINGS PER SHARE

We are not calculation Earning Per Share, as we do not have outstanding Equity share.

15. CASH FLOW

Cash flows are reported using the indirect method, whereby profit before tax is adjusted for the effects of transactions of non-cash nature, any deferrals or accruals of past or future operating cash receipts or payments and item of income or expenses associated with investing or financing cash flows. Cash flows from operating, investing and financing activities of the Company are segregated, accordingly.

C. <u>CHANGES IN ACCOUNTING POLICIES IN THE YEARS COVERED IN THE RESTATED FINANCIALS</u>

There was no change in accounting policies, which needs to be adjusted in the Restated Financial Statement

D. <u>NOTES ON RESTATEMENTS MADEIN THE RESTATED FINANCIALS</u>

11. The financial statements including other financial information have been prepared after making such regroupings and adjustments, considered appropriate to comply with the same. As result of these regroupings and adjustments, the amount reported in the financial statements/information may not necessarily be same as those appearing in the respective audited financial statements for the relevant years**.**

12. Amount due to entities covered under Micro, Small and Medium Enterprises as defined in the Micro, Small, Medium Enterprises Development Act, 2006, have been reported to the extent of information memorandum received from the suppliers.

13. Employee benefits:

The Company has not adopted the Accounting Standard 15 (revised 2005) on Employee Benefits as per an actuarial valuation carried out by an independent actuary.

14. Provisions, Contingent Liabilities and Contingent Assets (AS 29):

Contingent liabilities and commitments (to the extent not provided for). There are no contingent liabilities as on the end of respective period except as mentioned in Annexure - W, for any of the years covered by the statements.

15. Related Party Disclosure (AS 18):

Related party transactions are reported as per AS-18 of Companies (Accounting Standards) Rules, 2006, as amended, in the Annexure – T of the enclosed financial statements.

16. Accounting For Taxes on Income (AS 22):

Deferred Tax liability/Asset in view of Accounting Standard – 22: "Accounting for Taxes on Income" as at the end of the Period/year is reported as under:

(₹ in Lakhs)

Particulars	**Proprietorship**		
	As at		
	March 31, 2023	**March 31, 2022**	**March 31, 2021**
Major Components of deferred tax arising on account of timing differences are:			
Timing Difference Due to Depreciation	89.26	16.05	13.16
Deferred Tax Assets/(Liabilities) (A)	22.47	4.04	3.31
Cumulative Balance of Deferred Tax Assets/(Liability) (Net) (A)	**22.47**	**4.04**	**3.31**

17. Realizations:

The Company has considered the possible effects that may result from the pandemic relating to COVID-19 on the carrying amounts of property, plant and equipment, investments, inventories, receivables and other current assets. In developing the assumptions relating to the possible future uncertainties in the global economic conditions because of this pandemic, the Company, as at the date of approval of these Restated financials has used internal and external sources on the expected future performance of the Company and management expects the carrying amount of these assets will be recovered and sufficient liquidity is available to fund the business operations for at least another 12 months. Given the uncertainty because of COVID-19, the final impact on the Company's assets in future may differ from that estimated as at the date of approval of these restated Financials.

18. Contractual liabilities:

All other contractual liabilities connected with business operations of the Company have been appropriately provided for.

19. Amounts in the financial statements:

Amounts in the financial statements are reported in Indian Rupees in lakhs and rounded off to second digit of decimal. Figures in brackets indicate negative values.

ANNEXURE-V

MATERIAL ADJUSTMENTS [AS PER THE SEBI ICDR) REGULATION]

Appropriate adjustments have been made in the restated financial statements, whenever required, by reclassification of the corresponding items of assets, liabilities and cash flow statement, in order to ensure consistency and compliance with requirement of Company Act 2013, and Accounting Standards.

The Summary of results of restatements made in the audited financial statements of the Company for the respective years and their impact on the profit /(losses) of the Company is as under

Statement of adjustments in the Financial Statements

Statement of Capital

(₹ in Lakhs)

Particulars	**Proprietorship**		
	March 31, 2023	**March 31, 2022**	**March 31, 2021**
Capital as per special purpose audited financial statement:	1143.84	1003.04	825.31
Less: Cumulative Adjustment made in Statement of Profit and	317.93	167.25	80.79

Particulars	Proprietorship		
	March 31, 2023	**March 31, 2022**	**March 31, 2021**
Loss Account			
Add: Adjustment of tax	113.29		
Net Adjustment in Profit and Loss Account	**(204.64)**	**(167.25)**	**(80.79)**
Reserves and Surplus as per Restated Accounts:	**939.20**	**835.79**	**744.52**

Statement of Profit and Loss after Tax

The reconciliation of Profit/(loss) before tax as per special purpose audited financial statement and the Profit/(loss) after tax as per Restated accounts is presented below in Table-1. This summarizes the results of restatements made in the audited accounts for the respective years and its impact on the respective year profit & losses of the company.

(₹ in Lakhs)

Particulars	Proprietorship		
	March 31, 2023	**March 31, 2022**	**March 31, 2021**
Net Profit/(loss) before tax as per special purpose audited financial statement:	373.54	334.21	280.51
Provision for Deferred Tax Assets	18.43	0.73	3.31
Provision for Income Tax	(95.89)	(84.30)	(70.94)
Short/(Excess) Provision for Depreciation	(73.21)	(2.89)	(13.16)
Net Adjustment in Profit and Loss Account	**(150.68)**	**(86.46)**	**(80.79)**
Net Profit/(Loss) After Tax as per Restated Accounts:	**222.86**	**247.75**	**199.73**

a) Adjustment on account of Provision of Deferred Tax Assets:

Due to Difference of WDV of Fixed Assets as per Companies Act, 2013 and Income Tax Act, 1961 during the period of restatement, The Company has calculated the deferred tax liability and deferred tax assets at the end of respective year ended at the rate of normal Tax rate applicable at the end of relevant year. For more details refer table of Reconciliation of Statement of Profit and loss as above.

b) Provision of Income Tax (Current/Prior Period):

During the restatement, the Income tax provision was calculated on restated Profit/(Loss) of respective year as per the prevailing tax rates, accordingly the effect of income tax provision has been made in the Restated Statement of Profit and Loss account. provision has adjusted in respective year/period. For More details, refer Annexure V enclosed with the Restated Financial Statement.

c) Accounting of Amortization of Intangible assets:

During the restatement, Company has observed that in Intangible Assets, depreciation was charged as per WDV method, as per companies act.

ANNEXURE – A

RESTATED STATEMENT OF PROPRIETOR'S CAPITAL

(₹ in Lakhs)

Particulars	Proprietorship As at		
	March 31, 2023	**March 31, 2022**	**March 31, 2021**
Capital			
Opening Balance	835.79	744.52	863.73
Profit for the Year	222.86	247.75	199.73
Less:- Net Addition/(deletion)	(119.45)	(156.48)	(318.96)
Closing Balance	**939.20**	**835.79**	**744.52**

ANNEXURE – B

RESTATED STATEMENT OF LONG TERM AND SHORT-TERM BORROWINGS

(₹ in Lakhs)

Particulars	Proprietorship As at		
	March 31, 2023	**March 31, 2022**	**March 31, 2021**
Long Term Borrowings			
(Secured)			
Term loans			
From Bank & Financial Institutions	529.56	421.53	454.55
Sub-total	**529.56**	**421.53**	**454.55**
(Unsecured)			
(b) Term loans			
From Bank & Financial Institutions	-	-	-
From Others	-	-	-
Sub-total (b)	-	-	-
(c) Loans and advances from related parties (Unsecured)			
Unsecured Loan			
Sub-total (c)	-	-	-
Total	**529.56**	**421.53**	**454.55**
Short Term Borrowings			
Secured			
Loan Repayable on Demand			
From Banks	60.04	62.67	94.24
Sub-total (a)	**60.04**	**62.67**	**94.24**
Unsecured			
From Related Parties	-	-	-
Sub-total (b)	-	-	-
Total (a+b)	**60.04**	**62.67**	**94.24**

ANNEXURE – C

RESTATED STATEMENT OF TRADE PAYABLES

(₹ in Lakhs)

Particulars	Proprietorship As at		
	March 31, 2023	**March 31, 2022**	**March 31, 2021**
Trade Payables			
For Goods & Services	574.62	621.82	494.07
Total	**574.62**	**621.82**	**494.07**

ANNEXURE – D

RESTATED STATEMENT OF OTHER CURRENT LIABILITIES AND SHORT-TERM PROVISIONS

(₹ in Lakhs)

Particulars	Proprietorship		
	As at		
	March 31, 2023	March 31, 2022	March 31, 2021
Other Current Liabilities			
Accrued Interest but not due	38.04	43.91	(4.83)
Statutory Payables	-	-	-
Advances Received from Customers	-	-	-
Other Current Liabilities	-	-	-
Total	**38.04**	**43.91**	**(4.83)**
Short Term Provisions			
Provision for Employee Benefits	-	-	-
Other Provisions	-	-	-
Other Provisions			
Income tax Provisions net of Advance tax and TDS	137.84	41.95	33.94
Total	**137.84**	**41.95**	**33.94**

ANNEXURE – E

RESTATED STATEMENT OF PROPERTY, PLANT & EQUIPMENT AND INTANGIBLE ASSETS

FY 2020-21

(₹ in Lakhs)

Proprietorship										
Name of Assets	**Gross Block**				**Depreciation**				**Net Block**	
	Value as at 01-04-2020	**Addition during the year**	**Deduction during the year**	**Value as at 31-03-2021**	**Value as at 01-04-2020**	**Addition during the year**	**Deduction during the year**	**Value as at 31-03-2021**	**WDV as on 31-03-2021**	**WDV as on 31-03-2020**
Property, Plant and Equipment										
Building	125.33	161.01	-	286.34	-	27.04	-	27.04	259.29	125.33
Plant & Machinery	322.76	195.58	-	518.34	-	92.29	-	92.29	426.05	322.76
Computers	4.25	0.10	-	4.36	-	3.04	-	3.04	1.32	4.25
Furniture & Fixture	29.61	20.17	-	49.78	-	12.50	-	12.50	37.28	29.61
Vehicle	32.79	15.72	-	48.51	-	12.41	-	12.41	36.10	32.79
TOTAL	**514.74**	**392.58**	**-**	**907.32**	**-**	147.28	-	147.28	760.04	514.74

FY 2021-22

(₹ in Lakhs)

Proprietorship										
Name of Assets	**Gross Block**				**Depreciation and Amortization**				**Net Block**	
	Value as at 01-04-2021	**Addition during the year**	**Deduction during the year**	**Value as at 31-03-2022**	**Value as at 01-04-2021**	**Addition during the year**	**Deduction during the year**	**Value as at 31-03-2022**	**WDV as on 31-03-2022**	**WDV as on 31-03-2021**
Property, Plant and Equipment										
Building	286.34	1.99	-	288.33	27.04	24.67	0.00	51.72	236.61	259.29
Plant & Machinery	518.34	112.84	-	631.18	92.29	97.61	0.00	189.90	441.28	426.05
Computers	4.36	3.28	-	7.63	3.04	2.97	0.00	6.00	1.63	1.32
Furniture & Fixture	49.78	28.52	-	78.30	12.50	16.38	0.00	28.88	49.42	37.28
Vehicle	48.51	30.85	-	79.36	12.41	17.99	0.00	30.40	48.96	36.10
Total	907.32	177.48	-	1,084.80	147.28	159.62	-	306.90	777.89	760.04
Previous Year	514.74	392.58	-	907.32	-	147.28	-	147.28	760.04	514.74

FY 2022-23

(₹ in Lakhs)

Proprietorship										
Name of Assets	**Gross Block**				**Depreciation and Amortization**				**Net Block**	
	Value as at 01-04-2022	**Addition during the year**	**Deduction during the year**	**Value as at 31-03-2023**	**Value as at 01-04-2022**	**Addition during the year**	**Deduction during the year**	**Value as at 31-03-2023**	**WDV as on 31-03-2023**	**WDV as on 31-03-2022**
Property, Plant and Equipment										
Building	288.33	-	-	288.33	51.72	22.34	-	74.06	214.26	236.61
Plant & Machinery	631.18	113.29	-	744.47	189.90	100.48	-	290.38	454.09	441.28
Computers	7.63	6.45	-	14.08	6.00	4.77	-	10.77	3.31	1.63
Furniture & Fixture	78.30	214.27	-	292.57	28.88	76.22	-	105.10	187.47	49.42
Vehicle	79.36	16.20	-	95.56	30.40	29.31	-	59.71	35.86	48.96
Total	1,084.80	350.22	-	1,435.02	306.90	233.12	-	540.03	894.99	777.89
Previous Year	907.32	177.48	-	1,084.80	147.28	159.62	-	306.90	777.89	760.04

ANNEXURE – F

RESTATED STATEMENT OF DEFERRED TAX (ASSETS) / LIABILITIES

(₹ in Lakhs)

Particulars	Proprietorship		
	As at		
	March 31, 2023	March 31, 2022	March 31, 2021
Major Components of deferred tax arising on account of timing differences are:			
Timing Difference Due to Depreciation	89.26	16.05	13.16
Deferred Tax Assets/(Liabilities) (A)	22.47	4.04	3.31
Cumulative Balance of Deferred Tax Assets/(Liability) (Net) (A+B)	**22.47**	**4.04**	**3.31**

ANNEXURE – G

RESTATED STATEMENT OF INVENTORIES

(₹ in Lakhs)

Particulars	Proprietorship		
	As at		
	March 31, 2023	March 31, 2022	March 31, 2021
Closing Stock	415.71	375.56	222.22
Total	**415.71**	**375.56**	**222.22**

Note-: 1. Inventory has been physically verified by the management of the Company at the end of respective year.

ANNEXURE – H

RESTATED STATEMENT OF TRADE RECEIVABLES

(₹ in Lakhs)

Particulars	Proprietorship		
	As at		
	March 31, 2023	March 31, 2022	March 31, 2021
Trade Receivables	843.84	855.35	824.05
Total	**843.84**	**855.35**	**824.05**

ANNEXURE – I

RESTATED STATEMENT OF CASH & CASH EQUIVALENTS

(₹ in Lakhs)

Particulars	Proprietorship		
	As at		
	March 31, 2023	March 31, 2022	March 31, 2021
Cash and Cash Equivalents: **(as per Accounting Standard 3: Cash flow Statements)**			
Balances with Banks	-	-	-
Cash on Hand (As certified and verified by Management)	-	8.38	2.95
Other Bank Balances			
Fixed Deposits	-	-	-
Total	**-**	**8.38**	**2.95**

ANNEXURE – J

RESTATED STATEMENT OF SHORT-TERM LOANS AND ADVANCES

(₹ in Lakhs)

Particulars	Proprietorship		
	As at		
	March 31, 2023	March 31, 2022	March 31, 2021
Unsecured, Considered Good unless otherwise stated			
Security Deposit	102.29	6.45	3.91
Loan and advances			
Total	**102.29**	**6.45**	**3.91**

ANNEXURE – K

RESTATED STATEMENT OF OTHER CURRENT ASSETS

(₹ in Lakhs)

Particulars	Proprietorship As at		
	March 31, 2023	March 31, 2022	March 31, 2021
Other advance			
Balance With Revenue Authorities	-	-	-
Total	-	-	-

ANNEXURE – L

RESTATED STATEMENT OF TURNOVER

(₹ in Lakhs)

Particulars	Proprietorship for the Year ended on		
	March 31, 2023	March 31, 2022	March 31, 2021
(i) turnover of products manufactured by the issuer (net of excise Duty)	4,076.70	3,485.61	2,519.05
(ii) turnover of products traded in by the issuer; and		-	-
*(iii) turnover in respect of products not normally dealt in by the issuer but included in (ii) above	-	-	-
(iv) turnover in respect of Services supplied by the issuer	-	-	-
Total	**4,076.70**	**3,485.61**	**2,519.05**

*As per information provided to us by the Issuer, there is no such item.

ANNEXURE – M

RESTATED STATEMENT OF OTHER OPERATING INCOME

(₹ in Lakhs)

Particulars	Proprietorship for the Year ended on		
	March 31, 2023	March 31, 2022	March 31, 2021
P & F Charges	11.64	9.08	4.44
Discounts on Purchases	18.10	10.24	7.34
Total	**29.74**	**19.32**	**11.77**

1. The classification of other income as recurring/not-recurring, related/not-related to business activity is based on the current operations and business activity of the Company as determined by the management.

ANNEXURE – N

RESTATED STATEMENT OF COST OF MATERIAL CONSUMED AND PURCHASE OF STOCK IN TRADE

(₹ in Lakhs)

Particulars	Proprietorship for the Year ended on		
	March 31, 2023	March 31, 2022	March 31, 2021
Cost of Material Consumed			
Opening Stock of Raw Material	375.56	222.22	219.85
Add: Purchases of Raw Material	1,930.23	2,037.21	1,169.99
Add: Direct Expenses	620.59	463.21	364.85
Less: Closing Stock of Raw Material	415.71	375.56	222.22
Total	**2,510.67**	**2,347.08**	**1,532.47**
Purchase of Stock in Trade			
Purchase of Stock in Trade	344.21	202.29	272.43
Total	**344.21**	**202.29**	**272.43**

ANNEXURE – O

RESTATED STATEMENT OF EMPLOYEE BENEFITS EXPENSES

(₹ in Lakhs)

Particulars	Proprietorship for the Year ended on		
	March 31, 2023	March 31, 2022	March 31, 2021
Salary and Wages	101.38	70.92	47.49
Contribution to Provident Fund and Other Fund	33.40	24.49	17.10
Staff Welfare Expenses	9.96	6.59	2.61
Total	**144.73**	**102.00**	**67.19**

ANNEXURE – P

RESTATED STATEMENT OF FINANCE COST

(₹ in Lakhs)

Particulars	Proprietorship for the Year ended on		
	March 31, 2023	March 31, 2022	March 31, 2021
Interest expense	64.22	65.20	63.20
Other Borrowing cost	10.68	1.31	2.30
Total	**74.90**	**66.52**	**65.51**

ANNEXURE – Q

RESTATED STATEMENT OF DEPRECIATION & AMORTISATION

(₹ in Lakhs)

Particulars	Proprietorship for the Year ended on		
	March 31, 2023	March 31, 2022	March 31, 2021
Depreciation and Amortization Expenses	233.12	159.62	147.28
Total	**233.12**	**159.62**	**147.28**

ANNEXURE – R

RESTATED STATEMENT OF OTHER EXPENSES

(₹ in Lakhs)

Particulars	Proprietorship for the Year ended on		
	March 31, 2023	March 31, 2022	March 31, 2021
Sundry Exp	5.99	3.13	3.69
Transport Charges	105.21	78.30	53.63
Printing & Stationery Exp.	9.29	7.55	2.09
Advertisement Exp.	8.81	7.67	4.80
Pollution Control Charges	1.00	2.32	-
Rent for Godowns	145.56	66.13	59.42
Property Tax	1.07	0.86	1.31
Credit Card Charges	0.04	-	-
ISO Certification Charges	0.10	0.15	0.10
Software Maintenance Charges	0.31	0.18	0.04
Rent on Machinery	10.67	-	-
Godown Maintenance	8.01	-	-
Professional Fees	9.07	6.85	2.07
Product Design	6.32	-	-
Vehicle Maintenance	2.30	0.35	-
Repair & Maintenance Injection Machine	22.38	8.17	8.74
Repair & Maintenance Roto Machine	12.74	14.77	8.19
Repair & Maintenance Tools & Dies	3.02	8.21	-
Repair & Maintenance	8.79	3.21	5.37
Telephone	1.23	0.72	0.79

Particulars	Proprietorship for the Year ended on		
	March 31, 2023	**March 31, 2022**	**March 31, 2021**
Electricity	14.63	8.73	1.94
Water	2.68	2.59	1.55
Website Charges	0.27	0.73	0.04
Export Charges	4.94	-	-
Sales Promotion	2.96	0.77	1.00
Exhibition & Stall Rent	37.99	14.15	-
Foreign Currency Variation	0.24	(0.32)	-
Commission on Loan	0.91	0.19	0.42
Interest on GST	1.55	0.48	-
Insurance for Stock	1.69	0.36	2.08
Stamp Charges	2.92	4.68	-
Insurance For Property	1.86	1.70	2.26
Insurance Exp Of Office Vehicle	2.07	2.27	1.65
Hamal Charges	0.90	0.09	-
Rounding Off	0.00	-	-
Conveyance	0.10	0.04	0.05
Professional Tax	2.27	3.07	1.26
Travelling Expenses	30.39	8.94	6.96
Brokerage	0.46	-	-
Commission on Sales	1.42	3.68	0.67
Discount on Sales	8.06	6.38	3.69
Insurance for Transit	0.07	0.78	1.11
Pot Samples	0.43	-	-
Petrol & Diesel	1.35	1.43	0.16
Online Sales Expense	1.04	-	-
Mvat	11.58	26.03	0.44
MPCP Payment	0.87	-	-
Computer Exp.	0.12	-	-
Pooja Exp.	0.14	-	-
Internet Charges	0.06	0.01	-
Staff Room Rent	2.21	0.60	-
Courier	0.00	-	-
Tea Coffee Refreshment	0.05	-	-
Sweeper Charges	0.33	-	-
Accounting Charges	-	0.15	-
Labour, Hammali, Local etc.	-	-	0.86
Legal and Agreement Charges (Property)	-	-	0.28
Insurance on Loan	-	-	0.90
Vehicle Expenses	-	-	1.03
Total	**498.48**	**296.10**	**178.59**

ANNEXURE – S

RESTATED STATEMENT OF MANDATORY ACCOUNTING RATIOS

(Amount in Lakhs Rs. Except Per Share Data)

Particulars	Proprietorship As at		
	March 31, 2023	**March 31, 2022**	**March 31, 2021**
Net Worth (A)	939.20	835.79	744.52
Restated Profit after tax	222.86	247.75	199.73
Less: Prior Period Item	-	-	-
Adjusted Profit after Tax (B)	222.86	247.75	199.73
Number of Equity shares (Face Value Rs 10) outstanding as on the of Year	-	-	-
Weighted Average Number of Equity shares (Face Value Rs 10) (c)	-	-	-

Particulars	Proprietorship		
	As at		
	March 31, 2023	March 31, 2022	March 31, 2021
Weighted Average Number of Equity shares (Face Value Rs 10) after considering Bonus Issue of Shares (D)	-	-	-
Current Assets (E)	1,361.85	1,245.74	1,053.13
Current Liabilities (F)	810.54	770.35	617.41
Restated Basic and Diluted Earnings Per Share (Rs.) (B/D)	-	-	-
Return on Net worth (%) (B/A)	23.73%	29.64%	26.83%
Net asset value per share (A/C) (Face Value of Rs. 10 Each)	-	-	-
Current Ratio (E/F)	1.68	1.62	1.71
Restated Earnings Before Interest Tax Depreciation and Amortisation and Other Income (EBITDA)	567.93	536.83	466.06

Note:

1) The ratios have been computed as below:
   (a) Return on net worth (%) -: Net profit after tax (as restated) / Net worth at the end of the period or year
   (b) EBITDA has been calculated as Profit before Tax+ Depreciation+ Interest Expenses-Other Income
2) Net worth for ratios mentioned is equals to capital + Reserves and surplus
3) The figures disclosed above are based on the restated summary statements.
4) The above statement should be read with the significant accounting policies and notes to restated summary statements of assets and liabilities, profits and losses and cash flows appearing in Annexures IV, I, II and IV.

ANNEXURE – T

RESTATED STATEMENT OF RELATED PARTY TRANSACTION

Lis of Related Parties

Particulars	Names of related parties	Nature of Relationship
Directors and Key Management Personnel (KMP)	Hitesh Chunilal Shah	Managing director
	Harshit Hitesh Shah	Whole Time Director & CFO
	Dipti Hitesh Shah	Non-Executive Director
	Megh Hitesh Shah	Non-Executive Director
	Arjun Manish Bhanushali	Independent Director
	Dhruva Hemandra Parekh	Independent Director
Enterprises in which KMP/Relatives of KMP can exercise significant influence	Exotic Planters	Proprietorship firm of Relative of KMP

(₹ in Lakhs)

(i) Transactions with Director in KMP		Proprietorship		
		Year Ended on March 31, 2023	Year Ended on March 31, 2022	Year Ended on March 31, 2021
1	**Harshit Hitesh Shah**			
	Director Remuneration	7.92	-	-
Enterprises in which KMP/Relatives of KMP can exercise significant influence				
2	**Exotic Planters**			
	Sales	72.50	109.26	236.33
	Closing Balance (Dr/(cr))	0.70	8.23	2.48

ANNEXURE – U

RESTATED STATEMENT OF CAPITALISATION

(₹ in Lakhs)

Particulars	Proprietorship
	Pre-Issue
	March 31, 2023
Debt	
Short Term Debt	60.04
Long Term Debt	529.56

Particulars	Proprietorship Pre-Issue March 31, 2023
Total Debt	**589.60**
Capital & Reserves	
Capital	939.20
Reserves & Surplus	-
Less: Miscellaneous Expenses not w/off	-
Total Shareholders' Fund (Equity)	939.20
Long Term Debt/Equity	0.56
Total Debt/Equity	0.63

Notes:
1. Short term Debts represent which are expected to be paid/payable within 12 months and excludes installment of term loans repayable within 12 months.
2. Long term Debts represent debts other than Short-term Debts as defined above but includes installment of term loans repayable within 12 months grouped under other current liabilities.
3. The figures disclosed above are based on restated statement of Assets and Liabilities of the Company as at March 31, 2023.

ANNEXURE – V

RESTATED STATEMENT OF TAX SHELTER

(₹ in Lakhs)

	Particulars	Proprietorship for the period/year ended on		
		March 31, 2023	**March 31, 2022**	**March 31, 2021**
A	Profit before taxes as restated	300.32	331.32	267.36
B	Tax Rate Applicable %	25.17	25.17	25.17
C	Tax Impact (A*B)	75.59	83.39	67.29
	Adjustments:			
D	**Permanent Differences**			
	Expenses disallowed due to non-deduction of TDS			
	Expenses disallowed as per IT Act 1961	7.46	0.73	1.36
	Total Permanent Differences	**7.46**	**0.73**	**1.36**
E	**Timing Difference**			
	Difference between tax depreciation and book depreciation	73.21	2.89	13.16
	Expenses Disallowed Under Section 43 B			
	Total Timing Differences	**73.21**	**2.89**	**13.16**
	Set off of Carried forwarded Business Losses	-	-	-
F	Net Adjustment (F) = (D+E)	80.68	3.62	14.51
G	Tax Expenses/ (Saving) thereon (F*B)	20.30	0.91	3.65
H	**Tax Liability, After Considering the effect of Adjustment (C +G)**	**95.89**	**84.30**	**70.94**
I	Interest U/s 234A, B and C of Income Tax Act	-	-	-
J	Total Tax expenses (L+M+N)	95.89	84.30	70.94

Notes:
1. The aforesaid statement of tax shelters has been prepared as per the restated Summary statement of profits and losses of the Company. The permanent/timing differences have been computed considering the acknowledged copies of the income-tax returns/Provisional computation of total income of respective years as stated above.

ANNEXURE – W

RESTATED STATEMENT OF CONTINGENT LIABILITIES

(₹ in Lakhs)

Particulars	Proprietorship As at		
	March 31, 2023	**March 31, 2022**	**March 31, 2021**
Contingent liabilities in respect of:	-	-	-
Claims against the company not acknowledged as debts	-	-	-

Particulars	Proprietorship		
	As at		
	March 31, 2023	March 31, 2022	March 31, 2021
Guarantees given on Behalf of the Company	-	-	-
TDS Defaults with respect to Delay filing fee, Short Deduction and Interest thereon	-	-	-
Estimated amount of contracts remaining to be executed on capital account and not provided for	-	-	-
Income Tax Outstanding Demand	-	-	-
Uncalled liability on shares and other investments partly paid	-	-	-
Total	-	-	-

ANNEXURE – X

RESTATED STATEMENT OF OTHER FINANCIAL RATIO

Sr. No.	Ratios	Proprietorship		
		March 31, 2023	March 31, 2022	March 31, 2021
1	Current Ratio (No of Times)	1.68	1.62	1.71
2	Debt Equity Ratio (No of Times)	0.63	0.58	0.74
3	Debt Service Coverage Ratio (No of Times)	4.27	3.71	2.62
4	Return On Owner's Capital (%)	25.11%	31.35%	24.84%
5	Inventory Turnover Ratio (In Days)	51	43	45
6	Trade Receivable Turnover Ratio (In Days)	76	88	111
7	Trade Payable Turnover Ratio (In Days)	63	49	56
8	Net Capital Turnover Ratio (No Of Times)#	7.94	7.65	4.61
9	Net Profit Ratio (%)	5.47%	7.11%	7.93%
10	Return On Capital Employed (%)	24.54%	30.14%	25.74%
11	Return On Investment/Total Assets (%)	16.46%	19.62%	18.32%

Note:

Details of numerator and denominator for the above ratio are as under

1) Current Ratio = Current Assets / Current Liabilities.
2) Debt- equity ratio = Total debt / Capital
3) Debt service coverage ratio = (Net Profit After Tax+ Depreciation+ Interest)/ (Principal + Interest).
4) Return on Owner's Capital ratio= Net profit after taxes / Avg Shareholder's Equity.
5) Inventory turnover ratio=Cost of goods sold or sales/Average inventory.
6) Trade receivables turnover ratio= Revenue from Operations /Average trade receivables.
7) Trade payables turnover ratio=Purchase/Average trade payables.
8) Net Capital turnover ratio=Net sales/Average working capital.
9) Net profit ratio=Net profit after taxes/Total Revenue.
10) Return on capital employed=Earnings before interest and taxes/Capital employed.
11) Return on investment/Total Assets=PAT/Total Assets.

OTHER FINANCIAL INFORMATION

The audited financial statements of our Company as at and for the four months period ended July 31, 2023 and year ended March 31, 2023 and their respective Audit reports thereon (Audited Financial Statements) are available at https://harshdeepindia.com/

Our Company is providing a link to this website solely to comply with the requirements specified in the Securities and Exchange Board of India (Issue of Capital and Disclosure Requirement) Regulations, 2018. The Audited Financial Statements do not constitute, (i) a part of this Draft Red Herring Prospectus; or (ii) Red Herring Prospectus (iii) Prospectus, a statement in lieu of a prospectus, an advertisement, an offer or a solicitation of any offer or an offer document to purchase or sell any securities under the Companies Act, 2013, the Securities and Exchange Board of India (Issue of Capital and Disclosure Requirement) Regulations, 2018, or any other applicable law in India or elsewhere in the world. The Audited Financial Statements should not be considered as part of information that any investor should consider subscribing for or purchase any securities of our Company and should not be relied upon or used as a basis for any investment decision. Neither our Company, nor BRLM, nor any of their respective employees, directors, affiliates, agents or representatives accept any liability whatsoever for any loss, direct or indirect, arising from any information presented or contained in the Audited Financial Statements, or the opinions expressed therein.

The accounting ratios required under Clause 11 of Part A of Schedule VI of the SEBI ICDR Regulations are given below: -

Particulars	**For the period/ financial year ended**	
	July 31, 2023*	**March 31, 2023**
Profit After Tax (₹ in lakhs)	177.24	(0.27)
Basic & Diluted Earnings per Share (Based in Weighted Average Number of Shares)	1.50	(0.00)
Return on Net Worth (%)	13.37%	(5.61%)
NAV per Equity Shares (Based on Actual Number of Shares)	1,901.69	9.47
NAV per Equity Shares (Based on Weighted Average Number of Shares)	11.19	0.04
Earnings before interest, tax, depreciation and amortization (EBITDA)	285.46	(0.27)

*The ratios for the stub period ended on July 31, 2023 are not annualized

STATEMENT OF FINANCIAL INDEBTEDNESS

To,
The Board of Directors,
Harshdeep Hortico Limited
Building No.1 Shree Sai Logistics,
Survey No.18/2E 18/2P 17/2A, 17/2B Part,
Elkunde, Bhiwandi, Thane-421302, Maharashtra, India

Dear Sir,
Based on the independent examination of Books of Accounts, Audited Consolidated Financial Statements and other documents of **Harshdeep Hortico Limited (CIN: U26994MH2022PLC396421)** having registered office at above mentioned address and further explanations and information provided by the management of the Company, which we believe to be true and correct to the best of our information and belief, the sanction amount of financial indebtedness, principal terms of security for loan and other related details as on **July 31, 2023** are mentioned below.

A. SECURED LOANS

STATEMENT OF PRINCIPAL TERMS OF SECURED LOANS AND ASSETS CHARGED AS SECURITY

(₹ In Lakhs)

Name of Lender	Loan/ Agreement A/c No./Ref. No.	Purpose	Sanctioned Amount	Rate of interest	Primary & Collateral Security	Re-Payment Schedule	Outstanding amount as on July 31, 2023 as per Books
Kotak Mahindra Bank Ltd	BBA-EC/1349/F/7063537 20/01/2023-24	Term Loan	192.00	9.25%	Hypothecation of assets	Repayable in 56 equal monthly instalments of ₹4.23 lakhs	182.09
Kotak Mahindra Bank Ltd		Working Capital	300.00			Repayable on Demand	139.34
Kotak Mahindra Bank Ltd (Vehicle Loan)	LCV-2535346	Purchase of Vehicle	7.07	10.50 %	Hypothecation of Vehicle	Repayable in 48 equal monthly instalments of ₹0.18 lakhs	6.82
Karnataka Bank Ltd. (TL-GECL)	DGMS/RLPC/800/38127/2020-21/29-10-2020	Working Capital Term Loan Under GECL	30.00	10.20 %	Hypothecation of Machineries	Repayable in 48 months with principal moratorium of 12 months & afterwards equal instalments of ₹1.07 lakhs	14.91
Karnataka Bank Ltd.	DGMS/RLPC/800/63621/2020-21/24-02-2021	Purchase of machineries	97.00	13.60 %	Hypothecation of Machine	Repayable in 84 equal monthly instalments of ₹1.58 lakhs	69.50
Karnataka Bank Ltd.	DGMS/RLPC/800/13488/2019-20/05-07-2019	For Setting Purchase of Vehicle Up of New Factory Unit & Purchase of Machineries for Manufacturing Unit.	275.00	11.90 %	Hypothecation of Machine and immovable property	Repayable in 84 months with principal moratorium of 6 months & afterwards equal instalments of ₹5.01 lakhs	164.75

Name of Lender	Loan/ Agreement A/c No./Ref. No.	Purpose	Sanctioned Amount	Rate of interest	Primary & Collateral Security	Re-Payment Schedule	Outstanding amount as on July 31, 2023 as per Books
HDFC Bank EEG-TL	83504305	Term Loan	74.43	11.80 %	Hypothecation of Assets	Repayable in 60 equal monthly instalments of ₹1.65 lakhs	13.48
HDFC Bank EEG-WCTL-GECL	8660038	Working Capital	35.34	8.25%		Repayable in 36 months with principal moratorium of 12 months & afterwards equal instalments of ₹1.11 lakhs	17.93
HDFC Bank EEG-WCTL-GECL	130798040	Working Capital	27.98	8.25%		Repayable in 36 months with principal moratorium of 12 months & afterwards equal instalments of ₹0.51 lakhs	27.98
TOTAL (Fund Based)							**636.82**
TOTAL (Non-Fund Based)							**Nil**
GRAND TOTAL (Fund and Non fund Based)							**636.82**

Note A: Collateral Security for the Term loan/WC granted by Kotak Mahindra Bank Ltd is as under:

1. Plinth No G-4, Rajlaxmi Sulzer park, S. No 150/0, Sonale, Bhiwandi, Thane- 421302 owned by Hitesh Chunilal Shah and Dipti Hitesh Shah
2. Plinth No 6 & 7, Rajlaxmi Sulzer park, S. No 15/3 (Old no 149/0), Gholgaon (Sonale), Bhiwandi, Thane- 421302 owned by Dipti Hitesh Shah
3. Plinth No G-8, G-9 and G-10 Rajlaxmi Sulzer park, S. No 15/5 (old No 149/0), Gholgaon (Sonale), Bhiwandi, Thane- 421302 owned by Hitesh Chunilal Shah
4. Plinth No 9, F-1, Rajlaxmi Sulzer park, S. No 14 Hissa no 11/E (old No 198/11-part), Gholgaon (Sonale), Bhiwandi, Thane- 421302 owned by Hitesh Chunilal Shah
5. Flat No 5, 4th Floor, Arham Society, Govind Bachaji Road, Charai, CTS no 258 of Tikka No 13 at Thane west- 400601 owned by Madhuriben Chunilal Shah
6. Deposit of title deeds with respect to the N.A(Industrial) plot of land and factory shedbuilding "B" at Gat No. 589/1/1, 589/1/2 &589/1/3 Village-Boriandi, Tal-Daund, Dist: Pune

Note B: Collateral Security for the Working Capital loan granted by Karnataka Bank Ltd is as under –

1. Deposit of title deeds with respect to the N.A (Industrial) Plot of Land at Gat No. 589 (P), Village-Boriandi, Tal-Daund, Dist: Pune
2. Personal Guarantee of Dipti Hitesh Shah

B. <u>UNSECURED LOANS</u> - NIL

For DGMS & Co.
Chartered Accountants
FRN: 112187W
Sd/-
Atul Bhupatrai Doshi
Partner
M. No. 102585
Place: Thane
Date: November 03, 2023
UDIN:23102585BGTDBO1947

MANAGEMENT'S DISCUSSION AND ANALYSIS OF FINANCIAL CONDITIONS AND RESULTS OF OPERATIONS

*You should read the following discussion in conjunction with our restated financial statements attached in the chapter titled **"Financial Information of the Company"** beginning on page 119. You should also read the section titled **"Risk Factors"** on page 22 and the section titled **"Forward Looking Statements"** on page 17 of this Prospectus, which discusses a number of factors and contingencies that could affect our financial condition and results of operations. The following discussion relates to us, and, unless otherwise stated or the context requires otherwise, is based on our Restated financial Statements.*

*Our financial statements have been prepared in accordance with Indian GAAP, the Companies Act and the SEBI (ICDR) Regulations and restated as described in the report of our auditor November 03, 2023 which is included in this Prospectus under **"Financial Statements"**. The Restated Financial Information has been prepared on a basis that differs in certain material respects from generally accepted accounting principles in other jurisdictions, including US GAAP and IFRS. Our financial year ends on March 31 of each year, and all references to a particular financial year are to the twelve-month period ended March 31 of that year.*

BUSINESS OVERVIEW

We are primarily engaged in the business of designing, developing, manufacturing and supplying of various types of pots and planters like: plastic Indoor Planters, Outdoor Planters, Illuminated Planters, Decorative Planters, Roto Moulded Planters, Fiber Reinforced Plastic (FRP) Planters, Eco series Planters etc. along with related accessories like Garden Hose Pipe & Water Can. Apart from this recently we have also entered into the field of Roto Moulded Outdoor Furniture.

Our company was incorporated in December 2022, prior to which our Promoter, Hitesh Chunilal Shah was carrying on the business operations as a proprietorship concern under the name of "M/s Harshdeep Agro Products" to design and manufacture quality pots and planters. Later, our company was incorporated with an object of taking over the running business of the above proprietorship concern for which a Business Purchase Agreement dated April 03, 2023 was executed, whereby the company acquired all know-how, goodwill, customer and assets & liabilities of the proprietorship firm. Hitesh Chunilal Shah, our Promoter was appointed as Director in the company and since then he is looking after the overall business operations of the company. Below are the restated financials of the proprietorship firm "M/s Harshdeep Agro Products"

(₹ In Lakhs)

Particular	March 31, 2023	March 31, 2022	March 31, 2021
Revenue from Operations	4076.70	3485.61	2519.05
Net Profit for the year (after tax)	222.86	247.75	199.73

Our company has accreditation with ISO 9001:2015, ISO 14001:2015 and ISO 45001:2018 for quality management system from Sigma Certification Pty Ltd. The company's product portfolio comprises of more than 500 different variants of pots, planters and related accessories which are available in multiple size and color. For the period ending July 31, 2023, our Roto Moulded Series, Grower Series, Indoor Series, FRP Series & Gropo Series contributed 30.22%, 26.12%, 15.13%, 7.37% & 6.80% of total revenue of said period. Other categories of planters like Decorative Series, Garden Furniture, Eco Series, Illuminated Planters/Furniture & other Garden Accessories collectively contributed to 14.36% of total revenue of said period.

Currently we have two manufacturing units situated at Bhiwandi and Pune in Maharashtra with an area of approx. 93769 sq. ft. and 40000 sq. ft. respectively, along with three stores located in Delhi, Pune (Maharashtra) and Rajahmundry (Andhra Pradesh). Apart from these manufacturing units and stores, we have 04 Distributors at Hyderabad, Kolkata, Chandigarh and Visakhapatnam, who are exclusively dealing in our products. We provide an Omni-channel experience to customers through our website, various online marketplaces such as Amazon and Flipkart, as well as, social media platforms like Facebook and Instagram to promote our products.

Currently, we market our products to around 27 states & Union Territories in India of which majority portion of the revenue comes from the state of Maharashtra. We had also exported our products from our Proprietorship concern- M/s Harshdeep Agro Products in past to countries such as Djibouti, East Africa, United Kingdom, Nepal etc. Our revenue from exports for fiscal 2023 and 2022 was ₹75.58 lakhs and ₹70.25 lakhs respectively which constituted 1.85 % and 2.02 % of our revenue from operations for the respective fiscal.

In year 2008, M/s Harshdeep Agro Products purchased and installed its first Rotational Moulding Machine at Bhiwandi and began manufacturing of Rotomoluded Series. Gradually, over the years, to expand the business operations, other machines were purchased along with Rotational Moulding machines including Injection Moulding Machine and Blow Extrusion Machine. Currently, we operate a total of 04 Rotational molding machines, 20 Injection Molding Machines and 01 Blow Extrusion Machine. These machines are complemented by various handling equipment that streamlines the manufacturing process at both our production locations.

Our Company is managed by our Promoter, Hitesh Chunilal Shah (Managing Director & Chairman of the company and proprietor of erstwhile M/s Harshdeep Agro Products) who is responsible for the overall management and control of the affairs of our Company. He ventured into the business of synthetic pots and planters in year 2002. Since then, he has gained a good knowledge and experience of more than 20 years in this industry. He is supported by his son, Harshit Hitesh Shah, Whole time director and CFO of the company, who has approx. 2 years of experience in same industry and taking care of legal and financial aspects of the company.

The following table sets forth certain key performance indicators for the period indicated:

(₹ In Lakhs except percentages and ratios)

Key Financial Performance	Period ended July 31, 2023*	Financial Year ended March 31, 2023
Revenue from operations (1)	1481.05	-
EBITDA (2)	285.46	(0.27)
EBITDA Margin (3)	19.27%	-
PAT (4)	177.24	(0.27)
PAT Margin (5)	11.97%	-

** Not Annualised*

Notes:

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

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

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

(4) PAT is calculated as Profit before tax – Tax Expenses

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

Explanation for KPI metrics

KPI	Explanations
Revenue from Operations	Revenue from Operations is used by our management to track the revenue profile of the business and in turn helps to assess the overall financial performance of our Company and volume of our business
EBITDA	EBITDA provides information regarding the operational efficiency of the business
EBITDA Margin (%)	EBITDA Margin (%) is an indicator of the operational profitability and financial performance of our business
PAT	Profit after tax provides information regarding the overall profitability of the business.
PAT Margin (%)	PAT Margin (%) is an indicator of the overall profitability and financial performance of our business.

STATEMENT OF SIGNIFICANT ACCOUNTING POLICIES

For details in respect of Statement of Significant Accounting Policies, please refer to ***"Annexure IV of Restated Financial Statements"*** beginning on page 119 of this Prospectus.

Factors Affecting our Results of Operations

Our business is subjected to various risks and uncertainties, including those discussed in the section titled ***"Risk Factors"*** beginning on page 22 of this Prospectus. Our results of operations and financial conditions are affected by numerous factors including the following:

1. General economic and business conditions in the markets in which we operate and in the local, regional, national and international economies;
2. Changes in consumer demand;
3. Failure to successfully upgrade our product portfolio, from time to time;
4. Any change in government policies resulting in increases in taxes payable by us;
5. Our ability to retain our key managements persons and other employees;
6. Changes in laws and regulations that apply to the industries in which we operate.
7. Our failure to keep pace with rapid changes in technology;
8. Our ability to grow our business;
9. Our ability to make interest and principal payments on our existing debt obligations and satisfy the other covenants contained in our existing debt agreements;
10. general economic, political and other risks that are out of our control;
11. Inflation, deflation, unanticipated turbulence in interest rates, equity prices or other rates or prices;
12. Company's ability to successfully implement its growth strategy and expansion plans;
13. failure to comply with regulations prescribed by authorities of the jurisdictions in which we operate;
14. inability to successfully obtain registrations in a timely manner or at all;
15. occurrence of Environmental Problems & Uninsured Losses;

16. conflicts of interest with affiliated companies, the promoter group and other related parties;
17. any adverse outcome in the legal proceedings in which we are involved;
18. Concentration of ownership among our Promoter;
19. The performance of the financial markets in India and globally;
20. Global distress due to pandemic, war or by any other reason.

Discussion on Result of Operations

The following discussion on results of operations should be read in conjunction with the Restated Financial Statements for the stub period ended on July 31, 2023, for the financial year ended on March 31, 2023.

(₹ in lakhs)

Particulars	**For the Period/ Year ended on**			
	July 31, 2023	**% of Total Income**	**March 31, 2023**	**% of Total Income**
Revenue from operations	1,481.05	99.88	0.00	-
Other income	1.79	0.12	0.00	-
Total Income	**1,482.84**	100.00	0.00	-
Expenses			0.00	-
Cost of Goods Sold	1,420.66	95.81	0.00	-
Purchase of Stock in Trade	0.00	-	0.00	-
Change in inventories of finished goods	(656.52)	(44.27)	0.00	-
Employee Benefit Expenses	106.69	7.19	0.00	-
Finance Costs	4.14	0.28	0.00	-
Depreciation and Amortization Expenses	46.75	3.15	0.00	-
Other Expenses	324.26	21.87	0.27	-
Total expenses	**1,245.98**	84.03	**0.27**	-
Profit/ (Loss) before tax	**236.86**	15.97	**(0.27)**	-
Tax expenses				
1.Tax Expense for Current Year	60.13	4.06	0.00	-
2.Deferred Tax (Expense)/ Income	(0.52)	(0.04)	0.00	-
Profit/ (Loss) after tax	**177.25**	11.95	**(0.27)**	-

Revenue from operations:

Revenue from operations mainly consists of sale from manufacturing and supplying of various types of pots and planters.

Other Income:

Our other income primarily comprises of Packing Charges.

Expenses:

Company's expenses consist of Cost of goods sold, Purchase of Stock in Trade, Change in inventories of finished goods, Employee benefits expense, Finance costs, Depreciation and amortization and other expenses.

Cost of goods sold & Purchases of Stock in Trade:

Our Cost of Material Consumption comprises of purchase of raw material for manufacturing the end products.

Change in inventories of finished goods:

Our changes in the inventory comprises of changes in the finished goods.

Employee benefits expense:

Our employee benefits expense primarily comprises of Salary and Wages, Contribution to Provident Fund and Other Fund, Staff Welfare Expenses.

Finance Costs:

Our finance cost includes Interest expense, Other Borrowing cost.

Depreciation and Amortization Expenses:

Depreciation includes depreciation on Property, Plant & Equipment's etc.

Other Expenses:

Our other expenses include Electricity expenses, Packing and forwarding charges, wages expenses, Labour charges and other Miscellaneous Expenses.

Details of period ended July 31, 2023 *(Based on Restated Financial Statements)*

Total Income:

The Company has been incorporated in December 30, 2022. However, the Company had taken over the proprietary running business of promoter viz. Harshdeep Agro Products. Total income for the period ended July 31, 2023 stood at ₹1,482.84 Lakhs, which comprises of revenue from products manufactured by the issuer (net of excise Duty) and other incomes i.e. Packing Charges.

Revenue from Operations:

During the period ended July 31, 2023 revenue from operations was ₹1,481.05 Lakhs, which comprises of revenue from manufacturing and supplying of various types of pots and planters like Indoor Planters, Outdoor Planters, Illuminated Planters, Decorative Planters, Roto Moulded Planters, Fiber Reinforced Plastic (FRP) Planters, Eco series Planters etc. along with related accessories like Garden Hose Pipe & Water Can

Other Income:

During the period ended July 31, 2023, other income was ₹1.79 Lakhs which comprises of Packing Charges.

Total Expenses:

The Total Expenses for the period ended July 31, 2023 stood at ₹1,245.98 Lakhs, which comprises of Cost of goods sold, Purchase of Stock in Trade, Change in inventories of finished goods, Employee benefits expense, Finance costs, Depreciation and amortization and other expenses

Cost of Goods sold & Purchase of Stock in Trade:

The Raw material consumption & cost of goods sold for the period ended July 31, 2023 stood at ₹1,420.66 Lakhs which comprises of purchase of Raw Material for manufacturing the end products.

Change in inventories of finished goods:

The Change in inventories of finished goods for the period ended July 31, 2023 stood at (₹656.52) Lakhs

Employee benefits expense:

Our Company has incurred ₹106.69 Lakhs as Employee benefits expense for the period ended July 31, 2023 which comprises of Salary & wages, Contribution to Provident Fund and Other Fund and Staff Welfare Expenses

Finance costs:

Finance costs for the period ended July 31, 2023 was ₹4.14 Lakhs which comprises of Interest expense on Bank loans and other borrowing costs.

Depreciation and Amortization Expenses:

Depreciation for the period ended July 31, 2023 was ₹46.75Lakhs.

Other Expenses:

Other Expenses for the period ended July 31, 2023 stood at ₹324.26 Lakhs which comprises of Electricity Expenses, Gas expenses, Labour Charges, Packing and forwarding charges, Wages, Advertisement expenses, Exhibition and stall rent, Godown maintenance, Insurance expenses, Rent for Godowns, Professional Charges, Transportation charges etc.

Restated Profit/ (Loss) before tax:

Restated Profit before tax for the period ended July 31, 2023 was ₹236.86 Lakhs.

Restated Profit/ (Loss) after tax*:*

The Company reported Restated Profit after tax for the period ended July 31, 2023 at ₹177.24 Lakhs.

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

An analysis of reasons for the changes in significant items of income and expenditure is given hereunder:

1. Unusual or infrequent events or transactions

There has not been any unusual trend on account of our business activity. Except as disclosed in this Prospectus, there are no unusual or infrequent events or transactions in our Company.

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

There are no significant economic changes that may materially affect or likely to affect income from continuing operations.

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

Apart from the risks as disclosed under Section ***"Risk Factors"*** beginning on page 22 of the Prospectus, in our opinion there are no other known trends or uncertainties that have had or are expected to have a material adverse impact on revenue or income from continuing operations.

4. Future changes in relationship between costs and revenues

Other than as described in the sections ***"Risk Factors"***, ***"Our Business"*** and ***"Management's Discussion and Analysis of Financial Condition and Results of Operations"*** on pages 22, 79 and 169 respectively, to our knowledge, no future relationship between expenditure and income is expected to have a material adverse impact on our operations and finances.

5. Total turnover of each major industry segment in which our Company operates

Our business activity primarily falls within a single business and geographical segment, i.e., is engaged in the business of event management services, wedding planning services and adventure tourism, as disclosed in ***"Restated Financial Statements"*** on page 119, we do not follow any other segment reporting.

6. Status of any publicly announced New Products or Business Segment

Except as disclosed in the Chapter ***"Our Business"*** on page 79 of this Prospectus, our Company has not announced any new product or service.

7. Seasonality of business

Our business is not subject to seasonality. For further information, see ***"Industry Overview"*** and ***"Our Business"*** on pages 69 and 79 of this Prospectus, respectively.

8. Dependence on single or few customers

Notable portion of our revenue has been dependent upon few customers. For instance, our top ten customers for the four months' period ended July, 2023, accounted for 21.91% of our revenue from operations for the said period. Our reliance on a selected group of customers for our business exposes us to risks, that may include, but are not limited to, reductions, delays or cancellation of orders from our significant customers, failure to negotiate favorable terms or the loss of these customers, all of which would have a material and adverse effect on the business, financial position and future prospects of our Company. For further details, refer Risk Factor ***"A significant portion of our revenue from limited number of customers, the loss of such customers, the deterioration of their financial position or prospects, or a reduction in their demand for our products could affect our business, financial position and future prospects of our Company"*** on page 22 of this Prospectus.

9. Competitive conditions

Competitive conditions are as described under the Chapters ***"Industry Overview"*** and ***"Our Business"*** beginning on pages 69 and 79 respectively of this Prospectus.

10. Details of material developments after the date of last balance sheet i.e. July 31, 2023.

After the date of last Balance sheet i.e., July 31, 2023, the following material events have occurred after the last audited period:

1. The Authorized Share Capital of the Company was increased from ₹ 15,00,000 divided into 1,50,000 Equity Shares of ₹ 10/- each to ₹ 20,00,00,000 divided into 2,00,00,000 Equity Shares of ₹ 10 vide Extra Ordinary General Meeting held on August 28, 2023.

2. Our company has allotted Bonus Shares to the existing shareholders of the company on November 01, 2023 in the ratio of 169:1 i.e., One hundred sixty-nine bonus shares to every One share held by them.

3. We have passed the Board Resolution in the meeting of Board of Directors dated October 20, 2023, authorizing the Board of Director to raise funds by making an Initial public offering.

4. We have passed the Special resolution in the Extra Ordinary General Meeting of Members held on October 31, 2023, authorizing the Board of Director to raise funds by making an Initial public offering.

5. Our company has approved the Audited Financial statements for the financial year ending March 31, 2023 in the Board meeting dated October 18, 2023 and for the four months ended July 31, 2023 in the Board meeting dated October 18, 2023.

6. Our Company has approved the Restated Financial Statements for the four months ended July 31, 2023 and for the financial year ending March 31, 2023 in the Board meeting dated November 03, 2023.

7. Our Company has approved the Draft Red Herring Prospectus vide resolution in the Board Meeting dated November 16, 2023.

8. Our Company has approved the Red Herring Prospectus vide resolution in the Board Meeting dated January 18, 2024.

9. Our Company has approved the Prospectus vide resolution in the Board Meeting dated January 31, 2024

CAPITALISATION STATEMENT

(₹ in Lakhs)

Particulars	Pre-Issue	Post Issue
	July 31, 2023	
Debt		
Short Term Debt	139.34	139.34
Long Term Debt	497.48	89.54
Total Debt	**636.82**	**228.88**
Shareholders' Fund (Equity)		
Share Capital	6.97	1,609.41
Reserves & Surplus	1,318.85	1,652.32
Less: Miscellaneous Expenses not w/off	-	-
Total Shareholders' Fund (Equity)	**1,325.82**	**3,234.72**
Long Term Debt/Equity	0.38	0.03
Total Debt/Equity	0.48	0.07

Notes:

1. Short term Debts represent which are expected to be paid/payable within 12 months and excludes installment of term loans repayable within 12 months.
2. Long term Debts represent debts other than Short term Debts as defined above but includes installment of term loans repayable within 12 months grouped under other current liabilities.
3. The figures disclosed above are based on restated statement of Assets and Liabilities of the Company as at July 31, 2023.
4. While calculating the post issue shareholder's funds, we have considered the impact of fresh issue of 42,42,000 equity shares being offered through IPO at a price of ₹ 45- per share.
5. While calculating post-issue borrowings, we have only given the impact of repayment of Term Loan and Working Capital of ₹ 407.94 lakhs, which is to be utilized by the Company from the Issue proceeds. We've not taken impact of estimated issue expenses

SECTION VII – LEGAL AND OTHER INFORMATION

OUTSTANDING LITIGATIONS AND MATERIAL DEVELOPMENTS

Except as stated in this section, there are no:(i) criminal proceedings; (ii) actions by statutory or regulatory authorities; (iii) claims relating to direct and indirect taxes; (iv) disciplinary actions including penalties imposed by SEBI or stock exchanges against the Promoter in the last five financial years, including outstanding action; or (v) Material Litigation (as defined below); involving our Company, its Directors and Promoter.

Our Board, in its meeting held on October 20, 2023, determined that outstanding legal proceedings involving the Company, its Directors and Promoter will be considered as material litigation ("Material Litigation") if the aggregate amount involved in such individual litigation exceeds 1% of profit after tax of the Company, as per the last audited financial statements of the Company or such litigations outcome could have a material impact on the business, operations, prospects or reputations of the Company.

The Company has a policy for identification of Material Outstanding Dues to Creditors in terms of the SEBI (ICDR) Regulations, 2018 as amended for creditors where outstanding due to any one of them exceeds 5.00% of the Company's trade payables as per the last restated financial statements.

A. LITIGATION INVOLVING THE COMPANY

(a) **Criminal proceedings against the Company**

As on the date of this Prospectus, there are no outstanding criminal proceedings initiated against the Company.

(b) **Criminal proceedings filed by the Company**

As on the date of this Prospectus, there are no outstanding criminal proceedings initiated by the Company.

(c) **Actions by statutory and regulatory authorities against the Company**

As on the date of this Prospectus, there are no outstanding actions by statutory or regulatory authorities initiated against the Company.

(d) **Tax Proceedings**

i. Direct Tax Liability: Nil
ii. Indirect Tax Liability: Nil

(e) **Other pending material litigations against the Company**

As on the date of this Prospectus, there are no outstanding litigations initiated against the Company, which have been considered material by the Company in accordance with the Materiality Policy.

(f) **Other pending material litigations filed by the Company**

As on the date of this Prospectus, there are no outstanding litigations initiated by the company, which have been considered material by the Company in accordance with the Materiality Policy.

B. LITIGATIONS INVOLVING THE PROMOTER & DIRECTORS OF THE COMPANY

(a) Criminal proceedings against the Promoter & Directors of the company

As on the date of this Prospectus, there are no outstanding criminal proceedings against the Promoter & Directors of the company.

(b) Criminal proceedings filed by the Promoter & Directors of the company

As on the date of this Prospectus there are no outstanding criminal proceedings initiated by the Promoter & Directors of the company:

(c) Actions by statutory and regulatory authorities against the Promoter & Directors of the company

As on the date of this Prospectus, there are no outstanding actions by statutory or regulatory authorities initiated against the Promoter & Directors.

(d) Tax Proceedings

Nature of Proceedings	Number of cases	Amount involved (₹ in lakhs)
Direct Tax		
Harshit Hitesh	1	0.052
Hitesh Chunilal Shah	12	4.47
Indirect Tax	Nil	Nil
Total	**13**	**4.522**

(e) Other pending material litigations against the Promoter & Directors of the company

As on the date of this Prospectus, there are no outstanding litigations initiated against the Promoter & Directors, which have been considered material by the Company in accordance with the Materiality Policy.

(f) Other pending material litigations filed by the Promoter & Directors of the company

As on the date of this Prospectus, there are no outstanding litigations initiated by the Directors, which have been considered material by the Company in accordance with the Materiality Policy.

C. AMOUNTS OWED TO SMALL SCALE UNDERTAKINGS AND OTHER CREDITORS:

Our Board of Directors considers dues owed by our Company to the creditors exceeding 5% of the Company's trade payables as per the last restated financial statements as material dues for the Company. The trade payables for the four months period ended on July 31, 2023 were ₹899.57 lakhs on standalone basis. Accordingly, a creditor has been considered 'material' if the amount due to such creditor exceeds ₹44.98 lakhs. This materiality threshold has been approved by our Board of Directors pursuant to the resolution passed on October 20, 2023.

Based on this criteria, details of outstanding dues owed as on July 31, 2023 by our Company on standalone basis is set out below:

Type of Creditors	Number of Creditors	Amount (₹ in lakhs)
Micro, small and medium enterprises	-	-
Material Creditors	08	708.19
Other Creditors	88	191.38
Total	**96**	**899.57**

The details pertaining to amounts due towards material creditors are available on the website of our Company.

D. MATERIAL DEVELOPMENTS OCCURING AFTER LAST BALANCE SHEET DATE:

Except as disclosed in Chapter titled ***"Management's Discussion & Analysis of Financial Conditions & Results of Operations"*** beginning on page 169 of this Prospectus, there have been no material developments that have occurred after the Last Balance Sheet date.

GOVERNMENT AND OTHER APPROVALS

Except as mentioned below, our Company has received the necessary consents, licenses, permissions, registrations and approvals from the Central and State Governments and other government agencies/ regulatory authorities/ certification bodies required to undertake the Issue or continue our business activities and no further approvals are required for carrying on our present or proposed business activities. It must, however, be distinctly understood that in granting the above approvals, the Government of India and other authorities do not take any responsibility for the financial soundness of our Company or for the correctness of any of the statements or any commitments made or opinions expressed in this behalf. Unless otherwise stated, these approvals are all valid as of the date of this Prospectus.

The main objects clause of the Memorandum of Association of our Company and the objects incidental, enable our Company to carry out its activities.`

*For details in connection with the regulatory and legal framework within which we operate, see the section titled **"Key Industrial Regulations and Policies"** at page 91 of this Prospectus. The main objects clause of the Memorandum of Association of our Company and the objects incidental, enable our Company to carry out its activities.*

The Company has got following licenses/ registrations/ approvals/ consents/ permissions from the Government and various other Government agencies required for its present business.

I. APPROVALS FOR THE ISSUE

The following approvals have been obtained in connection with the Issue:

Corporate Approvals:

a) The Board of Directors has, pursuant to a resolution dated October 20, 2023 under Section 62(1)(c) of the Companies Act, 2013 passed at its meeting held on authorized the Issue, subject to the approval of the shareholders of the Company and approvals by such other authorities, as may be necessary.

b) The shareholders of the Company have, pursuant to a resolution passed in Extraordinary General Meeting held on October 31, 2023 authorized the Issue under Section 62(1)(c) of the Companies Act, 2013.

c) Our Board approved the Draft Red Herring Prospectus pursuant to its resolution dated November 16, 2023

d) Our Board approved the Red Herring Prospectus pursuant to its resolution dated January 18, 2024

e) Our Board approved the Prospectus pursuant to its resolution dated January 31, 2024

Approval from the Stock Exchange:

f) In-principle approval dated January 17, 2024 from BSE for using the name of the Exchange in the offer documents for listing of the Equity Shares on SME Platform of BSE, issued by our Company pursuant to the Issue.

Agreements with NSDL and CDSL:

g) The company has entered into a Tripartite agreement dated January 23, 2023 with the Central Depository Services (India) Limited ("CDSL") and the Registrar and Transfer Agent, who in this case is Link Intime (India) Private Limited for the dematerialization of its shares.

h) The Company has also entered into a Tripartite agreement dated January 24, 2023 with the National Securities Depository Limited ("NSDL") and the Registrar and Transfer Agent, who in this case is Link Intime (India) Private Limited for the dematerialization of its shares.

i) The International Securities Identification Number (ISIN) of our Company is INE0OLZ01015.

II. APPROVALS PERTAINING TO INCORPORATION, NAME AND CONSTITUTION OF OUR COMPANY

S. No.	Nature of Registration	CIN	Applicable Laws	Issuing Authority	Date of Issue	Date of Expiry
1.	Certificate of Incorporation	U26994MH2022PLC396421	Companies Act, 2013	Registrar of Companies, Central Registration Centre	December 30, 2022	Valid till Cancelled

III. GENERAL APPROVALS

We require various approvals and/ or licenses under various rules and regulations to conduct our business. Some of the material approvals required by us to undertake our business activities are set out below:

A. TAX RELATED APPROVALS:

Sr. No	Description	Applicable laws	Authority	Registration number	Date of Certificate	Date of Expiry
1.	Permanent Account Number (PAN)	Income Tax Act, 1961	Income Tax Department, Government of India	AAGCH6324M	December 30, 2022	Valid until cancelled
2.	TAN (Tax Deduction Account Number)	Income Tax Act, 1961	Commissioner of Income Tax	PNEH13264G	December 30, 2022	Valid till cancelled
3.	Goods & Service Tax Registration Certificate (Andhra Pradesh)	Central Goods and Services Tax Act, 2017	Government of India	37AAGCH6324M1Z8	July 01, 2023	Valid till cancelled
4.	Goods & Service Tax Registration Certificate (Maharashtra)	Central Goods and Services Tax Act, 2017	Government of India	27AAGCH6324M1Z9	April 03, 2023	Valid till cancelled
5.	Goods & Service Tax Registration Certificate (Delhi)	Central Goods and Services Tax Act, 2017	Government of India	07AAGCH6324M1ZB	June 02, 2023	Valid till cancelled
6.	Professional Tax Registration (Enrolment Certificate) for Registered Office	Maharashtra State Tax on Professions, Trades, Callings and Employment Act, 1975	Income Tax Department	27152079691P	January 01, 2023	Valid Till Cancelled

B. INDUSTRIAL AND LABOUR LAW RELATED APPROVALS:

Sr. No	Description	Applicable laws	Authority	Registration number	Date of Certificate	Date of Expiry
1.	Importer-Exporter Code number (IEC)	The Foreign trade (Development and Regulation) Act, 1992	Ministry of Commerce & Industry, Office of the Joint Director General of Foreign Trade, Mumbai Maharashtra	AAGCH6324M	April 15, 2023	Valid till cancelled
2.	Udyam Registration (Micro Enterprise)	MSME Development Act, 2006	Ministry of Micro Small & Medium Enterprises, Government of India	UDYAM-MH-33-0320050	April 04, 2023	Valid till cancelled
3.	Registration under Employees' Provident Funds	Employees' Provident Fund and Miscellaneous Provisions Act, 1952	Employees' Provident Fund Organisation	THTHA2832093000	April 01, 2023	Valid till cancelled
4.	Employees' State Insurance Corporation (ESIC)	Employees' State Insurance Act, 1948	Sub-Regional Office, Employee's State Insurance Corporation	34000616540000999	December 30, 2022	Valid till cancelled
5.	Registration Certificate under Shops & Establishments Act	Maharashtra shop and Establishments (Regulations of Employment and conditions of Service) Act, 2017	Maharashtra Shop and Establishments	111289952303	November 13, 2023	Valid till cancelled

Sr. No	Description	Applicable laws	Authority	Registration number	Date of Certificate	Date of Expiry
6.	Registration Certificate under Shops & Establishments Act	Delhi Shops & Establishment Act, 1954	Government of National Capital Territory of Delhi	2023155693	November 06, 2023	Valid till cancelled
7.	Registration Certificate under Shops & Establishments Act	Andhra Pradesh (Issuance of Integrated Registration and Furnishing of Combined returns under various Labour Laws by certain establishments) Act, 2015	Government of Andhra Pradesh Labour Department	AP-04-31-002-03386629	November 15, 2023	March 31, 2026

C. QUALITY CERTIFICATIONS:

Sr No.	Description	ISO	Registration Number	Issuing Authority	Date of Issue	Date of Expiry
1.	Quality Management System for Manufacturing, Sales & Export of Plastic & FRP (Fiber Reinforced Plastic) Flower Pots, Planters & Garden Accessories	ISO 9001:2015	SCPL2017	Sigma Certification Pty Ltd	Initial Registration April 10, 2019 Date of Issue March 22, 2023	April 09, 2024
2.	Occupational Health & Safety Management System for Manufacturing, Sales & Export of Plastic & FRP (Fiber Reinforced Plastic) Flower Pots, Planters & Garden Accessories	ISO 45001:2018	SCPL3170	Sigma Certification Pty Ltd	Initial Registration March 22, 2022 Date of Issue March 22, 2023	March 21, 2024
3.	Environmental Management System for Manufacturing, Sales & Export of Plastic & FRP (Fiber Reinforced Plastic) Flower Pots, Planters & Garden Accessories	ISO 14001:2015	SCPL2018	Sigma Certification Pty Ltd	Initial Registration April 10, 2019 Date of Issue March 22, 2023	April 09, 2024

D. INTELLECTUAL PROPERTY RELATED APPROVALS:

Sr. No.	Brand Name/ Logo/ Trademark	Class	TM Category	Owner*	Application No./ Registration Certificate No.	Date of Registration	Current Status
1.	HARSHDEEP	21	Device	Hitesh Chunilal Shah*	Application No.: 5148980/ Certificate No: 2953195	April 02, 2022	Registered

**The said trademarks are registered/ accepted and advertised in the name of our Promoter, Chairman & Managing Director Hitesh Chunilal Shah, and is used by company vide No Objection Certificates dated October 21, 2023.*

IV. APPROVALS OR LICENSES PENDING TO BE APPLIED: NIL

V. APPROVALS OR LICENSES APPLIED BUT NOT RECEIVED:

1. Application dated November 02, 2023 for grant of licence of a factory for manufacturing unit I in Bhiwandi, and application dated October 26, 2023 for Manufacturing Unit II in Pune.

OUR GROUP COMPANY

In accordance with the provisions of the SEBI (ICDR) Regulations, 2018, for the purpose of identification of Group Company, our Company has considered those companies as our Group Company with which there were related party transactions as per the Restated Financial Statements of our Company in any of the last three financial years and other Company as considered material by our Board. Further, pursuant to a resolution of our Board dated October 20, 2023 for the purpose of disclosure in relation to Group company in connection with the Issue, a company shall be considered material and disclosed as a Group company if such company fulfills both the below mentioned conditions:

a. the companies with which there were related party transactions (in accordance with AS-18), as disclosed in the Restated Financial Statements **("Restated Financial Statements");** or

b. if such company fulfills both the below mentioned conditions:

   i. such company that forms part of the Promoter Group of the Company in terms of Regulation 2(1)(pp) of the SEBI(ICDR) Regulations; and
   ii. the Company has entered into one or more transactions with such company in preceding fiscal or audit period as the case may be exceeding 10.00% of total revenue of the Company as per Restated Financial Statements.

Accordingly, based on the parameters outlined above, as on the date of this Prospectus, there are no company/ entity falling under definition of SEBI (Issue of Capital and Disclosure Requirements) Regulations, 2018 which are to be identified as group company/entity ("Group Company").

OTHER REGULATORY AND STATUTORY DISCLOSURES

Authority for the Issue

Corporate Approvals

The Board of Directors, pursuant to a resolution passed at their meeting held on October 20, 2023 authorized the Issue, subject to the approval of the shareholders of our Company under Section 62(1)(c) of the Companies Act, 2013, and such other authorities as may be necessary. The shareholders of our Company have, pursuant to a special resolution passed under Section 62(1)(c) of the Companies Act, 2013 at an Extra-Ordinary General Meeting held on October 31, 2023 authorized the Issue.

In-principal Approval

Our Company has obtained in-principal approval from the SME Platform of BSE (BSE SME) for using its name in this Red Herring Prospectus/ Prospectus pursuant to an approval letter dated January 17, 2024 BSE being the Designated Stock Exchange.

Prohibition by SEBI, RBI or governmental authorities

As on date of this Prospectus, we confirm that our Company, our Promoter, our Promoter Group, our directors, person(s) in control of the promoter, our Group Companies or the natural person(s) in control of our Company are not prohibited from accessing the capital market or debarred from buying, selling or dealing in securities under any order or direction passed by the Board or any securities market regulator in any other jurisdiction or any other authority/court.

The companies, with which our directors are or were associated as promoter, directors or persons in control are not prohibited or debarred from accessing capital markets under any order or direction passed by SEBI or any other regulatory authority.

None of our Directors or the entities that our directors are associated with as promoter or directors is in any manner associated with the securities market and there has been no action taken by the SEBI against our directors or any entity in which our directors are associated with as promoter or directors.

Prohibition with respect to wilful defaulter or a fraudulent borrower

Neither our Company, our Promoter, our Directors, Group Companies, relatives (as per Companies Act, 2013) of Promoter or the person(s) in control of our Company have been identified as wilful defaulter or a fraudulent borrower as defined by the SEBI ICDR Regulations, 2018.

Compliance with the Companies (Significant Beneficial Ownership) Rules, 2018

Our Company, Promoter 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.

Eligibility for the Issue

Our Company is eligible in terms of Regulations 230 of SEBI (ICDR) Regulations for this issue.

Our Company is an "Unlisted Issuer" in terms of the SEBI (ICDR) Regulations; and this issue is an Initial Public Issue in terms of the SEBI (ICDR) Regulations.

Our Company is eligible for the Issue in accordance with Regulation 229(2) and other provisions of Chapter IX of the SEBI (ICDR) Regulations, as we are an Issuer whose post issue paid up capital more than ten crore rupees and upto twenty-five crore rupees and we may hence issue Equity Shares to the public and propose to list the same on the Small and Medium Enterprise Exchange [in this case being the "SME Platform of BSE (BSE SME)"].

We confirm that:

1. In accordance with Regulation 260 of the SEBI (ICDR) Regulations, this issue will be 100% underwritten and that the BRLM to the Issue shall underwrite minimum 15% of the Total Issue Size. For further details pertaining to said underwriting please refer to section titled ***"General Information – Underwriting"*** beginning on page 44 of this Prospectus.

2. In accordance with Regulation 268 of the SEBI (ICDR) Regulations, we shall ensure that the total number of proposed allottees in the Issue shall be greater than or Equal to fifty (50), otherwise, the entire application money will be unblocked forthwith. If such money is not repaid within eight (8) Working Days from the date our Company becomes liable to repay it, then our

Company and every officer in default shall, on and from expiry of eight (8) Working Days, be liable to repay such application money, with an interest at the rate as prescribed under the Companies Act, 2013.

3. In terms of Regulation 246(5) of the SEBI (ICDR) Regulations, we shall ensure that our Book Running Lead Manager submits a copy of the Prospectus along with a Due Diligence Certificate including additional confirmations as required to SEBI at the time of filing the Prospectus with Stock Exchange and the Registrar of Companies. Further, in terms of Regulation 246(2), SEBI shall not issue observation on the Draft Red Herring Prospectus/ Red Herring Prospectus/ Prospectus.

4. In accordance with Regulation 261(1) of the SEBI (ICDR) Regulations, we hereby confirm that we will enter into an agreement with the Book Running Lead Manager and with Market Maker to ensure compulsory Market Making for a minimum period of three (3) years from the date of listing of Equity Shares on the SME Platform of BSE (BSE SME). For further details of the arrangement of market making please refer to section titled ***"General Information- Details of the Market Making Arrangements for this Issue"*** beginning on page 44 of this Prospectus.

5. In accordance with Regulation 228(a) of the SEBI (ICDR) Regulations, our Company, its promoters, promoter group or directors are not debarred from accessing the capital markets by the Board;

6. In accordance with Regulation 228(b) of the SEBI (ICDR) Regulations, the companies with which our promoters or directors are associated as a promoter or director are not debarred from accessing the capital markets by the Board;

7. In accordance with Regulation 228(c) of the SEBI (ICDR) Regulations, Neither the issuer nor any of its promoter or directors is a wilful defaulter or a fraudulent borrower.

8. In accordance with Regulation 228(d) of the SEBI (ICDR) Regulations, None of the Issuer's promoter or directors is a fugitive economic offender.

9. In accordance with Regulation 230(1)(a) of the SEBI (ICDR) Regulations, Application is being made to SME Platform of BSE and BSE Ltd. is the Designated Stock Exchange.

10. In accordance with Regulation 230(1)(b) of the SEBI (ICDR) Regulations, our Company has entered into agreement with depositories for dematerialisation of specified securities already issued and proposed to be issued.

11. In accordance with Regulation 230(1)(c) of the SEBI (ICDR) Regulations, all the present Equity share Capital is fully Paid-up.

12. In accordance with Regulation 230(1)(d) of the SEBI (ICDR) Regulations, all the specified securities held by the promoter are already in dematerialised form.

13. Our Company shall mandatorily facilitate trading in Demat securities for which we have entered into an agreement with the Central Depositary Services Limited (CDSL) dated January 23, 2023 and National Securities Depository Limited (NSDL) dated January 24, 2023 for establishing connectivity.

14. Our Company has a website i.e., https://harshdeepindia.com/

15. There has been no change in the promoter of the Company in the preceding one year from date of filing application to SME Platform of BSE.

We further confirm that we shall be complying with all the other requirements as laid down for such an issue under Chapter IX of SEBI (ICDR) Regulations, as amended from time to time and subsequent circulars and guidelines issued by SEBI and the Stock Exchange.

We confirm that we comply with all the below requirements/ conditions so as to be eligible to be listed on the SME Platform of BSE:

1) Our Company was originally incorporated as a Limited Company under the name "Harshdeep Hortico Limited" on December 30, 2022 under the provisions of the Companies Act, 2013 with the Registrar of Companies, Mumbai, Maharashtra bearing CIN U26994MH2022PLC396421. Later, on April 03, 2023, our Company took over the business of proprietorship concern of the promoter Hitesh Chunilal Shah, namely M/s Harshdeep Agro Products along with the assets and liabilities of the proprietorship concern as going concern.

2) The post issue paid up capital of the company will be upto 1,60,94,060 shares of face value of ₹ 10/- aggregating up to ₹ 16.09 Crores which is less than ₹ 25 Crores.

3) The Company & the Proprietorship has a combined track record of at least 3 years as on the date of filling Prospectus.

4) As on July 31, 2023, the Company has net tangible assets of ₹ 3,059.49 Lakhs.

5) The Company & the Proprietorship confirms that it has a combined operating profits (earnings before depreciation and tax) from operations for at least 2 financial years out of preceding three financial years and its net-worth as on July 31, 2023 and March 31, 2023 is positive.

The Financial Details of Proprietorship firm is as follows:

(₹ in Lakhs)

Particulars	March 31, 2023	March 31, 2022	March 31, 2021
Proprietor's Capital	939.20	835.79	744.52
Revenue from Operation	4,076.70	3,485.61	2,519.05
Restated Net Profit/ (Loss) after Tax	222.86	247.75	199.73

Our Company's net worth and cash accruals from operations (earnings before depreciation and tax), based on the Restated Financial Statements included in this Prospectus for the stub period ended on July 31, 2023 is set forth below:

(₹ in Lakhs)

Particulars	July 31, 2023	March 31, 2023
EBITDA	285.46	-
Net Worth	1,325.82	4.73
Net Tangible Assets	3,059.49	4.89
Cash Accruals	283.61	-

6) Our Company confirms that there is no material regulatory or disciplinary action by a stock exchange or regulatory authority in the past one year in respect of promoter, Group Companies, companies promoted by the promoter of the Company;

7) Our Company has not been referred to the Board for Industrial and Financial Reconstruction (BIFR);

8) There is no winding up petition against our Company that has been admitted by the Court or a liquidator has not been appointed of competent Jurisdiction against the Company.

9) No material regulatory or disciplinary action by a stock exchange or regulatory authority in the past three years against the company

10) The directors of the issuer are not associated with the securities market in any manner, and there is no outstanding action against them initiated by the Board in the past five years

DISCLAIMER CLAUSE OF SEBI

IT IS TO BE DISTINCTLY UNDERSTOOD THAT SUBMISSION OF DRAFT OFFER DOCUMENT/ OFFER DOCUMENT TO THE SECURITIES AND EXCHANGE BOARD OF INDIA (SEBI) SHOULD NOT IN ANY WAY BE DEEMED OR CONSTRUED THAT THE SAME HAS BEEN CLEARED OR APPROVED BY SEBI. SEBI DOES NOT TAKE ANY RESPONSIBILITY EITHER FOR THE FINANCIAL SOUNDNESS OF ANY SCHEME OR THE PROJECT FOR WHICH THE OFFER IS PROPOSED TO BE MADE OR FOR THE CORRECTNESS OF THE STATEMENTS MADE OR OPINIONS EXPRESSED IN THE DRAFT OFFER DOCUMENT/ OFFER DOCUMENT. THE BOOK RUNNING LEAD MANAGER, HEM SECURITIES LIMITED HAS CERTIFIED THAT THE DISCLOSURES MADE IN THE DRAFT OFFER DOCUMENT/ OFFER DOCUMENT ARE GENERALLY ADEQUATE AND ARE IN CONFORMITY WITH THE SEBI (ISSUE OF CAPITAL AND DISCLOSURE REQUIREMENTS) REGULATIONS, 2018 IN FORCE FOR THE TIME BEING. THIS REQUIREMENT IS TO FACILITATE INVESTORS TO TAKE AN INFORMED DECISION FOR MAKING INVESTMENT IN THE PROPOSED ISSUE.

IT SHOULD ALSO BE CLEARLY UNDERSTOOD THAT WHILE THE ISSUER IS PRIMARILY RESPONSIBLE FOR THE CORRECTNESS, ADEQUACY AND DISCLOSURE OF ALL RELEVANT INFORMATION IN THE DRAFT OFFER DOCUMENT/ OFFER DOCUMENT, THE BOOK RUNNING LEAD MANAGER, HEM SECURITIES LIMITED IS EXPECTED TO EXERCISE DUE DILIGENCE TO ENSURE THAT THE ISSUER DISCHARGES ITS RESPONSIBILITY ADEQUATELY IN THIS BEHALF AND TOWARDS THIS PURPOSE, THE BOOK RUNNING LEAD MANAGER, HEM SECURITIES LIMITED, HAS FURNISHED TO SEBI A DUE DILIGENCE CERTIFICATE DATED NOVEMBER 16, 2023 IN THE FORMAT PRESCRIBED UNDER SCHEDULE V(A)OF THE SEBI (ISSUE OF CAPITAL AND DISCLOSURE REQUIREMENTS) REGULATIONS, 2018.

THE FILING OF THIS DRAFT OFFER DOCUMENT/ OFFER DOCUMENT DOES NOT, HOWEVER, ABSOLVE OUR COMPANY FROM ANY LIABILITIES UNDER 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 BOOK RUNNING LEAD MANAGER ANY IRREGULARITIES OR LAPSES IN THE DRAFT OFFER DOCUMENT/ OFFER DOCUMENT.

All legal requirements pertaining to the Issue will be complied with at the time of filing of the Prospectus with the Registrar of Companies, Mumbai in terms of sections 26, 32 and 33 of the Companies Act, 2013.

Statement on Price Information of Past Issues handled by Hem Securities Limited (SME IPO's):

Sr. No.	Issue name	Issue size (₹ in Cr.)	Issue Price (₹)	Listing date	Opening Price on listing date	+/-% change in closing price, [+/- % change in closing benchmark]- 30th calendar days from listing	+/- % change in closing price, [+/- % change in closing benchmark]- 90th calendar days from listing	+/- % change in closing price, [+/- % change in closing benchmark]- 180th calendar days from listing
1.	Saakshi Medtech And Panels Limited	45.16	97.00	October 03, 2023	146.00	155.10% [-2.03%]	115.05% [11.33%]	N.A.
2.	Arabian Petroleum Limited	20.24	70.00	October 09, 2023	77.40	5.71% [-0.35%]	38.86% [10.25%]	N.A.
3.	E Factor Experiences Limited	25.92	75.00	October 09, 2023	115.00	112.80% [-0.35%]	117.53% [10.25%]	N.A.
4.	Paragon Fine and Speciality Chemical Limited	51.66	100.00	November 03, 2023	225.00	80.20% [7.57%]	N.A.	N.A.
5.	Deepak Chemtex Limited	23.04	80.00	December 06, 2023	152.00	44.19% [3.69%]	N.A.	N.A.
6.	S J Logistics (India) Limited	48.00	125.00	December 19, 2023	175.00	77.36% [0.04%]	N.A.	N.A.
7.	Siyaram Recyling Industries Limited	22.96	46.00	December 21, 2023	55.00	124.07% [-0.70%]	N.A.	N.A.
8.	Shanti Spintex Limited	31.25	70.00	December 27, 2023	76.00	9.19% [-0.13%]	N.A.	N.A.
9.	Shri Balaji Valve Components Limited	21.60	100.00	January 03, 2024	190.00	N.A.	N.A.	N.A.
10.	New Swan Multitech Limited	33.11	66.00	January 18, 2024	125.47	N.A.	N.A.	N.A.

Source: Price Information www.bseindia.com & www.nseindia.com, Issue Information from respective Prospectus.

1. *The scrip of Saakshi Medtech And Panels Limited, Arabian Petroleum Limited and E Factor Experiences Limited has not completed its 180th days from the date of listing; Paragon Fine and Speciality Chemical Limited, Deepak Chemtex Limited, S J Logistics (India) Limited, Siyaram Recyling Industries Limited and Shanti Spintex Limited has not completed its 90th day from the date of listing, Shri Balaji Valve Components Limited and New Swan Multitech Limited has not completed its 30th day from the date of listing.*

Summary statement of Disclosure:

Financial Year	Total no. of IPOs	Total amount of funds raised (₹ Cr.)	No. of IPOs trading at discount- 30th calendar days from listing			No. of IPOs trading at Premium- 30th calendar days from listing			No. of IPOs trading at discount- 180th calendar days from listing			No. of IPOs trading at Premium- 180th calendar days from listing		
			Over 50%	Between 25-50%	Less than 25%	Over 50%	Between 25-50%	Less than 25%	Over 50%	Between 25-50%	Less than 25%	Over 50%	Between 25-50%	Less than 25%
2021-22	6(1)	130.40	-	-	-	4	-	2	-	-	-	6	-	-
2022-23	15(2)	220.57	-	-	-	6	6	3	-	-	-	12	-	3
2023-24	17(3)	533.19	-	-	-	10	3	2	-	-	-	4	-	1

1) *The scrip of EKI Energy Services Limited, DU Digital Technologies Limited, Prevest Denpro Limited, Jainam Ferro Alloys (I) Limited, Shri Venkatesh Refineries Ltd. and KN Agri Resources Limited was listed on April 7, 2021, August 26, 2021, September 27, 2021, October 08, 2021, October 11, 2021and March 28, 2022 respectively;*

2) *The scrip of Krishna Defence and Allied Industries Limited was listed on April 6, 2022; Eighty Jewellers Limited was listed on April 13, 2022; Kesar India Limited was listed on July 12, 2022; Silicon Rental Solutions Limited was listed on October 10, 2022; Cargosol Logistics Limited was listed on October 10, 2022; Cargotrans Maritime Limited was listed on October 10, 2022; Concord Control Systems Limited was listed on October 10, 2022; Lloyds Luxuries Limited was listed on October 11, 2022; Vedant Asset Limited was listed on October 12, 2022; Baheti Recycling Industries Limited was listed on December 08, 2022; Chaman Metallics Limited was listed on January 16, 2023; Earthstahl & Alloys Limited was listed on February 08, 2023; Macfos Limited was listed on March 01, 2023; Systango Technologies Limited was listed on March 15, 2023 and Labelkraft Technologies Limited was listed on March 23, 2023;*

3) *The scrip of Vasa Denticity Limited was listed on June 02, 2023; Hemant Surgical Industries Limited was listed on June 05, 2023; Greenchef Appliances Limited was listed on July 06, 2023; Kaka Industries Limited was listed on July 19, 2023; Asarfi Hospital Limited was listed on July 26, 2023; Kahan Packaging Limited was listed on September 15, 2023; Madhusudan Masala Limited was listed on September 26, 2023; Saakshi Medtech And Panels Limited was listed on October 03, 2023; Arabian Petroleum Limited was listed on October 09, 2023, E Factor Experiences Limited was listed on October 09, 2023, Paragon Fine and Speciality Chemical Limited was listed on November 03, 2023 Deepak Chemtex Limited was listed on December 06, 2023, S J Logistics (India) Limited was listed on December 19, 2023, Siyaram Recyling Industries Limited was listed on December 21, 2023, Shanti Spintex Limited was listed on December 27, 2023, Shri Balaji Valve Components Limited was listed on January 03, 2024 and New Swan Multitech Limited was listed on January 18, 2024.*

Note:

a) Based on date of listing.
b) BSE SENSEX and CNX NIFTY have been considered as the benchmark index.
c) Prices on BSE/NSE are considered for all of the above calculations.
d) In case 30th /90th /180th day is not a trading day, closing price on BSE/NSE of the next trading day has been considered.
e) In case 30th /90th /180th day, scrips are not traded then last trading price has been considered.
f) N.A. – Period not completed.
g) As per SEBI Circular No. CIR/CFD/DIL/7/2015 dated October 30, 2015, the above table should reflect max. 10 issues (initial public offerings) managed by the Book Running Lead Manager. Hence, disclosures pertaining to recent 10 issues handled by Book Running Lead Manager are provided.

Track Record of past issues handled by Hem Securities Limited

For details regarding track record of BRLM to the Issue as specified in the Circular reference no. CIR/MIRSD/1/2012 dated January 10, 2012 issued by the SEBI, please refer the website of the BRLM at www.hemsecurities.com.

Disclaimer from our Company and the Book Running Lead Manager

Our Company, the Directors and the Book Running Lead Manager accept no responsibility for statements made otherwise than those contained in this Prospectus or, in case of the Company, in the advertisements or any other material issued by or at the instance of the Company and anyone placing reliance on any other source of information would be doing so at their own risk.

The BRLM accept no responsibility, save to the limited extent as provided in the Agreement entered between the BRLM (Hem securities Limited), and our Company on November 02, 2023 and the Underwriting Agreement dated November 13, 2023 entered into between the Underwriter, and our Company and the Market Making Agreement dated November 13, 2023 entered into among the Market Maker and our Company.

All information shall be made available by our Company, and the Book Running Lead Manager to the public and investors at large and no selective or additional information would be available for a section of the investors in any manner whatsoever including at road show presentations, in research or sales reports, at collection centres or elsewhere.

The Book Running Lead Manager and their respective associates and affiliates may engage in transactions with, and perform services for, our Company, our Promoter Group, Group Companies, or our affiliates or associates in the ordinary course of business and have engaged, or may in future engage, in commercial banking and investment banking transactions with our Company, our Promoter Group, Group Companies, and our affiliates or associates for which they have received and may in future receive compensation.

Note:

Investors who apply in the Issue will be required to confirm and will be deemed to have represented to our Company, and the Underwriter and their respective directors, officers, agents, affiliates and representatives that they are eligible under all applicable laws, rules, regulations, guidelines and approvals to acquire Equity Shares of our Company and will not offer, sell, pledge or transfer the Equity Shares of our Company to any person who is not eligible under applicable laws, rules, regulations, guidelines and approvals to acquire Equity Shares of our Company. Our Company, the Underwriter and their respective Directors, officers, agents, affiliates and representatives accept no responsibility or liability for advising any investor on whether such investor is eligible to acquire the Equity Shares in the issue.

Disclaimer in Respect of Jurisdiction

This Issue is being made in India to persons resident in India (including Indian nationals resident in India who are majors, HUFs, companies, corporate bodies and societies registered under applicable laws in India and authorized to invest in shares, Indian mutual funds registered with SEBI, Indian financial institutions, commercial banks, regional rural banks, cooperative banks (subject to RBI permission), or trusts under applicable trust law and who are authorized under their constitution to hold and invest in shares, public financial institutions as specified in Section 2(72) of the Companies Act, 2013, VCFs, state industrial development corporations, insurance companies registered with the Insurance Regulatory and Development Authority, provident funds (subject to applicable law) with a minimum corpus of ₹ 2,500.00 Lakhs and pension funds with a minimum corpus of ₹ 2,500.00 Lakhs, and permitted non-residents including FIIs, Eligible NRIs, multilateral and bilateral development financial institutions, FVCIs and eligible foreign investors, insurance funds set up and managed by army, navy or air force of the Union of India and insurance funds set up and managed by the Department of Posts, India provided that they are eligible under all applicable laws and regulations to hold Equity Shares of our Company. This Prospectus does not, however, constitute an offer to sell or an invitation to subscribe for Equity Shares offered hereby in any jurisdiction other than India to any person to whom it is unlawful to make an offer or invitation in such jurisdiction. Any person into whose possession this Prospectus comes is required to inform himself or herself about, and to observe, any such restrictions. Any dispute arising out of this Issue will be subject to jurisdiction of the competent court(s) in Mumbai, Maharashtra, India only.

No action has been, or will be, taken to permit a public offering in any jurisdiction where action would be required for that purpose. Accordingly, the Equity Shares represented hereby may not be offered or sold, directly or indirectly, and this Prospectus may not be distributed in any jurisdiction, except in accordance with the legal requirements applicable in such jurisdiction. Neither the delivery of this Prospectus nor any sale hereunder shall, under any circumstances, create any implication that there has been no change in the affairs of our Company from the date hereof or that the information contained herein is correct as of any time subsequent to this date.

Disclaimer Clause of the SME Platform of BSE

BSE Limited ("BSE") has vide its letter dated January 17, 2024, given permission to "Harshdeep Hortico 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. SSE 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.

vi. 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.

Disclaimer Clause under Rule 144A of the U.S. Securities Act

The Equity Shares have not been, and will not be, registered under the U.S. Securities Act 1933, as amended (the "Securities Act") or any state securities laws in the United States and may not be offered or sold within the United States or to, or for the account or benefit of, "U.S. persons" (as defined in Regulations under the Securities Act), except pursuant to an exemption from, or in a transaction not subject to, the registration requirements of the Securities Act. Accordingly, the Equity Shares will be offered and sold outside the United States in compliance with Regulations of the Securities Act and the applicable laws of the jurisdiction where those offers and sales occur. The Equity Shares have not been, and will not be, registered, listed or otherwise qualified in any other jurisdiction outside India and may not be offered or sold, and Applications may not be made by persons in any such jurisdiction, except in compliance with the applicable laws of such jurisdiction.

Further, each Applicant where required agrees that such Applicant will not sell or transfer any Equity Shares or create any economic interest therein, including any off-shore derivative instruments, such as participatory notes, issued against the Equity Shares or any similar security, other than pursuant to an exemption from, or in a transaction not subject to, the registration requirements of the Securities Act and in compliance with applicable laws and legislations in each jurisdiction, including India.

Filing of Draft Offer Documents/ Offer Documents with the SEBI/ RoC

The Prospectus is being filed with BSE Ltd., Phiroze Jeejeebhoy Towers, Dalal Street, Mumbai-400001 Maharashtra, India.

The Draft Red Herring Prospectus will not be filed with SEBI, nor will SEBI issue any observation on the Offer Document in terms of Regulation 246(2) of SEBI (ICDR) Regulations, 2018. Pursuant to Regulation 246(5) of SEBI (ICDR) Regulations, 2018 and SEBI Circular Number SEBI/HO/CFD/DIL1/CIR/P/2018/011 dated January 19, 2018, a copy of Red Herring Prospectus/ Prospectus will be filed online through SEBI Intermediary Portal at https://siportal.sebi.gov.in.

A copy of the Red Herring Prospectus, along with the material contracts and documents required to be filed under Section 26 & 32 of the Companies Act, 2013 was filed to the RoC and a copy of the Prospectus to be filed under Section 26 of the Companies Act, 2013 is filed to the RoC through the electronic portal at http://www.mca.gov.in.

Listing

The Equity Shares of our Company are proposed to be listed on BSE SME. Our Company has obtained in-principle approval from BSE Limited by way of its letter dated January 17, 2024 for listing of equity shares on SME Platform of BSE (BSE SME).

BSE will be the Designated Stock Exchange, with which the Basis of Allotment will be finalized for the Issue. If the permission to deal in and for an official quotation of the Equity Shares on the BSE SME is not granted by BSE, our Company shall forthwith repay, all moneys received from the applicants in pursuance of the Prospectus. If such money is not repaid within the prescribed time, then our Company becomes liable to repay it, then our Company and every officer in default shall, shall be liable to repay such application money, with interest, as prescribed under the applicable law.

Our Company shall ensure that all steps for the completion of the necessary formalities for listing and commencement of trading at the BSE SME mentioned above are taken within Six (6) Working Days of the Bid/Issue Closing Date. If Equity Shares are not Allotted pursuant to the Issue within Six (6) Working Days from the Bid/Issue Closing Date or within such timeline as prescribed by the SEBI, our Company shall repay with interest all monies received from applicants, failing which interest shall be due to be paid to the applicants at the rate of 15% per annum for the delayed period.

Impersonation

Attention of the Applicants is specifically drawn to the provisions of sub-section (1) of Section 38 of the Companies Act, 2013 which is reproduced below:

Any person who-

i. Makes or abets making of an application in a fictitious name to a company for acquiring, or subscribing for, its securities; or

ii. Makes or abets making of multiple applications to a company in different names or in different combinations of his name or surname for acquiring or subscribing for its securities; or

iii. Otherwise induces directly or indirectly a company to allot, or register any transfer of, securities to him, or to any other person in a fictitious name,

Shall be liable to action under section 447 of the Companies, Act 2013

Consents

Consents in writing of Our Directors, Our Promoter, Our Company Secretary & Compliance Officer, Chief Financial Officer, Our Statutory Auditor, Our Banker to the Company, Book Running Lead Manager, Registrar to the Issue, Legal Advisor to the Issue, Banker to the Issue/ Sponsor Bank, Syndicate Members, Underwriter to the Issue and Market Maker to the Issue to act in their respective capacities have been be obtained as required under section 26 and 32 of the Companies Act, 2013 and shall be filed along with a copy of the Red Herring Prospectus/ Prospectus with the RoC, as required under Sections 32 of the Companies Act, 2013 and such consents will not be withdrawn up to the time of delivery of the Red Herring Prospectus/ Prospectus for filing with the RoC.

In accordance with the Companies Act and the SEBI (ICDR) Regulations, 2018, M/s. DGMS & Co., Chartered Accountants, Statutory Auditors of the Company has agreed to provide their written consent to the inclusion of their respective reports on Statement of Possible Tax Benefits relating to the possible tax benefits and restated financial statements as included in the Red Herring Prospectus/ Prospectus in the form and context in which they appear therein and such consent and reports will not be withdrawn up to the time of delivery of the Red Herring Prospectus/ Prospectus for filing with the RoC.

Experts Opinion

Except for the reports in the section titled ***"Financial Statements"*** and ***"Statement of Special Tax Benefits"*** on page 119 and 67 respectively of this Prospectus from the Statutory Auditor, our Company has not obtained any expert opinions. However, the term "expert" shall not be construed to mean an "expert" as defined under the U.S. Securities Act 1933.

Fees, Brokerage and Selling Commission payable

The total fees payable to the Book Running Lead Manager will be as per the (i) Agreement dated November 02, 2023 with the Book Running Lead Manager, (ii) the Underwriting Agreement dated November 13, 2023 with the Underwriter and (iii) the Market Making Agreement November 13, 2023 with the Market Maker, a copy of which is available for inspection at our Registered Office from 10.00 AM to 5.00 PM on Working Days from the date of the Red Herring Prospectus until the Bid/Issue Closing Date.

Fees Payable to the Registrar to the Issue

The fees payable to the Registrar to the Issue for processing of applications, data entry, printing of CAN, tape and printing of bulk mailing register will be as per the agreement between our Company, and the Registrar to the Issue dated November 03, 2023, a copy of which is available for inspection at our Company's Registered Office.

The Registrar to the Issue will be reimbursed for all out-of-pocket expenses including cost of stationery, postage, stamp duty, and communication expenses. Adequate funds will be provided to the Registrar to the Issue to enable it to send allotment advice by registered post/speed post.

Particulars regarding Public or Rights Issues during the last five (5) years

Our Company has not made any previous public or rights issue in India or Abroad the five (5) years preceding the date of this Prospectus.

Previous issues of Equity Shares otherwise than for cash

For detailed description please refer to the section titled ***"Capital Structure"*** beginning on page 47 of this Prospectus.

Underwriting Commission, brokerage and selling commission on Previous Issues

Since this is the initial public offering of our Company's Equity Shares, no sum has been paid or has been payable as commission or brokerage for subscribing for or procuring or agreeing to procure subscription for any of the Equity Shares since our incorporation.

Previous capital issue during the last three years by listed Group Companies of our Company

We do not have any Group Company.

Performance vis-à-vis objects

Our Company is an "Unlisted Issuer" in terms of the SEBI (ICDR) Regulations, and this Issue is an "Initial Public Offering" in terms of the SEBI (ICDR) Regulations. Therefore, data regarding promise versus performance is not applicable to us.

Outstanding Debentures or Bond Issues or Redeemable Preference Shares

As on the date of this Prospectus, our Company has no outstanding debentures, bonds or redeemable preference shares.

Partly Paid-Up Shares

As on the date of this Prospectus, there are no partly paid-up Equity Shares of our Company.

Outstanding Convertible Instruments

Our Company does not have any outstanding convertible instruments as on the date of filing this Prospectus.

Option to Subscribe

a. Investors will get the allotment of specified securities in dematerialization form only.
b. The equity shares, on allotment, shall be traded on stock exchange in Demat segment only.

Stock Market Data for our Equity Shares

Our Company is an "Unlisted Issuer" in terms of the SEBI (ICDR) Regulations, and this Issue is an "Initial Public Offering" in terms of the SEBI (ICDR) Regulations. Thus, there is no stock market data available for the Equity Shares of our Company.

Investor Grievances and Redressal System

The agreement between the Registrar to the Issue, our Company provides for retention of records with the Registrar to the Issue for a period of at least three (3) years from the last date of dispatch of the letters of allotment and Demat credit to enable the investors to approach the Registrar to the Issue for redressal of their grievances.

We hereby confirm that there are no investors complaints received during the three years preceding the filing of this Prospectus. Since there are no investors complaints received, none are pending as on the date of filing of this Prospectus.

Investors may contact the BRLM for any complaint pertaining to the Issue. All grievances, may be addressed to the Registrar to the Issue, with a copy to the relevant Designated Intermediary, where the Application Form was submitted, quoting the full name of the sole or first Applicant, Application Form number, Applicants' DP ID, Client ID, PAN, address of the Applicant, number of Equity Shares applied for, date of Application Form, name and address of the relevant Designated Intermediary, where the Bid was submitted and ASBA Account number in which the amount equivalent to the Bid Amount was blocked. Further, the Applicant shall enclose the Acknowledgement Slip or provide the acknowledgement number received from the Designated Intermediaries in addition to the documents/information mentioned hereinabove. Our Company, BRLM and the Registrar accept no responsibility for errors, omissions, commission of any acts of the Designated Intermediaries, including any defaults in complying with its obligations under the SEBI ICDR Regulations.

Disposal of Investor Grievances by our Company

Our Company estimates that the average time required by our Company or the Registrar to the Issue for the redressal of routine investor grievances shall be within 15 Working Days from the date of receipt of the complaint. In case of complaints that are not routine or where external agencies are involved, our Company will seek to redress these complaints as expeditiously as possible.

Our Company has appointed Shreya Gandhi, as the Company Secretary and Compliance Officer to redress complaints, if any, of the investors participating in the Issue. Contact details for our Company Secretary and Compliance Officer are as follows:

Shreya Gandhi
Company Secretary and Compliance Officer
Harshdeep Hortico Limited
Address: Building No.1 Shree Sai Logistics,
Survey No.18/2E 18/2P 17/2A, 17/2B Part,
Elkunde, Bhiwandi, Thane-421302 Maharashtra, India
Tel. No.: +91-9090900508
Email: cs@harshdeepindia.com
Website: https://harshdeepindia.com/

Investors can contact the Compliance Officer or the Registrar in case of any pre-Issue or post-Issue related problems such as non-receipt of letters of allocation, credit of allotted Equity Shares in the respective beneficiary account etc.

Pursuant to the press release no. PR. No. 85/2011 dated June 8, 2011, SEBI has launched a centralized web-based complaints redress system "SCORES". This would enable investors to lodge and follow up their complaints and track the status of redressal of such complaints from anywhere. For more details, investors are requested to visit the website www.scores.gov.in.

Our Board by a resolution on October 20, 2023 constituted a Stakeholders Relationship Committee. For further details, please refer to section titled ***"Our Management"*** beginning on page 103 of this Prospectus.

Status of Investor Complaints

We confirm that we have not received any investor compliant during the three years preceding the date of this Prospectus and hence there are no pending investor complaints as on the date of this Prospectus.

Disposal of investor grievances by listed companies under the same management as our Company

We do not have any listed company under the same management.

Tax Implications

Investors who are allotted Equity Shares in the Issue will be subject to capital gains tax on any resale of the Equity Shares at applicable rates, depending on the duration for which the investors have held the Equity Shares prior to such resale and whether the Equity Shares are sold on the Stock Exchanges. For details, please refer the section titled ***"Statement of Special Tax Benefits"*** beginning on page 67 of this Prospectus.

Purchase of Property

Other than as disclosed in Section ***"Our Business"*** beginning on page 79 of this Prospectus there is no property which has been purchased or acquired or is proposed to be purchased or acquired which is to be paid for wholly or partly from the proceeds of the present Issue or the purchase or acquisition of which has not been completed on the date of this Prospectus.

Except as stated elsewhere in this Prospectus, our Company has not purchased any property in which the Promoter and/or Directors have any direct or indirect interest in any payment made there under.

Capitalization of Reserves or Profits

Save and except as stated in ***"Capital Structure"*** on page 47 of this Prospectus, our Company has not capitalized its reserves or profits at any time since inception.

Revaluation of assets

There has not been any revaluation of assets since incorporation of the Company.

Servicing Behavior

There has been no default in payment of statutory dues or of interest or principal in respect of our borrowings or deposits.

Payment or benefit to officers of Our Company

Except statutory benefits upon termination of their employment in our Company or superannuation, no officer of our Company is entitled to any benefit upon termination of his employment in our Company or superannuation.

Except as disclosed under chapter titled ***"Our Management"*** beginning on page 103 and chapter ***"Financial Information"*** beginning on page 119 of this Prospectus none of the beneficiaries of loans and advances and sundry debtors are related to the Directors of our Company.

Exemption from complying with any provisions of securities laws, if any

As on date of the Prospectus, our Company has not availed any exemption from complying with any provisions of securities laws granted by SEBI.

SECTION VIII: ISSUE RELATED INFORMATION

TERMS OF THE ISSUE

The Equity Shares being Issued are subject to the provisions of the Companies Act, SCRA, SCRR, SEBI (ICDR) Regulations, the SEBI Listing Regulations, our Memorandum and Articles of Association, the terms of the Red Herring Prospectus, Prospectus, Application Form, any Confirmation of Allocation Note ("CAN"), the Revision Form, Allotment advices, and other terms and conditions as may be incorporated in the Allotment advices and other documents/certificates that may be executed in respect of the Issue. The Equity Shares shall also be subject to all applicable laws, guidelines, rules, notifications and regulations relating to the issue of capital and listing and trading of securities issued from time to time by SEBI, the GoI, the Stock Exchange, the RoC, the RBI and/or other authorities, as in force on the date of the Issue and to the extent applicable or such other conditions as may be prescribed by SEBI, RBI, the GoI, the Stock Exchange, the RoC and/or any other authorities while granting its approval for the Issue.

Please note that, in terms of SEBI Circular No. CIR/CFD/POLICYCELL/11/2015 dated November 10, 2015 and the SEBI (Issue of Capital and Disclosure Requirements) Regulations, 2018, all the investors applying in a public issue shall use only Application Supported by Blocked Amount (ASBA) process for application providing details of the bank account which will be blocked by the Self Certified Syndicate Banks (SCSBs) for the same. Further, SEBI through its circular no. SEBI/HO/CFD/DIL2/CIR/P/2018/138 dated November 1, 2018 read with its circular no. SEBI/HO/CFD/DIL2/CIR/P/2019/50 dated April 3, 2019, circular no. SEBI/HO/CFD/DIL2/CIR/P/2019/76 dated June 28, 2019, circular (SEBI/HO/CFD/DIL2/CIR/P/2019/85) dated July 26, 2019 and circular (SEBI/HO/CFD/DCR2/CIR/P/2019/133) dated November 8, 2019, the circular no. SEBI/HO/CFD/DIL2/CIR/P/2020/50 dated March 30, 2020, SEBI circular no. SEBI/HO/CFD/DIL1/CIR/P/2021/47 dated March 31, 2021 and any subsequent circulars issued by SEBI in this regard, SEBI has introduced an alternate payment mechanism using Unified Payments Interface (UPI) and consequent reduction in timelines for listing in a phased manner. From January 1, 2019, the UPI Mechanism for RIIs applying through Designated Intermediaries was made effective along with the existing process and existing timeline of T+6 days. ("UPI Phase I"). The UPI Phase I was effective till June 30, 2019. With effect from July 1, 2019, with respect to Application by retail individual investors through Designated Intermediaries (other than SCSBs), the existing process of physical movement of forms from such Designated Intermediaries to SCSBs for blocking of funds has been discontinued and only the UPI Mechanism for such Applicants with existing timeline of T+6 days will continue for a period of three months or launch of five main board public issues, whichever is later ("UPI Phase II"). Subsequently, the final reduced timeline will be made effective using the UPI Mechanism for applications by retail individual investors ("UPI Phase III"), as may be prescribed by SEBI.

Further vide the said circular Registrar to the Issue and Depository Participants have been also authorized to collect the Bid-cum-Application forms. Investor may visit the official website of the concerned for any information on operational utilization of this facility of form collection by the Registrar to the Issue and Depository Participants as and when the same is made available.

Authority for the Issue

The present Public Issue of upto 42,42,000 Equity Shares has been authorized by a resolution of the Board of Directors of our Company at their meeting held on October 20, 2023 and was approved by the Shareholders of the Company by passing Special Resolution at the Extra Ordinary General Meeting held on October 31, 2023 in accordance with the provisions of Section 62(1)(c) of the Companies Act, 2013.

Ranking of Equity Shares

The Equity Shares being issued shall be subject to the provisions of the Companies Act, 2013 and our MOA and AOA and shall rank pari-passu in all respects with the existing Equity Shares of our Company including rights in respect of dividend. The Allottees, upon Allotment of Equity Shares under this Issue, will be entitled to receive dividends and other corporate benefits, if any, declared by our Company after the date of Allotment. For further details, please refer to section titled, ***"Main Provisions of Article of Association"***, beginning on page 221 of this Prospectus.

Mode of Payment of Dividend

The declaration and payment of dividend will be as per the provisions of Companies Act, the Articles of Association, the provision of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 and any other rules, regulations or guidelines as may be issued by the Government of India in connection thereto and as per the recommendation by the Board of Directors and the Shareholders at their discretion and will depend on a number of factors, including but not limited to earnings, capital requirements and overall financial condition of our Company. We shall pay dividends in cash and as per provisions of the Companies Act and our Articles of Association. Further Interim Dividend (if any declared) will be approved by the Board of Directors. For further details, please refer to section titled ***"Dividend Policy"*** and ***"Main Provisions of Article of Association"*** beginning on page 118 and 221 respectively of this Prospectus.

Face Value and Issue Price

The face value of each Equity Share is ₹ 10.00 and the Issue Price at the lower end of the Price Band is ₹ 42/- per Equity Share ("Floor Price") and at the higher end of the Price Band is ₹ 45/- per Equity Share ("Cap Price"). The Anchor Investor Issue Price is ₹ 45/- per Equity Share.

The Price Band and the minimum Bid Lot size was decided by our Company in consultation with the BRLM, and has been advertised, at least two Working Days prior to the Bid/ Issue Opening Date, in all editions of Business Standard, an English national daily newspaper and all editions of Business Standard, a Hindi national daily newspaper and Marathi edition of Pratahkal, a regional newspaper each with wide circulation and shall be made available to the Stock Exchange for the purpose of uploading on its website. The Price Band, along with the relevant financial ratios calculated at the Floor Price and at the Cap Price, shall be pre filled in the Bid cum Application Forms available on the website of the Stock Exchange. The Issue Price was determined by our Company and in consultation with the BRLM, after the Bid/ Issue Closing Date, on the basis of assessment of market demand for the Equity Shares offered by way of Book Building Process. At any given point of time there shall be only one denomination of the Equity Shares of our Company, subject to applicable laws.

Compliance with SEBI ICDR Regulations, 2018

Our Company shall comply with all requirements of the SEBI (ICDR) Regulations. Our Company shall comply with all disclosure and accounting norms as specified by SEBI from time to time.

Compliance with Disclosure and Accounting Norms

Our Company shall comply with all disclosure and accounting norms as specified by SEBI from time to time.

Rights of the Equity Shareholders

Subject to applicable laws, rules, regulations and guidelines and the Articles of Association, the equity shareholders shall have the following rights:

a) Right to receive dividend, if declared;
b) Right to receive Annual Reports and notices to members;
c) Right to attend general meetings and exercise voting rights, unless prohibited by law;
d) Right to vote on a poll either in person or by proxy;
e) Right to receive offer for rights shares and be allotted bonus shares, if announced;
f) Right to receive surplus on liquidation; subject to any statutory or preferential claims being satisfied;
g) Right of free transferability of the Equity Shares; and
h) Such other rights, as may be available to a shareholder of a listed Public Limited Company under the Companies Act, terms of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 and the Memorandum and Articles of Association of our Company.

For a detailed description of the main provision of the Articles of Association of our Company relating to voting rights, dividend, forfeiture and lien, transfer, transmission and/ or consolidation/ splitting, etc., please refer to section titled ***"Main Provisions of the Articles of Association"*** beginning on page 221 of this Prospectus.

Minimum Application Value, Market Lot and Trading Lot

As per regulations made under and Section 29(1) of the Companies Act, 2013 the Equity Shares to be allotted must be in Dematerialized form i.e., not in the form of physical certificates but be fungible and be represented by the statement issued through electronic mode. Hence, the Equity Shares being issued can be applied for in the dematerialized form only. In this context, two agreements shall be signed among our Company, the respective Depositories and Registrar to the Issue.

Tripartite Agreement dated January 24, 2023 between NSDL, our Company and Registrar to the Issue; and
Tripartite Agreement dated January 23, 2023 between CDSL, our Company and Registrar to the Issue;

The trading of the Equity Shares will happen in the minimum contract size of 3,000 Equity Shares and the same may be modified by the SME Platform of BSE (BSE SME) from time to time by giving prior notice to investors at large.

Allocation and allotment of Equity Shares through this issue will be done in multiples of 3,000 Equity Shares and is subject to a minimum allotment of 3,000 Equity Shares to the successful applicants in terms of the SEBI circular No. CIR/MRD/DSA/06/2012 dated February 21, 2012.

Minimum Number of Allottees

In accordance with Regulation 268 of SEBI (ICDR) Regulations, 2018 the minimum number of allottees in the Issue shall be 50 shareholders. In case the minimum number of prospective allottees is less than 50, no allotment will be made pursuant to this Issue and the monies collected shall be unblocked forthwith.

Jurisdiction

Exclusive jurisdiction for the purpose of this Issue is with the competent courts/ authorities in Mumbai, Maharashtra.

The Equity Shares have not been and will not be registered under the Securities Act or any state securities laws in the United States, and may not be offered or sold within the United States, except pursuant to an exemption from or in a transaction not subject to, registration requirements of the Securities Act. Accordingly, the Equity Shares are only being offered or sold outside the United States in compliance with Regulation S under the Securities Act and the applicable laws of the jurisdictions where those offers and sales occur.

The Equity Shares have not been and will not be registered, listed or otherwise qualified in any other jurisdiction outside India and may not be offered or sold, and applications may not be made by persons in any such jurisdiction, except in compliance with the applicable laws of such jurisdiction.

Joint Holders

Where 2 (two) or more persons are registered as the holders of any Equity Shares, they will be deemed to hold such Equity Shares as joint-holders with benefits of survivorship.

Nomination Facility to Investor

In accordance with Section 72 of the Companies Act, 2013 the sole or first applicant, along with other joint applicant, may nominate any one person in whom, in the event of the death of sole applicant or in case of joint applicant, death of all the applicants, as the case may be, the Equity Shares allotted, if any, shall vest. A person, being a nominee, entitled to the Equity Shares by reason of the death of the original holder(s), shall in accordance with Section 72 of the Companies Act, 2013 be entitled to the same advantages to which he or she would be entitled if he or she were the registered holder of the Equity Share(s). Where the nominee is a minor, the holder(s) may make a nomination to appoint, in the prescribed manner, any person to become entitled to Equity Share(s) in the event of his or her death during the minority. A nomination shall stand rescinded upon a sale of equity share(s) by the person nominating. A buyer will be entitled to make a fresh nomination in the manner prescribed. Fresh nomination can be made only on the prescribed form available on request at the Registered Office of our Company or to the Registrar and Transfer Agents of our Company.

In accordance with Section 72 of the Companies Act, 2013 any Person who becomes a nominee by virtue of Section 72 of the Companies Act, 2013 shall upon the production of such evidence as may be required by the Board, elect either:

a) to register himself or herself as the holder of the Equity Shares; or
b) to make such transfer of the Equity Shares, as the deceased holder could have made.

Further, the Board may at any time give notice requiring any nominee to choose either to be registered himself or herself or to transfer the Equity Shares, and if the notice is not complied with within a period of 90 (ninety) days, the Board may thereafter withhold payment of all dividends, bonuses or other moneys payable in respect of the Equity Shares, until the requirements of the notice have been complied with.

Since the allotment of Equity Shares in the Issue is in dematerialized form, there is no need to make a separate nomination with us. Nominations registered with the respective depository participant of the applicant would prevail. If the investors require changing the nomination, they are requested to inform their respective depository participant.

Issue Program*

Event	Indicative Date
Bid/ Issue Opened Date	Monday, January 29, 2024[1]
Bid/ Issue Closed Date	Wednesday, January 31, 2024
Finalization of Basis of Allotment with the Designated Stock Exchange (T+1)	On or about Thursday, February 01, 2024
Initiation of Allotment/ Refunds/ Unblocking of Funds from ASBA Account or UPI Id Linked Bank Account** (T+2)	On or about Friday, February 02, 2024
Credit of Equity Shares to Demat Accounts of Allottees (T+2)	On or about Friday, February 02, 2024
Commencement of Trading of The Equity Shares on the Stock Exchange (T+3)	On or about Monday, February 05, 2024

Note [1]Our Company in consultation with the Book Running Lead Manager, has considered participation by Anchor Investors in accordance with the SEBI ICDR Regulations. The Anchor Investor Bid/Issue Period was one Working Day prior to the Bid/Issue Opening Date in accordance with the SEBI ICDR Regulations

**Please refer Corrigendum published on January 23, 2024.*
**In case of any delay in unblocking of amounts in the ASBA Accounts (including amounts blocked through the UPI Mechanism) exceeding four Working Days from the Bid/ Issue Closing Date, the Bidder shall be compensated at a uniform rate of ₹ 100 per day for the entire duration of delay exceeding four Working Days from the Bid/ Issue Closing Date by the intermediary responsible for causing such delay in unblocking. The BRLM shall, in their sole discretion, identify and fix the liability on such intermediary or entity responsible for such delay in unblocking. For the avoidance of doubt, the provisions of the SEBI circular dated March 16, 2021, as amended pursuant to SEBI circular dated June 2, 2021 shall be deemed to be incorporated in the agreements to be entered into by and between the Company and the relevant intermediaries, to the extent applicable.

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

Bid-Cum Application Forms and any revisions to the same were accepted only between 10.00 A.M. to 5.00 P.M. (IST) during the Issue Period (except for the Bid/ Issue Closing Date). On the Bid/ Issue Closing Date, the Application Forms will be accepted only between 10.00 a.m. to 3.00 p.m. (IST) for retail and non-retail Applicants.

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

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

Minimum Subscription and Underwriting

This Issue is not restricted to any minimum subscription level and is 100% underwritten. As per Section 39 of the Companies Act, 2013, if the stated minimum amount has not be subscribed and the sum payable on application is not received within a period of 30 days from the date of the Prospectus, the application money has to be returned within such period as may be prescribed. If our Company does not receive the 100% subscription of the issue through the Issue Document including devolvement of Underwriters, if any, within sixty (60) days from the date of closure of the issue, our Company shall forthwith refund the entire subscription amount received. If there is a delay beyond eight days after our Company becomes liable to pay the amount, our Company and every officer in default will, on and from the expiry of this period, be jointly and severally liable to repay the money, with interest or other penalty as prescribed under the SEBI Regulations, the Companies Act 2013 and applicable law.

In terms of Regulation 272(2) of SEBI ICDR Regulations, in case the Company fails to obtain listing or trading permission from the stock exchanges where the specified securities are proposed to be listed, it shall refund through verifiable means the entire monies received within four days of receipt of intimation from stock exchange(s) rejecting the application for listing of specified securities, and if any such money is not repaid within four days after the issuer becomes liable to repay it, the issuer and every director of the company who is an officer in default shall, on and from the expiry of the fourth day, be jointly and severally liable to repay that money with interest at the rate of fifteen per cent per annum.

In terms of Regulation 260 of the SEBI (ICDR) Regulations, 2018, the Issue is 100% underwritten. For details of underwriting arrangement, kindly refer the chapter titled ***"General Information - Underwriting"*** on page 44 of this Prospectus.

Further, in accordance with Regulation 267 of the SEBI (ICDR) Regulations, 2018, the minimum application size in terms of number of specified securities shall not be less than Rupees One Lakh per application.

Migration to Main Board

As per the provisions of the Chapter IX of the SEBI (ICDR) Regulation, 2018, our Company may migrate to the main board of BSE from the SME Exchange on a later date subject to the following:

If the Paid-up Capital of the company is likely to increase above ₹ 25 crores by virtue of any further issue of capital by way of rights, preferential issue, bonus issue etc. (which has been approved by a special resolution through postal ballot wherein the votes cast by the shareholders other than the promoter in favour of the proposal amount to at least two times the number of votes cast by shareholders other than promoter shareholders against the proposal and for which the company has obtained in-principal approval from the main board), we shall have to apply to BSE for listing our shares on its Main Board subject to the fulfillment of the eligibility criteria for listing of specified securities laid down by the Main Board.

If the Paid-up Capital of the company is more than ₹ 10 crores but below ₹ 25 crores, we may still apply for migration to the main board if the same has been approved by a special resolution through postal ballot wherein the votes cast by the shareholders other than the promoter in favour of the proposal amount to at least two times the number of votes cast by shareholders other than promoter shareholders against the proposal.

Market Making

The shares offered through this Issue are proposed to be listed on the SME Platform of BSE (BSE SME), wherein the Book Running Lead Manager to this Issue shall ensure compulsory Market Making through the registered Market Makers of the SME Exchange for a minimum period of 3 (three) years from the date of listing on the SME platform of BSE.

For further details of the agreement entered into between the Company, the Book Running Lead Manager and the Market Maker please refer to section titled ***"General Information - Details of the Market Making Arrangements for this Issue"*** on page 44 of this Prospectus.

Arrangements for disposal of odd lots

The trading of the Equity Shares will happen in the minimum contract size of 3,000 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.

As per the extent Guideline of the Government of India, OCBs cannot participate in this Issue

The current provisions of the Foreign Exchange Management (Transfer or Issue of Security by a Person Resident outside India) Regulations, 2000, provides a general permission for the NRIs, FPIs and foreign venture capital investors registered with SEBI to invest in shares of Indian companies by way of subscription in an IPO. However, such investments would be subject to other investment restrictions under the Foreign Exchange Management (Transfer or Issue of Security by a Person Resident outside India) Regulations, 2000, RBI and/or SEBI regulations as may be applicable to such investors.

The Allotment of the Equity Shares to Non-Residents shall be subject to the conditions, if any, as may be prescribed by the Government of India/RBI while granting such approvals.

Allotment of Equity Shares in Dematerialized Form

Pursuant to Section 29 of the Companies Act, 2013, the Equity Shares in the Issue shall be allotted only in dematerialized form. Further, as per the SEBI ICDR Regulations, the trading of the Equity Shares shall only be in dematerialized form on the Stock Exchange.

New Financial Instruments

There are no new financial instruments such as deep discounted bonds, debenture, warrants, secured premium notes, etc. issued by our Company through this Issue.

Application by Eligible NRI's, FPI's, VCF's, AIF's registered with SEBI

It is to be understood that there is no reservation for Eligible NRIs, FPIs or VCF registered with SEBI. Such Eligible NRIs, FPIs or VCF registered with SEBI will be treated on the same basis with other categories for the purpose of Allocation.

Restrictions on transfer and transmission of shares or debentures and on their consolidation or splitting

Except for lock-in of the Pre- Issue Equity Shares and Promoter minimum contribution in the Issue as detailed under section titled ***"Capital Structure"*** beginning on page 47 of this Prospectus, and except as provided in the Articles of Association of our Company, there are no restrictions on transfers of Equity Shares. There are no restrictions on transfer and transmission of shares/ debentures and on their consolidation/ splitting except as provided in the Articles of Association. For further details, please refer to section titled ***"Main Provisions of the Articles of Association"*** beginning on page 221 of this Prospectus.

Pre-Issue Advertisement

Subject to Section 30 of the Companies Act, 2013 our Company, after filing the Red Herring Prospectus with the RoC publish a pre-Issue advertisement, in the form prescribed by the SEBI (ICDR) Regulations, in one widely circulated English language national daily newspaper; one widely circulated Hindi language national daily newspaper and one regional newspaper with wide circulation where the Registered Office of our Company is situated.

In the pre-Issue advertisement, we stated the Bid/Issue Opening Date and the Bid/Issue Closing Date and the floor price or price band along with necessary details subject to regulation 250 of SEBI ICDR Regulations. This advertisement, subject to the provisions of section 30 of the Companies Act, 2013, was in the format prescribed in Part A of Schedule X of the SEBI Regulations.

Allotment Advertisement:

Our Company, the BRLM and the Registrar shall publish an allotment advertisement before commencement of trading, disclosing the date of commencement of trading in all editions of the English national newspaper i.e. Business Standard, all editions of Hindi national newspaper i.e. Business Standard and Marathi Edition of Regional newspaper i.e. Pratahkal with wide circulation where our Registered office is located.

Withdrawal of the Issue

Our Company in consultation with the BRLM, reserve the right to not to proceed with the issue after the Bid/ Issue Opening date but before the Allotment. In such an event, our Company would issue a public notice in the newspaper in which the pre-issue advertisements were published, within two days of the Bid/ Issue Closing date or such other time as may be prescribed by SEBI, providing reasons for not proceeding with the issue. The BRLM through, the Registrar of the issue, shall notify the SCSBs to unblock the bank accounts of the ASBA Bidders within one working day from the date of receipt of such notification. Our Company shall also inform the same to the stock exchange on which equity shares are proposed to be listed.

The above information is given for the benefit of the Applicants. The Applicants are advised to make their own enquiries about the limits applicable to them. Our Company and the Book Running Lead Manager do not accept any responsibility for the completeness and accuracy of the information stated hereinabove. Our Company and the Book Running Lead Manager are not liable to inform the investors of any amendments or modifications or changes in applicable laws and regulations, which may occur after the date of this Prospectus. Applicants are advised to make their independent investigations and ensure that the number of Equity Shares applied for do not exceed the applicable limits under laws and regulations.

ISSUE STRUCTURE

This Issue is being made in terms of Regulation 229(2) of Chapter IX of SEBI (ICDR) Regulations, 2018, as amended from time to time, whereby, an issuer whose post issue paid up capital more than ten crore rupees and upto twenty-five 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 BSE SME i.e., SME platform of BSE). 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 192 and 200 of this Prospectus.

Issue Structure:

Initial Public Issue of upto 42,42,000 Equity Shares of ₹ 10 each *(the "Equity Shares")* for cash at a price of ₹ 45/- per Equity Share (including a Share Premium of ₹ 35/- per Equity Share), aggregating up to ₹ 1,908.90 Lakhs *("the Issue")* by the issuer Company (the "Company").

The Issue comprises a reservation of upto 2,16,000 Equity Shares of ₹ 10 each for subscription by the designated Market Maker *("the Market Maker Reservation Portion")* and Net Issue to Public of upto 40,26,000 Equity Shares of ₹ 10 each *("the Net Issue").* The Issue and the Net Issue will constitute 26.36% and 25.02%, respectively of the post Issue paid up equity share capital of the Company. The Issue is being made through the Book Building Process.

Particulars of the Issue (2)	**Market Maker Reservation Portion**	**QIBs (1)**	**Non-Institutional Investors**	**Retail Individual Investors**
Number of Equity Shares available for allocation	Upto 2,16,000* Equity Shares	Not more than 20,10,000* Equity Shares	Not less than 6,06,000* Equity Shares	Not less than 14,10,000* Equity Shares
Percentage of Issue Size available for allocation	5.09% of the Issue Size	Not more than 50% of the Net Issue	Not less than 15% of the Net Issue	Not less than 35% of the Net Issue
Basis of Allotment (3)	Firm Allotment	Proportionate as follows (excluding the Anchor Investor Portion): (a) Up to 8,04,000 Equity Shares was made available for allocation on a proportionate basis to all QIBs. (b) 12,06,000 Equity Shares were allocated on a discretionary basis to Anchor Investors	Proportionate basis subject to minimum allotment of 3,000 Equity Shares and further allotment in multiples of 3,000 Equity Shares.	Proportionate basis subject to minimum allotment of 3,000 Equity Shares
Mode of Allotment	Compulsorily in dematerialized form.			
Minimum Bid Size	2,16,000 Equity Shares	Such number of Equity Shares and in multiples of 3,000 Equity Shares that the Bid Amount exceeds ₹200,000	Such number of Equity Shares and in multiples of 3,000 Equity Shares that the Bid Amount exceeds ₹200,000	3,000 Equity Shares
Maximum Bid Size	2,16,000 Equity Shares	Such number of Equity Shares in multiples of 3,000 Equity Shares not exceeding the size of the Net Issue, subject to applicable limits	Such number of Equity Shares in multiples of 3,000 Equity Shares not exceeding the size of the Net Issue (excluding the QIB portion), subject to applicable limits	3,000 Equity Shares
Trading Lot	3,000 Equity Shares, However the Market Maker may accept odd lots if any in the market as required under the SEBI (ICDR) Regulations, 2018.	3,000 Equity Shares and in multiples thereof	3,000 Equity Shares and in multiples thereof	3,000 Equity Shares and in multiples thereof
Terms of Payment	Full Bid Amount shall be blocked by the SCSBs in the bank account of the ASBA Bidder (other than Anchor Investors) or by the Sponsor Bank through the UPI Mechanism, that is specified in the ASBA Form at the			

Particulars of the Issue [2]	Market Maker Reservation Portion	QIBs [1]	Non-Institutional Investors	Retail Individual Investors
	time of submission of the ASBA Form. In case of Anchor Investors: Full Bid Amount shall be payable by the Anchor Investors at the time of submission of their Bids [4]			
Mode of Bid	Only through the ASBA process.	Only through the ASBA process. (Except for Anchor investors)	Only through the ASBA process	Through ASBA Process via Banks or by using UPI ID for payment

** Subject to finalization of basis of allotment*

This Issue is being made in terms of Chapter IX of the SEBI (ICDR) Regulations, 2018, as amended from time to time.

(1) Our Company, in consultation with the Book Running Lead Managers, has allocated 60% of the QIB Portion to Anchor Investors on a discretionary basis in accordance with the SEBI ICDR Regulations.

(2) In terms of Rule 19(2) of the SCRR read with Regulation 252 of the SEBI (ICDR) Regulations, 2018 this is an Issue for at least 25% of the post issue paid-up Equity share capital of the Company. This Issue is being made through Book Building Process, wherein allocation to the public shall be as per Regulation 252 of the SEBI (ICDR) Regulations.

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

(4) Full Bid Amount was payable by the Anchor Investors at the time of submission of the Anchor Investor Bid-cum- Application Forms provided that any difference between the Anchor Investor Allocation Price and the Anchor Investor Issue Price shall be payable by the Anchor Investor Pay-In Date as indicated in the CAN.

The Bids by FPIs with certain structures as described under ***"Issue Procedure - Bids by FPIs"*** on pages 200 and having same PAN may be collated and identified as a single Bid in the Bidding process. The Equity Shares Allocated and Allotted to such successful Bidders (with same PAN) may be proportionately distributed.

Withdrawal of the Issue

In accordance with SEBI (ICDR) Regulations, the Company, in consultation with the Book Running Lead Manager, reserves the right not to proceed with the Issue. In case, the Company wishes to withdraw the Issue after Bid/Issue Opening but before allotment, the Company will give public notice giving reasons for withdrawal of Issue. The public notice will appear in two widely circulated national newspapers *(one each in English and Hindi)* and one in regional newspaper.

The Book Running Lead Manager, through the Registrar to the Issue, will instruct the SCSBs, to unblock the ASBA Accounts within one Working Day from the day of receipt of such instruction. The notice of withdrawal will be issued in the same newspapers where the pre-Issue advertisements have appeared and the Stock Exchange will also be informed promptly.

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

Notwithstanding the foregoing, the Issue is subject to obtaining (i) the final listing and trading approvals of the Stock Exchange, which our Company will apply for only after Allotment; and (ii) filing of the Red Herring Prospectus/ Prospectus with ROC.

Issue Program*

Event	Indicative Dates
Bid/ Issue Opened Date	Monday, January 29, 2024[1]
Bid/ Issue Closed Date	Wednesday, January 31, 2024
Finalization of Basis of Allotment with the Designated Stock Exchange (T+1)	On or about Thursday, February 01, 2024
Initiation of Allotment/ Refunds/ Unblocking of Funds from ASBA Account or UPI ID linked bank account (T+2)	On or about Friday, February 02, 2024
Credit of Equity Shares to Demat accounts of Allottees (T+2)	On or about Friday, February 02, 2024
Commencement of trading of the Equity Shares on the Stock Exchange (T+3)	On or about Monday, February 05, 2024

Note [1]Our Company in consultation with the Book Running Lead Manager, has considered participation by Anchor Investors in accordance with the SEBI ICDR Regulations. The Anchor Investor Bid/Issue Period was one Working Day prior to the Bid/Issue Opening Date in accordance with the SEBI ICDR Regulations

**Please refer Corrigendum published on January 23, 2024.*

ISSUE PROCEDURE

All Bidders should review the General Information Document for Investing in Public Issues prepared and issued in accordance with the circular (SEBI/HO/CFD/DIL1/CIR/P/2020/37) dated March 17, 2020 notified by SEBI and updated pursuant to the circular (CIR/CFD/POLICYCELL/11/2015) dated November 10, 2015 as amended and modified by the circular (SEBI/HO/CFD/DIL/CIR/P/2016/26) dated January 21, 2016, and SEBI Circular bearing number (SEBI/HO/CFD/DIL2/CIR/P/2018/22) dated February 15, 2018 and Circular (SEBI/HO/CFD/DIL2/CIR/P/2018/138) dated November 01, 2018, notified by SEBI ("General Information Document") and SEBI Circular No. SEBI/HO/CFD/DCR2/CIR/P/2019/133 dated November 08, 2019, included below under Section "PART B – General Information Document", which highlights the key rules, processes and procedures applicable to public issues in general in accordance with the provisions of the Companies Act, 2013, the Securities Contracts (Regulation) Act, 1956, the Securities Contracts (Regulation) Rules, 1957 and the ICDR Regulations. The General Information Document is available on the websites of the Stock Exchanges and the Book Running Lead Manager. Please refer to the relevant portions of the General Information Document which are applicable to this Issue.

All Designated Intermediaries in relation to the Issue should ensure compliance with the SEBI circular (CIR/CFD/POLICYCELL/11/2015) dated November 10, 2015, as amended and modified by the SEBI circular (SEBI/HO/CFD/DIL/CIR/P/2016/26) dated January 21, 2016 and SEBI circular (SEBI/HO/CFD/DIL2/CIR/P/2018/22) dated February 15, 2018 and (SEBI/HO/CFD/DIL2/CIR/P/2018/138) dated November 1, 2018, in relation to clarifications on streamlining the process of public issue of equity shares and convertibles as amended and modified by the SEBI circular no. SEBI/HO/CFD/DIL2/CIR/P/2019/50 dated April 3, 2019 circular no. SEBI/HO/CFD/DIL2/CIR/P/2019/76 June 28, 2019, circular no. SEBI/HO/CFD/DIL2/CIR/P/2019/85 dated July 26, 2019 and circular no. SEBI/HO/CFD/DCR2/CIR/P/2019/133 dated November 08, 2019.

Additionally, all Bidders may refer to the General Information Document for information, in addition to what is stated herein, in relation to (i) category of Bidders eligible to participate in the Issue; (ii) maximum and minimum Application size; (iii) price discovery and allocation; (iv) payment instructions for Bidders applying through ASBA process and Retail Individual Investors applying through the United Payments Interface channel; (v) issuance of Confirmation of Allocation Note ("CAN") and Allotment in the Issue; (vi) general instructions (limited to instructions for completing the Bid Cum Application Form); (vii) Designated Date; (viii) disposal of Applications; (ix) submission of Bid Cum Application Form; (x) other instructions (limited to joint Applications in cases of individual, multiple Applications and instances when an Application would be rejected on technical grounds); (xi) applicable provisions of Companies Act, 2013 relating to punishment for fictitious Applications; (xii) mode of making refunds; and (xiii) interest in case of delay in Allotment or refund.

With effect from July 1, 2019, with respect to Applications by RIIs through Designated Intermediaries (other than SCSBs), the existing process of physical movement of forms from such Designated Intermediaries to SCSBs for blocking of funds has been discontinued and only the UPI Mechanism for such Applications with existing timeline of T+6 days will continue for a period of three months or launch of five main board public issues, whichever is later ("UPI Phase II"), Further pursuant to SEBI Circular SEBI/HO/CFD/DCR2/CIR/P/2019/133 dated November 8, 2019 UPI Phase II was extended till March 31, 2020. Subsequently, the final reduced timeline will be made effective using the UPI Mechanism for applications by RIBs ("UPI Phase III"), as may be prescribed by SEBI

Please note that the information stated/covered in this section may not be complete and/or accurate and as such would be subject to modification/change. Our Company and Book Running Lead Manager do not accept any responsibility for the completeness and accuracy of the information stated in this section and the General Information Document. Our Company and Book Running Lead Manager would not be able to include any amendment, modification or change in applicable law, which may occur after the date of the Prospectus. Bidders are advised to make their independent investigations and ensure that their application do not exceed the investment limits or maximum number of Equity Shares that can be held by them under applicable law or as specified in this Prospectus and the Prospectus.

This section applies to all the Bidders, please note that all the Bidders are required to make payment of the Full Application Amount along with the Bid Cum Application Form.

Phased implementation of Unified Payments Interface

SEBI has issued a circular bearing number SEBI/HO/CFD/DIL2/CIR/P/2018/138 dated November 1, 2018 and circular no. SEBI/HO/CFD/DIL2/CIR/P/2019/50 dated April 3, 2019 circular no. SEBI/HO/CFD/DIL2/CIR/P/2019/76 June 28, 2019, circular no. SEBI/HO/CFD/DIL2/CIR/P/2019/85 dated July 26, 2019 and circular no. SEBI/HO/CFD/DCR2/CIR/P/2019/133 dated November 08, 2019 (collectively the "UPI Circulars") in relation to streamlining the process of public issue of equity shares and convertibles. Pursuant to the UPI Circulars, UPI will be introduced in a phased manner as a payment mechanism (in addition to mechanism of blocking funds in the account maintained with SCSBs under the ASBA) for applications by RIBs through intermediaries with the objective to reduce the time duration from public issue closure to listing from six working days to up to three working days. Considering the time required for making necessary changes to the systems and to ensure complete and smooth

transition to the UPI Mechanism, the UPI Circular proposes to introduce and implement the UPI Mechanism in three phases in the following manner:

Phase I: This phase has become applicable from January 1, 2019 until March 31, 2019 or floating of five main board public issues, whichever is later. Subsequently, the timeline for implementation of Phase I was extended till June 30, 2019. Under this phase, a Retail Individual Applicant had the option to submit the Application Form with any of the intermediary and use his / her UPI ID for the purpose of blocking of funds. The time duration from public issue closure to listing continued to be six Working Days.

Phase II: This phase has become applicable from July 1, 2019 and was to initially continue for a period of three months or floating of five main board public issues, whichever is later. Subsequently, it was decided to extend the timeline for implementation of Phase II until March 31, 2020. Further, as per SEBI circular SEBI/HO/CFD/DIL2/CIR/P/2020/50 dated March 30, 2020, the current Phase II of Unified Payments Interface with Application Supported by Blocked Amount is continued till further notice. Under this phase, submission of the ASBA Form by RIIs through Designated Intermediaries (other than SCSBs) to SCSBs for blocking of funds will be discontinued and will be replaced by the UPI payment mechanism. However, the time duration from public issue closure to listing continues to be six Working Days during this phase.

Phase III: The commencement period of Phase III is yet to be notified. In this phase, the time duration from public issue closure to listing is proposed to be reduced to three Working Days.

All SCSBs offering facility of making application in public issues shall also provide facility to make application using the UPI Mechanism. The Issuers will be required to appoint one of the SCSBs as a sponsor bank to act as a conduit between the Stock Exchanges and NPCI in order to facilitate collection of requests and / or payment instructions of the Retail Individual Applicants into the UPI mechanism.

For further details, refer to the General Information Document available on the websites of the Stock Exchanges and the Book Running Lead Manager.

PART A

Book Building Procedure

In terms of Rule 19(2)(b) of the Securities Contracts (Regulation) Rules, 1957, as amended (the "SCRR") read with Regulation 252 of SEBI ICDR Regulations, 2018, the Issue is being made for at least 25% of the post-Issue paid-up Equity Share capital of our Company. The Issue is being made under Regulation 229(2) of Chapter IX of SEBI (Issue of Capital and Disclosure Requirements) Regulations, 2018 via book building process wherein not more than 50% of the Issue shall be allocated on a proportionate basis to QIBs, provided that our Company and may, in consultation with the BRLM, allocate up to 60% of the QIB Portion to Anchor Investors on a discretionary basis in accordance with the SEBI ICDR Regulations, of which one-third shall be reserved for domestic Mutual Funds, subject to valid Bids being received from domestic Mutual Funds at or above the Anchor Investor Allocation Price. In the event of under-subscription, or non-allocation in the Anchor Investor Portion, the balance Equity Shares shall be added to the QIB Portion. Further, 5% of the QIB Portion (excluding the Anchor Investor Portion) shall be available for allocation on a proportionate basis only to Mutual Funds, and the remainder of the QIB Portion shall be available for allocation on a proportionate basis to all QIBs (other than Anchor Investors), including Mutual Funds, subject to valid Bids being received at or above the Issue Price. Further, not less than 15% of the Issue shall be available for allocation on a proportionate basis to Non-Institutional Investors and not less than 35% of the Issue shall be available for allocation to Retail Individual Investors in accordance with the SEBI ICDR Regulations, subject to valid Bids being received at or above the Issue Price.

Subject to valid Bids being received at or above the Issue Price, undersubscription, if any, in any category, except the QIB Portion, would be allowed to be met with spill-over from any other category or a combination of categories at the discretion of our Company in consultation with the BRLM, and the Designated Stock Exchange. However, under-subscription, if any, in the QIB Portion will not be allowed to be met with spillover from other categories or a combination of categories.

The Equity Shares, on Allotment, shall be traded only in the dematerialised segment of the Stock Exchanges.

Bid cum Application Form

Copies of the Bid cum Application Form (other than for Anchor Investors) and the abridged prospectus will be available at the offices of the BRLM, the Designated Intermediaries at Bidding Centres, and Registered Office of our Company. An electronic copy of the Bid cum Application Form will also be available for download on the websites of the BSE, at least one day prior to the Bid/Issue Opening Date.

Copies of the Anchor Investor Application Form will be available at the offices of the BRLM.

All Bidders (other than Anchor Investors) shall mandatorily participate in the Issue only through the ASBA process. ASBA Bidders must provide either (i) the bank account details and authorisation to block funds in the ASBA Form, or (ii) the UPI ID, as applicable, in the relevant space provided in the ASBA Form. The ASBA Forms that do not contain such details are liable to be rejected. Applications made by the RIIs using third party bank account or using third party linked bank account UPI ID are liable for rejection. Anchor Investors are not permitted to participate in the Offer through the ASBA process. ASBA Bidders shall ensure that the Bids are made on ASBA Forms bearing the stamp of the relevant Designated Intermediary, submitted at the relevant Bidding Centres only (except in case of electronic ASBA Forms) and the ASBA Forms not bearing such specified stamp are liable to be rejected. Since the Offer is made under Phase II of the UPI Circulars, ASBA Bidders may submit the ASBA Form in the manner below:

i. RIIs (other than the RIIs using UPI Mechanism) may submit their ASBA Forms with SCSBs (physically or online, as applicable), or online using the facility of linked online trading, demat and bank account (3 in 1 type accounts), provided by certain brokers.

ii. RIIs using the UPI Mechanism, may submit their ASBA Forms with the Syndicate, sub-syndicate members, Registered Brokers, RTAs or CDPs, or online using the facility of linked online trading, demat and bank account (3 in 1 type accounts), provided by certain brokers.

iii. QIBs and NIBs may submit their ASBA Forms with SCSBs, Syndicate, sub-syndicate members, Registered Brokers, RTAs or CDPs.

Anchor Investors were not permitted to participate in the Offer through the ASBA process.

The prescribed colour of the Bid cum Application Form for various categories is as follows:

Category	Colour*
Anchor Investor**	White
Indian Public / eligible NRI's applying on a non-repatriation basis (ASBA)	White
Non-Residents including eligible NRI's, FPI's, FIIs, FVCIs, etc. applying on a repatriation basis (ASBA)	Blue

**Excluding Electronic Bid cum Application Form*
*** Bid cum application for Anchor Investor was made available at the Office of the BRLM.*

Designated Intermediaries (other than SCSBs) after accepting Bid Cum Application Form submitted by RIIs (without using UPI for payment), NIIs and QIBs captured and uploaded the relevant details in the electronic bidding system of stock exchange(s) and shall submit/deliver the Bid Cum Application Forms to respective SCSBs where the Bidders has a bank account and shall not submit it to any non-SCSB Bank.

Further, for applications submitted to designated intermediaries (other than SCSBs), with use of UPI for payment, after accepting the Bid Cum Application Form, respective intermediary shall capture and upload the relevant application details, including UPI ID, in the electronic bidding system of stock exchange(s).

Bidders shall only use the specified Bid Cum Application Form for making an Application in terms of the Red Herring Prospectus.

The Bid Cum Application Form contained information about the Bidder and the price and the number of Equity Shares that the Bidders wished to apply for. Bid Cum Application Forms downloaded and printed from the websites of the Stock Exchange shall bear a system generated unique application number. Bidders were required to ensure that the ASBA Account has sufficient credit balance as an amount equivalent to the full Application Amount can be blocked by the SCSB or Sponsor Bank at the time of submitting the Application.

An Investor, intending to subscribe to this Issue, submited a completed Bid Cum Application Form to any of the following intermediaries (Collectively called – Designated Intermediaries")

Sr. No.	Designated Intermediaries
1.	An SCSB, with whom the bank account to be blocked, is maintained
2.	A syndicate member (or sub-syndicate member)
3.	A stock broker registered with a recognized stock exchange (and whose name is mentioned on the website of the stock exchange as eligible for this activity) ('broker')
4.	A depository participant ('DP') (whose name is mentioned on the website of the stock exchange as eligible for this activity)
5.	A registrar to an issue and share transfer agent ('RTA') (whose name is mentioned on the website of the stock exchange as eligible for this activity)

Retails investors submitting application with any of the entities at (ii) to (v) above (hereinafter referred as "Intermediaries"), and intending to use UPI, were also required to enter their UPI ID in the Bid Cum Application Form.

The aforesaid intermediary shall, at the time of receipt of application, give an acknowledgement to investor, by giving the counter foil or specifying the application number to the investor, as a proof of having accepted the Bid Cum Application Form, in physical or electronic mode, respectively.

The upload of the details in the electronic bidding system of stock exchange was done by:

For Applications submitted by Investors to SCSB	After accepting the form, SCSB captured and uploaded the relevant details in the electronic bidding system as specified by the stock exchange and began blocking funds available in the bank account specified in the form, to the extent of the application money specified.
For applications submitted by investors to intermediaries other than SCSBs	After accepting the Bid Cum Application Form, respective Intermediary captured and uploaded the relevant details in the electronic bidding system of the stock exchange. Post uploading, they forwarded a schedule as per prescribed format along with the Bid Cum Application Forms to designated branches of the respective SCSBs for blocking of funds within one day of closure of Issue.
For applications submitted by investors to intermediaries other than SCSBs with use of UPI for payment	After accepting the Bid Cum Application Form, respective intermediary captured and uploaded the relevant application details, including UPI ID, in the electronic bidding system of stock exchange. Stock exchange has shared application details including the UPI ID with sponsor bank on a continuous basis, to enable sponsor bank to initiate mandate request on investors for blocking of funds. Sponsor bank has initiated 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 validated the electronic bid details with depository's records for DP ID/Client ID and PAN, on a real-time basis and bring the inconsistencies to the notice of intermediaries concerned, for rectification and re-submission within the time specified by stock exchange.

Stock exchange allowed modification of selected fields viz. DP ID/Client ID or Pan ID (Either DP ID/Client ID or Pan ID can be modified but not BOTH), Bank code and Location code, in the bid details already uploaded.

Upon completion and submission of the Bid Cum Application Form to Application Collecting intermediaries, the Bidders have authorized our Company to make the necessary changes in the Red Herring Prospectus, without prior or subsequent notice of such changes to the Bidders.

The Sponsor Bank will undertake a reconciliation of Bid responses received from Stock Exchanges and sent to NPCI and will also ensure that all the responses received from NPCI are sent to the Stock Exchanges platform with detailed error code and description, if any. Further, the Sponsor Bank will undertake reconciliation of all Bid requests and responses throughout their lifecycle on daily basis and share reports with the Book Running Lead Managers in the format and within the timelines as specified under the UPI Circulars. Sponsor Bank and issuer banks shall download UPI settlement files and raw data files from the NPCI portal after every settlement cycle and do a three way reconciliation with Banks UPI switch data, CBS data and UPI raw data. NPCI is to coordinate with issuer banks and Sponsor Banks on a continuous basis.

Participation by Promoters and members of the Promoter Group of our Company, the Book Running Lead Manager and the Syndicate Members

The Book Running Lead Managers and the Syndicate Member were not allowed to purchase Equity Shares in this Issue in any manner, except towards fulfilling their underwriting obligations. However, the associates and affiliates of the Book Running Lead Managers and the Syndicate Member could Bid for Equity Shares in the Issue, either in the QIB Portion or in the Non-Institutional Portion as was applicable to such Bidders, where the allocation is on a proportionate basis and such subscription could be on their own account or on behalf of their clients. All categories of investors, including associates or affiliates of the Book Running Lead Managers and Syndicate Member, were required to be treated equally for the purpose of allocation to be made on a proportionate basis.

Except as stated below, neither the Book Running Lead Managers nor any associates of the Book Running Lead Managers could apply in the Issue under the Anchor Investor Portion:

i) mutual funds sponsored by entities which are associate of the Book Running Lead Managers;
ii) insurance companies promoted by entities which are associate of the Book Running Lead Managers;
iii) AIFs sponsored by the entities which are associate of the Book Running Lead Managers; or
iv) FPIs (other than individuals, corporate bodies and family offices) sponsored by the entities which are associate of the Book Running Lead Managers.

Further, persons related to our Promoters and Promoter Group did not apply in the Issue under the Anchor Investor Portion.

i) rights under a shareholders' agreement or voting agreement entered into with our Promoters or Promoter Group;
ii) veto rights; or
iii) right to appoint any nominee director on the Board.

Further, an Anchor Investor was deemed to be an associate of the Book Running Lead Managers, if: (a) either of them controls, directly or indirectly through its subsidiary or holding company, not less than 15% of the voting rights in the other; or (b) either of them, directly or indirectly, by itself or in combination with other persons, exercises control over the other; or (c) there is a common director, excluding a nominee director, amongst the Anchor Investor and the Book Running Lead Managers.

Availability of Red Herring Prospectus and Bid Cum Application Forms

Copies of the Bid cum Application Form and the abridged prospectus will be available at the offices of the BRLM, the Designated Intermediaries at Bidding Centres, and Registered Office of our Company. An electronic copy of the Bid cum Application Form will also be available for download on the websites of SCSBs (via Internet Banking) and BSE (www.bseindia.com) at least one day prior to the Bid/Issue Opening Date.

Bid cum application for Anchor Investor shall be made available at the Office of the BRLM.

Who can Bid?

Each Bidder should check whether it is eligible to apply under applicable law, rules, regulations, guidelines and policies. Furthermore, certain categories of Bidders, such as NRIs, FPIs and FVCIs may not be allowed to apply in the Issue or to hold Equity Shares, in excess of certain limits specified under applicable law. Bidders are requested to refer to the Red Herring Prospectus for more details.

Subject to the above, an illustrative list of Bidders is as follows:

a) Indian nationals' resident in India who are not incompetent to contract under the Indian Contract Act, 1872, as amended, in single or as a joint application and minors having valid Demat account as per Demographic Details provided by the Depositories. Furthermore, based on the information provided by the Depositories, our Company shall have the right to accept the Applications belonging to an account for the benefit of minor (under guardianship);
b) Hindu Undivided Families or HUFs, in the individual name of the Karta. The Bidder should specify that the application is being made in the name of the HUF in the Bid Cum Application Form as follows: -Name of Sole or First Bidder: XYZ Hindu Undivided Family applying through XYZ, where XYZ is the name of the Karta. Applications by HUFs would be considered at par with those from individuals;
c) Companies, corporate bodies and societies registered under the applicable laws in India and authorized to invest in the Equity Shares under their respective constitutional and charter documents;
d) Mutual Funds registered with SEBI;
e) Eligible NRIs on a repatriation basis or on a non-repatriation basis, subject to applicable laws. NRIs other than Eligible NRIs are not eligible to participate in this Issue;
f) Indian Financial Institutions, scheduled commercial banks, regional rural banks, co-operative banks (subject to RBI permission, and the SEBI Regulations and other laws, as applicable);
g) FPIs other than Category III FPI; VCFs and FVCIs registered with SEBI;
h) Limited Liability Partnerships (LLPs) registered in India and authorized to invest in equity shares;
i) Sub-accounts of FIIs registered with SEBI, which are foreign corporate or foreign individuals only under the Non-Institutional Bidder 's category;
j) Venture Capital Funds and Alternative Investment Fund (I) registered with SEBI; State Industrial Development Corporations;
k) Foreign Venture Capital Investors registered with the SEBI;
l) Trusts/societies registered under the Societies Registration Act, 1860, as amended, or under any other law relating to Trusts and who are authorized under their constitution to hold and invest in equity shares;
m) Scientific and/or Industrial Research Organizations authorized to invest in equity shares;
n) Insurance Companies registered with Insurance Regulatory and Development Authority, India;
o) Provident Funds with minimum corpus of ₹ 25 Crores and who are authorized under their constitution to hold and invest in equity shares;
p) Pension Funds and Pension Funds with minimum corpus of ₹ 25 Crores and who are authorized under their constitution to hold and invest in equity shares;
q) National Investment Fund set up by Resolution no. F. No. 2/3/2005-DDII dated November 23, 2005 of Government of India published in the Gazette of India;
r) Multilateral and bilateral development financial institution;
s) Eligible QFIs;
t) Insurance funds set up and managed by army, navy or air force of the Union of India;
u) Insurance funds set up and managed by the Department of Posts, India;
v) Any other person eligible to apply in this Issue, under the laws, rules, regulations, guidelines and policies applicable to them.

Applications not to be made by:

1. Minors (except through their Guardians)
2. Partnership firms or their nominations
3. Foreign Nationals (except NRIs)
4. Overseas Corporate Bodies

As per the existing regulations, OCBs are not eligible to participate in this Issue. The RBI has however clarified in its circular, A.P. (DIR Series) Circular No. 44, dated December 8, 2003 that OCBs which are incorporated and are not under the adverse notice of the RBI are permitted to undertake fresh investments as 138 incorporated non-resident entities in terms of Regulation 5(1) of RBI Notification No.20/2000-RB dated May 3, 2000 under FDI Scheme with the prior approval of Government if the investment is through Government Route and with the prior approval of RBI if the investment is through Automatic Route on case by case basis. OCBs may invest in this Issue provided it obtains a prior approval from the RBI. On submission of such approval along with the Bid Cum Application Form, the OCB shall be eligible to be considered for share allocation.

MAXIMUM AND MINIMUM APPLICATION SIZE

1. For Retail Individual Bidders

The Application must be for a minimum of 3,000 Equity Shares and in multiples of 3,000 Equity Shares thereafter, so as to ensure that the Application Price payable by the Bidder does not exceed ₹ 2,00,000. In case of revision of Applications, the Retail Individual Bidders have to ensure that the Application Price does not exceed ₹ 2,00,000.

2. For Other than Retail Individual Bidders (Non-Institutional Applicants and QIBs):

The Application must be for a minimum of such number of Equity Shares that the Application Amount exceeds ₹ 2,00,000 and in multiples of 3,000 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 Bidder cannot withdraw its Application after the Issue Closing Date and is required to pay 100% QIB Margin upon submission of Application.

In case of revision in Applications, the Non-Institutional Bidders, who are individuals, have to ensure that the Application Amount is greater than ₹ 2,00,000 for being considered for allocation in the Non-Institutional Portion.

Option to Subscribe in the Issue

a. As per Section 29(1) of the Companies Act 2013, allotment of Equity Shares shall be made in dematerialized form only. Investors will not have the option of getting allotment of specified securities in physical form.

b. The Equity Shares, on allotment, shall be traded on the Stock Exchange in demat segment only.

c. A single application from any investor shall not exceed the investment limit/minimum number of Equity Shares that can be held by him/her/it under the relevant regulations/statutory guidelines and applicable law.

Information for the Bidders

The relevant Designated Intermediary could enter a maximum of three Bids at different price levels opted in the Bid cum Application Form and such options are not considered as multiple Bids. It was the Bidder's responsibility to obtain the acknowledgment slip from the relevant Designated Intermediary. The registration of the Bid by the Designated Intermediary does not guarantee that the Equity Shares shall be allocated/Allotted. Such Acknowledgement Slip will be non-negotiable and by itself will not create any obligation of any kind. When a Bidder revises his or her Bid, he /she was required to surrender the earlier Acknowledgement Slip and request for a revised acknowledgment slip from the relevant Designated Intermediary as proof of his or her having revised the previous Bid. In relation to electronic registration of Bids, the permission given by the Stock Exchanges to use their network and software of the electronic bidding system should not in any way be deemed or construed to mean that the compliance with various statutory and other requirements by our Company, the Book Running Lead Managers are cleared or approved by the Stock Exchanges; nor does it in any manner warrant, certify or endorse the correctness or completeness of compliance with the statutory and other requirements, nor does it take any responsibility for the financial or other soundness of our Company, the 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 the Red Herring Prospectus and this Prospectus; nor does it warrant that the Equity Shares will be listed or will continue to be listed on the Stock Exchanges.

BIDS BY ANCHOR INVESTORS:

Our Company in consultation with the BRLM, has considered participation by Anchor Investors in the Issue for up to 60% of the QIB Portion in accordance with the SEBI Regulations. Only QIBs as defined in Regulation 2(1)(ss) of the SEBI Regulations and not otherwise excluded pursuant to Schedule XIII of the SEBI Regulations were eligible to invest. The QIB Portion has been reduced in proportion to allocation under the Anchor Investor Portion. In the event of undersubscription in the Anchor Investor Portion, the balance Equity Shares has been added to the QIB Portion. In accordance with the SEBI Regulations, the key terms for participation in the Anchor Investor Portion are provided below.

1) Anchor Investor Bid cum Application Forms were made available for the Anchor Investors at the offices of the BRLM.

2) The Bid were for a minimum of such number of Equity Shares so that the Bid Amount is at least ₹ 200.00 lakhs.

3) Bidding for Anchor Investors was opened one Working Day before the Bid/ Issue Opening Date and be completed on the same day.

4) Our Company in consultation with the BRLM, finalized allocation to the Anchor Investors on a discretionary basis and accordingly 12,06,000 Equity Shares were allocated to Anchor Investors.

5) Allocation to Anchor Investors was completed on the Anchor Investor Bid/ Issue Period. The number of Equity Shares allocated to Anchor Investors and the price at which the allocation is made was made available in the public domain by the BRLM before the Bid/Issue Opening Date, through intimation to the Stock Exchange.

6) Anchor Investors didnot withdraw or lower the size of their Bids at any stage after submission of the Bid.

7) At the end of each day of the bidding period, the demand including allocation made to anchor investors, shall be shown graphically on the bidding terminals of syndicate members and website of stock exchange offering electronically linked transparent bidding facility, for information of public.

8) 50% of the Equity Shares Allotted to Anchor Investors in the Anchor Investor Portion shall be locked in for a period of 90 days from the date of Allotment, while the remaining 50% of the Equity Shares Allotted to Anchor Investors in the Anchor Investor Portion shall be locked in for a period of 30 days from the date of Allotment.

9) The BRLM, our Promoter, Promoter Group or any person related to them (except for Mutual Funds sponsored by entities related to the BRLM) will not participate in the Anchor Investor Portion. The parameters for selection of Anchor Investors will be clearly identified by the BRLM and made available as part of the records of the BRLM for inspection by SEBI.

10) Bids made by QIBs under both the Anchor Investor Portion and the QIB Portion will not be considered multiple Bids.

11) Anchor Investors were not permitted to Bid in the Issue through the ASBA process.

BIDS BY ELIGIBLE NRI'S:

Eligible NRIs may obtain copies of Bid cum Application Form from the offices of the BRLM and the Designated Intermediaries. Eligible NRI Bidders bidding on a repatriation basis by using the Non- Resident Forms should authorize their SCSB to block their Non-Resident External ("NRE") accounts, or Foreign Currency Non-Resident ("FCNR") ASBA Accounts, and eligible NRI Bidders bidding on a non-repatriation basis by using Resident Forms should authorize their SCSB to block their Non- Resident Ordinary ("NRO") accounts for the full Bid Amount, at the time of the submission of the Bid cum Application Form.

Eligible NRIs bidding on non-repatriation basis are advised to use the Bid cum Application Form for residents (white in colour).

Eligible NRIs bidding on a repatriation basis are advised to use the Bid cum Application Form meant for Non-Residents (blue in colour).

BIDS BY FPI INCLUDING FII'S:

In terms of the SEBI FPI Regulations, any qualified foreign investor or FII who holds a valid certificate of registration from SEBI shall be deemed to be an FPI until the expiry of the block of three years for which fees have been paid as per the SEBI FII Regulations. An FII or a sub-account may participate in this Issue, in accordance with Schedule 2 of the FEMA Regulations, until the expiry of its registration with SEBI as an FII or a sub-account. An FII shall not be eligible to invest as an FII after registering as an FPI under the SEBI FPI Regulations.

In case of Bids made by FPIs, a certified copy of the certificate of registration issued by the designated depository participant under

the FPI Regulations is required to be attached to the Bid cum Application Form, failing which our Company reserves the right to reject any Bid without assigning any reason. An FII or subaccount may, subject to payment of conversion fees under the SEBI FPI Regulations, participate in the Issue, until the expiry of its registration as a FII or sub-account, or until it obtains a certificate of registration as FPI, whichever is earlier. Further, in case of Bids made by SEBI-registered FIIs or sub-accounts, which are not registered as FPIs, a certified copy of the certificate of registration as an FII issued by SEBI is required to be attached to the Bid cum Application Form, failing which our Company reserves the right to reject any Bid without assigning any reason.

In terms of the SEBI FPI Regulations, the Issue of Equity Shares to a single FPI or an investor group (which means the same set of ultimate beneficial owner(s) investing through multiple entities) must be below 10% of our post-Issue Equity Share capital. Further, in terms of the FEMA Regulations, the total holding by each FPI shall be below 10% of the total paid-up Equity Share capital of our Company and the total holdings of all FPIs put together shall not exceed 24% of the paid-up Equity Share capital of our Company. The aggregate limit of 24% may be increased up to the sectorial cap by way of a resolution passed by the Board of Directors followed by a special resolution passed by the Shareholders of our Company and subject to prior intimation to RBI. In terms of the FEMA Regulations, for calculating the aggregate holding of FPIs in a company, holding of all registered FPIs as well as holding of FIIs (being deemed FPIs) shall be included. The existing individual and aggregate investment limit an FII or sub account in our Company is 10% and 24% of the total paid-up Equity Share capital of our Company, respectively.

FPIs are permitted to participate in the Issue subject to compliance with conditions and restrictions which may be specified by the Government from time to time.

Subject to compliance with all applicable Indian laws, rules, regulations, guidelines and approvals in terms of Regulation 22 of the SEBI FPI Regulations, an FPI, other than Category III foreign portfolio and unregulated broad based funds, which are classified as Category II foreign portfolio investor by virtue of their investment manager being appropriately regulated, may issue or otherwise deal in offshore derivative instruments (as defined under the SEBI FPI Regulations as any instrument, by whatever name called, which is issued overseas by an FPI against securities held by it that are listed or proposed to be listed on any recognized stock exchange in India, as its underlying) directly or indirectly, only in the event (i) such offshore derivative instruments are issued only to persons who are regulated by an appropriate regulatory authority; and (ii) such offshore derivative instruments are issued after compliance with know your client norms. An FPI is also required to ensure that no further issue or transfer of any offshore derivative instrument is made by or on behalf of it to any persons that are not regulated by an appropriate foreign regulatory authority.

FPIs who wish to participate in the Issue are advised to use the Bid cum Application Form for Non- Residents (blue in colour).

BIDS BY SEBI REGISTERED VCF'S, AIF'S AND FVCI'S:

The SEBI FVCI Regulations and the SEBI AIF Regulations inter-alia prescribe the investment restrictions on the VCFs, FVCIs and AIFs registered with SEBI. Further, the SEBI AIF Regulations prescribe, among others, the investment restrictions on AIF's.

The holding by any individual VCF registered with SEBI in one venture capital undertaking should not exceed 25% of the corpus of the VCF. Further, VCFs and FVCIs can invest only up to 33.33% of the investible funds by way of subscription to an initial public offering.

The category I and II AIFs cannot invest more than 25% of the corpus in one Investee Company. A category III AIF cannot invest more than 10% of the corpus in one Investee Company. A venture capital fund registered as a category I AIF, as defined in the SEBI AIF Regulations, cannot invest more than 1/3rd of its corpus by way of subscription to an initial public offering of a venture capital undertaking. Additionally, the VCFs which have not re-registered as an AIF under the SEBI AIF Regulations shall continue to be regulated by the VCF Regulation until the existing fund or scheme managed by the fund is wound up and such funds shall not launch any new scheme after the notification of the SEBI AIF Regulations.

All FIIs and FVCIs should note that refunds, dividends and other distributions, if any, will be payable in Indian Rupees only and net of Bank charges and commission.

Our Company or the BRLM will not be responsible for loss, if any, incurred by the Bidder on account of conversion of foreign currency.

There is no reservation for Eligible NRIs, FPIs and FVCIs and all Bidders will be treated on the same basis with other categories for the purpose of allocation.

BIDS BY HUFS:

Hindu Undivided Families or HUFs, in the individual name of the Karta. The Bidder should specify that the Application is being made in the name of the HUF in the Bid cum Application Form as follows: "Name of sole or first Applicant: XYZ Hindu Undivided Family applying through XYZ, where XYZ is the name of the Karta". Bid cum Applications by HUFs may be considered at par with Bid cum Applications from individuals.

BIDS BY MUTUAL FUNDS:

No Mutual Fund scheme shall invest more than 10% of its net asset value in equity shares or equity related instruments of any single company provided that the limit of 10% shall not be applicable for investments in index funds or sector or industry specific funds. No Mutual Fund under all its schemes should own more than 10% of any company's paid-up share capital carrying voting rights.

With respect to Bids by Mutual Funds, a certified copy of their SEBI registration certificate must be lodged with the Bid cum Application Form. Failing this, our Company reserves the right to accept or reject any Bid cum Application in whole or in part, in either case, without assigning any reason thereof.

In case of a mutual fund, a separate Bid cum Application can be made in respect of each scheme of the mutual fund registered with SEBI and such Applications in respect of more than one scheme of the mutual fund will not be treated as multiple applications provided that the Bids clearly indicate the scheme concerned for which the Bids has been made.

The Bids made by the asset management companies or custodians of Mutual Funds shall specifically state the names of the concerned schemes for which the Applications are made.

BIDS BY SYSTEMATICALLY IMPORTANT NON-BANKING FINANCIAL COMPANIES:

In case of Applications made by Systemically Important Non-Banking Financial Companies, a certified copy of the certificate of registration issued by the RBI, a certified copy of its last audited financial statements on a standalone basis and a net worth certificate from its statutory auditor(s), must be attached to the Bid cum Application Form. Failing this, our Company reserve the right to reject any Application, without assigning any reason thereof. Systemically Important Non-Banking Financial Companies participating in the Issue shall comply with all applicable legislations, regulations, directions, guidelines and circulars issued by RBI from time to time.

BIDS BY LIMITED LIABILITY PARTNERSHIPS:

In case of Bids made by limited liability partnerships registered under the Limited Liability Partnership Act, 2008, a certified copy of certificate of registration issued under the Limited Liability Partnership Act, 2008, must be attached to the Bid cum Application Form. Failing this, our Company reserves the right to reject any bid without assigning any reason thereof. Limited liability partnerships can participate in the Issue only through the ASBA process.

BIDS BY INSURANCE COMPANIES:

In case of Bids made by insurance companies registered with the IRDA, a certified copy of certificate of registration issued by IRDA must be attached to the Bid cum Application Form. Failing this, our Company reserves the right to reject any Bid by Insurance Companies without assigning any reason thereof. The exposure norms for insurers, prescribed under the Insurance Regulatory and Development Authority (Investment) Regulations, 2000, as amended, are broadly set forth below:

1) equity shares of a company: the least of 10% of the investee company's subscribed capital (face value) or 10% of the respective fund in case of life insurer or 10% of investment assets in case of general insurer or reinsurer;
2) the entire group of the investee company: not more than 15% of the respective fund in case of a life insurer or 15% of investment assets in case of a general insurer or reinsurer or 15% of the investment assets in all companies belonging to the group, whichever is lower; and
3) the industry sector in which the investee company belong to: not more than 15% of the fund of a life insurer or a general insurer or a reinsurer or 15% of the investment asset, whichever is lower.

The maximum exposure limit, in the case of an investment in equity shares, cannot exceed the lower of an amount of 10% of the investment assets of a life insurer or general insurer and the amount calculated under (1), (2) and (3) above, as the case may be. Insurance companies participating in this Issue shall comply with all applicable regulations, guidelines and circulars issued by IRDAI from time to time.

BIDS UNDER POWER OF ATTORNEY:

In case of Bids made pursuant to a power of attorney or by limited companies, corporate bodies, registered societies, FIIs, Mutual Funds, insurance companies and provident funds with a minimum corpus of ₹ 2500 Lakhs (subject to applicable law) and pension funds with a minimum corpus of ₹2500 Lakhs, a certified copy of the power of attorney or the relevant resolution or authority, as the case may be, along with a certified copy of the memorandum of association and articles of association and/or bye laws must be lodged along with the Bid cum Application Form. Failing this, our Company reserves the right to accept or reject any Bid in whole or in part, in either case, without assigning any reasons thereof. In addition to the above, certain additional documents are required to be submitted by the following entities:

a) With respect to Bids by FIIs and Mutual Funds, a certified copy of their SEBI registration certificate must be lodged along with the Bid cum Application Form.
b) With respect to Bids by insurance companies registered with the Insurance Regulatory and Development Authority, in addition to the above, a certified copy of the certificate of registration issued by the Insurance Regulatory and Development Authority must be lodged along with the Bid cum Application Form.
c) With respect to Bids made by provident funds with a minimum corpus of ₹ 2500 Lakhs (subject to applicable law) and pension funds with a minimum corpus of ₹ 2500 Lakhs, a certified copy of a certificate from a chartered accountant certifying the corpus of the provident fund/pension fund must be lodged along with the Bid cum Application Form.
d) With respect to Bids made by limited liability partnerships registered under the Limited Liability Partnership Act, 2008, a certified copy of certificate of registration issued under the Limited Liability Partnership Act, 2008, must be attached to the Bid cum Application Form
e) Our Company in consultation with the BRLM in their absolute discretion, reserves the right to relax the above condition of simultaneous lodging of the power of attorney along with the Bid cum Application form, subject to such terms and conditions that our Company and the BRLM may deem fit.

The above information is given for the benefit of the Bidders. Our Company, the BRLM and the Syndicate Members are not liable for any amendments or modification or changes in applicable laws or regulations, which may occur after the date of the Red Herring Prospectus. Bidders are advised to make their independent investigations and Bidders are advised to ensure that any single Bid from them does not exceed the applicable investment limits or maximum number of Equity Shares that can be held by them under applicable law or regulation or as specified in the Red Herring Prospectus.

BIDS BY PROVIDENT FUNDS/ PENSION FUNDS:

In case of Bids made by provident funds with minimum corpus of ₹ 25 Crore (subject to applicable law) and pension funds with minimum corpus of ₹ 25 Crore, a certified copy of certificate from a chartered accountant certifying the corpus of the provident fund/ pension fund must be lodged along with the Bid cum Application Form. Failing this, the Company reserves the right to accept or reject any bid in whole or in part, in either case, without assigning any reason thereof.

BIDS BY BANKING COMPANY:

In case of Bids made by banking companies registered with RBI, certified copies of: (i) the certificate of registration issued by RBI, and (ii) the approval of such banking company's investment committee are required to be attached to the Bid cum Application Form, failing which our Company reserves the right to reject any Bid by a banking company without assigning any reason.

The investment limit for banking companies in non-financial services companies as per the Banking Regulation Act, 1949, as amended (the "Banking Regulation Act"), and the Reserve Bank of India (Financial Services provided by Banks) Directions, 2016, is 10% of the paid-up share capital of the investee company not being its subsidiary engaged in non-financial services or 10% of the banks' own paid-up share capital and reserves, whichever is lower. However, a banking company would be permitted to invest in excess of 10% but not exceeding 30% of the paid-up share capital of such investee company if (i) the investee company is engaged in non-financial activities permitted for banks in terms of Section 6(1) of the Banking Regulation Act, or (ii) the additional acquisition is through restructuring of debt / corporate debt restructuring / strategic debt restructuring, or to protect the banks' interest on loans / investments made to a company. The bank is required to submit a time bound action plan for disposal of such shares within a specified period to RBI. A banking company would require a prior approval of RBI to make (i) investment in a subsidiary and a financial services company that is not a subsidiary (with certain exception prescribed), and (ii) investment in a nonfinancial services company in excess of 10% of such investee company's paid-up share capital as stated in 5(a)(v)(c)(i) of the Reserve Bank of India (Financial Services provided by Banks) Directions, 2016.

BIDS BY SCSB'S:

SCSBs participating in the Issue are required to comply with the terms of the SEBI circulars dated September 13, 2012 and January 2, 2013. Such SCSBs are required to ensure that for making Bid cum Applications on their own account using ASBA, they should have a separate account in their own name with any other SEBI registered SCSBs. Further, such account shall be used solely for the purpose of making Bid cum application in public issues and clear demarcated funds should be available in such account for such Bid cum applications.

ISSUANCE OF A CONFIRMATION NOTE ("CAN") AND ALLOTMENT IN THE ISSUE:

1. Upon approval of the basis of allotment by the Designated Stock Exchange, the BRLM or Registrar to the Issue shall send to the SCSBs a list of their Bidders who have been allocated Equity Shares in the Issue.
2. The Registrar will then dispatch a CAN to their Bidders who have been allocated Equity Shares in the Issue. The dispatch of a CAN shall be deemed a valid, binding and irrevocable contract for the Bidder

Issue Procedure for Application Supported by Blocked Account (ASBA) Bidders

In accordance with the SEBI Circular No. CIR/CFD/POLICYCELL/11/2015 dated November 10, 2015 all the Bidders had to

compulsorily apply through the ASBA Process. Our Company and the Book Running Lead Manager were not liable for any amendments, modifications, or changes in applicable laws or regulations, which may occur after the date of the Red Herring Prospectus. ASBA Bidders are advised to make their independent investigations and to ensure that the ASBA Bid Cum Application Form is correctly filled up, as described in this section.

The lists of banks that have been notified by SEBI to act as SCSB (Self Certified Syndicate Banks) for the ASBA Process were provided on https://www.sebi.gov.in/sebiweb/other/OtherAction.do?doRecognised=yes. For details on designated branches of SCSB collecting the Bid Cum Application Form, please refer the above-mentioned SEBI link.

Terms of payment

The entire Issue price of ₹ 45/- per share is payable on application. In case of allotment of lesser number of Equity Shares than the number applied, the Registrar shall instruct the SCSBs to unblock the excess amount paid on Application to the Bidders.

SCSBs will transfer the amount as per the instruction of the Registrar to the Public Issue Account, the balance amount after transfer will be unblocked by the SCSBs.

The Bidders should note that the arrangement with Bankers to the Issue or the Registrar is not prescribed by SEBI and has been established as an arrangement between our Company, Banker to the Issue and the Registrar to the Issue to facilitate collections from the Bidders.

Payment mechanism

The Bidders shall specify the bank account number in their Bid Cum Application Form and the SCSBs shall block an amount equivalent to the Application Amount in the bank account specified in the Bid Cum Application Form. The SCSB shall keep the Application Amount in the relevant bank account blocked until withdrawal/ rejection of the Application or receipt of instructions from the Registrar to unblock the Application Amount. However, Non-Retail Bidders shall neither withdraw nor lower the size of their applications at any stage. In the event of withdrawal or rejection of the Bid Cum Application Form or for unsuccessful Bid Cum Application Forms, the Registrar to the Issue shall give instructions to the SCSBs to unblock the application money in the relevant bank account within one day of receipt of such instruction. The Application Amount shall remain blocked in the ASBA Account until finalization of the Basis of Allotment in the Issue and consequent transfer of the Application Amount to the Public Issue Account, or until withdrawal/ failure of the Issue or until rejection of the Application by the ASBA Bidder, as the case may be.

Please note that, in terms of SEBI Circular No. CIR/CFD/POLICYCELL/11/2015 dated November 10, 2015 and the SEBI (Issue of Capital and Disclosure Requirements) Regulations, 2018, all the investors applying in a public Issue shall use only Application Supported by Blocked Amount (ASBA) process for application providing details of the bank account which will be blocked by the Self-Certified Syndicate Banks (SCSBs) for the same. Further, pursuant to SEBI Circular No. SEBI/HO/CFD/DIL2/CIR/P/2018/138 dated November 01, 2018, Retail Individual Investors applying in public Issue have to use UPI as a payment mechanism with Application Supported by Blocked Amount for making application.

Payment into Escrow Account for Anchor Investors

All the investors other than Anchor Investors are required to bid through ASBA Mode. Anchor Investors are requested to note the following:
Our Company in consultation with the Book Running Lead Manager, in its absolute discretion, will decide the list of Anchor Investors to whom the CAN was sent, pursuant to which the details of the Equity Shares allocated to them in their respective names was notified to such Anchor Investors. For Anchor Investors, the payment instruments for payment into the Escrow Account was drawn in favour of:

a. In case of resident Anchor Investors: - "Harshdeep Hortico Limited– Anchor R Account"

b. In case of Non-Resident Anchor Investors: - "Harshdeep Hortico Limited– Anchor NR Account"

c. Bidders should note that the escrow mechanism is not prescribed by SEBI and has been established as an arrangement between our Company, the Syndicate, the Escrow Collection Bank and the Registrar to the Issue to facilitate collections from the Anchor Investors.

Build of the Book

a) Bids received from various Bidders through the Designated Intermediaries may be electronically uploaded on the Bidding Platform of the Stock Exchange on a regular basis. The book gets built up at various price levels. This information may be available with the BRLM at the end of the Bid/ Issue Period.

b) Based on the aggregate demand and price for Bids registered on the Stock Exchange Platform, a graphical representation of consolidated demand and price as available on the websites of the Stock Exchange may be made available at the Bidding centres during the Bid/ Issue Period.

Withdrawal of Bids

a) RIIs can withdraw their Bids until Bid/ Issue Closing Date. In case a RII wishes to withdraw the Bid during the Bid/ Issue Period, the same can be done by submitting a request for the same to the concerned Designated Intermediary who shall do the requisite, including unblocking of the funds by the SCSB in the ASBA Account.

b) The Registrar to the Issue shall give instruction to the SCSB for unblocking the ASBA Account on the Designated Date. QIBs and NIIs can neither withdraw nor lower the size of their Bids at any stage.

Signing of Underwriting Agreement and Filing of Red Herring Prospectus/ Prospectus with RoC

a) Our company has entered into an Underwriting Agreement dated November 13, 2023
b) A copy of Red Herring Prospectus was filed with the RoC and copy of Prospectus is filed with RoC in terms of Section 32 of Companies Act, 2013 and Section 26 of Companies Act, 2013.

Pre-Issue Advertisement

Subject to Section 30 of the Companies Act 2013, our Company has, after filing the Red Herring Prospectus with the ROC, published a pre-Issue advertisement, in the form prescribed by the SEBI Regulations, in (i) English National Newspaper; (ii) Hindi National Newspaper and (iii) Regional Newspaper each with wide circulation. In the pre-Issue advertisement, we have stated the Bid/Issue Opening Date and the Bid/Issue Closing Date and the floor price or price band along with necessary details subject to regulation 250 of SEBI ICRD Regulations. This advertisement, subject to the provisions of section 30 of the Companies Act, 2013, was in the format prescribed in Part A of Schedule X of the SEBI Regulations.

GENERAL INSTRUCTIONS:

Please note that the NIIs are not permitted to withdraw their bids or lower the size of Bids in terms of quantity of Equity Shares or Bid Amount) at any stage. Retail Individual Investor can revise their Bids during the Bid/Issue period and withdraw their Bids until Bid/issue Closing date.

Anchor investors are not allowed to withdraw their Bids after Anchor Investors bidding date.

Do's:

1. Check if you are eligible to apply as per the terms of the Red Herring Prospectus and under applicable law, rules, regulations, guidelines and approvals;
2. Ensure that you have Bid within the Price Band;
3. Read all the instructions carefully and complete the Bid cum Application Form in the prescribed form;
4. Ensure that the details about the PAN, DP ID, Client ID, UPI ID are correct and the Bidders depository account is active, as Allotment of the Equity Shares will be in the dematerialized form only;
5. Ensure that your Bid cum Application Form bearing the stamp of a Designated Intermediary is submitted to the Designated Intermediary at the Bidding Centre;
6. If the first applicant is not the account holder, ensure that the Bid cum Application Form is signed by the account holder. Ensure that you have mentioned the correct bank account number in the Bid cum Application Form;
7. In case of Joint bids, ensure the first bidder is the ASBA Account holder (or the UPI linked bank account holder, as the case may be) and the signature of the first bidder is included in the Bid cum Application Form;
8. QIBs, Non-Institutional Bidders and the Retail Bidders should submit their Bids through the ASBA process only. However, pursuant to SEBI circular dated November 01, 2018, RII may submit their bid by using UPI mechanism for payment.
9. Ensure that the name(s) given in the Bid cum Application Form is/are exactly the same as the name(s) in which the beneficiary account is held with the Depository Participant. In case of joint Bids, the Bid cum Application Form should contain only the name of the First Bidder whose name should also appear as the first holder of the beneficiary account held in joint names;
10. Ensure that you request for and receive a stamped acknowledgement of the Bid cum Application Form for all your Bid options;
11. Ensure that you have funds equal to the Bid Amount in the Bank Account maintained with the SCSB before submitting the Bid cum Application Form under the ASBA process or application forms submitted by RIIs using UPI mechanism for payment, to the respective member of the Syndicate (in the Specified Locations), the SCSBs, the Registered Broker (at the Broker Centers), the RTA (at the Designated RTA Locations) or CDP (at the Designated CDP Locations);
12. Submit revised Bids to the same Designated Intermediary, through whom the original Bid was placed and obtain a revised acknowledgment;

13. Except for Bids (i) on behalf of the Central or State Governments and the officials appointed by the courts, who, in terms of a SEBI circular dated June 30, 2008, may be exempt from specifying their PAN for transacting in the securities market, and (ii) Bids by persons resident in the state of Sikkim, who, in terms of a SEBI circular dated July 20, 2006, may be exempted from specifying their PAN for transacting in the securities market, all Bidders should mention their PAN allotted under the IT Act. The exemption for the Central or the State Government and officials appointed by the courts and for investors residing in the State of Sikkim is subject to (a) the Demographic Details received from the respective depositories confirming the exemption granted to the beneficiary owner by a suitable description in the PAN field and the beneficiary account remaining in "active status"; and (b) in the case of residents of Sikkim, the address as per the Demographic Details evidencing the same. All other applications in which PAN is not mentioned will be rejected;
14. Ensure that the Demographic Details are updated, true and correct in all respects;
15. Ensure that the signature of the First Bidder in case of joint Bids, is included in the Bid cum Application Forms;
16. Ensure that thumb impressions and signatures other than in the languages specified in the Eighth Schedule to the Constitution of India are attested by a Magistrate or a Notary Public or a Special Executive Magistrate under official seal;
17. Ensure that the category and the investor status is indicated;
18. Ensure that in case of Bids under power of attorney or by limited companies, corporate, trust etc., relevant documents are submitted;
19. Ensure that Bids submitted by any person outside India should be in compliance with applicable foreign and Indian laws;
20. Bidders should note that in case the DP ID, Client ID and the PAN mentioned in their Bid cum Application Form and entered into the online IPO system of the Stock Exchange by the relevant Designated Intermediary, as the case may be, do not match with the DP ID, Client ID and PAN available in the Depository database, then such Bids are liable to be rejected. Where the Bid cum Application Form is submitted in joint names, ensure that the beneficiary account is also held in the same joint names and such names are in the same sequence in which they appear in the Bid cum Application Form;
21. Ensure that the Bid cum Application Forms are delivered by the Bidders within the time prescribed as per the Bid cum Application Form and the Red Herring Prospectus;
22. Ensure that you have mentioned the correct ASBA Account number or UPI ID in the Bid cum Application Form;
23. Ensure that you have mentioned the details of your own bank account for blocking of fund or your own bank account linked UPI ID to make application in the Public Issue;
24. Ensure that on receipt of the mandate request from sponsor bank, you have taken necessary step in timely manner for blocking of fund on your account through UPI ID using UPI application;
25. Ensure that you have correctly signed the authorization / undertaking box in the Bid cum Application Form, or have otherwise provided an authorization to the SCSB via the electronic mode, for blocking funds in the ASBA Account equivalent to the Bid Amount mentioned in the Bid cum Application Form at the time of submission of the Bid;
26. Ensure that you receive an acknowledgement from the concerned Designated Intermediary, for the submission of your Bid cum Application Form; and
27. The Bid cum Application Form is liable to be rejected if the above instructions, as applicable, are not complied with.

The Bid cum Application Form is liable to be rejected if the above instructions, as applicable, are not complied with.

Don'ts:

1. Do not Bid for lower than the minimum Bid size;
2. Do not Bid / revise Bid Amount to less than the Floor Price or higher than the Cap Price;
3. Do not pay the Bid Amount in cash, by money order, cheques or demand drafts or by postal order or by stock invest;
4. Do not send Bid cum Application Forms by post; instead submit the same to the Designated Intermediary only;
5. Do not submit the Bid cum Application Forms to any non-SCSB bank or our Company;
6. Do not Bid on a Bid cum Application Form that does not have the stamp of the relevant Designated Intermediary;
7. Do not Bid at Cut-off Price (for Bids by QIBs and Non-Institutional Bidders);
8. Do not instruct your respective Banks to release the funds blocked in the ASBA Account under the ASBA process;
9. Do not Bid for a Bid Amount exceed ₹ 2,00,000/- (for Applications by Retail Individual Bidders);
10. Do not fill up the Bid cum Application Form such that the Equity Shares Application exceeds the Issue size and / or investment limit or maximum number of the Equity Shares that can be held under the applicable laws or regulations or maximum amount permissible under the applicable regulations or under the terms of the Red Herring Prospectus;
11. Do not submit the General Index Register number instead of the PAN;
12. Do not submit the Bid without ensuring that funds equivalent to the entire Bid Amount are blocked in the relevant ASBA Account;
13. Do not submit Bids on plain paper or on incomplete or illegible Bid cum Application Forms or on Bid cum Application Forms in a colour prescribed for another category of Applicant;
14. Do not submit a Bid in case you are not eligible to acquire Equity Shares under applicable law or your relevant constitutional documents or otherwise;
15. Do not Bid if you are not competent to contract under the Indian Contract Act, 1872 (other than minors having valid depository accounts as per Demographic Details provided by the depository);
16. Do not submit a Bid by using details of the third party's bank account or UPI ID which is linked with bank account of the third party. Kindly note that Bids made using third party bank account or using third party linked bank account UPI ID are liable for rejection.

The Bid cum Application Form is liable to be rejected if the above instructions, as applicable, are not complied with.

Names of entities responsible for finalizing the basis of allotment in a fair and proper manner

The authorized employees of the Designated Stock Exchange, along with the BRLMs and the Registrar, shall ensure that the basis of allotment is finalized in a fair and proper manner in accordance with the procedure specified in SEBI ICDR Regulations.

Method of allotment as may be prescribed by SEBI from time to time

Our Company will not make any allotment in excess of the Equity Shares offered through the Issue through the Issue document except in case of oversubscription for the purpose of rounding off to make allotment, in consultation with the Designated Stock Exchange. Further, upon oversubscription, an allotment of not more than1% of the net Issue to public may be made for the purpose of making allotment in minimum lots.

The allotment of Equity Shares to applicants other than to the Retail Individual Investors shall be on a proportionate basis within the respective investor categories and the number of securities allotted shall be rounded off to the nearest integer, subject to minimum allotment being equal to the minimum application size as determined and disclosed.

The allotment of Equity Shares to each Retail Individual Investor shall not be less than the minimum bid lot, subject to the availability of shares in Retail Individual Investor category, and the remaining available shares, if any, shall be allotted on a proportionate basis.

Investor Grievance

In case of any pre-issue or post issue related problems regarding demat credit/ refund orders/ unblocking etc. the Investors can contact the Compliance Officer of our Company.

Nomination Facility to Bidders

Nomination facility is available in accordance with the provisions of Section 72 of the Companies Act, 2013. In case of allotment of the Equity Shares in dematerialized form, there is no need to make a separate nomination as the nomination registered with the Depository may prevail. For changing nominations, the Bidders should inform their respective DP.

GROUNDS OF TECHNICAL REJECTIONS

Bidders are advised to note that Bids are liable to be rejected inter alia on the following technical grounds:

- Amount blocked does not tally with the amount payable for the Equity Shares applied for;
- In case of partnership firms, Equity Shares may be registered in the names of the individual partners and no firm as such shall be entitled to apply;
- Bid by persons not competent to contract under the Indian Contract Act, 1872 including minors, insane persons;
- PAN not mentioned in the Bid cum Application Form;
- Bids at a price less than the Floor Price and Bids at a price more than the Cap Price;
- GIR number furnished instead of PAN;
- Bid for lower number of Equity Shares than specified for that category of investors;
- Bids at Cut-off Price by NIIs and QIBs;
- Bids for number of Equity Shares which are not in multiples Equity Shares which are not in multiples as specified in the Red Herring Prospectus ;
- The amounts mentioned in the Bid cum Application Form/Application Form does not tally with the amount payable for the value of the Equity Shares Bid/Applied for;
- Bids for lower number of Equity Shares than the minimum specified for that category of investors;
- Category not ticked;
- Multiple Bids as defined in the Red Herring Prospectus ;
- In case of Bids under power of attorney or by limited companies, corporate, trust etc., where relevant documents are not submitted;
- Bid accompanied by Stock invest/ money order/ postal order/ cash/ cheque/ demand draft/ pay order;
- Signature of sole Bidder is missing;
- Bid cum Application Forms not delivered by the Bidder within the time prescribed as per the Bid cum Application Forms, Bid/Issue Opening Date advertisement and the Red Herring Prospectus and as per the instructions in the Red Herring Prospectus and the Bid cum Application Forms;
- In case no corresponding record is available with the Depositories that matches three parameters namely, names of the Bidders (including the order of names of joint holders), the Depository Participant's identity (DP ID) and the beneficiary's

account number;

- Bids for amounts greater than the maximum permissible amounts prescribed by the regulations;
- Bid by OCBs;
- Bids by US persons other than in reliance on Regulation S or "qualified institutional buyers" as defined in Rule 144A under the Securities Act;
- Inadequate funds in the bank account to block the Bid Amount specified in the Bid cum Application Form/Application Form at the time of blocking such Bid Amount in the bank account;
- Bids not uploaded on the terminals of the Stock Exchanges;
- Where no confirmation is received from SCSB for blocking of funds;
- Bids by SCSBs wherein a separate account in its own name held with any other SCSB is not mentioned as the ASBA Account in the Bid cum Application Form/Application Form. Bids not duly signed by the sole/First Bidder;
- Bids by any persons outside India if not in compliance with applicable foreign and Indian laws;
- Bids that do not comply with the securities laws of their respective jurisdictions are liable to be rejected;
- Bids by persons prohibited from buying, selling or dealing in the shares directly or indirectly by SEBI or any other regulatory authority;
- Bids by persons who are not eligible to acquire Equity Shares of the Company in terms of all applicable laws, rules, regulations, guidelines, and approvals; and
- Details of ASBA Account not provided in the Bid cum Application form.

For details of instructions in relation to the Bid cum Application Form, Bidders may refer to the relevant section the GID.

BIDDERS SHOULD NOTE THAT IN CASE THE PAN, THE DP ID AND CLIENT ID MENTIONED IN THE BID CUM APPLICATION FORM AND ENTERED INTO THE ELECTRONIC APPLICATION SYSTEM OF THE STOCK EXCHANGES BY THE BIDS COLLECTING INTERMEDIARIES DO NOT MATCH WITH PAN, THE DP ID AND CLIENT ID AVAILABLE IN THE DEPOSITORY DATABASE, THE BID CUM APPLICATION FORM IS LIABLE TO BE REJECTED.

BASIS OF ALLOCATION

a) The SEBI (ICDR) Regulations specify the allocation or Allotment that may be made to various categories of Bidders in an Issue depending on compliance with the eligibility conditions. Certain details pertaining to the percentage of Issue size available for allocation to each category is disclosed overleaf of the Bid cum Application Form and in the Red Herring Prospectus. For details in relation to allocation, the Bidder may refer to the Red Herring Prospectus.

b) Under-subscription in any category (except QIB Category) is allowed to be met with spill over from any other category or combination of categories at the discretion of the Issuer and in consultation with the BRLM and the Designated Stock Exchange and in accordance with the SEBI (ICDR) Regulations, Unsubscribed portion in QIB Category is not available for subscription to other categories.

c) In case of under subscription in the issue, spill-over to the extent of such under- subscription may be permitted from the Reserved Portion to the Issue. For allocation in the event of an under-subscription applicable to the Issuer, Bidders may refer to the Red Herring Prospectus.

ALLOTMENT PROCEDURE AND BASIS OF ALLOTMENT

The Allotment of Equity Shares to Bidders other than Retail Individual Investors and Anchor Investors may be on proportionate basis. For Basis of Allotment to Anchor Investors, Bidders may refer to Red Herring Prospectus. No Retail Individual Investor will be Allotted less than the minimum Bid Lot subject to availability of shares in Retail Individual Investor Category and the remaining available shares, if any will be Allotted on a proportionate basis. The Issuer is required to receive a minimum subscription of 90% of the Issue. However, in case the Issue is in the nature of Offer for Sale only, then minimum subscription may not be applicable.

BASIS OF ALLOTMENT

a. **For Retail Individual Bidders**

Bids received from the Retail Individual Bidders at or above the Issue Price shall be grouped together to determine the total demand under this category. The Allotment to all the successful Retail Individual Bidders will be made at the Issue Price.

The Issue size less Allotment to Non-Institutional and QIB Bidders shall be available for Allotment to Retail Individual Bidders who have Bid in the Issue at a price that is equal to or greater than the Issue Price. If the aggregate demand in this category is less than or equal to 3,000 Equity Shares at or above the Issue Price, full Allotment shall be made to the Retail Individual Bidders to the extent of their valid Bids.

If the aggregate demand in this category is greater than 3,000 Equity Shares at or above the Issue Price, the Allotment shall be made on a proportionate basis up to a minimum of 3,000 Equity Shares and in multiples of 3,000 Equity Shares thereafter. For the method of proportionate Basis of Allotment, refer below.

b. **For Non-Institutional Bidders**

Bids received from Non-Institutional Bidders at or above the Issue Price shall be grouped together to determine the total demand under this category. The Allotment to all successful Non- Institutional Bidders will be made at the Issue Price.

The Issue size less Allotment to QIBs and Retail shall be available for Allotment to Non- Institutional Bidders who have Bid in the Issue at a price that is equal to or greater than the Issue Price. If the aggregate demand in this category is less than or equal to 3,000 Equity Shares at or above the Issue Price, full Allotment shall be made to Non-Institutional Bidders to the extent of their demand.

In case the aggregate demand in this category is greater than 3,000 Equity Shares at or above the Issue Price, Allotment shall be made on a proportionate basis up to a minimum of 3,000 Equity Shares and in multiples of 3,000 Equity Shares thereafter. For the method of proportionate Basis of Allotment refer below.

c. **For QIBs**

Not more than 50% of the Net Issue shall be allocated on a proportionate basis to QIBs, provided that our Company may, in consultation with the Book Running Lead Manager, allocate up to 60% of the QIB Portion to Anchor Investors on a discretionary basis in accordance with the SEBI ICDR Regulations, of which one-third shall be reserved for domestic Mutual Funds, subject to valid Bids being received from domestic Mutual Funds at or above the Anchor Investor Allocation Price.

In the event of under-subscription, or non-allotment in the Anchor Investor Portion, the balance Equity Shares shall be added to the Net QIB Portion. Further, 5% of the Net QIB Portion shall be available for allocation on a proportionate basis only to Mutual Funds, and the remainder of the Net QIB Portion shall be available for allocation on a proportionate basis to all QIBs (other than Anchor Investors), including Mutual Funds, subject to valid Bids being received at or above the Offer Price.

Bids received from QIBs Bidding in the QIB Category (net of Anchor Portion) at or above the Issue Price may be grouped together to determine the total demand under this category. The QIB Category may be available for Allotment to QIBs who have Bid at a price that is equal to or greater than the Issue Price. Allotment may be undertaken in the following manner:

a) In the first instance allocation to Mutual Funds for 5% of the QIB Portion shall be determined as follows:

- In the event that Bids by Mutual Fund exceeds 5% of the QIB Portion, allocation to Mutual Funds shall be done on a proportionate basis for 5% of the QIB Portion.
- In the event that the aggregate demand from Mutual Funds is less than 5% of the QIB Portion then all Mutual Funds shall get full Allotment to the extent of valid Bids received above the Issue Price.
- Equity Shares remaining unsubscribed, not allocated to Mutual Funds was made available for Allotment to all QIB Bidders (other than Anchor Investors), including Mutual Funds, subject to valid Bids being received at or above the Issue Price;

d. **ALLOTMENT TO ANCHOR INVESTOR**

a) Allocation of Equity Shares to Anchor Investors at the Anchor Investor Allocation Price will be at the discretion of the Issuer, in consultation with the BRLM, subject to compliance with the following requirements:

i) not more than 60% of the QIB Portion will be allocated to Anchor Investors;

ii) one-third of the Anchor Investor Portion shall be reserved for domestic Mutual Funds, subject to valid Bids being received from domestic Mutual Funds at or above the price at which allocation is being done to other Anchor Investors; and

iii) allocation to Anchor Investors shall be on a discretionary basis and subject to:

- a maximum number of two Anchor Investors for allocation up to ₹ 2 crores;

  a minimum number of two Anchor Investors and maximum number of 15 Anchor Investors for allocation of more than ₹ 2 crores and up to ₹ 25 crores subject to minimum allotment of ₹ 1 crores per such Anchor Investor; and

- in case of allocation above twenty five crore rupees; a minimum of 5 such investors and a maximum of 15 such investors for allocation up to twenty five crore rupees and an additional 10 such investors for every additional twenty five crore rupees or part thereof, shall be permitted, subject to a minimum allotment of one crore rupees per such investor.

b) A physical book is prepared by the Registrar on the basis of the Anchor Investor Application Forms received from Anchor Investors. Based on the physical book and at the discretion of the Issuer, in consultation with the BRLM, selected Anchor Investors will be sent a CAN and if required, a revised CAN.

c) In the event that the Issue Price is higher than the Anchor Investor Allocation Price:

Anchor Investors will be sent a revised CAN within one day of the Pricing Date indicating the number of Equity Shares allocated to such Anchor Investor and the pay-in date for payment of the balance amount. Anchor Investors are then required to pay any additional amounts, being the difference between the Issue Price and the Anchor Investor Allocation Price, as indicated in the revised CAN within the pay-in date referred to in the revised CAN. Thereafter, the Allotment Advice will be issued to such Anchor Investors

d) In the event the Issue Price is lower than the Anchor Investor Allocation Price:

Anchor Investors who have been Allotted Equity Shares will directly receive Allotment Advice.

e) Basis of Allotment for QIBs (other than Anchor Investors) and NIIs in case of Over Subscribed Issue:

In the event of the Issue being Over-Subscribed, the Issuer may finalise the Basis of Allotment in consultation with the BSE SME (The Designated Stock Exchange). The allocation may be made in marketable lots on proportionate basis as set forth hereunder:

a) The total number of Shares to be allocated to each category as a whole shall be arrived at on a proportionate basis i.e. the total number of Shares applied for in that category multiplied by the inverse of the oversubscription ratio (number of Bidders in the category multiplied by number of Shares applied for).

b) The number of Shares to be allocated to the successful Bidders will be arrived at on a proportionate basis in marketable lots (i.e. Total number of Shares applied for into the inverse of the over subscription ratio).

c) For Bids where the proportionate allotment works out to less than 3,000 equity shares the allotment will be made as follows:

- Each successful Bidder shall be allotted 3,000 equity shares; and

- The successful Bidder out of the total bidders for that category shall be determined by draw of lots in such a manner that the total number of Shares allotted in that category is equal to the number of Shares worked out as per (b) above.

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 BSE.

The Executive Director/ Managing Director of BSE - the Designated Stock Exchange in addition to Book Running Lead Manager and Registrar to the Public Issue shall be responsible to ensure that the basis of allotment is finalized in a fair and proper manner in accordance with the SEBI (ICDR) Regulations.

Issuance of Allotment Advice

1) Upon approval of the Basis of Allotment by the Designated Stock Exchange.
2) On the basis of approved Basis of Allotment, the Issuer shall pass necessary corporate action to facilitate the allotment and credit of equity shares. Bidders are advised to instruct their Depository Participants to accept the Equity Shares that may be allotted to them pursuant to the issue.
   The Book Running Lead Manager or the Registrar to the Issue will dispatch an Allotment Advice to their Bidders who have been allocated Equity Shares in the Issue. The dispatch of Allotment Advice shall be deemed a valid, binding and irrevocable contract for the Allotment to such Bidder.
3) Issuer will make the allotment of the Equity Shares and initiate corporate action for credit of shares to the successful Bidders Depository Account within 4 working days of the Issue Closing date. The Issuer also ensures the credit of shares to the successful Bidders Depository Account is completed within one working Day from the date of allotment, after the funds are transferred from ASBA Public Issue Account to Public Issue account of the issuer.

Designated Date:

On the Designated date, the SCSBs shall transfers the funds represented by allocations of the Equity Shares into Public Issue Account with the Bankers to the Issue.

The Company will issue and dispatch letters of allotment/ or letters of regret along with refund order or credit the allotted securities to the respective beneficiary accounts, if any within a period of 4 working days of the Bid/Issue Closing Date. The Company will intimate the details of allotment of securities to Depository immediately on allotment of securities under relevant provisions of the Companies Act, 2013 or other applicable provisions, if any

Disposal of Application and Application Moneys and Interest in Case of Delay

The Company shall ensure the dispatch of Allotment advice, and give benefit to the beneficiary account with Depository Participants and submit the documents pertaining to the Allotment to the Stock Exchange within 2 (two) working days of date of Allotment of Equity Shares.

The Company shall use best efforts to ensure that all steps for completion of the necessary formalities for listing and commencement of trading at BSE SME where the Equity Shares are proposed to be listed are taken within 6 (Six) working days from Issue Closing Date.

In accordance with the Companies Act, the requirements of the Stock Exchange and the SEBI Regulations, the Company further undertakes that:

1. Allotment and Listing of Equity Shares shall be made within 6 (Six) days of the Issue Closing Date;

2. Giving of Instructions for refund by unblocking of amount via ASBA not later than 4(four) working days of the Issue Closing Date, would be ensured; and

3. If such money is not repaid within prescribed time from the date our Company becomes liable to repay it, then our Company and every officer in default shall, on and from expiry of prescribed time, be liable to repay such application money, with interest as prescribed under SEBI (ICDR) Regulations, the Companies Act, 2013 and applicable law. Further, in accordance with Section 40 of the Companies Act, 2013, the Company and each officer in default may be punishable with fine and/or imprisonment in such a case.

Right to Reject Applications

In case of QIB Bidders, the Company in consultation with the BRLM may reject Applications provided that the reasons for rejecting the same shall be provided to such Bidder in writing. In case of Non-Institutional Bidders, Retail Individual Bidders who applied, the Company has a right to reject Applications based on technical grounds.

Impersonation

Attention of the Bidders is specifically drawn to the provisions of sub-section (1) of Section 38 of the Companies Act, 2013 which is reproduced below:

"Any person who-

(a) Makes or abets making of an application in a fictitious name to a company for acquiring, or subscribing for, its securities; or
(b) Makes or abets making of multiple applications to a company in different names or in different combinations of his name or surname for acquiring or subscribing for its securities; or
(c) Otherwise induces directly or indirectly a company to allot, or register any transfer of, securities to him, or to any other person in a fictitious name, shall be liable for action under Section 447."

Undertakings by Our Company

We undertake as follows:
1. That the complaints received in respect of the Issue shall be attended expeditiously and satisfactorily;
2. That all steps will be taken for the completion of the necessary formalities for listing and commencement of trading on Stock Exchange where the Equity Shares are proposed to be listed within six working days from Issue Closure date.
3. That the funds required for making refunds as per the modes disclosed or dispatch of allotment advice by registered post or speed post shall be made available to the Registrar and Share Transfer Agent to the Issue by our Company;

4. Where refunds (to the extent applicable) are made through electronic transfer of funds, a suitable communication shall be sent to the applicant within six Working Days from the Issue Closing Date, giving details of the bank where refunds shall be credited along with amount and expected date of electronic credit of refund;
5. That our Promoter ‘s contribution in full has already been brought in;
6. That no further Issue of Equity Shares shall be made till the Equity Shares Issued through the Prospectus are listed or until the Application monies are refunded on account of non-listing, undersubscription etc.;
7. That adequate arrangement shall be made to collect all Applications Supported by Blocked Amount while finalizing the Basis of Allotment;
8. If our Company does not proceed with the Issue after the Bid/Issue Opening Date but before allotment, then the reason thereof shall be given as a public notice to be issued by our Company within two days of the Bid/Issue Closing Date. The public notice shall be issued in the same newspapers where the Pre-Issue advertisements were published. The stock exchange on which the Equity Shares are proposed to be listed shall also be informed promptly;
9. If our Company withdraws the Issue after the Bid/Issue Closing Date, our Company shall be required to file a fresh Draft Red Herring Prospectus with the Stock exchange/RoC/SEBI, in the event our Company subsequently decides to proceed with the Issue;
10. If allotment is not made within the prescribed time period under applicable law, the entire subscription amount received will be refunded/ unblocked within the time prescribed under applicable law. If there is delay beyond the prescribed time, our Company shall pay interest prescribed under the Companies Act, 2013, the SEBI Regulations and applicable law for the delayed period.

Utilization of Issue Proceeds

The Board of Directors of our Company certifies that:

1) All monies received out of the Issue shall be credited/ transferred to a separate bank account other than the bank account referred to in sub section (3) of Section 40 of the Companies Act 2013;
2) Details of all monies utilized out of the Issue referred above shall be disclosed and continue to be disclosed till the time any part of the issue proceeds remains unutilized, under an appropriate head in our balance sheet of our company indicating the purpose for which such monies have been utilized;
3) Details of all unutilized monies out of the Issue, if any shall be disclosed under the appropriate separate head in the balance sheet of our company indicating the form in which such unutilized monies have been invested and
4) Our Company shall comply with the requirements of SEBI Listing Regulations, 2015 in relation to the disclosure and monitoring of the utilization of the proceeds of the Issue.
5) Our Company shall not have recourse to the Issue Proceeds until the approval for listing and trading of the Equity Shares from the Stock Exchange where listing is sought has been received.
6) The Book Running Lead Manager undertakes that the complaints or comments received in respect of the Issue shall be attended by our Company expeditiously and satisfactorily.

Equity Shares in Dematerialized Form with NSDL or CDSL

To enable all shareholders of our Company to have their shareholding in electronic form, the Company has signed the following tripartite agreements with the Depositories and the Registrar and Share Transfer Agent:

- Tripartite Agreement dated January 24, 2023 between NSDL, the Company and the Registrar to the Issue;
- Tripartite Agreement dated January 23, 2023 between CDSL, the Company and the Registrar to the Issue;
- The Company's equity shares bear an ISIN INE0OLZ01015.

RESTRICTIONS ON FOREIGN OWNERSHIP OF INDIAN SECURITIES

Foreign investment in Indian securities is regulated through the Industrial Policy, 1991 of the Government of India and Foreign Exchange Management Act, 1999 ("FEMA"). While the Industrial Policy, 1991 prescribes the limits and the conditions subject to which foreign investment can be made in different sectors of the Indian economy, FEMA regulates the precise manner in which such investment may be made. Under the Industrial Policy, unless specifically restricted, foreign investment is freely permitted in all sectors of Indian economy up to any extent and without any prior approvals, but the foreign investor is required to follow certain prescribed procedures for making such investment. The government bodies responsible for granting foreign investment approvals are the Reserve Bank of India ("RBI") and Department of Industrial Policy and Promotion, Ministry of Commerce and Industry, Government of India ("DIPP").

The Government of India has from time to time made policy pronouncements on FDI through press notes and press releases. The DPIIT issued the Consolidated Foreign Direct Investment Policy notified by the DPIIT File No. 5(2)/2020-FDI Policy dated October 15, 2020, with effect from October 15, 2020 (the "FDI Policy"), which consolidates and supersedes all previous press notes, press releases and clarifications on FDI issued by the DPIIT or the DPIIT that were in force and effect prior to October 15, 2020. The Government of India proposes to update the consolidated circular on FDI Policy once every year and therefore, the FDI Policy will be valid until the DPIIT issues an updated circular.

In terms of the FEMA NDI Rules, a person resident outside India may make investments into India, subject to certain terms and conditions, and provided that an entity of a country, which shares land border with India or the beneficial owner of an investment into India who is situated in or is a citizen of any such country, shall invest only with government approval.

The transfer of shares between an Indian resident and a non-resident does not require the prior approval of the RBI, provided that (i) the activities of the investee company are under the automatic route under the foreign direct investment policy and transfer does not attract the provisions of the Takeover Regulations; (ii) the non-resident shareholding is within the sectoral limits under the FDI policy; and (iii) the pricing is in accordance with the guidelines prescribed by the SEBI/ RBI.

Further, in accordance with Press Note No. 3 (2020 Series), dated April 17, 2020 issued by the DPIIT and the Foreign Exchange Management (Non-debt Instruments) Amendment Rules, 2020 which came into effect from April 22, 2020, any investment, subscription, purchase or sale of equity instruments by entities of a country which shares land border with India or where the beneficial owner of an investment into India is situated in or is a citizen of any such country ("Restricted Investors"), will require prior approval of the Government, as prescribed in the Consolidated FDI Policy and the FEMA Rules. Further, in the event of transfer of ownership of any existing or future foreign direct investment in an entity in India, directly or indirectly, resulting in the beneficial ownership falling within the aforesaid restriction/ purview, such subsequent change in the beneficial ownership will also require approval of the Government. Furthermore, on April 22, 2020, the Ministry of Finance, Government of India has also made a similar amendment to the FEMA Rules. Pursuant to the Foreign Exchange Management (Non-debt Instruments) (Fourth Amendment) Rules, 2020, a multilateral bank or fund, of which India is a member, shall not be treated as an entity of a particular country nor shall any country be treated as the beneficial owner of the investments of such bank of fund in India. Each Bidder should seek independent legal advice about its ability to participate in the Offer. In the event such prior approval of the Government of India is required, and such approval has been obtained, the Bidder shall intimate our Company and the Registrar to the Offer in writing about such approval along with a copy thereof within the Issue Period.

As per the existing policy of the Government of India, OCBs cannot participate in this Issue and in accordance with the extant FDI guidelines on sectoral caps, pricing guidelines etc. as amended by Reserve bank of India, from time to time. Investors are advised to confirm their eligibility under the relevant laws before investing and / or subsequent purchase or sale transaction in the Equity Shares of our Company. Investors will not offer, sell, pledge or transfer the Equity Shares of our Company to any person who is not eligible under applicable laws, rules, regulations, guidelines. Our Company, the Underwriters and their respective directors, officers, agents, affiliates and representatives, as applicable, accept no responsibility or liability for advising any investor on whether such investor is eligible to acquire Equity Shares of our Company.

Investment conditions/ restrictions for overseas entities

Under the current FDI Policy 2020, the maximum amount of Investment (sectoral cap) by foreign investor in an issuing entity is composite unless it is explicitly provided otherwise including all types of foreign investments, direct and indirect, regardless of whether it has been made for FDI, FPI, NRI/OCI, LLPs, FVCI, Investment Vehicles and DRs under Foreign Exchange Management. (Non-debt Instruments) Rules, 2019. Any equity holding by a person resident outside India resulting from conversion of any debt instrument under any arrangement shall be reckoned as foreign investment under the composite cap.

Portfolio Investment upto aggregate foreign investment level of 49% or sectoral/ statutory cap, whichever is lower, will not be subject to either Government approval or compliance of sectoral conditions, if such investment does not result in transfer of ownership and/or control of Indian entities from resident Indian citizens to non-resident entities. Other foreign investments will be subject to conditions of Government approval and compliance of sectoral conditions as per FDI Policy. The total foreign investment, direct and indirect, in the issuing entity will not exceed the sectoral/statutory cap.

Investment by FPIs under Portfolio Investment Scheme (PIS)

With regards to purchase/sale of capital instruments of an Indian company by an FPI under PIS the total holding by each FPI or an investor group as referred in SEBI (FPI) Regulations, 2014 shall not exceed 10% of the total paid-up equity capital on a fully diluted basis or less than 10% of the paid-up value of each series of debentures or preference shares or share warrants issued by an Indian company and the total holdings of all FPIs put together shall not exceed 24% of paid-up equity capital on fully diluted basis or paid-up value of each series of debentures or preference shares or share warrants. The said limit of 10% and 24% will be called the individual and aggregate limit, respectively. However, this limit of 24 % may be increased up to sectoral cap/statutory ceiling, as applicable, by the Indian company concerned by passing a resolution by its Board of Directors followed by passing of a special resolution to that effect by its general body.

Investment by NRI or OCI on repatriation basis

The purchase/ sale of equity shares, debentures, preference shares and share warrants issued by an Indian company (hereinafter referred to as "Capital Instruments") of a listed Indian company on a recognised stock exchange in India by Non-Resident Indian (NRI) or Overseas Citizen of India (OCI) on repatriation basis is allowed subject to certain conditions under Foreign Exchange Management (Non-debt Instruments) Rules, 2019.

The total holding by any individual NRI or OCI shall not exceed 5% of the total paid-up equity capital on a fully diluted basis or should not exceed 5% of the paid-up value of each series of debentures or preference shares or share warrants issued by an Indian company and the total holdings of all NRIs and OCIs put together shall not exceed 10% of the total paid-up equity capital on a fully diluted basis or shall not exceed 10% of the paid-up value of each series of debentures or preference shares or share warrants; provided that the aggregate ceiling of 10% may be raised to 24% if a special resolution to that effect is passed by the general body of the Indian company.

Investment by NRI or OCI on non-repatriation basis

As per current FDI Policy 2020, Foreign Exchange Management (Non-debt Instruments) Rules, 2019, Purchase/ sale of Capital Instruments or convertible notes or units or contribution to the capital of an LLP by a NRI or OCI on non- repatriation basis – will be deemed to be domestic investment at par with the investment made by residents. This is further subject to remittance channel restrictions.

The Equity Shares have not been and will not be registered under the U.S. Securities Act of 1933, as amended ("US Securities Act") or any other state securities laws in the United States of America and may not be sold or offered within the United States of America, or to, or for the account or benefit of "US Persons" as defined in Regulation S of the U.S. Securities Act, except pursuant to exemption from, or in a transaction not subject to, the registration requirements of US Securities Act and applicable state securities laws.

Accordingly, the equity shares are being offered and sold only outside the United States of America in an offshore transaction in reliance upon Regulation S under the US Securities Act and the applicable laws of the jurisdiction where those offers and sale occur.

Further, no offer to the public (as defined under Directive 20003/71/EC, together with any amendments) and implementing measures thereto, (the "Prospectus Directive") has been or will be made in respect of the Issue in any member State of the European Economic Area which has implemented the Prospectus Directive except for any such offer made under exemptions available under the Prospectus Directive, provided that no such offer shall result in a requirement to publish or supplement a prospectus pursuant to the Prospectus Directive, in respect of the Issue.

Any forwarding, distribution or reproduction of this document in whole or in part may be unauthorized. Failure to comply with this directive may result in a violation of the Securities Act or the applicable laws of other jurisdictions. Any investment decision should be made on the basis of the final terms and conditions and the information contained in this Prospectus.

The Equity Shares have not been and will not be registered, listed or otherwise qualified in any other jurisdiction outside India and may not be offered or sold, and Application may not be made by persons in any such jurisdiction, except in compliance with the applicable laws of such jurisdiction.

The above information is given for the benefit of the Applicants. Our Company and the Book Running Lead Manager are not liable for any amendments or modification or changes in applicable laws or regulations, which may occur after the date of this Prospectus. Applicants are advised to make their independent investigations and ensure that the Applications are not in violation of laws or regulations applicable to them and do not exceed the applicable limits under the laws and regulations.

SECTION IX - MAIN PROVISIONS OF THE ARTICLES OF ASSOCIATION OF OUR COMPANY

The following regulations comprised in the Articles of Association were adopted pursuant to the member's special resolution passed at the Extra Ordinary General Meeting held on October 31, 2023. In substitution for, and to the entire exclusion of, the earlier regulation comprised in the extant Articles of Association of the Company.

Pursuant to Schedule I of the Companies Act, and the SEBI ICDR Regulations, the Main provisions of the Articles of Association relating to voting rights, dividend, lien, forfeiture, restrictions on transfer and Transmission of equity shares or debentures, their consolidation or splitting are as provided below. Each provision below is numbered as per the corresponding article number in the articles of association and defined terms herein have the meaning given to them in the Articles of Association.

INTERPRETATION

I 1. In these regulations-

(a) "the Act" means the Companies Act, 2013,
(b) "the seal" means the common seal of the company.
(c) The Company shall mean HARSHDEEP HORTICO LIMITED
(d) These Articles" means Articles of Association for the time being in force or as may be altered from time to time vide Special Resolution.
(e) "Auditors" means and includes those persons appointed as such for the time being of the Company.
(f) "Capital" means the share capital for the time being raised or Authorized to be raised for the purpose of the Company.
(g) Executor or Administrator means a person who has obtained a probate or letter of administration, as the case may be from a Court of competent jurisdiction and shall include a holder of a Succession Certificate authorizing the holder thereof to negotiate or transfer the Share or Shares of the deceased Member and shall also include the holder of a Certificate granted by the Administrator General under section 31 of the Administrator General Act, 1963.
(h) "Legal Representative" means a person who in law represents the estate of a deceased Member.
(i) Words importing the masculine gender also include the feminine gender.
(j) "In Writing" and Written" includes printing lithography and other modes of representing or reproducing words in a visible form.
(k) The marginal notes hereto shall not affect the construction thereof.
(l) Meeting or General Meeting means a meeting of members.
(m) "Month" means a calendar month.
(n) "Annual General Meeting" means a General Meeting of the Members held in accordance with the provision of section 96 of the Act.

2. Unless the context otherwise requires, words or expressions contained in these regulations shall bear the same meaning as in the Act or any statutory modification thereof in force at the date at which these regulations become binding on the company.

SHARE CAPITAL AND VARIATION OF RIGHTS

II. 1. Subject to the provisions of the Act and these Articles, the shares in the capital of the company shall be under the control of the Directors who may issue, allot or otherwise dispose of the same or any of them to such persons, in such proportion and on such terms and conditions and either at a premium or at par and at such time as they may from time to time think fit.

2. i. Every person whose name is entered as a member in the register of members shall be entitled to receive within two months after incorporation, in case of subscribers to the memorandum or after allotment or within one month after the application for the registration of transfer or transmission or within such other period as the conditions of issue shall be provided,-

a. one certificate for all his shares without payment of any charges; or
b. several certificates, each for one or more of his shares, upon payment of twenty rupees for each certificate after the first.

ii. Every certificate shall be under the seal and shall specify the shares to which it relates and the amount paid - up thereon.

iii. In respect of any share or shares held jointly by several persons, the company shall not be bound to issue more than one certificate, and delivery of a certificate for a share to one of several joint holders shall be sufficient delivery to all such holders.

3. i. If any share certificate be worn out, defaced, mutilated or torn or if there be no further space on the back for endorsement of transfer, then upon production and surrender thereof to the company, a new certificate may be issued in lieu thereof, and if any certificate is lost or destroyed then upon proof thereof to the satisfaction of the company and on execution of such indemnity as the company deem adequate, a new certificate in lieu thereof shall be given. Every certificate under this Article shall be issued on payment of twenty rupees for each certificate.

   ii. The provisions of Articles (2) and (3) shall mutatis mutandis apply to debentures of the company.

4. Except as required by law, no person shall be recognised by the company as holding any share upon any trust, and the company shall not be bound by, or be compelled in any way to recognise (even when having notice thereof) any equitable, contingent, future or partial interest in any share, or any interest in any fractional part of a share, or (except only as by these regulations or by law otherwise provided) any other rights in respect of any share except an absolute right to the entirety thereof in the registered holder.

5. i. The company may exercise the powers of paying commissions conferred by sub-section (6) of section 40, provided that the rate per cent or the amount of the commission paid or agreed to be paid shall be disclosed in the manner required by that section and rules made thereunder.

   ii. The rate or amount of the commission shall not exceed the rate or amount prescribed in rules made under sub-section (6) of section 40.

   iii. The commission may be satisfied by the payment of cash or the allotment of fully or partly paid shares or partly in the one way and partly in the other.

6. i. If at any time the share capital is divided into different classes of shares, the rights attached to any class (unless otherwise provided by the terms of issue of the shares of that class) may, subject to the provisions of section 48, and whether or not the company is being wound up, be varied with the consent in writing of the holders of three-fourths of the issued shares of that class, or with the sanction of a special resolution passed at a separate meeting of the holders of the shares of that class.

   ii. To every such separate meeting, the provisions of these regulations relating to general meetings shall mutatis mutandis apply, but so that the necessary quorum shall be at least two persons holding at least one-third of the issued shares of the class in question.

7. The rights conferred upon the holders of the shares of any class issued with preferred or other rights shall not, unless otherwise expressly provided by the terms of issue of the shares of that class, be deemed to be varied by the creation or issue of further shares ranking pari-passu therewith.

8. Subject to the provisions of section 55, any preference shares may, with the sanction of an ordinary resolution, be issued on the terms that they are to be redeemed on such terms and in such manner as the company before the issue of the shares may, by special resolution, determine.

LIEN

9. i. The company shall have a first and paramount lien
   a. on every share (not being a fully paid share), for all monies (whether presently payable or not) called, or payable at a fixed time, in respect of that share; and
   b. on all shares (not being fully paid shares) standing registered in the name of a single person, for all monies presently payable by him or his estate to the company:

   Provided that the Board of directors may at any time declare any share to be wholly or in part exempt from the provisions of this clause.

   ii. The company's lien, if any, on a share shall extend to all dividends payable and bonuses declared from time to time in respect of such shares.

   iii. That fully paid shares shall be free from all lien and that in the case of partly paid shares the Issuer's lien shall be restricted to moneys called or payable at a fixed time in respect of such shares.

10. The company may sell, in such manner as the Board thinks fit, any shares on which the company has a lien: Provided that no sale shall be made-
    a. unless a sum in respect of which the lien exists is presently payable; or

b. until the expiration of fourteen days after a notice in writing stating and demanding payment of such part of the amount in respect of which the lien exists as is presently payable, has been given to the registered holder for the time being of the share or the person entitled thereto by reason of his death or insolvency.

11. i. To give effect to any such sale, the Board may authorise some person to transfer the shares sold to the purchaser thereof

ii. The purchaser shall be registered as the holder of the shares comprised in any such transfer.

iii. The purchaser shall not be bound to see to the application of the purchase money, nor shall his title to the shares be affected by any irregularity or invalidity in the proceedings in reference to the sale.

12. i. The proceeds of the sale shall be received by the company and applied in payment of such part of the amount in respect of which the lien exists as is presently payable.

ii. The residue, if any, shall, subject to a like lien for sums not presently payable as existed upon the shares before the sale, be paid to the person entitled to the shares at the date of the sale.

CALLS ON SHARES

13. i. The Board may, from time to time, make calls upon the members in respect of any monies unpaid on their shares (whether on account of the nominal value of the shares or by way of premium) and not by the conditions of allotment thereof made payable at fixed times:

Provided that no call shall exceed one-fourth of the nominal value of the share or be payable at less than one month from the date fixed for the payment of the last preceding call.

ii. Each member shall, subject to receiving at least fourteen days' notice specifying the time or times and place of payment, pay to the company, at the time or times and place so specified, the amount called on his shares.

iii. A call may be revoked or postponed at the discretion of the Board.

iv. That any amount paid up in advance of calls on any share may carry interest but shall not in respect thereof confer a right to dividend or to participate in profits

14. A call shall be deemed to have been made at the time when the resolution of the Board authorizing the call was passed and may be required to be paid by installments.

15. The joint holders of a share shall be jointly and severally liable to pay all calls in respect thereof.

16. If a sum called in respect of a share is not paid before or on the day appointed for payment thereof, the person from whom the sum is due shall pay interest thereon from the day appointed for payment thereof to the time of actual payment at ten per cent per annum or at such lower rate, if any, as the Board may determine.

The Board shall be at liberty to waive payment of any such interest wholly or in part.

17. i. Any sum which by the terms of issue of a share becomes payable on allotment or at any fixed date, whether on account of the nominal value of the share or by way of premium, shall, for the purposes of these regulations, be deemed to be a call duly made and payable on the date on which by the terms of issue such sum becomes payable.

ii. In case of non-payment of such sum, all the relevant provisions of these regulations as to payment of interest and expenses, forfeiture or otherwise shall apply as if such sum had become payable by virtue of a call duly made and notified.

18. The Board -

a. may, if it thinks fit, receive from any member willing to advance the same, all or any part of the monies uncalled and unpaid upon any shares held by him and

b. upon all or any of the monies so advanced, may (until the same would, but for such advance, become presently payable) pay interest at such rate not exceeding, unless the company in general meeting shall otherwise direct, twelve per cent per annum, as may be agreed upon between the Board and the member paying the sum in advance.

TRANSFER OF SHARES

19. i. The instrument of transfer of any share in the company shall be executed by or on behalf of both the transferor and transferee.

    ii. The transferor shall be deemed to remain a holder of the share until the name of the transferee is entered in the register of members in respect thereof.

    iii. That a common form of transfer shall be used

20. i. The Board may, subject to the right of appeal conferred by section 58 decline to register—

    ii. the transfer of a share, not being a fully paid share, to a person of whom they do not approve; or

    iii. any transfer of shares on which the company has a lien.

21. The Board may decline to recognise any instrument of transfer unless—

    a. the instrument of transfer is in the form as prescribed in rules made under sub-section (1) of section 56;
    b. the instrument of transfer is accompanied by the certificate of the shares to which itrelates, and such other evidence as the Board may reasonably require to show the right of the transferor to make the transfer; and
    c. the instrument of transfer is in respect of only one class of shares.

    That registration of transfer shall not be refused on the ground of the transferor being either alone or jointly with any other person or persons indebted to the Issuer on any account whatsoever

22. On giving not less than seven days' previous notice in accordance with section 91 and rules made thereunder, the registration of transfers may be suspended at such times and for such periods as the Board may from time to time determine:

    Provided that such registration shall not be suspended for more than thirty days at any one time or for more than forty-five days in the aggregate in any year.

TRANSMISSION OF SHARES

23. i. On the death of a member, the survivor or survivors where the member was a joint holder, and his nominee or nominees or legal representatives where he was a sole holder, shall be the only persons recognised by the company as having any title to his interest in the shares

    ii. Nothing in clause (i) shall release the estate of a deceased joint holder from any liability in respect of any share which had been jointly held by him with other persons.

    iii. That a common form of transmission shall be used

24. i. Any person becoming entitled to a share in consequence of the death or insolvency of a member may, upon such evidence being produced as may from time to time properly be required by the Board and subject as hereinafter provided, elect, either-
        a. to be registered himself as holder of the share; or
        b. to make such transfer of the share as the deceased or insolvent member could have made.

    ii. The Board shall, in either case, have the same right to decline or suspend registration as it would have had, if the deceased or insolvent member had transferred the share before his death or insolvency.

25. i. If the person so becoming entitled shall elect to be registered as holder of the share himself, he shall deliver or send to the company a notice in writing signed by him stating that he so elects.

    ii. If the person aforesaid shall elect to transfer the share, he shall testify his election by executing a transfer of the share.

    iii. All the limitations, restrictions and provisions of these regulations relating to the right to transfer and the registration of transfers of shares shall be applicable to any such notice or transfer as aforesaid as if the death or insolvency of the member had not occurred and the notice or transfer were a transfer signed by that member.

26. A person becoming entitled to a share by reason of the death or insolvency of the holder shall be entitled to the same dividends and other advantages to which he would be entitled if he were the registered holder of the share, except that he shall not, before being registered as a member in respect of the share, be entitled in respect of it to exercise any right conferred by membership in relation to meetings of the company:

Provided that the Board may, at any time, give notice requiring any such person to elect either to be registered himself or to transfer the share, and if the notice is not complied with within ninety days, the Board may thereafter withhold payment of all dividends, bonuses or other monies payable in respect of the share, until the requirements of the notice have been complied with.

FORFEITURE OF SHARES

27. If a member fails to pay any call, or installment of a call, on the day appointed for payment thereof, the Board may, at any time thereafter during such time as any part of the call or installment remains unpaid, serve a notice on him requiring payment of so much of the call or installment as is unpaid, together with any interest which may have accrued.

28. The notice aforesaid shall-
    a. name a further day (not being earlier than the expiry of fourteen days from the date of service of the notice) on or before which the payment required by the notice is to be made; and
    b. state that, in the event of non-payment on or before the day so named, the shares in respect of which the call was made shall be liable to be forfeited.

29. If the requirements of any such notice as aforesaid are not complied with, any share in respect of which the notice has been given may, at any time thereafter, before the payment required by the notice has been made, be forfeited by a resolution of the Board to that effect.

30. i. A forfeited share may be sold or otherwise disposed of on such terms and in such manner as the Board thinks fit.

    ii. At any time before a sale or disposal as aforesaid, the Board may cancel the forfeiture on such terms as it thinks fit.

31. i. A person whose shares have been forfeited shall cease to be a member in respect of the forfeited shares, but shall, notwithstanding the forfeiture, remain liable to pay to the company all monies which, at the date of forfeiture, were presently payable by him to the company in respect of the shares.

    ii. The liability of such person shall cease if and when the company shall have received payment in full of all such monies in respect of the shares.

32. i. A duly verified declaration in writing that the declarant is a director, the manager or the secretary, of the company, and that a share in the company has been duly forfeited on a date stated in the declaration, shall be conclusive evidence of the facts therein stated as against all persons claiming to be entitled to the share;

    ii. The company may receive the consideration, if any, given for the share on any sale or disposal thereof and may execute a transfer of the share in favour of the person to whom the share is sold or disposed of;

    iii. The transferee shall thereupon be registered as the holder of the share; and

    iv. The transferee shall not be bound to see to the application of the purchase money, if any, nor shall his title to the share be affected by any irregularity or invalidity in the proceedings in reference to the forfeiture, sale or disposal of the share.

33. The provisions of these regulations as to forfeiture shall apply in the case of non-payment of any sum which, by the terms of issue of a share, becomes payable at a fixed time, whether on account of the nominal value of the share or by way of premium, as if the same had been payable by virtue of a call duly made and notified.

ALTERATION OF CAPITAL

34. The company may, from time to time, by ordinary resolution increase the share capital by such sum, to be divided into shares of such amount, as may be specified in the resolution.

35. Subject to the provisions of section 61, the company may, by ordinary resolution-
    i. consolidate and divide all or any of its share capital into shares of larger amount than its existing shares;

    ii. convert all or any of its fully paid-up shares into stock, and reconvert that stock into fully paid-up shares of any denomination;

    iii. sub-divide its existing shares or any of them into shares of smaller amount than is fixed by the memorandum; and

    iv. cancel any shares which, at the date of the passing of the resolution, have not been taken or agreed to be taken by any person.

    v. Permission for sub-division/ consolidation of share certificates

36. Where shares are converted into stock,-
    - the holders of stock may transfer the same or any part thereof in the same manner as, and subject to the same regulations under which, the shares from which the stock arose might before the conversion have been transferred, or as near thereto as circumstances admit:

    - Provided that the Board may, from time to time, fix the minimum amount of stock transferable, so, however, that such minimum shall not exceed the nominal amount of the shares from which the stock arose.

    - the holders of stock shall, according to the amount of stock held by them, have the same rights, privileges and advantages as regards dividends, voting at meetings of the company, and other matters, as if they held the shares from which the stock arose; but no such privilege or advantage (except participation in the dividends and profits of the company and in the assets on winding up) shall be conferred by an amount of stock which would not, if existing in shares, have conferred that privilege or advantage.

    - such of the regulations of the company as are applicable to paid-up shares shall apply to stock and the words "share" and "shareholder" in those regulations shall include "stock" and "stock-holder" respectively.

37. The company may, by special resolution, reduce in any manner and with, and subject to, any incident authorised and consent required by law-
    - it share capital;
    - any capital redemption reserve account; or
    - any share premium account.

CAPITALISATION OF PROFITS

38. The company in general meeting may, upon the recommendation of the Board, resolve-
    i. that it is desirable to capitalise any part of the amount for the time being standing to the credit of any of the company's reserve accounts, or to the credit of the, profit and loss account, or otherwise available for distribution; and

    ii. that such sum be accordingly set free for distribution in the manner specified in clause (ii) amongst the members who would have been entitled thereto, if distributed by way of dividend and in the same proportions.

    iii. The sum aforesaid shall not be paid in cash but shall be applied, subject to the provision contained in clause (iii), either in or towards-
        a. paying up any amounts for the time being unpaid on any shares held by such members respectively;
        b. paying up in full, unissued shares of the company to be allotted and distributed, credited as fully paid-up, to and amongst such members in the proportions aforesaid;
        c. partly in the way specified in sub-clause (A) and partly in that specified in sub-clause (B);

    iv. A securities premium account and a capital redemption reserve account may, for the purposes of this regulation, be applied in the paying up of unissued shares to be issued to members of the company as fully paid bonus shares;

    v. The Board shall give effect to the resolution passed by the company in pursuance of this regulation.

39. i. Whenever such a resolution as aforesaid shall have been passed, the Board shall-

a. make all appropriations and applications of the undivided profits resolved to be capitalised thereby, and all
b. allotments and issues of fully paid shares if any; and
c. generally do all acts and things required to give effect thereto.

ii. The Board shall have power-
a. to make such provisions, by the issue of fractional certificates or by payment in cash or otherwise as it thinks fit, for the case of shares becoming distributable in fractions; and
b. to authorise any person to enter, on behalf of all the members entitled thereto, into an agreement with the company providing for the allotment to them respectively, credited as fully paid-up, of any further shares to which they may be entitled upon such capitalisation, or as the case may require, for the payment by the company on their behalf, by the application thereto of their respective proportions of profits resolved to be capitalised, of the amount or any part of the amounts remaining unpaid on their existing shares;

iii. Any agreement made under such authority shall be effective and binding on such members

BUY-BACK OF SHARES

40. Notwithstanding anything contained in these articles but subject to the provisions of sections 68 to 70 and any other applicable provision of the Act or any other law for the time being in force, the company may purchase its own shares or other specified securities.

GENERAL MEETINGS

41. All general meetings other than annual general meeting shall be called extraordinary general meeting.

42. i. The Board may, whenever it thinks fit, call an extraordinary general meeting.

ii. If at any time directors capable of acting who are sufficient in number to form a quorum are not within India, any director or any two members of the company may call an extraordinary general meeting in the same manner, as nearly as possible, as that in which such a meeting may be called by the Board.

PROCEEDINGS AT GENERAL MEETINGS

43. i. No business shall be transacted at any general meeting unless a quorum of members is present at the time when the meeting proceeds to business.

ii. Save as otherwise provided herein, the quorum for the general meetings shall be as provided in section 103.

44. The chairperson, if any, of the Board shall preside as Chairperson at every general meeting of the company.

45. If there is no such Chairperson, or if he is not present within fifteen minutes after the time appointed for holding the meeting or is unwilling to act as chairperson of the meeting, the directors present shall elect one of their members to be Chairperson of the meeting.

46. If at any meeting no director is willing to act as Chairperson or if no director is present within fifteen minutes after the time appointed for holding the meeting, the members present shall choose one of their members to be Chairperson of the meeting.

ADJOURNMENT OF MEETING

47. i. The Chairperson may, with the consent of any meeting at which a quorum is present, and shall, if so directed by the meeting, adjourn the meeting from time to time and from place to place.

ii. No business shall be transacted at any adjourned meeting other than the business left unfinished at the meeting from which the adjournment took place.

iii. When a meeting is adjourned for thirty days or more, notice of the adjourned meeting shall be given as in the case of an original meeting.

iv. Save as aforesaid, and as provided in section 103 of the Act, it shall not be necessary to give any notice of an adjournment or of the business to be transacted at an adjourned meeting.

VOTING RIGHTS

48. Subject to any rights or restrictions for the time being attached to any class or classes of shares,
    i. on a show of hands, every member present in person shall have one vote;

    ii. and on a poll, the voting rights of members shall be in proportion to his share in the paid-up equity share capital of the company.

    iii. That option or right to call of shares shall not be given to any person except with the sanction of the Issuer in general meetings

49. A member may exercise his vote at a meeting by electronic means in accordance with section 108 and shall vote only once.

50. i. In the case of joint holders, the vote of the senior who tenders a vote, whether in person or by proxy, shall be accepted to the exclusion of the votes of the other joint holders.

    ii. For this purpose, seniority shall be determined by the order in which the names stand in the register of members.

51. A member of unsound mind, or in respect of whom an order has been made by any court having jurisdiction in lunacy, may vote, whether on a show of hands or on a poll, by his committee or other legal guardian, and any such committee or guardian may, on a poll, vote by proxy.

52. Any business other than that upon which a poll has been demanded maybe proceeded with, pending the taking of the poll.

53. No member shall be entitled to vote at any general meeting unless all calls or other sums presently payable by him in respect of shares in the company have been paid

54. i. No objection shall be raised to the qualification of any voter except at the meeting or adjourned meeting at which the vote objected to is given or tendered, and every vote not disallowed at such meeting shall be valid for all purposes.

    ii. Any such objection made in due time shall be referred to the Chairperson of the meeting, whose decision shall be final and conclusive.

PROXY

55. The instrument appointing a proxy and the power-of-attorney or other authority, if any, under which it is signed or a notarised copy of that power or authority, shall be deposited at the registered office of the company not less than 48 hours before the time for holding the meeting or adjourned meeting at which the person named in the instrument proposes to vote, or, in the case of a poll, not less than 24 hours before the time appointed for the taking of the poll; and in default the instrument of proxy shall not be treated as valid.

56. An instrument appointing a proxy shall be in the form as prescribed in the rules made under section 105

57. A vote given in accordance with the terms of an instrument of proxy shall be valid, notwithstanding the previous death or insanity of the principal or the revocation of the proxy or of the authority under which the proxy was executed, or the transfer of the shares in respect of which the proxy is given:

    Provided that no intimation in writing of such death, insanity, revocation or transfer shall have been received by the company at its office before the commencement of the meeting or adjourned meeting at which the proxy is used.

BOARD OF DIRECTORS

58. The number of the directors and the names of the first directors shall be determined in writing by the subscribers of the memorandum or a majority of them. The following are the First Directors of the Company:
    1. Hitesh Chunilal Shah

2. Harshit Hitesh Shah
3. Dipti Hitesh Shah

59. The remuneration of the directors shall, in so far as it consists of a monthly payment, be deemed to accrue from day-to-day.

In addition to the remuneration payable to them in pursuance of the Act, the directors may be paid all travelling, hotel and other expenses properly incurred by them-

- in attending and returning from meetings of the Board of Directors or any committee thereof or general meetings of the company; or
- in connection with the business of the company.

60. The Board may pay all expenses incurred in getting up and registering the company.

61. The company may exercise the powers conferred on it by section 88 with regard to the keeping of a foreign register; and the Board may (subject to the provisions of that section) make and vary such regulations as it may think fit respecting the keeping of any such register.

62. All cheques, promissory notes, drafts, hundis, bills of exchange and other negotiable instruments, and all receipts for monies paid to the company, shall be signed, drawn, accepted, endorsed, or otherwise executed, as the case may be, by such person and in such manner as the Board shall from time to time by resolution determine.

63. Every director present at any meeting of the Board or of a committee thereof shall sign his name in a book to be kept for that purpose.

64. i. Subject to the provisions of section 149, the Board shall have power at any time, and from time to time, to appoint a person as an additional director, provided the number of the directors and additional directors together shall not at any time exceed the maximum strength fixed for the Board by the articles.

ii. Such person shall hold office only up to the date of the next annual general meeting of the company but shall be eligible for appointment by the company as a director at that meeting subject to the provisions of the Act.

PROCEEDINGS OF THE BOARD

65. The Board of Directors may meet for the conduct of business, adjourn and otherwise regulate its meetings, as it thinks fit.

A director may, and the manager or secretary on the requisition of a director shall, at any time, summon a meeting of the Board.

66. i. Save as otherwise expressly provided in the Act, questions arising at any meeting of the Board shall be decided by a majority of votes.

ii. In case of an equality of votes, the Chairperson of the Board, if any, shall have a second or casting vote.

67. The continuing directors may act notwithstanding any vacancy in the Board; but, if and so long as their number is reduced below the quorum fixed by the Act for a meeting of the Board, the continuing directors or director may act for the purpose of increasing the number of directors to that fixed for the quorum, or of summoning a general meeting of the company, but for no other purpose.

68. i. The Board may elect a Chairperson of its meetings and determine the period for which he is to hold office.

ii. If no such Chairperson is elected, or if at any meeting the Chairperson is not present within five minutes after the time appointed for holding the meeting, the directors present may choose one of their number to be Chairperson of the meeting.

69. i. The Board may, subject to the provisions of the Act, delegate any of its powers to committees consisting of such member or members of its body as it thinks fit.

ii. Any committee so formed shall, in the exercise of the powers so delegated, conform to any regulations that may be imposed on it by the Board.

70. i. A committee may elect a Chairperson of its meetings.

ii. If no such Chairperson is elected, or if at any meeting the 72 Chairperson is not present within five minutes after the time appointed for holding the meeting, the members present may choose one of their members to be Chairperson of the meeting.

71. i. A committee may meet and adjourn as it thinks fit.

ii. Questions arising at any meeting of a committee shall be determined by a majority of votes of the members present, and in case of an equality of votes, the Chairperson shall have a second or casting vote.

72. All acts done in any meeting of the Board or of a committee thereof or by any person acting as a director, shall, notwithstanding that it may be afterwards discovered that there was some defect in the appointment of any one or more of such directors or of any person acting as aforesaid, or that they or any of them were disqualified, be as valid as if every such director or such person had been duly appointed and was qualified to be a director.

73. Save as otherwise expressly provided in the Act, a resolution in writing, signed by all the members of the Board or of a committee thereof, for the time being entitled to receive notice of a meeting of the Board or committee, shall be valid and effective as if it had been passed at a meeting of the Board or committee, duly convened and held.

CHIEF EXECUTIVE OFFICER, MANAGER, COMPANY SECRETARY OR CHIEF FINANCIAL OFFICER

74. Subject to the provisions of the Act,

i. A chief executive officer, manager, company secretary or chief financial officer may be appointed by the Board for such term, at such remuneration and upon such conditions as it may think fit; and any chief executive officer, manager, company secretary or chief financial officer so appointed may be removed by means of a resolution of the Board;

ii. A director may be appointed as chief executive officer, manager, company secretary or chief financial officer

75. A provision of the Act or these regulations requiring or authorising a thing to be done by or to a director and chief executive officer, manager, company secretary or chief financial officer shall not be satisfied by its being done by or to the same person acting both as director and as, or in place of, chief executive officer, manager, company secretary or chief financial officer.

THE SEAL

76. i. The Board shall provide for the safe custody of the seal.

ii. The seal of the company shall not be affixed to any instrument except by the authority of a resolution of the Board or of a committee of the Board authorised by it in that behalf, and except in the presence of at least two directors and of the secretary or such other person as the Board may appoint for the purpose; and those two directors and the secretary or other person aforesaid shall sign every instrument to which the seal of the company is so affixed in their presence.

DIVIDENDS AND RESERVE

77. The company in general meeting may declare dividends, but no dividend shall exceed the amount recommended by the Board.

78. Subject to the provisions of section 123, the Board may from time to time pay to the members such interim dividends as appear to it to be justified by the profits of the company.

79. i. The Board may, before recommending any dividend, set aside out of the profits of the company such sums as it thinks fit as a reserve or reserves which shall, at the discretion of the Board, be applicable for any purpose to which the profits of the company may be properly applied, including provision for meeting contingencies or for equalizing dividends; and pending such application, may, at the like discretion, either be employed in the business of the company or be invested in such investments (other than shares of the company) as the Board may, from time to time, thinks fit.

ii. The Board may also carry forward any profits which it may consider necessary not to divide, without setting them aside as a reserve.

80. i. Subject to the rights of persons, if any, entitled to shares with special rights as to dividends, all dividends shall be declared and paid according to the amounts paid or credited as paid on the shares in respect whereof the dividend is paid, but if and so long as nothing is paid upon any of the shares in the company, dividends may be declared and paid according to the amounts of the shares.

ii. No amount paid or credited as paid on a share in advance of calls shall be treated for the purposes of this regulation as paid on the share.

iii. All dividends shall be apportioned and paid proportionately to the amounts paid or credited as paid on the shares during any portion or portions of the period in respect of which the dividend is paid; but if any share is issued on terms providing that it shall rank for dividend as from a particular date such share shall rank for dividend accordingly. That there shall be no forfeiture of unclaimed dividends before the claim becomes barred by law.

81. The Board may deduct from any dividend payable to any member all sums of money, if any, presently payable by him to the company on account of calls or otherwise in relation to the shares of the company.

82. i. Any dividend, interest or other monies payable in cash in respect of shares may be paid by cheque or warrant sent through the post directed to the registered address of the holder or, in the case of joint holders, to the registered address of that one of the joint holders who is first named on the register of members, or to such person and to such address as the holder or joint holders may in writing direct.

ii. Every such cheque or warrant shall be made payable to the order of the person to whom it is sent.

83. Any one of two or more joint holders of a share may give effective receipts for any dividends, bonuses or other monies payable in respect of such share.

84. Notice of any dividend that may have been declared shall be given to the persons entitled to share therein in the manner mentioned in the Act.

85. No dividend shall bear interest against the company.

ACCOUNTS

86. i. The Board shall from time to time determine whether and to what extent and at what times and places and under what conditions or regulations, the accounts and books of the company, or any of them, shall be open to the inspection of members not being directors.

ii. No member (not being a director) shall have any right of inspecting any account or book or document of the company except as conferred by law or authorised by the Board or by the company in general meeting.

WINDING UP

87. Subject to the provisions of Chapter XX of the Act and rules made thereunder-

i. If the company shall be wound up, the liquidator may, with the sanction of a special resolution of the company and any other sanction required by the Act, divide amongst the members, in specie or kind, the whole or any part of the assets of the company, whether they shall consist of property of the same kind or not.

ii. For the purpose aforesaid, the liquidator may set such value as he deems fair upon any property to be divided as aforesaid and may determine how such division shall be carried out as between the members or different classes of members.

iii. The liquidator may, with the like sanction, vest the whole or any part of such assets in trustees upon such trusts for the benefit of the contributories if he considers necessary, but so that no member shall be compelled to accept any shares or other securities whereon there is any liability.

INDEMNITY

88. Every officer of the company shall be indemnified out of the assets of the company against any liability incurred by him in defending any proceedings, whether civil or criminal, in which judgment is given in his favour or in which he is acquitted or in which relief is granted to him by the court or the Tribunal.

SECTION X – OTHER INFORMATION

MATERIAL CONTRACTS AND DOCUMENTS FOR INSPECTION

The following contracts (not being contracts entered into in the ordinary course of business carried on by the Company or entered into more than two years before the date of the Red Herring Prospectus) which are or may be deemed material have been entered or to be entered into by the Company which are or may be deemed material will be attached to the copy of the Red Herring Prospectus/ Prospectus, delivered to the Registrar of Companies, for filing. Copies of the abovementioned contracts and also the documents for inspection referred to hereunder, may be inspected at the registered office between 10 A.M. and 5 P.M. on all Working Days from the date of this Prospectus until the Issue Closing Date.

Material Contracts

1. Agreement dated November 02, 2023 executed between our Company and the Book Running Lead Manager to the Issue.
2. Agreement dated November 03, 2023 executed between our Company and the Registrar to the Issue.
3. Banker to the Issue Agreement dated January 15, 2024 among our Company, Book Running Lead Manager, Banker to the Issue and the Registrar to the Issue.
4. Syndicate Agreement dated January 11, 2024 among our Company, the Book Running Lead Manager and Syndicate Member.
5. Market Making Agreement dated November 13, 2023 between our Company, Book Running Lead Manager and Market Maker.
6. Underwriting Agreement dated November 13, 2023 between our Company, Book Running Lead Manager and Underwriter.
7. Tripartite Agreement dated January 23, 2023 among CDSL, the Company and the Registrar to the Issue.
8. Tripartite Agreement dated January 24, 2023 among NSDL, the Company and the Registrar to the Issue.

Material Documents

1. Certified copies of the Memorandum and Articles of Association of the Company as amended.
2. Certificate of Incorporation dated December 30, 2022 issued by the Registrar of Companies, Central Registration Centre.
3. Copy of the Board Resolution dated October 20, 2023 authorizing the Issue and other related matters.
4. Copy of Shareholder's Resolution dated October 31, 2023 authorizing the Issue and other related matters.
5. Copies of Audited Financial Statements of our Company for the stub period ended July 31, 2023 and for the financial year ended March 31, 2023.
6. Statutory Auditors Report dated November 03, 2023 on the Restated Financial Information of our Company for the stub period ended July 31, 2023 and for the financial year ended March 31, 2023.
7. Auditors Report dated January 15, 2024 on the Financial Information of M/S Harshdeep Agro Products (Proprietorship).
8. Copy of the Statement of Special Tax Benefits dated November 03, 2023 from the Statutory Auditor.
9. Certificate on KPI's issued by Statutory Auditors dated November 03, 2023
10. Consents of the Book Running Lead Manager, Legal Advisor to the Issue, Registrar to the Issue, Statutory Auditor of the Company, Market Maker, Underwriter, Bankers to our Company, Banker to the Issue/ Sponsor Bank, Syndicate Member, Promoter of our Company, Directors of our Company, Company Secretary and Compliance Officer and Chief Financial Officer, as referred to, in their respective capacities.
11. Board Resolution dated November 16, 2023 for approval of Draft Red Herring Prospectus, dated January 18, 2024 for approval of Red Herring Prospectus and dated January 31, 2024 for approval of Prospectus.
12. Due Diligence Certificate from Book Running Lead Manager dated November 16, 2023.
13. Approval from BSE vide letter dated January 17, 2024 to use the name of BSE in the Red Herring Prospectus/ Prospectus for listing of Equity Shares on the BSE SME (SME Platform) of the BSE Ltd.

DECLARATION

I certify and declare that all relevant provisions of the Companies Act, 2013 and the rules, regulations and guidelines issued by the Government of India, or the regulations or guidelines issued by SEBI, established under section 3 of the Securities and Exchange Board of India Act, 1992, as the case may be, have been complied with and no statement made in this Prospectus is contrary to the provisions of the Companies Act, the Securities Contracts (Regulation) Act, 1956, as amended, the Securities and Exchange Board of India Act, 1992, as amended or the rules, regulations or guidelines issued thereunder, as the case may be. I further certify that all the statements in this Prospectus are true and correct.

SIGNED BY THE BOARD OF DIRECTORS OF OUR COMPANY:

Name and Designation	Signature
Hitesh Chunilal Shah Chairman & Managing director DIN: 09843633	Sd/-

Date: January 31, 2024
Place: Thane, Maharashtra

DECLARATION

I certify and declare that all relevant provisions of the Companies Act, 2013 and the rules, regulations and guidelines issued by the Government of India, or the regulations or guidelines issued by SEBI, established under section 3 of the Securities and Exchange Board of India Act, 1992, as the case may be, have been complied with and no statement made in this Prospectus is contrary to the provisions of the Companies Act, the Securities Contracts (Regulation) Act, 1956, as amended, the Securities and Exchange Board of India Act, 1992, as amended or the rules, regulations or guidelines issued thereunder, as the case may be. I further certify that all the statements in this Prospectus are true and correct.

SIGNED BY THE BOARD OF DIRECTORS OF OUR COMPANY:

Name and Designation	Signature
Harshit Hitesh Shah Whole time Director & Chief Financial Officer DIN: 09843635	Sd/-

Date: January 31, 2024
Place: Thane, Maharashtra

DECLARATION

I certify and declare that all relevant provisions of the Companies Act, 2013 and the rules, regulations and guidelines issued by the Government of India, or the regulations or guidelines issued by SEBI, established under section 3 of the Securities and Exchange Board of India Act, 1992, as the case may be, have been complied with and no statement made in this Prospectus is contrary to the provisions of the Companies Act, the Securities Contracts (Regulation) Act, 1956, as amended, the Securities and Exchange Board of India Act, 1992, as amended or the rules, regulations or guidelines issued thereunder, as the case may be. I further certify that all the statements in this Prospectus are true and correct.

SIGNED BY THE BOARD OF DIRECTORS OF OUR COMPANY:

Name and Designation	Signature
Dipti Hitesh Shah Non-Executive Director DIN: 09843634	Sd/-

Date: January 31, 2024
Place: Thane, Maharashtra

DECLARATION

I certify and declare that all relevant provisions of the Companies Act, 2013 and the rules, regulations and guidelines issued by the Government of India, or the regulations or guidelines issued by SEBI, established under section 3 of the Securities and Exchange Board of India Act, 1992, as the case may be, have been complied with and no statement made in this Prospectus is contrary to the provisions of the Companies Act, the Securities Contracts (Regulation) Act, 1956, as amended, the Securities and Exchange Board of India Act, 1992, as amended or the rules, regulations or guidelines issued thereunder, as the case may be. I further certify that all the statements in this Prospectus are true and correct.

SIGNED BY THE BOARD OF DIRECTORS OF OUR COMPANY:

Name and Designation	Signature
Megh Hitesh Shah Non-Executive Director DIN: 10322752	Sd/-

Date: January 31, 2024
Place: Thane, Maharashtra

DECLARATION

I certify and declare that all relevant provisions of the Companies Act, 2013 and the rules, regulations and guidelines issued by the Government of India, or the regulations or guidelines issued by SEBI, established under section 3 of the Securities and Exchange Board of India Act, 1992, as the case may be, have been complied with and no statement made in this Prospectus is contrary to the provisions of the Companies Act, the Securities Contracts (Regulation) Act, 1956, as amended, the Securities and Exchange Board of India Act, 1992, as amended or the rules, regulations or guidelines issued thereunder, as the case may be. I further certify that all the statements in this Prospectus are true and correct.

SIGNED BY THE BOARD OF DIRECTORS OF OUR COMPANY:

Name and Designation	Signature
Dhruva Hemandra Parekh Independent Director DIN: 07039600	Sd/-

Date: January 31, 2024
Place: Thane, Maharashtra

DECLARATION

I certify and declare that all relevant provisions of the Companies Act, 2013 and the rules, regulations and guidelines issued by the Government of India, or the regulations or guidelines issued by SEBI, established under section 3 of the Securities and Exchange Board of India Act, 1992, as the case may be, have been complied with and no statement made in this Prospectus is contrary to the provisions of the Companies Act, the Securities Contracts (Regulation) Act, 1956, as amended, the Securities and Exchange Board of India Act, 1992, as amended or the rules, regulations or guidelines issued thereunder, as the case may be. I further certify that all the statements in this Prospectus are true and correct.

SIGNED BY THE BOARD OF DIRECTORS OF OUR COMPANY:

Name and Designation	Signature
Arjun Manish Bhanushali Independent Director DIN: 10322739	Sd/-

Date: January 31, 2024
Place: Thane, Maharashtra

DECLARATION

I certify and declare that all relevant provisions of the Companies Act, 2013 and the rules, regulations and guidelines issued by the Government of India, or the regulations or guidelines issued by SEBI, established under section 3 of the Securities and Exchange Board of India Act, 1992, as the case may be, have been complied with and no statement made in this Prospectus is contrary to the provisions of the Companies Act, the Securities Contracts (Regulation) Act, 1956, as amended, the Securities and Exchange Board of India Act, 1992, as amended or the rules, regulations or guidelines issued thereunder, as the case may be. I further certify that all the statements in this Prospectus are true and correct.

SIGNED BY THE COMPANY SECRETARY AND COMPLIANCE OFFICER OF OUR COMPANY:

Name and Designation	Signature
Shreya Gandhi Company Secretary and Compliance Officer	Sd/-

Date: January 31, 2024
Place: Thane, Maharashtra