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Draft Red Herring Prospectus
Dated March 29, 2024
(This Draft Red Herring Prospectus will be updated upon filing with the RoC)
(Please read section 32 of the Companies Act, 2013)
100% Book Built Offer

PATEL RETAIL LIMITED

CORPORATE IDENTITY NUMBER: U52100MH2007PLC171625

REGISTERED & CORPORATE OFFICE	CONTACT PERSON	EMAIL AND TELEPHONE	WEBSITE
Plot No. M-2, Anand Nagar, Additional MIDC, Ambernath (East)- 421506, Ambernath, Maharashtra, India	Deepesh Sanjay Somani, Company Secretary and Compliance Officer	**Email:** cs@patelrpl.net **Telephone:** +91 7391043825	www.patelrpl.in

PROMOTERS OF OUR COMPANY: DHANJI RAGHAVJI PATEL AND BECHAR RAGHAVJI PATEL

DETAILS OF THE OFFER

Type	Fresh Issue Size***	Offer for Sale size	Total Offer size	Eligibility and Reservation
Fresh Issue and Offer for Sale	Up to 90,18,000 Equity Shares of face value of ₹10 each, aggregating up to ₹ [●] Lakhs	Up to 10,02,000 Equity Shares of face value of ₹10 each aggregating up to ₹ [●] Lakhs	Up to 1,00,20,000 Equity Shares of face value of ₹10 each aggregating up to ₹ [●] Lakhs	The Offer is being made pursuant to regulation 6(1) of the Securities and Exchange Board of India (Issue of Capital and Disclosure Requirements) Regulations, 2018, as amended ("**SEBI ICDR Regulations**"). For further details, please see *"**Other Regulatory and Statutory Disclosure-Eligibility for the Offer**"* on page 434. For details in relation to reservation among Qualified Institutional Buyers, Non Institutional Investors, Retail Individual Investors and Eligible Employees, please see *"**Offer Structure**"* on page 456.

DETAILS OF THE PROMOTER SELLING SHAREHOLDERS, OFFER FOR SALE AND WEIGHTED AVERAGE COST OF ACQUISITION

Name of the Promoter Selling Shareholders	Type	Number of Equity Shares Offered	Weighted Average Cost of Acquisition per Equity Share (in ₹)^
Dhanji Raghavji Patel	Promoter Selling Shareholder	Up to 7,68,000 Equity Shares aggregating up to ₹ [●] Lakhs	7.57
Bechar Raghavji Patel	Promoter Selling Shareholder	Up to 2,34,000 Equity Shares aggregating up to ₹ [●] Lakhs	1.56

^As certified by our Statutory Auditor, Kanu Doshi Associates LLP, Chartered Accountants, pursuant to their certificate dated March 29, 2024.

RISKS IN RELATION TO THE FIRST OFFER

This being the first public offer of Equity Shares of our Company, there has been no formal market for the Equity Shares of our Company. The face value of the Equity Shares is ₹10 per Equity Share. The Offer Price, Floor Price and Cap Price (as determined by our Company, in consultation with the Book Running Lead Manager ("**BRLM**"), on the basis of the assessment of market demand for the Equity Shares by way of the Book Building Process, in accordance with the SEBI ICDR Regulations and as stated in "***Basis for Offer Price***" on page 129) 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 of our Company nor regarding the price at which the Equity Shares will be traded after listing.

GENERAL RISK

Investments in equity and equity-related securities involve a degree of risk and investors should not invest any funds in the Offer 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 Offer. For taking an investment decision, investors must rely on their own examination of our Company and the Offer, including the risks involved. The Equity Shares in the Offer 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 contents of this Draft Red Herring Prospectus. Specific attention of the investors is invited to *"**Risk Factors**"* on page 35.

COMPANY AND PROMOTER SELLING SHAREHOLDERS' ABSOLUTE RESPONSIBILITY

Our Company, having made all reasonable inquiries, accepts responsibility for and confirms that this Draft Red Herring Prospectus contains all information with regard to our Company and the Offer which is material in the context of the Offer, that the information contained in this Draft Red Herring Prospectus is true and correct in all material aspects and is not misleading in any material respect, that opinions and intentions expressed herein are honestly held and that there are no other facts, the omission of which makes this Draft Red Herring Prospectus as a whole or any of such information or the expression of any such opinions or intentions misleading in any material respect. Further, each Promoter Selling Shareholder, severally and not jointly, accepts responsibility for and confirms only the statements specifically made or confirmed by such Promoter Selling Shareholder in this Draft Red Herring Prospectus solely in relation to itself and its respective portion of the Offered Shares and assumes responsibility that such statements are true and correct in all material respects and are not misleading in any material respect.

LISTING

The Equity Shares offered through the Red Herring Prospectus are proposed to be listed on the Stock Exchanges being BSE Limited ("**BSE**") and National Stock Exchange of India Limited ("**NSE**") (BSE, together with NSE, the "**Stock Exchanges**"). Our Company has received 'in-principle' approvals from BSE and NSE for the listing of the Equity Shares pursuant to their letters dated [●] and [●], respectively. For the purposes of the Offer, the Designated Stock Exchange shall be [●].

BOOK RUNNING LEAD MANAGER (BRLM)		REGISTRAR TO THE OFFER	
Logo of the BRLM	**Fedex Securities Private Limited** **Contact Person:** Saipan Sanghvi **Email:** mb@fedsec.in **Telephone:** +91 8104985249 **Website:** www.fedsec.in **SEBI Registration No.**: INM000010163	Logo of the Registrar to the Offer	**Bigshare Services Private Limited** **Contact Person:** Babu Rapheal **Email:** ipo@bigshareonline.com **Investor Grievance email id:** investor@bigshareonline.com **Telephone:** 022-62638200 **Website:** www.bigshareonline.com **SEBI Registration No.:** INR000001385

BID / OFFER PERIOD

ANCHOR INVESTOR BID/ OFFER DATE	[●][(1)]	BID/ OFFER OPENS ON	[●]	BID/ OFFER CLOSES ON	[●][(2) (3)]

** Subject to the finalisation of the allotment*

(1) *Our Company, in consultation with the BRLM, may consider participation by Anchor Investors in accordance with the SEBI ICDR Regulations. The Anchor Investor Bid/ Offer Period shall be one Working Day prior to the Bid/ Offer Opening Date.*
(2) *Our Company, in consultation with the BRLM, may consider closing the Bid/ Offer Period for QIBs, one Working Day prior to the Bid/ Offer Closing Date in accordance with the SEBI ICDR Regulations.*
(3) *UPI mandate end time and date shall be at 5:00 pm on the Bid/Offer Closing Date.*
***
Our Company, in consultation with the BRLM, may consider undertaking a further issue of Equity Shares of the Company, as may be permissible through a preferential issue, private placement, right issue or any other method as may be permitted in accordance with applicable law to any person(s), of up to 5,00,000 Equity Shares, aggregating up to ₹ [●] Lakhs, between the date of this Draft Red Herring Prospectus till the filing of the Red Herring

*Prospectus with the RoC, subject to appropriate approvals ("**Pre-IPO Placement**"). The Pre-IPO Placement, if undertaken, will be at a price to be decided by our Company in consultation with the BRLM, and the Pre-IPO Placement will be completed prior to filing of the Red Herring Prospectus with the RoC. If the Pre-IPO Placement is undertaken, the amount raised from the Pre-IPO Placement will be reduced from the Fresh Issue, subject to compliance with Rule 19(2)(b) of the Securities Contracts (Regulation) Rules, 1957, as amended.*

Draft Red Herring Prospectus
Dated: March 29, 2024
(This Draft Red Herring Prospectus will be updated upon filing with RoC)
(Please read section 32 of the Companies Act, 2013)
100% Book Built Offer

PATEL RETAIL LIMITED

Our Company was originally incorporated as *"Patel Retail Private Limited"* at Ambernath, Maharashtra as a private limited company under the Companies Act, 1956, pursuant to a certificate of incorporation dated June 13, 2007 issued by the Registrar of Companies, Maharashtra, Mumbai. Thereafter, our Company was converted into a public limited company, approved vide shareholders' resolution dated July 18, 2023, pursuant to which the name of our Company was changed to *"Patel Retail Limited"* and a fresh certificate of incorporation consequent upon change of name on conversion to public limited company was issued by the Registrar of Companies, Maharashtra, Mumbai dated August 28, 2023. For details in relation to the changes in the registered office of our Company, please see *"**History and Certain Corporate Matters- Changes in the Registered Office**"* on page 342.

Corporate Identity Number: U52100MH2007PLC171625
Registered & Corporate Office: Plot No. M-2, Anand Nagar, Additional MIDC, Ambernath (East) - 421506, Maharashtra, India
Contact Person: Deepesh Sanjay Somani, Company Secretary and Compliance Officer; **Telephone:** +91 7391043825; **Email:** cs@patelrpl.net; **Website**: www.patelrpl.in

PROMOTERS OF OUR COMPANY: DHANJI RAGHAVJI PATEL AND BECHAR RAGHAVJI PATEL

INITIAL PUBLIC OFFERING OF UP TO 1,00,20,000 EQUITY SHARES OF FACE VALUE OF ₹ 10/- EACH ("EQUITY SHARES") OF PATEL RETAIL LIMITED ("OUR COMPANY" OR THE "ISSUER") FOR CASH AT A PRICE OF ₹ [●] PER EQUITY SHARE (INCLUDING A SECURITIES PREMIUM OF ₹ [●] PER EQUITY SHARE) ("OFFER PRICE") AGGREGATING UP TO ₹ [●] LAKHS ("THE OFFER"). THE OFFER COMPRISES OF A FRESH ISSUE OF UP TO 90,18,000 EQUITY SHARES BY OUR COMPANY AGGREGATING UP TO ₹ [●] LAKHS (THE "FRESH ISSUE") AND AN OFFER FOR SALE OF UP TO 10,02,000 EQUITY SHARES (THE "OFFERED SHARES") AGGREGATING UP TO ₹ [●] LAKHS (THE "OFFER FOR SALE"), COMPRISING UP TO 7,68,000 EQUITY SHARES AGGREGATING UP TO ₹ [●] LAKHS BY DHANJI RAGHAVJI PATEL, AND UP TO 2,34, 000 EQUITY SHARES AGGREGATING UP TO ₹ [●] LAKHS BY BECHAR RAGHAVJI PATEL (TOGETHER, "PROMOTER SELLING SHAREHOLDERS").

THE OFFER INCLUDES A RESERVATION OF UP TO 51,000 EQUITY SHARES, AGGREGATING UP TO ₹ [●] LAKHS (CONSTITUTING UP TO [●]% OF THE POST OFFER PAID-UP EQUITY SHARE CAPITAL OF OUR COMPANY), FOR SUBSCRIPTION BY ELIGIBLE EMPLOYEES (THE "EMPLOYEE RESERVATION PORTION"). THE OFFER LESS THE EMPLOYEE RESERVATION PORTION IS HEREINAFTER REFERRED TO AS THE "NET OFFER". THE OFFER AND THE NET OFFER SHALL CONSTITUTE [●] % AND [●] %, RESPECTIVELY, OF THE POST-OFFER PAID-UP EQUITY SHARE CAPITAL OF OUR COMPANY. OUR COMPANY MAY, IN CONSULTATION WITH THE BOOK RUNNING LEAD MANAGER ("BRLM"), OFFER A DISCOUNT OF UP TO ₹ [●] ON THE OFFER PRICE TO ELIGIBLE EMPLOYEES BIDDING IN THE EMPLOYEE RESERVATION PORTION ("EMPLOYEE DISCOUNT").

THE PRICE BAND, EMPLOYEE DISCOUNT AND THE MINIMUM BID LOT SHALL BE DECIDED BY OUR COMPANY IN CONSULTATION WITH THE BRLM AND WILL BE ADVERTISED IN [●] EDITIONS OF [●] (A WIDELY CIRCULATED ENGLISH NATIONAL DAILY NEWSPAPER), [●] EDITIONS OF [●] (A WIDELY CIRCULATED HINDI NATIONAL DAILY NEWSPAPER) AND [●] EDITION OF [●] (A WIDELY CIRCULATED MARATHI DAILY NEWSPAPER, MARATHI BEING THE REGIONAL LANGUAGE OF MAHARAHSTRA WHERE OUR REGISTERED OFFICE IS LOCATED), AT LEAST TWO WORKING DAYS PRIOR TO THE BID/ OFFER OPENING DATE AND SHALL BE MADE AVAILABLE TO THE BSE LIMITED ("BSE") AND THE NATIONAL STOCK EXCHANGE OF INDIA LIMITED ("NSE") (BSE TOGETHER WITH THE NSE, THE "STOCK EXCHANGES") FOR THE PURPOSE OF UPLOADING ON THEIR RESPECTIVE WEBSITES IN ACCORDANCE WITH THE SECURITIES AND EXCHANGE BOARD OF INDIA (ISSUE OF CAPITAL AND DISCLOSURE REQUIREMENTS) REGULATIONS, 2018, AS AMENDED (THE "SEBI ICDR REGULATIONS").

OUR COMPANY, IN CONSULTATION WITH THE BRLM, MAY CONSIDER UNDERTAKING A FURTHER ISSUE OF EQUITY SHARES OF THE COMPANY THROUGH A PRIVATE PLACEMENT, PREFERENTIAL ALLOTMENT, RIGHTS ISSUE OR ANY OTHER METHOD, AS MAY BE PERMITTED UNDER THE APPLICABLE LAW TO ANY PERSON(S), OF UP TO 5,00,000 EQUITY SHARES, AGGREGATING UP TO ₹ [●] LAKHS PRIOR TO FILING OF THE RED HERRING PROSPECTUS WITH THE ROC ("PRE-IPO PLACEMENT"). THE PRE-IPO PLACEMENT, IF UNDERTAKEN, WILL BE AT A PRICE TO BE DECIDED BY OUR COMPANY, IN CONSULTATION WITH THE BRLM. IF THE PRE-IPO PLACEMENT IS COMPLETED, THE AMOUNT RAISED PURSUANT TO THE PRE-IPO PLACEMENT WILL BE REDUCED FROM THE FRESH ISSUE, SUBJECT TO COMPLIANCE WITH RULE 19(2)(B) OF THE SECURITIES CONTRACTS (REGULATION) RULES, 1957, AS AMENDED.

In case of any revision in the Price Band, the Bid/Offer Period shall be extended for at least three additional Working Days after such revision of the Price Band, subject to the total Bid/Offer Period not exceeding 10 Working Days. In cases of force majeure, banking strike or similar circumstances, our Company may, in consultation with the BRLM, for reasons to be recorded in writing, extend the Bid/ Offer Period for a minimum of three Working Days, subject to the Bid/ Offer Period not exceeding 10 Working Days. Any revision in the Price Band, and the revised Bid/ Offer Period, if applicable, shall be widely disseminated by notification to the Stock Exchanges by issuing a public notice and also by indicating the change on the websites of the BRLM and at the terminals of the Members of the Syndicate and by intimation to Designated Intermediaries and the Sponsor Bank(s), as applicable.

The Offer is being made in terms of Rule 19(2)(b) of the Securities Contracts (Regulation) Rules, 1957, as amended ("**SCRR**"), read with Regulation 31 of the SEBI ICDR Regulations. The Offer is being made through the Book Building Process in accordance with Regulation 6(1) of the SEBI ICDR Regulations, wherein not more than 50% of the Net Offer shall be available for allocation on a proportionate basis to Qualified Institutional Buyers ("**QIBs**") ("**QIB Portion**"), provided that our Company in consultation with the BRLM may allocate up to 60% of the QIB Portion to Anchor Investors on a discretionary basis, in accordance with the SEBI ICDR Regulations ("**Anchor Investor Portion**"), out of which atleast one-third shall be reserved for allocation to domestic Mutual Funds only, subject to valid Bids being received from the domestic Mutual Funds at or above the price at which allocation is made to Anchor Investors ("**Anchor Investor Allocation Price**"), in accordance with the SEBI ICDR Regulations. 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 (other than the Anchor Investor Portion) (the "**Net QIB Portion**"). Further, 5% of the Net QIB Portion shall be available for allocation on a proportionate basis to Mutual Funds only, subject to valid Bids being received at or above the Offer Price, and the remainder of the Net QIB Portion shall be available for allocation on a proportionate basis to all QIBs, including Mutual Funds, subject to valid Bids being received at or above the Offer Price. Further, up to 51,000 Equity Shares aggregating to ₹ [●] Lakhs will be available for allocation to Eligible Employees, subject to valid Bids being received at or above the Offer Price. Further, not less than 15% of the Net Offer shall be available for allocation to Non-Institutional Investors ("**Non-Institutional Category**") of which (i) one-third of the Non-Institutional Category shall be available for allocation to Bidders with an application size of more than ₹2,00,000 and up to ₹ 10,00,000 and (ii) two-thirds of the Non-Institutional Category shall be available for allocation to Bidders with an application size of more than ₹ 10,00,000 and under-subscription in either of these two sub-categories of the Non-Institutional Category may be allocated to Bidders in the other sub-category of the Non-Institutional Category in accordance with the SEBI ICDR Regulations, subject to valid Bids being received at or above the Offer Price. Further, not less than 35% of the Net Offer shall be available for allocation to Retail Individual Investors ("**Retail Category**"), in accordance with the SEBI ICDR Regulations, subject to valid Bids being received from them at or above the Offer Price. All Bidders (except Anchor Investors) shall mandatorily participate in this Offer only through the Application Supported by Blocked Amount ("**ASBA**") process and shall provide details of their respective bank account (including UPI ID (defined hereinafter) in case of UPI Bidders (defined hereinafter)) in which the Bid Amount will be blocked by the Self Certified Syndicate Banks ("**SCSBs**") or under the UPI Mechanism, as the case may be. Anchor Investors are not permitted to participate in the Anchor Investor Portion through the ASBA process. Further, Equity Shares will be allocated on a proportionate basis to Eligible Employees applying under the Employee Reservation Portion, subject to valid Bids received from them at or above the Offer Price. For details, please see *"**Offer Procedure**"* on page 462.

RISKS IN RELATION TO THE FIRST OFFER

This being the first public offer of Equity Shares of our Company, there has been no formal market for the Equity Shares of our Company. The face value of the Equity Shares is ₹ 10. The Offer Price, Floor Price and Cap Price (determined by our Company, in consultation with the Book Running Lead Manager in accordance with the SEBI ICDR Regulations), and 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 Offer Price***" on page 129) should not be taken to be indicative of the market price of the Equity Shares after such Equity Shares are listed. No assurance can be given regarding an active or sustained trading in the Equity Shares of our Company nor regarding the price at which the Equity Shares will be traded after listing.

GENERAL RISK

Investments in equity and equity-related securities involve a degree of risk and investors should not invest any funds in the Offer unless they can afford to take the risk of losing their investment. Investors are advised to read the risk factors carefully before taking an investment decision in the Offer. For taking an investment decision, investors must rely on their own examination of our Company and the Offer, including the risks involved. The Equity Shares in the Offer 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 contents of this Draft Red Herring Prospectus. Specific attention of the investors is invited to *"**Risk Factors**"* on page 35.

COMPANY'S AND PROMOTER SELLING SHAREHOLDERS' ABSOLUTE RESPONSIBILITY

Our Company, having made all reasonable inquiries, accepts responsibility for and confirms that this Draft Red Herring Prospectus contains all information with regard to our Company and the Offer, which is material in the context of the Offer, that the information contained in this Draft Red Herring Prospectus is true and correct in all material aspects and is not misleading in any material respect, that opinions and intentions expressed herein are honestly held and that there are no other facts, the omission of which makes this Draft Red Herring Prospectus as a whole or any of such information or the expression of any such opinions or intentions misleading in any material respect. Each of the Promoter Selling Shareholders, severally and not jointly, accepts responsibility for and confirms only the statements made by it in this Draft Red Herring Prospectus to the extent of information specifically pertaining to it, and its respective portion of Offered Shares and assumes responsibility that such statements are true and correct in all material respects and not misleading in any material respect. Each of the Promoter Selling Shareholders assumes no responsibility for any other statement in this Draft Red Herring Prospectus including, *inter alia*, any of the statements made by the Company or our Company's

business.	
LISTING	
The Equity Shares offered through the Red Herring Prospectus are proposed to be listed on the Stock Exchanges. Our Company has received 'in-principle' approvals from BSE and NSE for the listing of the Equity Shares pursuant to their letters dated [●] and [●], respectively. For the purposes of the Offer, [●] shall be the Designated Stock Exchange. A signed copy of the Red Herring Prospectus and the Prospectus shall be filed with the RoC in accordance with sections 26(4) and 32 of the Companies Act, 2013. For details of material contracts and documents available for inspection from the date of the Red Herring Prospectus until the Bid/ Offer Closing Date, please see *"**Material Contracts and Documents for Inspection**"* on page 534.	
BOOK RUNNING LEAD MANAGER (BRLM)	**REGISTRAR TO THE OFFER**
Fedex Securities Private Limited **Address:** B7, 3rd Floor, Jay Chambers, Dayaldas Road, Vile Parle (East), Mumbai- 400057, Maharashtra, India **Telephone:** +91 8104985249; **Email:** mb@fedsec.in **Contact person:** Saipan Sanghvi **Website:** www.fedsec.in **SEBI Registration No.:** INM000010163	**Bigshare Services Private Limited** **Address:** Office No S6-2, 6th Floor, Pinnacle Business Park, Next to Ahura Centre, Mahakali Caves Road, Andheri (East), Mumbai- 400093, Maharashtra, India **Telephone:** 022-62638200 **Email:** ipo@bigshareonline.com **Investor Grievance email:** investor@bigshareonline.com **Contact person:** Babu Rapheal **Website:** www.bigshareonline.com **SEBI Registration No.:** INR000001385
BID / OFFER PROGRAMME	
ANCHOR INVESTOR BIDDING DATE	**[●]**(1)
BID/ OFFER OPENS ON	**[●]** (1)
BID/ OFFER CLOSES ON	**[●]**(2) (3)

** Subject to the finalisation of the allotment*

1. *Our Company, in consultation with the BRLM, may consider participation by Anchor Investors in accordance with the SEBI ICDR Regulations. The Anchor Investor Bid/ Offer Period shall be one Working Day prior to the Bid / Offer Opening Date.*
2. *Our Company, in consultation with the BRLM, may consider closing the Bid/ Offer Period for QIBs one Working Day prior to the Bid/ Offer Closing Date, in accordance with the SEBI ICDR Regulations.*
3. *UPI mandate end time and date shall be at 5:00 pm on the Bid/Offer Closing Date*

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TABLE OF CONTENTS

SECTION I- GENERAL
DEFINITIONS AND ABBREVIATIONS

This Draft Red Herring Prospectus uses certain definitions and abbreviations which, unless the context otherwise indicates or implies, or unless otherwise specified, shall have the meaning as provided below. References to any legislation, act, regulation, rules, guidelines, policy, circular, direction, notification or clarification shall be to such legislation, act, regulation, rules, guidelines, policy, circular, direction, notification or clarification as amended 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 but not defined herein in this Draft Red Herring Prospectus, shall have, to the extent applicable, the meanings ascribed to such terms under the Companies Act, the SEBI ICDR Regulations, the SCRA, the Depositories Act or the rules and regulations made thereunder.

*Notwithstanding the foregoing, terms used/ defined in "**Industry Overview**", "**Key Regulations and Policies in India**", "**Statement of Tax Benefits**", "**Financial Information**", "**Basis for Offer Price**", "**Outstanding Litigation and Material Developments**", "**Government and Other Statutory Approvals**", "**Offer Procedure**", "**Restriction on Foreign Ownership of Indian Securities**" and "**Description of Equity Shares and Terms of the Articles of Association**" on pages 150, 336, 144, 376, 129, 414, 425, 462, 489 and 491 shall have the meaning ascribed to such terms in those respective sections.*

General Terms

Term	Description
The Company / Our Company / The Issuer	Patel Retail Limited, a company incorporated under the Companies Act, 1956 and having its registered office at Plot No. M-2, Anand Nagar, Additional MIDC, Ambernath (East)- 421506, Maharashtra, India
"we", "us" or "our"	Unless the context otherwise indicates or implies, refers to our Company

Company Related Terms

Term	Description
AoA / Articles / Articles of Association	The articles of association of our Company, as amended from time to time
Attrition Rate	Attrition Rate has been calculated as the number of employees who have resigned during the period, divided by the number of employees existing as of the beginning of the period and the numbers of employees who have joined during the period
Audit Committee	The audit committee of our Board constituted in accordance with the Companies Act and the SEBI Listing Regulations, and as described in *"**Our Management- Board Committees- Audit Committee**"* on page 357.
Auditors / Statutory Auditors / Statutory Auditor/ Current Statutory Auditor	The current statutory auditors of our Company, namely Kanu Doshi Associates LLP, Chartered Accountants
Board / Board of Directors	The board of directors of our Company or any duly constituted committee thereof. For further details, please see *"**Our Management- Board of Directors**"* on page 347.
Chairman and Managing Director	The chairman and managing director of our Company, namely Dhanji Raghavji Patel. For further details, please see *"**Our Management- Board of Directors**"* on page 347.
Chief Executive Officer/ CEO	The chief executive officer of our Company, namely Rahul Dhanji Patel. For further details, please see *"**Our Management- Key Managerial**

	***Personnel of our Company*"** on page 364.
Chief Financial Officer/ CFO	The chief financial officer of our Company, namely Manish Rambabu Agarwal. For further details, please see ***"Our Management- Key Managerial Personnel of our Company"*** on page 364.
Committee(s)	Duly constituted committee(s) of our Board of Directors
Companies Act / Act	Companies Act, 2013, as amended from time to time
Company Secretary and Compliance Officer	The company secretary and compliance officer of our Company, namely Deepesh Sanjay Somani. For further details, please see ***"Our Management- Key Managerial Personnel of our Company"*** on page 364.
Corporate Social Responsibility Committee / CSR Committee	The corporate social responsibility committee of our Board constituted in accordance with the Companies Act, and as described in ***"Our Management- Board Committees- Corporate Social Responsibility Committee"*** on page 360.
D&B / Dun & Bradstreet	Dun & Bradstreet Information Services Private Limited
D&B Report / Dun & Bradstreet Report / Industry Report	Industry report titled *'Industry Report on Food & Grocery Retailing and Food Processing'*, dated March 27, 2024, which is exclusively prepared for the purpose of the Offer and issued by D&B and is commissioned and paid for by our Company. D&B was appointed pursuant to an engagement letter dated on February 12, 2024. Further, D&B pursuant to their consent letter dated March 27, 2024 has accorded its no objection and consent to use the D&B Report in connection with the Offer. The D&B Report will be available on our Company's website at https://patelrpl.in/.
Directors	The directors on the Board of our Company, as appointed from time to time. For further details, please see ***"Our Management- Board of Directors"*** on page 347.
Equity Shares	Equity shares of our Company of face value of ₹10/- each
Executive Director(s)	The executive directors of our Company namely, Dhanji Raghavji Patel and Bechar Raghavji Patel. For further details, please see ***"Our Management- Board of Directors"*** on page 347.
Group Company	The company identified as 'group companies' in accordance with regulation 2(1)(t) of the SEBI ICDR Regulations. For further details, please see ***"Our Group Companies"*** on page 431.
Independent Directors	The independent directors of our Company namely, Yashwant Suresh Bhojwani, Nitin Pandurang Patil and Harshini Vikas Jadhav. For further details, please see ***"Our Management- Board of Directors"*** on page 347.
IPO Committee	The IPO committee of our Board constituted to facilitate the process of the Offer. For further details, please see ***"Our Management- Board Committees- IPO Committee"*** on page 361.
ISIN	International Securities Identification Number, being INE0R8B01010
Key Managerial Personnel/ KMP	Key managerial personnel of our Company, in accordance with regulation 2(1)(bb) of the SEBI ICDR Regulations and section 2(51) of the Companies Act, and as disclosed in ***"Our Management- Key Managerial Personnel of our Company"*** on page 364
Materiality Policy	The policy adopted by our Board pursuant to its resolution dated December 30, 2023 for identification of (a) group companies; (b) material outstanding litigation proceedings; and (c) material creditors, in accordance with the disclosure requirements under the SEBI ICDR Regulations for the purpose of disclosure in this Draft Red Herring Prospectus, the Red Herring Prospectus and the Prospectus.
Memorandum of Association/ MoA	The memorandum of association of our Company, as amended from time to time
Nomination and Remuneration Committee	The nomination and remuneration committee of our Board, constituted in accordance with the Companies Act and the SEBI Listing Regulations,

	and as described in ***"Our Management- Board Committees- Nomination and Remuneration Committee"*** on page 358.
Non-Executive Director	The non-executive director of our Company, namely Hiren Bechar Patel. For further details, please see ***"Our Management- Board of Directors"*** on page 347.
Promoters	The promoters of our Company, namely Dhanji Raghavji Patel and Bechar Raghavji Patel. For further details, please see ***"Our Promoters and Promoter Group"*** on page 367.
Promoter Group	The persons and entities constituting the promoter group of our Company in terms of Regulation 2(1)(pp) of the SEBI ICDR Regulations, as disclosed in ***"Our Promoters and Promoter Group"*** on page 367.
Promoter Selling Shareholders / Selling Shareholders	Dhanji Raghavji Patel and Bechar Raghavji Patel
Registered Office	The registered office of our Company located at Plot No. M-2, Anand Nagar, Additional MIDC, Ambernath (East)- 421506, Maharashtra, India
Registrar of Companies / RoC	The Registrar of Companies, Maharashtra at Mumbai
Restated Financial Information / Restated Financial Statements	Our restated statement of assets and liabilities as at September 30, 2023, and for the Financial Years ended March 31, 2023, March 31, 2022 and March 31, 2021 and the restated statement of profit and loss (including other comprehensive income), restated cash flow statement and restated statement for changes in equity for the six months period ended September 30, 2023 and for the Financial Years ended March, 31, 2023, March, 31, 2022 and March 31, 2021 of our Company together with the summary statement of significant accounting policies, and other explanatory information thereon, prepared in accordance with the SEBI ICDR Regulations, Section 26 of Part I of Chapter III of the Companies Act, 2013 and the Guidance Note on "Reports in Company Prospectuses (Revised 2019)" issued by ICAI , as amended
Risk Management Committee	The risk management committee of our Board constituted in accordance with the SEBI Listing Regulations. For further details, please see ***"Our Management- Board Committees- Risk Management Committee"*** on page 360.
Shareholders	The holders of Equity Shares from time to time
SEBI ICDR Regulations	The Securities and Exchange Board of India (Issue of Capital and Disclosure Requirements) Regulations, 2018 (as amended from time to time)
SEBI Listing Regulations	The Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015 (as amended from time to time)
SMP/ Senior Management Personnel / Senior Management	The senior management personnel of our Company, namely in accordance with regulation 2(1)(bbbb) of the SEBI ICDR Regulations and as disclosed in ***"Our Management- Senior Management Personnel of our Company"*** on page 364.
Stakeholders Relationship Committee	The stakeholders relationship committee of our Board constituted in accordance with the Companies Act and SEBI Listing Regulations, as described in ***"Our Management- Board Committees- Stakeholders Relationship Committee"*** on page 359
Whole-time Director	The whole-time director of our Company, namely Bechar Raghavji Patel. For further details, please see ***"Our Management- Board of Directors"*** on page 347.

Offer Related Terms

Term	Description
Abridged Prospectus	The 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 a Designated Intermediary(ies) to a Bidder as proof of registration of the Bid cum Application Form.
Allot/ Allotment/ Allotted	Unless the context otherwise requires, the allotment of the Equity Shares pursuant to the Fresh Issue and transfer of the Offered Shares pursuant to the Offer for Sale to the successful Bidders.
Allotment Advice	A note or advice or intimation of Allotment, sent to the Bidders who have been Allotted 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 ₹1000 Lakhs.
Anchor Investor Allocation Price	The price at which Equity Shares will be allocated to Anchor Investors at the end of the Anchor Investor Bid/ Offer Period in terms of the Red Herring Prospectus and the Prospectus, which will be decided by our Company and in consultation with the BRLM, in compliance with the SEBI ICDR Regulations.
Anchor Investor Application Form	The 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 the Prospectus.
Anchor Investor Bidding Date	The date, one Working Day prior to the Bid/ Offer Opening Date, on which Bids by Anchor Investors shall be submitted, prior to and after which BRLM will not accept any Bids from Anchor Investors, and allocation to Anchor Investors shall be completed.
Anchor Investor Offer Price	The final price at which the Equity Shares will be issued and Allotted to Anchor Investors in terms of the Red Herring Prospectus and the Prospectus, which price will be equal to or higher than the Offer Price but not higher than the Cap Price. The Anchor Investor Offer Price will be decided by our Company, in consultation with the BRLM and in accordance with applicable law.
Anchor Investor Pay-in Date	With respect to Anchor Investor(s), it shall be the Anchor Investor Bidding Date, and in the event the Anchor Investor Allocation Price is lower than the Offer Price, not later than two Working Days after the Bid/ Offer Closing Date.
Anchor Investor Portion	Up to 60% of the QIB Category/ Portion which may be allocated by our Company in consultation with the BRLM, to Anchor Investors, on a discretionary basis, in accordance with the SEBI ICDR Regulations. One-third of the Anchor Investor Portion shall be reserved for domestic Mutual Funds, subject to valid Bids being received from domestic Mutual Funds at or above the price at which the allocation is being done to Anchor Investors.
ASBA or Application Supported by Blocked Amount	An application, whether physical or electronic, used by ASBA Bidders, other than Anchor Investors, to make a Bid and authorising an SCSB to block the Bid Amount in the specified bank account maintained with the SCSB and will include amounts blocked by RIBs using the UPI Mechanism.
ASBA Account	Account maintained with an SCSB which may be blocked by such SCSB or the account of the RII Bidder blocked upon acceptance of the UPI Mandate Request by RIBs using the UPI Mechanism to the extent of the Bid Amount of the Bidder.
ASBA Bidders	All Bidders except Anchor Investors.
ASBA Form	An application form, whether physical or electronic, used by ASBA Bidders to submit Bids, which will be considered as the application for Allotment in terms of the Red Herring Prospectus and the Prospectus.

Bankers to the Offer	Collectively, the Escrow Collection Bank(s), the Refund Bank(s), the Public Offer Account Bank(s) and the Sponsor Bank(s).
Basis of Allotment	The basis on which Equity Shares will be Allotted to successful Bidders under the Offer, described in *"**Offer Procedure**"* on page 462.
Bid(s)	An indication to make an offer during the Bid/ Offer Period by an ASBA Bidder pursuant to submission of the ASBA Form, or during the Anchor Investor Bidding Date by an Anchor Investor, pursuant to the submission of the Anchor Investor Application Form, to subscribe to or purchase Equity Shares at a price within the Price Band, including all revisions and modifications thereto, to the extent permissible under the SEBI ICDR Regulations, 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 payable by the Bidder or blocked in the ASBA Account of the ASBA Bidder, as the case may be, upon submission of the Bid. RIBs can apply at the Cut-off Price and the Bid amount shall be Cap Price, multiplied by the number of Equity Shares Bid for by such RIIs mentioned in the Bid cum Application Form. However, Eligible Employees applying the Employee Reservation Portion can apply at the Cut-off Price and the Bid Amount shall be the Cap Price net of Employee Discount, if any, multiplied by the number of Equity Shares Bid for by such Eligible Employee and mentioned in the Bid cum Application Form. The maximum Bid Amount under the Employee Reservation Portion by an Eligible Employee shall not exceed ₹5,00,000 (net of Employee Discount, if any). However, the initial Allotment to an Eligible Employee in the Employee Reservation Portion shall not exceed ₹2,00,000 (net of employee discount, if any). Only in the event of undersubscription in the Employee Reservation Portion, the unsubscribed portion will be available for allocation and Allotment, proportionately to all Eligible Employees who have Bid in excess of ₹2,00,000 (net of employee discount, if any) subject to the maximum value of Allotment made to such Eligible Employee not exceeding ₹5,00,000 (net of Employee Discount, if any).
Bid cum Application Form	The Anchor Investor Application Form or the ASBA Form, as the context requires.
Bid Lot	[●] Equity Shares and in multiples of [●] Equity Shares thereafter.
Bid / Offer Closing Date	Except in relation to any Bids received from the Anchor Investors, the date after which the Designated Intermediaries will not accept any Bids, being [●], which shall be published in [●] editions of [●] (a widely circulated English national daily newspaper), [●] editions of [●] (a widely circulated Hindi national daily newspaper) and [●] editions of [●] (a widely circulated Marathi daily newspaper, Marathi being the regional language of Maharashtra, where our Registered Office is located). In case of any revisions, the extended Bid/ Offer Closing Date shall be widely disseminated by notification to the Stock Exchanges by issuing a press release and shall also be notified on the websites of the BRLM and at the terminals of the Syndicate Members and by intimation to the Designated Intermediaries and Sponsor Bank(s), which shall also be notified in an advertisement in the same newspapers in which the Bid/ Offer Opening Date will be published, as required under the SEBI ICDR Regulations. Our Company, in consultation with the BRLM, may consider closing the Bid/ Offer Period for QIBs one Working Day prior to the Bid/ Offer Closing Date, in accordance with the SEBI ICDR Regulations.

Bid/ Offer Opening Date	Except in relation to any Bids received from the Anchor Investors, the date on which the Designated Intermediaries shall start accepting Bids for the Offer, which shall be notified in [●] editions of [●] (a widely circulated English national daily newspaper), [●] editions of [●] (a widely circulated Hindi national daily newspaper) and [●] editions of [●] (a widely circulated Marathi daily newspaper, Marathi being the regional language of Maharashtra, where our Registered Office is located).
Bid/ Offer Period	Except in relation to Anchor Investors, the period between the Bid/ Offer Opening Date and the Bid/ Offer Closing Date, inclusive of both days, during which prospective Bidders (excluding Anchor Investors) can submit their Bids, including any revisions thereof, in accordance with the SEBI ICDR Regulations and the terms of the Red Herring Prospectus. Provided that the Bidding shall be kept open for a minimum of three Working Days for all categories of Bidders, other than Anchor Investors. Our Company may, in consultation with the BRLM, consider closing the Bid/ Offer Period for the QIB Portion one Working Day prior to the Bid/ Offer Closing Date in accordance with the SEBI ICDR Regulations.
Bidder/ Applicant	Any prospective investor who makes a Bid pursuant to the terms of the Red Herring Prospectus and the Bid cum Application Form and unless otherwise stated or implied, includes an ASBA Bidder and an Anchor Investor.
Bidding Centres	Centres at which the Designated Intermediaries shall accept the ASBA Forms i.e., Designated SCSB Branches for SCSBs, Specified Locations for Syndicate, Broker Centres for Registered Brokers, Designated RTA Locations for RTAs and Designated CDP Locations for CDPs.
Book Building Process	The book building process, as provided in Schedule XIII of the SEBI ICDR Regulations, in terms of which the Offer is being made.
Book Running Lead Manager / BRLM	The book running lead manager to the Offer being Fedex Securities Private Limited.
Broker Centres	Broker centres notified by the Stock Exchanges where ASBA Bidders can submit the ASBA Forms to a Registered Broker. The details of such Broker Centres, along with the names and contact details of the Registered Brokers are available on the respective websites of the Stock Exchanges (www.bseindia.com and www.nseindia.com) and updated from time to time.
CAN / Confirmation of Allocation Note	The note, advice or intimation of allocation of the Equity Shares sent to Anchor Investors, who have been allocated the Equity Shares, on or after the Anchor Investor Bidding Date.
Cap Price	The higher end of the Price Band i.e., ₹ [●] per Equity Share, subject to any revisions thereof, above which the Offer Price and Anchor Investor Offer Price will not be finalised and above which no Bids will be accepted. The Cap Price shall not be more than 120% of the Floor Price, provided that the Cap Price shall be atleast 105% of the Floor Price.
Cash Escrow and Sponsor Bank Agreement	The agreement to be entered into by our Company, the Promoter Selling Shareholders, the Registrar to the Offer, the BRLM, the Syndicate Members and the Banker(s) to the Offer, for among other things, collection of Bid Amounts from Anchor Investors, and where applicable, remitting refunds of the amounts collected, to the Anchor Investors, on the terms and conditions thereof.
CDP / Collecting Depository Participant	A depository participant as defined under the Depositories Act, 1996, registered with SEBI and who is eligible to procure Bids at the Designated CDP Locations in terms of circular no. CIR/CFD/POLICYCELL/11/2015 dated November 10, 2015, issued by SEBI and the UPI Circulars issued by SEBI as per the lists available on the websites of the BSE and the NSE, as updated from time to time.
Client ID	Client identification number maintained with one of the Depositories in

	relation to the demat account.
Cut-Off Price	Offer Price, finalised by our Company in consultation with the BRLM, which can be any price within the Price Band (inclusive of the Floor Price and Cap Price). Only RIIs and Employees are entitled to Bid at the Cut-off Price. QIBs (including Anchor Investors) and Non-Institutional Investors are not entitled to Bid at the Cut-off Price.
Demographic Details	The details of the Bidders including the Bidder's address, name of the Bidder's father/ husband, investor status, occupation, bank account details and UPI ID, as applicable.
Designated CDP Locations	Such locations of the CDPs where Bidders can submit the ASBA Forms. The details of such Designated CDP Locations, along with names and contact details of the Collecting Depository Participants eligible to accept ASBA Forms are available on the respective websites of the Stock Exchanges (www.bseindia.com and www.nseindia.com), as updated from time to time.
Designated Date	The date on which the Escrow Collection Bank(s) transfer funds from the Escrow Account to the Public Offer Account or the Refund Account, as the case may be, and/ or the instructions are issued to the SCSBs (in case of UPI Bidders, instruction issued through Sponsor Banks) for the transfer of amounts blocked by the SCSBs in the ASBA Accounts to the Public Offer Account, in terms of the Red Herring Prospectus and the Prospectus, after finalization of the Basis of Allotment in consultation with the Designated Stock Exchange, following which the Equity Shares will be Allotted in the Offer
Designated Intermediary(ies)	Collectively, syndicate members, sub-syndicate/ agents, SCSBs (other than in relation to UPI Bidders), Registered Brokers, Brokers, CDPs and RTAs, who are authorised to collect the Bid cum Application Forms from the Bidders, in relation to the Offer. In relation to ASBA Forms submitted by RIIs (not using the UPI Mechanism) by authorising a SCSB to block the Bid Amount in the ASBA Account, Designated Intermediaries shall mean SCSBs. In relation to ASBA Forms submitted by UPI Bidders where the Bid Amount will be blocked upon acceptance of UPI Mandate Request by such UPI Bidder using the UPI Mechanism, Designated Intermediaries shall mean Syndicate, sub-Syndicate/agents, Registered Brokers, CDPs, and RTAs. In relation to ASBA Forms submitted by QIBs and Non-Institutional Investors (not using the UPI Mechanism), Designated Intermediaries shall mean Syndicate, sub-Syndicate/ agents, SCSBs, Registered Brokers, CDPs and RTAs.
Designated RTA Locations	Such locations of the RTAs where ASBA Bidders can submit the ASBA Forms to RTAs. The details of such Designated RTA Locations, along with names and contact details of the RTAs eligible to accept ASBA Forms are available on the respective websites of the Stock Exchanges (www.bseindia.com and www.nseindia.com), as updated from time to time.
Designated SCSB Branches	Such branches of the SCSBs, which shall collect the ASBA Forms used by the Bidders, a list of which is available on the website of SEBI at http://www.sebi.gov.in/sebiweb/other/OtherAction.do?doRecognisedFpi=yes&intmId=35, updated from time to time, or at such other websites as may be prescribed by SEBI from time to time.

Designated Stock Exchange	[●]
Draft Red Herring Prospectus or DRHP	This draft red herring prospectus dated March 29, 2024 filed with SEBI and the Stock Exchanges, which does not contain complete particulars of the price at which the Equity Shares will be Allotted and the size of the Offer, including any addenda or corrigenda thereto
Eligible Employee(s)/ Employee(s)	Employees of our Company, as defined under the SEBI ICDR Regulations
Eligible FPIs	FPIs from such jurisdictions outside India where it is not unlawful to make an offer/ invitation under the Offer and in relation to whom the Bid cum Application Form and the Red Herring Prospectus constitutes an invitation to purchase the Equity Shares offered thereby
Eligible NRIs	NRI(s) from jurisdictions outside India where it is not unlawful to make an offer or invitation under the Offer and in relation to whom the Bid Cum Application Form and the Red Herring Prospectus will constitute an invitation to purchase the Equity Shares
Employee Discount	Our Company in consultation with the BRLM, may offer a discount of up to [●]% to the Offer Price (equivalent of ₹ [●] per Equity Share) to Eligible Employees Bidding in the Employee Reservation Portion and which shall be announced at least two Working Days prior to the Bid/ Offer Opening Date
Employees Reserved Portion / Employees Reservation Portion	Equity Shares reserved for Eligible Employees The portion of the Offer being up to 51,000 Equity Shares (comprising of [●]% of our post-Offer Equity Share capital), aggregating up to ₹[●] Lakhs available for allocation to Eligible Employees, on a proportionate basis. Such portion shall not exceed 5% of the post-Offer Equity Share capital of our Company.
Escrow Account(s)	Account(s) to be opened with the Escrow Collection Bank(s) and in whose favour Anchor Investors will transfer the money through direct credit/ NEFT/ RTGS/ NACH in respect of the Bid Amounts while submitting a Bid
Escrow Collection Bank(s)	The bank(s) which are clearing members and registered with SEBI as banker to an issue and with whom the Escrow Account(s) in relation to the Offer for Bids by Anchor Investors will be opened, in this case being [●]
First or Sole Bidder	The Bidder whose name appears first in the Bid cum Application Form or the Revision Form and in case of join Bids, whose name shall also appear as the first holder of the beneficiary account held in joint names
Floor Price	The lower end of the Price Band i.e., ₹ [●] per Equity Share, subject to any revision(s) thereto, not being less than the face value of the Equity Shares at or above which the Offer Price and the Anchor Investor Offer Price will be finalised and below which no Bids will be accepted
Fraudulent Borrower	Fraudulent borrower as defined under Regulation 2(1)(lll) of the SEBI ICDR Regulations
Fresh Issue	The fresh issue component of the Offer by our Company comprising of an issuance of up to 90,18,000 Equity Shares, of face value ₹10 each, for cash, at a price of ₹ [●] per Equity Share (including a premium of ₹ [●] per Equity Share), aggregating up to ₹ [●] Lakhs. Our Company, in consultation with the BRLM, may consider undertaking a further issue of Equity Shares of the Company, as may be permissible through a preferential issue, private placement, right issue or any other method as may be permitted in accordance with applicable law to any person(s), of up to 5,00,000 Equity Shares, aggregating up to ₹ [●] Lakhs, between the date of this Draft Red Herring Prospectus till the filing of the Red Herring Prospectus with the RoC, subject to appropriate approvals ("**Pre-IPO Placement**"). The

	Pre-IPO Placement, if undertaken, will be at a price to be decided by our Company in consultation with the BRLM, and the Pre-IPO Placement will be completed prior to filing of the Red Herring Prospectus with the RoC. If the Pre-IPO Placement is undertaken, the amount raised from the Pre-IPO Placement will be reduced from the Fresh Issue, subject to compliance with Rule 19(2)(b) of the SCRR, 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 Information Document/ GID	The General Information Document for Investing in Public Offers prepared and issued in accordance with the SEBI Circular No: SEBI/HO/CFD/DIL1/CIR/P/2020/37 dated March 17, 2020 and the SEBI Circular No: SEBI/HO/CFD/DIL2/CIR/P/2020/50 dated March 30, 2020, and the UPI Circulars, as amended from time to time. The General Information Document shall be available on the websites of the Stock Exchanges and the BRLM.
Gross Proceeds	The Offer Proceeds, less the amount to be raised with respect to the Offer for Sale
IPO	Initial public offering
Independent Chartered Engineer	V N Talithaya, Chartered Engineer bearing membership number M-022602-5
Mobile App(s)	The mobile applications listed on the website of SEBI at https://www.sebi.gov.in/sebiweb/other/OtherAction.do?doRecognisedFpi=yes&intmId=43 or such other website as may be updated from time to time, which may be used by UPI Bidders to submit Bids using the UPI Mechanism
Monitoring Agency	[●]
Monitoring Agency Agreement	The agreement to be entered into by our Company and the Monitoring Agency prior to filing the Red Herring Prospectus
Mutual Funds	Mutual funds registered with SEBI under the Securities and Exchange Board of India (Mutual Funds) Regulations, 1996
Mutual Fund Portion	The portion of the Offer being 5% of the Net QIB Portion or [●] Equity Shares, which shall be available for allocation to Mutual Funds only, on a proportionate basis, subject to valid Bids being received at or above the Offer Price
NBFC-SI	A systemically important non-banking financial company as defined under regulation 2(1)(iii) of the SEBI ICDR Regulations
Net Offer	The Offer less Employee Reservation Portion
Net Proceeds	The Gross Proceeds less Offer-related expenses applicable to the Fresh Issue. For further details, please see *"**Objects of the Offer**"* on page 114
Net QIB Portion	The portion of the QIB Portion less the number of Equity Shares Allotted to the Anchor Investors
Non-Institutional Investors / NIIs / Non-Institutional Bidders / NIBs	All Bidders, that are not QIBs or RIBs and who have Bid for Equity Shares for an amount more than ₹2,00,000 (but not including NRIs other than Eligible NRIs)
Non-Institutional Category / Non-Institutional Portion	The portion of the Offer being not less than 15% of the Net Offer consisting of [●] Equity Shares, which shall be available for allocation to Non-Institutional Bidders (subject to valid Bids being received at or above the Offer Price), of which one-third shall be available for allocation to Bidders with an application size of more than ₹2,00,000 and up to ₹10,00,000 and two-thirds shall be available for allocation to Bidders with an application size of more than ₹10,00,000, provided that the unsubscribed portion in either of such sub-categories may be allocated to applicants in the other sub-category of Non-Institutional Bidders subject to valid Bids being received at or above the Offer Price.
NR / Non-Resident	A person resident outside India, as defined under FEMA and includes Eligible NRIs, FVCIs and FPIs registered with SEBI

Peer reviewed Auditor	Kanu Doshi Associates LLP, being the Peer Reviewed Auditor of our Company
Offer	The initial public offering of up to 1,00,20,000 Equity Shares, of face value of ₹10 each, for cash at a price of ₹ [●] per Equity Share (including a premium of ₹ [●] per Equity Share), aggregating up to ₹[●] Lakhs, consisting of a Fresh Issue of up to 90,18,000 Equity Shares, aggregating up to ₹ [●] Lakhs by our Company and an Offer for Sale of up to 10,02,000 Equity Shares, aggregating up to ₹ [●] Lakhs, by the Promoter Selling Shareholders. For further details, please see *"**The Offer**"* on page 82. Our Company, in consultation with the BRLM, may consider undertaking a further issue of Equity Shares of the Company, as may be permissible through a preferential issue, private placement, right issue or any other method as may be permitted in accordance with applicable law to any person(s), of up to 5,00,000 Equity Shares, aggregating up to ₹ [●] Lakhs, between the date of this Draft Red Herring Prospectus till the filing of the Red Herring Prospectus with the RoC, subject to appropriate approvals ("**Pre-IPO Placement**"). The Pre-IPO Placement, if undertaken, will be at a price to be decided by our Company in consultation with the BRLM, and the Pre-IPO Placement will be completed prior to filing of the Red Herring Prospectus with the RoC. If the Pre-IPO Placement is undertaken, the amount raised from the Pre-IPO Placement will be reduced from the Fresh Issue, subject to compliance with Rule 19(2)(b) of the SCRR, as amended.
Offer Agreement	The agreement dated March 26, 2024 amongst our Company, the Promoter Selling Shareholders and the BRLM, pursuant to the SEBI ICDR Regulations, based on which certain arrangements are agreed to in relation to the Offer.
Offer for Sale	The offer for sale of up to 10,02,000 Equity Shares aggregating up to ₹ [●] Lakhs, by the Promoter Selling Shareholders
Offer Price	₹ [●] per Equity Share, being the final price less discount (if applicable), at which the Equity Shares may be Allotted to Bidders other than Anchor Investors, in terms of the Red Herring Prospectus and Prospectus. Equity Shares will be Allotted to Anchor Investors at the Anchor Investor Offer Price, in terms of the Red Herring Prospectus. The Offer Price will be decided by our Company, in consultation with the BRLM, in accordance with the Book Building Process on the Pricing Date and in terms of the Red Herring Prospectus. A discount of up to [●] % on the Offer Price (equivalent of ₹ [●] per Equity Share) may be offered to Eligible Employees bidding in the Employee Reservation Portion. This Employee Discount, if any, will be decided by our Company in consultation with the Book Running Lead Manager. Allotment to Eligible Employees Bidding under the Employee Reservation Portion shall be at the Offer Price net of Employee Discount, if any.
Offered Shares	The Equity Shares as part of Offer for Sale being offered by the Promoter Selling Shareholders comprising an aggregate of up to 10,02,000 Equity Shares, aggregating up to ₹ [●] Lakhs
Offer Proceeds	The proceeds of the Fresh Issue which shall be available to our Company and the proceeds of the Offer for Sale which shall be available to the Promoter Selling Shareholders. For further information about use of the Offer Proceeds, please see *"**Objects of the Offer**"* on page 114.
Pre-IPO Placement	Our Company, in consultation with the BRLM, may consider undertaking a further issue of Equity Shares of the Company, as may be permissible through a preferential issue, private placement, right issue or any other method as may be permitted in accordance with applicable law to any person(s), of up to 5,00,000 Equity Shares, aggregating up to ₹ [●] Lakhs, between the date of this Draft Red Herring Prospectus till the filing of the Red Herring Prospectus

	with the RoC, subject to appropriate approvals ("**Pre-IPO Placement**"). The Pre-IPO Placement, if undertaken, will be at a price to be decided by our Company in consultation with the BRLM, and the Pre-IPO Placement will be completed prior to filing of the Red Herring Prospectus with the RoC. If the Pre-IPO Placement is undertaken, the amount raised from the Pre-IPO Placement will be reduced from the Fresh Issue, subject to compliance with Rule 19(2)(b) of the SCRR, as amended.
Price Band	The price band ranging from a minimum price of ₹ [●] per Equity Share (Floor Price) to the maximum price of ₹ [●] per Equity Share (Cap Price), including any revisions thereof. The Price Band and minimum Bid Lot, will be decided by our Company, in compliance with the SEBI ICDR Regulations, and will be advertised in all editions of [●] (a widely circulated English national daily newspaper), [●] editions of [●] (a widely circulated Hindi national daily newspaper) and [●] editions of [●] (a widely circulated Marathi daily newspaper, Marathi being the regional language of Maharashtra, where our Registered Office is located), at least two Working Days prior to the Bid/ Offer Opening Date, with the relevant financial ratios calculated at the Floor Price and at the Cap Price, and shall be made available to the Stock Exchanges for the purpose of uploading on their respective websites.
Pricing Date	The date on which our Company, in consultation with the BRLM will finalise the Offer Price, in compliance with the SEBI ICDR Regulations.
Prospectus	The Prospectus to be filed with the RoC after the Pricing Date in accordance with section 26 of the Companies Act, 2013, containing the Offer Price, the size of the Offer and certain other information, including any addenda or corrigenda thereto.
Public Offer Account(s)	The no-lien and non-interest bearing bank account to be opened with the Public Offer Account Bank(s), under section 40(3) of the Companies Act, 2013, to receive monies from the Escrow Account(s) and from the ASBA Accounts on the Designated Date
Public Offer Account Bank(s)	The banks with which the Public Offer Account(s) is opened for collection of Bid Amounts from Escrow Account(s) and ASBA Accounts on the Designated Date, in this case being [●].
Qualified Institutional Buyers/ QIBs	Qualified institutional buyers as defined under regulation 2(1)(ss) of the SEBI ICDR Regulations.
QIB Bidders	QIBs who Bid in the Offer .
QIB Bid/Offer Closing date	In the event our Company in consultation with the BRLM, decide to close Bidding by QIBs one day prior to the Bid/ Offer Closing Date, the date one day prior to the Bid/ Offer Closing Date; otherwise it shall be the same as the Bid/ Offer Closing Date
QIB Portion	The portion of the Net Offer being not more than 50% of the Net Offer or [●] Equity Shares, which shall be available for allocation to QIBs (including Anchor Investors), on a proportionate basis (in which allocation to Anchor Investors shall be on a discretionary basis, as determined by our Company, in consultation with the BRLM up to a limit of 60% of the QIB Portion), subject to valid Bids being received at or above the Offer Price or Anchor Investor Offer Price (for Anchor Investors)
Red Herring Prospectus / RHP	The red herring prospectus to be issued by our Company in accordance with section 32 of the Companies Act and the provisions of the SEBI ICDR Regulations, which will not have complete particulars of the price at which the Equity Shares will be offered and the size of the Offer, including any addenda or corrigenda thereto. The Red Herring Prospectus will be filed with the RoC at least three days before the Bid/ Offer Opening Date and will become the Prospectus upon filing with the RoC after the Pricing Date.
Refund Account(s)	The account(s) opened with the Refund Bank from which refunds, if any,

	of the whole or part of the Bid Amount to Anchor Investors shall be made
Refund Bank(s)	The Banker(s) to the Offer with whom the Refund Account(s) will be opened, and in this case being [●].
Registered Brokers	Stock brokers registered with SEBI under the Securities and Exchange Board of India (Stock Brokers) Regulations, 1992 and with the stock exchanges having nationwide terminals, other than the members of the Syndicate and eligible to procure Bids in terms of Circular No. CIR/CFD/14/2012 dated October 4, 2012, issued by SEBI
Registrar Agreement	The agreement dated March 18, 2024 entered into between our Company, the Promoter Selling Shareholders and the Registrar to the Offer, in relation to the responsibilities and obligations of the Registrar to the Offer pertaining to the Offer.
Registrar to the Offer / Registrar	Bigshare Services Private Limited
Resident Indian	A person resident in India, as defined under FEMA.
Retail Individual Investor(s) / RII(s) / Retail Individual Bidder(s) / RIB(s)	Individual Bidders, who have Bid for the Equity Shares for an amount which is not more than ₹2,00,000 in any of the bidding options in the Offer (including HUFs applying through their karta and Eligible NRI Bidders) and does not include NRIs (other than Eligible NRIs).
Retail Portion / Retail Category	The portion of the Net Offer being not less than 35% of the Net Offer consisting of [●] Equity Shares, which shall be available for allocation to Retail Individual Bidders in accordance with the SEBI ICDR Regulations, subject to valid Bids being received at or above the Offer Price
Revision Form	The form used by the Bidders to modify the quantity of the Equity Shares and/or the Bid Amount in any of their Bid cum Application Forms or any previous Revision Form(s), as applicable. QIB Bidders and Non-Institutional Bidders are not allowed to withdraw or lower their Bids (in terms of quantity of Equity Shares or the Bid Amount) at any stage. Retail Individual Bidders can revise their Bids during the Bid/ Offer Period and withdraw their Bids until the Bid/ Offer Closing Date
RTAs or Registrar and Share Transfer Agents	The registrar and share transfer agents registered with SEBI and eligible to procure Bids at the Designated RTA Locations as per the list available on the websites of BSE and NSE, and the UPI Circulars
SCORES	SEBI Complaints Redress System
Self Certified Syndicate Bank(s) or SCSBs	The banks registered with SEBI, offering services: (i) in relation to ASBA (other than through UPI Mechanism), a list of which is available on the website of SEBI at www.sebi.gov.in/sebiweb/other/OtherAction.do?doRecognisedFpi=yes&intmId=34 or www.sebi.gov.in/sebiweb/other/OtherAction.do?doRecognisedFpi=yes&intmId=35, as applicable, or such other website as may be prescribed by SEBI from time to time; and (ii) in relation to ASBA (using the UPI Mechanism), a list of which is available on the website of SEBI at https://www.sebi.gov.in/sebiweb/other/OtherAction.do?doRecognisedFpi=yes&intmId=40, or such other website as may be prescribed and updated by SEBI from time to time. In accordance with the SEBI circular no. SEBI/HO/CFD/DIL2/CIR/P/2019/85 dated July 26, 2019, and SEBI circular no. SEBI/HO/CFD/DIL2/P/CIR/P/2022/45 dated April 5, 2022, issued by SEBI, UPI Bidders may apply through the SCSBs and the Mobile App(s)
Share Escrow Agent	The share escrow agent to be appointed pursuant to the Share Escrow Agreement, namely [●]
Share Escrow Agreement	The agreement to be entered into amongst our Company, the Promoter Selling Shareholders, and the Share Escrow Agent in connection with the transfer of Equity Shares under the Offer for Sale by the Promoter Selling Shareholders and credit of such Equity Shares to the demat account of the

	Allottees
Specified Locations	Bidding Centres where the Syndicate shall accept ASBA Forms from Bidders, a list of which is which is available on the website of SEBI (www.sebi.gov.in) and updated from time to time
Sponsor Bank(s)	The banker(s) to the offer registered with SEBI, to be appointed by our Company, to act as a conduit between the Stock Exchanges and the NPCI in order to push the mandate collect requests and / or payment instructions of UPI Bidders using the UPI Mechanism and carry out any other responsibilities, in terms of the UPI Circulars.
Stock Exchange(s)	Collectively, the BSE and the NSE
Sub-Syndicate Members	The sub-syndicate members, if any, appointed by the BRLM and the Syndicate Members, to collect ASBA Forms and Revision Forms
Syndicate/ Members of the Syndicate	Together, the BRLM and the Syndicate Members
Syndicate Members	Syndicate members as defined under regulation 2(1)(hhh) of the SEBI ICDR Regulations
Syndicate Agreement	The agreement to be entered into between our Company, the Promoter Selling Shareholders, the BRLM, the Syndicate Members and the Registrar to the Offer, in relation to the collection of Bid cum Application Forms by the Syndicate
Underwriters	The BRLM and the Syndicate Member(s)
Underwriting Agreement	The agreement to be entered into between the Underwriters, the Promoter Selling Shareholders and our Company, on or after the Pricing Date, but prior to filing of the Prospectus with the RoC
UPI	Unified Payments Interface, which is an instant payment mechanism, developed by NPCI
UPI Bidders	Collectively, individual investors applying as (i) Retail Individual Bidders, in the Retail Portion; (ii) Eligible Employees, in the Employee Reservation Portion; and (iii) Non-Institutional Bidders with an application size of up to ₹5,00,000 in the Non-Institutional Portion, and Bidding under the UPI Mechanism through ASBA Form(s) submitted with Syndicate Members, Registered Brokers, Collecting Depository Participants and Registrar and Share Transfer Agents. Pursuant to Circular no. SEBI/HO/CFD/DIL2/P/CIR/P/2022/45 dated April 5, 2022 issued by SEBI, all individual investors applying in public issues where the application amount is up to ₹5,00,000 shall use UPI and shall provide their UPI ID in the Bid cum Application Form submitted with: (i) a syndicate member, (ii) a stock broker registered with a recognized stock exchange (whose name is mentioned on the website of the stock exchange as eligible for such activity), (iii) a depository participant (whose name is mentioned on the website of the stock exchange as eligible for such activity), and (iv) a registrar to an issue and share transfer agent (whose name is mentioned on the website of the stock exchange as eligible for such activity)
UPI Circulars	SEBI circular number SEBI/HO/CFD/DIL2/CIR/P/2018/138 dated November 1, 2018, SEBI circular number SEBI/HO/CFD/DIL2/CIR/P/2019/50 dated April 3, 2019, SEBI circular number SEBI/HO/CFD/DIL2/CIR/P/2019/76 dated June 28, 2019, SEBI circular number SEBI/HO/CFD/DIL2/CIR/P/2019/85 dated July 26, 2019, SEBI circular number SEBI/HO/CFD/DCR2/CIR/P/2019/133 dated November 8, 2019, SEBI circular number SEBI/HO/CFD/DIL2/CIR/P/2020 dated March 30, 2020, SEBI circular number SEBI/HO/CFD/DIL-2/CIR/P/2021/2480/1/M dated March 16, 2021, SEBI circular number SEBI/HO/CFD/DIL2/P/CIR/2021/570 dated June 2, 2021, SEBI circular number SEBI/HO/CFD/DIL2/CIR/P/2022/45 dated April 5, 2022, SEBI circular number SEBI/HO/CFD/DIL2/CIR/P/2022/51 dated April 20, 2022,

	SEBI circular number SEBI/HO/CFD/DIL2/P/CIR/2022/75 dated May 30, 2022, SEBI circular number SEBI/HO/CFD/TPD1/CIR/P/2023/140 dated August 9, 2023, SEBI master circular with circular number SEBI/HO/MIRSD/POD-1/P/CIR/2023/70 dated May 17, 2023 (to the extent that such circulars pertain to the UPI Mechanism), SEBI master circular number SEBI/HO/CFD/PoD-2/P/CIR/2023/00094 dated June 21, 2023 along with the circular issued by the National Stock Exchange of India Limited having reference no. 25/2022 dated August 3, 2022 and the circular issued by BSE Limited having reference no. 20220803-40 dated August 3, 2022 and any subsequent circulars or notifications issued by SEBI and Stock Exchanges in this regard.
UPI ID	ID created on UPI for single-window mobile payment system developed by the NPCI
UPI Mandate Request	A request (intimating the UPI Bidder by way of a notification on the UPI Mobile App and by way of a SMS directing the UPI Bidder to such UPI Mobile App) to the UPI Bidder initiated by the Sponsor Bank(s) to authorise blocking of funds in the relevant ASBA Account through the UPI Mobile App equivalent to the Bid Amount and subsequent debit of funds in case of Allotment.
UPI Mechanism	The bidding mechanism that may be used by a UPI Bidder to make a Bid in the Offer in accordance with the UPI Circulars
UPI PIN	Password to authenticate UPI transaction
WACA	Weighted average cost of acquisition
Wilful Defaulter	Wilful defaulter as defined under regulation 2(1)(lll) of the SEBI ICDR Regulations
Working Days	All days on which commercial banks in Mumbai are open for business; provided, however, with reference to (a) announcement of Price Band; and (b) Bid/ Offer Period, the expression “Working Day” shall mean all days on which commercial banks in Mumbai are open for business, excluding all Saturdays, Sundays or public holidays; and (c) with reference to the time period between the Bid/ Offer Closing Date and the listing of the Equity Shares on the Stock Exchanges, the expression ‘Working Day’ shall mean all trading days of Stock Exchanges, excluding Sundays and bank holidays, in terms of the circulars issued by SEBI

Conventional and General Terms or Abbreviations

Term	Description
"Rs." or "₹", "Rupees" or "INR"	Indian Rupees
AGM	Annual General Meeting
AIFs	Alternative Investment Fund as defined in and registered under the SEBI AIF Regulations
AoA	Articles of Association
AS/ Accounting Standard	Accounting Standards as issued by the Institute of Chartered Accountants of India
Bn	Billion
BSE	BSE Limited
BTI Regulations	Securities and Exchange Board of India (Bankers to an Issue) Regulations, 1994
CAGR	Compound Annual Growth Rate, which is computed by dividing the value of an investment at the year-end by its value at the beginning of that period, raise the result to the power of one divided by the period length, and subtract one from the subsequent result ((End Value/Start Value)^(1/Periods) -1
Category I AIF	AIFs which are registered as "Category I Alternative Investment Funds" under the SEBI AIF Regulations
Category II AIF	AIFs which are registered as "Category II Alternative Investment Funds" under the SEBI AIF Regulations
Category III AIF	AIFs which are registered as "Category III Alternative Investment Funds" under the SEBI AIF Regulation
CDSL	Central Depository Services (India) Limited
CIN	Corporate Identification Number
CLRA	Contract Labour (Regulation and Abolition) Act, 1970
Copyright Act	Copyright Act, 1957
Companies Act, 1956	The erstwhile Companies Act, 1956, along with relevant rules made thereunder
Companies Act / Companies Act, 2013 / Act	The Companies Act, 2013, read with the rules, regulations, clarifications circulars and notifications issued thereunder, as amended to the extent currently in force
Consolidated FDI Policy / FDI Policy	The consolidated foreign direct policy bearing DPIIT file number 5(2)/2020-FDI Policy dated October 15, 2020, and effective from October 15, 2020, issued by the Department of Promotion of Industry and Internal Trade, Ministry of Commerce and Industry, Government of India, and any modifications thereto or substitutions thereof, issued from time to time
COVID-19	A public health emergency of international concern as declared by the World Health Organization on January 30, 2020 and a pandemic on March 11, 2020.
CSR	Corporate Social Responsibility
DDT	Dividend Distribution Tax
Depositories	NSDL and CDSL, collectively
Depositories Act	The Depositories Act, 1996, as amended from time to time.
DIN	Director Identification Number
DPIIT	Department for Promotion of Industry and Internal Trade, Ministry of Commerce and Industry, Government of India (earlier known as the Department of Industrial Policy and Promotion)
DP	Depository Participant
DP ID	Depository Participant's identity number
EBITDA	Earnings before interest, tax, depreciation and amortization
EBITDA Margin	EBITDA divided by revenue from operations (net)
ECS	Electronic Clearing System
EGM	Extraordinary General Meeting
EPS	Earnings per share
ESIC	Employee State Insurance Corporation
ESOP	Employee Stock Option Plan
ESPS	Employee Stock Purchase Scheme
F.Y./ FY / Financial	The period of 12 months commencing on April 1 of the immediately preceding

Year/ Fiscal	calendar year and ending on March 31 of that particular calendar year
FCNR Account	Foreign Currency Non Resident (Bank) account established in accordance with the FEMA
FDI	Foreign direct investment
FEMA	Foreign Exchange Management Act 1999, as amended from time to time and the regulations framed there under.
FEM Rules / FEMA Non-debt Instruments Rules / FEM NDI Rules	Foreign Exchange Management (Non-debt Instruments) Rules, 2019
FIs	Financial Institutions
FIR	First information report
FPI(s)	Foreign Portfolio Investor defined under the SEBI FPI Regulations.
FVCI	Foreign Venture Capital Investor (as defined under the Securities and Exchange Board of India (Foreign Venture Capital Investor) Regulations, 2000) registered with SEBI
FV	Face Value
GAAR	General Anti-Avoidance Rules
Gazette	Gazette of India
GDP	Gross Domestic Product
GoI/ Government	Government of India
GST	Goods and Services Tax
GST Act	The Central Goods and Services Tax Act, 2017
GSTIN	Goods and Services Tax Identification Number
HNI	High Net worth Individual
HUF(s)	Hindu Undivided Family
IBC	Insolvency and Bankruptcy Code, 2016
ICAI	Institute of Chartered Accountants of India
ICSI	The Institute of Company Secretaries of India
ICDR Regulations/ SEBI ICDR Regulations	Securities and Exchange Board of India (Issue of Capital and Disclosure Requirements) Regulations, 2018 as amended from time to time
IFRS	International Financial Reporting Standards
IFSC	Indian Financial System Code
IMPS	Immediate Payment Service
IT Act / Income Tax Act	The Income Tax Act, 1961
India	Republic of India
Ind AS/ Indian Accounting Standards	The Indian Accounting Standards notified under section 133 of the Companies Act, 2013 read with the Companies (Indian Accounting Standards) Rules, 2015, as amended and other relevant provisions of the Companies Act, 2013
Ind AS 24	Indian Accounting Standard 24, “Related Party Disclosures”, notified by the Ministry of Corporate Affairs under Section 133 of the Companies Act, 2013 read with the Companies (Indian Accounting Standards) Rules, 2015, as amended and other relevant provisions of the Companies Act, 2013
Indian GAAP / IGAAP	Generally Accepted Accounting Principles in India
IST	Indian Standard Time
INR	Indian National Rupee
IPO	Initial Public Offering
IRR	Internal rate of return
IRDA	Insurance Regulatory and Development Authority
IT Authorities	Income Tax Authorities
IT Rules	The Income Tax Rules, 1962, as amended from time to time
Insider Trading Regulations / PIT Regulations	The Securities and Exchange Board of India (Prohibition of Insider Trading) Regulations, 2015, as amended.
KYC	Know Your Customer
MCA	The Ministry of Corporate Affairs, GoI
MCLR	Marginal Cost of Funds Based Landing Rate
Mn / mn	million

MoU	Memorandum of Understanding
Mutual Funds	Mutual funds registered with the SEBI under the Securities and Exchange Board of India (Mutual Funds) Regulations, 1996
N/A or N.A. or NA	Not Applicable
NACH	National Automated Clearing House
NAV	Net Asset Value
NBFC	Non-Banking Finance Company
NI Act	Negotiable Instruments Act, 1881
NOC	No Objection Certificate
NR / Non-resident	A person resident outside India, as defined under FEMA and includes an NRI
NRI	Non-Resident Indian
NECS	National Electronic Clearing Services
NEFT	National Electronic Fund Transfer
NPCI	National Payments Corporation of India
NSDL	National Securities Depository Limited
NSE	National Stock Exchange of India Limited
OCB/ Overseas Corporate Body	Overseas corporate body, a company, partnership, society or other corporate body owned directly or indirectly to the extent of at least 60% by NRIs including overseas trusts, in which not less than 60% of beneficial interest is irrevocably held by NRIs directly or indirectly and which was in existence on October 3, 2003, and immediately before such date was eligible to undertake transactions pursuant to general permission granted to OCBs under FEMA. OCBs are not allowed to invest in the Offer.
ODI	Overseas Direct Investment
p.a.	Per annum
P/E	Price/ earnings
P/E Ratio	Price earnings ratio
PAN	Permanent Account Number
PAT	Profit after tax
PBT	Profit before tax
PIO	Person of India Origin
Pvt.	Private
PCB(s)	Pollution Control Board(s)
QIB	Qualified Institutional Buyer
RBI	Reserve Bank of India
RBI Act	The Reserve Bank of India Act, 1934, as amended from time to time
R&D	Research & Development
Regulation S	Regulation S under the U.S. Securities Act
RoNW	Return on Net Worth
ROE	Return on Equity
R&D	Research & Development
RTGS	Real Time Gross Settlement
RTI	Right to Information, in terms of the Right to Information Act, 2005
SCORES	Securities and Exchange Board of India Complaints Redress System
SCRA	Securities Contracts (Regulation) Act, 1956, as amended from time to time
SCRR	Securities Contracts (Regulation) Rules, 1957
SCSB	Self-Certified Syndicate Bank
SEBI	Securities and Exchange Board of India
SEBI Act	Securities and Exchange Board of India Act, 1992, as amended from time to time
SEBI AIF Regulations	Securities and Exchange Board of India (Alternative Investments Funds) Regulations, 2012.
SEBI Depository Regulations	Securities and Exchange Board of India (Depositories and Participants) Regulations, 1996
SEBI FPI Regulations	Securities and Exchange Board of India (Foreign Portfolio Investors) Regulations, 2019
SEBI FVCI Regulations	Securities and Exchange Board of India (Foreign Venture Capital Investor) Regulations, 2000
SEBI ICDR	The Securities and Exchange Board of India (Issue of Capital and Disclosure

Regulations	Requirements) Regulations, 2018
SEBI Listing Regulations	Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015
SEBI Merchant Bankers Regulations	Securities and Exchange Board of India (Merchant Bankers) Regulations, 1992
SEBI SBEB Regulations	Securities and Exchange Board of India (Share Based Employee Benefits and Sweat Equity) Regulations, 2021
SEBI Ind AS Transition Circular	SEBI Circular No. SEBI/HO/CFD/DIL/CIR/P/2016/47 dated March 31, 2016
SEBI Insider Trading Regulations	The Securities and Exchange Board of India (Prohibition of Insider Trading) Regulations, 2015
SEBI Takeover Regulations /Takeover Regulations / Takeover Code	Securities and Exchange Board of India (Substantial Acquisition of Shares and Takeovers) Regulations, 2011
SGST	State GST
Sec	Section
STT	Securities Transaction Tax
SME	Small and Medium Enterprise
Stock Exchanges	BSE and NSE
TAN	Tax Deduction Account Number
TDS	Tax deducted at source
TIN	Taxpayers Identification Number
TNW	Total Net Worth
TRS	Transaction Registration Slip
U.K.	United Kingdom of Great Britain and Northern Ireland
U.S. GAAP	Generally accepted accounting principles in the United States of America
u/s	Under Section
UIN	Unique Identification Number
UoI	Union of India
US/ U.S. / USA/United States	United States of America
USD / US$ / $	United States Dollar, the official currency of the United States of America
VAT	Value Added Tax
VCF / Venture Capital Fund	Venture capital funds as defined in and registered with the SEBI under the Securities and Exchange Board of India (Venture Capital Fund) Regulations, 1996 or the Securities and Exchange Board of India (Alternative Investment Funds) Regulations, 2012, as the case may be
w.e.f.	With effect from
Year/Calendar Year	Unless context otherwise requires, shall refer to the twelve month period ending December 31

Business, technical and industry-related terms

Term	Description
APEDA	Agricultural and Processed Food Products Export Development Authority
APMC	Agricultural Produce Market Committee
APC	Agro Processing Cluster
B&M	Brick and mortar
BRICS	Brazil, Russia, India, China and South Africa
CEFPPC Scheme	Creation/Expansion of Food Processing and Preservation Capacities Scheme
D&B	Dun & Bradstreet
EBO	Exclusive Brand Outlet
ECLGS	Emergency Credit Line Guarantee Scheme
EDLC / EDLP	Everyday Low Cost / Everyday Low Price
ERP	Enterprise resource planning
FMCG	Fast Moving Consumer Goods
FSSAI	Food and Safety Standards Authority of India

FTL	Food Testing Laboratories
GDP	Gross Domestic Product
GFCF	Gross Fixed Capital Formation
HDPP	High-Density Polyethylene
IMF	International Monetary Fund
IT	Information Technology
MBO	Multi-brand Outlets
MMR	Mumbai Metropolitan Region
MOFPI	Ministry of Food Processing Industries
MOSPI	Ministry of Statistics and Programme Implementation
MSME	Micro, Small And Medium Enterprise
MT	Metric Tonnes
ONDC	Open Network for Digital Commerce
PLI	Production Linked Incentive
PLISFPI	Production Linked Incentive Scheme for Food Processing Industry
PMKSY	Pradhan Mantri Kisan Sampada Yojana
PP	Polypropylene
RAI	Retailers Assocation of India
SKU	Stock Keeping Unit
Sq. ft	Square Feet
Sq.mtr(s)	Square meters
TPH	Tonnes Per Hour
WEO	World Economic Outlook
WPI	Wholesale Price Index

CERTAIN CONVENTIONS, PRESENTATION OF FINANCIAL, INDUSTRY AND MARKET DATA AND CURRENCY OF PRESENTATION

Certain Conventions

All references in this Draft Red Herring Prospectus to "India" are to the Republic of India and its territories and possessions and all references herein to the "Government", "Indian Government", "GoI", "Central Government" or the "State Government" are to the Government of India, central or state, as applicable. All references herein to the "U.S.", "USA" or "United States" are to the United States of America and its territories and possessions.

Unless otherwise specified, all references to time mentioned in this Draft Red Herring Prospectus are to Indian Standard Time ("**IST**").

Unless indicated otherwise, all references to page numbers in this Draft Red Herring Prospectus are to the corresponding page numbers of this Draft Red Herring Prospectus.

Currency and Units of Presentation

All references to:
(a) "Rupees" or "Rs." or "INR" or "₹" are to Indian Rupees, the official currency of the Republic of India;
(b) "USD" or "US$" or "$" or U.S. Dollars are to the United States Dollar, the official currency of the United States of America.

In this Draft Red Herring Prospectus, our Company has presented certain numerical information. Except otherwise stated, all figures have been expressed in Lakh/ Lakhs. However, where any figures that may have been sourced from third-party industry sources are expressed in denominations other than Lakh/ Lakhs, such figures appear in this Draft Red Herring Prospectus expressed in such denominations as provided in their respective sources.

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

Figures sourced from third-party industry sources may be expressed in denominations other than Lakh / Lakhs or may be rounded off to other than two decimal points in the respective sources, and such figures have been expressed in this Draft Red Herring Prospectus in such denominations or rounded-off to such number of decimal points as provided in such respective sources.

Exchange Rates

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

Unless otherwise stated, the exchange rates referred to for the purpose of conversion of foreign currency amounts into Rupee amounts, are as follows:

Currency	Exchange Rate as on			
	September 30, 2023*	March 31, 2023	March 31, 2022	March 31, 2021
1 USD	83.06	82.22	75.81	73.50

Source: *Foreign exchange reference rates as available on www.fbil.org.in*
Note: *Exchange rate is rounded off to two decimal points.*
**Since September 30, 2023 was a Saturday, the exchange rate was considered as on September 29, 2023.*

Financial Data

Unless stated otherwise or the context otherwise requires, the financial information and financial ratios in this

Draft Red Herring Prospectus are derived from the Restated Financial Statements. For further details, please see *"**Financial Information**"* on page 376.

Our Company's financial year commences on April 1 of the immediately preceding calendar year and ends on March 31 of that particular calendar year. Accordingly, all references in this Draft Red Herring Prospectus to a particular financial year or fiscal, unless stated otherwise, are to the twelve (12) month period commencing on April 1 of the immediately preceding calendar year and ending on March 31 of that particular calendar year. Unless the context requires otherwise, all references to a "year" in this Draft Red Herring Prospectus are to a calendar year and references to a Fiscal / Financial Year are to the year ended March 31, of that calendar year. Certain other financial information pertaining to our Group Company is derived from its audited financial statements.

The Restated Financial Statements of our Company comprises the restated statement of assets and liabilities as at September 30, 2023, March 31, 2023, March 31, 2022 and March 31, 2021, the restated statement of profit and loss (including other comprehensive income), the restated statement of changes in equity, the restated statement of cash flows for the six months period ended September 30, 2023, and the financial years ended March 31, 2023, March 31, 2022 and March 31, 2021, the summary statement of significant accounting policies, and other explanatory information prepared in accordance with Section 26 of Part I of Chapter III of the Companies Act, the SEBI ICDR Regulations. For further details, please see *"**Restated Financial Statements**"* on page 376.

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

There are significant differences between Ind AS, US GAAP and IFRS. Our Company does not provide reconciliation of its financial information to IFRS or US GAAP. Our Company has not attempted to explain those differences or quantify their impact on the financial data included in this Draft Red Herring Prospectus and it is urged that the reader(s) consults his / her / their own advisors regarding such differences and their impact on our Company's financial data. Accordingly, the degree to which the financial information included in this Draft Red Herring Prospectus will provide meaningful information is entirely dependent on the reader's level of familiarity with Indian accounting policies and practices, the Companies Act and the SEBI ICDR Regulations. Any reliance by persons not familiar with Indian accounting policies and practices on the financial disclosures presented in this Draft Red Herring Prospectus should, accordingly be limited. Further, any figures sourced from third-party industry sources may be rounded off to other than two decimal points to conform to their respective sources. Unless the context otherwise indicates, any percentage amounts, as set forth in *"**Risk Factors**"*, *"**Our Business**" and "**Management Discussion and Analysis of Financial Condition Results of Operations**"* on pages 35, 251 and 378 and elsewhere in this Draft Red Herring Prospectus have been calculated on the basis of amounts derived from our Restated Financial Statements. For risks relating to significant differences between Ind AS and other accounting principles, please see *"**Risk Factors- Significant differences exist between Indian Accounting Standards and other accounting principles, such as United States Generally Accepted Accounting Principles (GAAP) and International Financial Reporting Standards (IFRS), which investors may consider material to their assessment of our financial condition**"* on page 79.

Unless the context otherwise indicates, any percentage amounts or ratios (excluding certain operational metrics), relating to the financial information of our Company in this Draft Red Herring Prospectus have been calculated on the basis of our Restated Financial Statements, as applicable.

Non- Generally Accepted Accounting Principles (GAAP) Financial Measures

This Draft Red Herring Prospectus contains certain non-GAAP financial measures and certain other statistical information relating to our operations and financial performance like EBITDA, EBITDA Margin, Return on Capital Employed, Return on Net Worth, Debt Equity Ratio, Interest coverage ratio, (together, "**Non-GAAP Measures**") that are not required by, or presented in accordance with, Ind AS, U. S. GAAP, or IFRS. Further, these non-GAAP measures and other operating matrices are not a measurement of our financial performance or liquidity under Ind AS, IFRS or U.S. GAAP and should not be considered in isolation or construed as an alternative to cash flows, profit/ (loss) for the years/ period or any other measure of financial performance or as an indicator of our operating performance, liquidity, profitability or cash flows, generated by operating, investing or financing activities derived in accordance with Ind AS, IFRS or U.S. GAAP.

We compute and disclose such non-Indian GAAP financial measures and such other statistical information relating to our operations and financial performance as we consider such information to be useful measures of our business and financial performance. These non-Indian GAAP financial measures and other statistical and other information relating to our operations and financial performance may not be computed on the basis of any standard methodology that is applicable across the industry and therefore may not be comparable to financial measures and statistical information of similar nomenclature that may be computed and presented by other companies and are not measures of operating performance or liquidity defined by Ind AS and may not be comparable to similarly titled measures presented by other companies.

Industry and Market Data

Industry publications generally state that the information contained in such publications has been obtained from publicly available documents from various sources and may also not be comparable. The data used in these sources may have been reclassified by us for the purposes of presentation. Data from these sources may also not be comparable. Accordingly, no investment decision should be made solely on the basis of such information. The extent to which industry and market data set forth in this Draft Red Herring Prospectus is meaningful depends on the reader's familiarity with and understanding of the methodologies used in compiling such data. There are no standard data gathering methodologies in the industry in which we conduct our business, and methodologies and assumptions may vary widely among different industry sources. Such information involves risks, uncertainties and numerous assumptions and is subject to change based on various factors, including those disclosed in *"**Risk Factors- Industry information included in this Draft Red Herring Prospectus has been derived from an industry report prepared by Dun & Bradstreet, exclusively commissioned and paid for by us for such purpose.**"* on page 51. Accordingly, investment decisions should not be based solely on such information.

Unless stated otherwise, the industry and market data used in this Draft Red Herring Prospectus has been obtained and derived from a report titled *"Industry Report on Food & Grocery Retailing and Food Processing"* ("**D&B Report**") dated March 27, 2024 prepared by D&B, appointed by our Company pursuant to an engagement letter dated February 12, 2024, exclusively for the purpose of understanding the industry in which our Company operates in, and in connection with the Offer. The D&B Report is available on the website of our Company at https://patelrpl.in/ and also at the Registered Office of our Company, from the date of the Red Herring Prospectus till Bid/Offer Closing Date. The D&B Report has been exclusively commissioned at the request of and paid for by our Company for the purpose of this Offer. D&B has confirmed that it is an independent agency, and that it is not related to our Company, our Directors, our Promoters, our Key Managerial Personnel or our Senior Management.

The data included herein includes excerpts from the D&B Report and may have been re-ordered by us for the purposes of presentation. There are no parts, data or information (which may be relevant for the proposed Offer), that have been left out or changed in any manner. The data used in these sources may have been reclassified by us for the purposes of presentation. Data from these sources may also not be comparable. Industry sources and publications are also prepared based on information as of specific dates and may no longer be current or reflect current trends. Industry sources and publications may also base their information on estimates and assumptions that may prove to be incorrect.

D&B is an independent agency, which has no relationship with our Company, our Promoters, our Directors, our Key Managerial Personnel and Senior Management Personnel or the BRLM.

D&B Report Disclaimer

The D&B Report is subject to the following disclaimer:

Dun & Bradstreet has prepared this study in an independent and objective manner, and it has taken all reasonable care to ensure its accuracy and completeness. We believe that this study presents a true and fair view of the industry within the limitations of, among others, secondary statistics, and research, and it does not purport to be exhaustive. The results that can be or are derived from these findings are based on certain assumptions and parameters/ conditions. As such, a blanket, generic use of the derived results or the methodology is not encouraged.

Forecasts, estimates, predictions, and other forward-looking statements contained in this report are inherently uncertain because of changes in factors underlying their assumptions, or events or combinations of events that cannot be reasonably foreseen. Actual results and future events could differ materially from such forecasts, estimates, predictions, or such statements.

The recipient should conduct its own investigation and analysis of all facts and information contained in this report is a part and the recipient must rely on its own examination and the terms of the transaction, as and when discussed. The recipients should not construe any of the contents in this report as advice relating to business, financial, legal, taxation or investment matters and are advised to consult their own business, financial, legal, taxation, and other advisors concerning the transaction.

Unless otherwise indicated, all financial, operational, industry and other related information derived from the D&B Report and included herein with respect to any particular year, refers to such information for the relevant year. Actual results and future events could differ materially from such forecasts, estimates, predictions, or such statements. Although the industry and market data used in this Draft Red Herring Prospectus is reliable, industry sources and publications may base their information on estimates and assumptions that may prove to be incorrect. Further, industry sources and publications are also prepared based on information as of specific dates and may no longer be current or reflect current trends. The extent to which industry and market data set forth in this Draft Red Herring Prospectus is meaningful depends on the reader's familiarity with and understanding of the methodologies used in compiling such data. There are no standard data gathering methodologies in the industry in which we conduct our business, and methodologies and assumptions may vary widely among different industry sources.

In making any decision regarding the transaction, the recipient should conduct its own investigation and analysis of all facts and information contained in the prospectus and the recipient must rely on its own examination and the terms of the transaction, as and when discussed. For risks in relation to the D&B Report, please see *"**Risk Factors- Industry information included in this Draft Red Herring Prospectus has been derived from an industry report prepared by Dun & Bradstreet, exclusively commissioned and paid for by us for such purpose**"* on page 51.

In accordance with the SEBI ICDR Regulations, the section titled *"**Basis for Offer Price**"* on page 129, includes information relating to our peer group companies. Such information has been derived from publicly available sources, and accordingly, no investment decision should be made solely on the basis of such information.

FORWARD-LOOKING STATEMENTS

This Draft Red Herring Prospectus contains certain statements which are not statements of historical fact and may be described as "forward-looking statements". These forward looking statements include statements which can generally be identified by words or phrases such as *"aim"*, *"anticipate"*, *"are likely"*, *"believe"*, *"continue"*, *"can"*, *"shall"*, *"could"*, *"expect"*, *"estimate"*, *"intend"*, *"may"*, *"likely"*, *"objective"*, *"plan"*, *"project"*, *"propose"*, *"seek to"*, *"will"*, *"will achieve"*, *"will continue"*, *"will likely"*, *"will pursue"* or other words or phrases of similar import. Similarly, statements that describe the strategies, objectives, plans or goals of our Company are also forward-looking statements. However, these are not the exclusive means of identifying forward looking statements. These forward-looking statements include statements as to our business strategy, plans, revenue and profitability (including, without limitation, any financial or operating projections or forecasts) and other matters discussed in this Draft Red Herring Prospectus that are not historical facts. Similarly, statements that 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. All statements in this Draft Red Herring Prospectus that are not statements of historical fact are 'forward looking statements'.

These forward-looking statements are based on our current plans, estimates and expectations and actual results may differ materially from those suggested by such forward-looking statements. This could be due to risks or uncertainties associated with expectations relating to, *inter alia*, regulatory changes pertaining to the industries in India in which we operate and our ability to respond to them, our ability to successfully implement our strategy, our growth and expansion, technological changes, our exposure to market risks, general economic and political conditions in India which have an impact on its business activities or investments, the monetary and fiscal policies of India, inflation, deflation, unanticipated turbulence in interest rates, foreign exchange rates, equity prices or other rates or prices, the performance of the financial markets in India and globally, changes in domestic laws, changes in the incidence of any natural calamities and/or violence, regulations and taxes and changes in competition in the industries in which we operate.

Certain important factors that could cause actual results to differ materially from our expectations include, but are not limited to, the following:

(i) All our retail stores are concentrated in the state of Maharashtra, more particularly within the Thane and Raigad district. In the Financial Years 2022-23, 2021-22 and 2020-21 and the six months period ended September 30, 2023, our revenue from retail sales accounted for 26.17%, 32.59%, 28.73% and 31.17% of our revenue from operations, respectively. Any adverse developments affecting our operations in such region, could have an adverse impact on our retail business, financial condition, results of operations and cash flows;
(ii) Our inability to offer daily low prices pursuant to our EDLC/ EDLP strategy;
(iii) Our inability to maintain optimum levels of inventory at our stores;
(iv) Our inability to negotiate and obtain favourable terms from our suppliers;
(v) Our inability to promptly identify and respond to changing customer preferences or evolving trends;
(vi) Our inability to acquire land or enter into leases at suitable locations for our expansion;
(vii) Our Company is dependent on few numbers of suppliers. Loss of any of our large suppliers may affect our cost of raw materials and profitability;
(viii) Our operations are dependent on the supply of large amounts of raw material such as wheat, spices and peanuts. We do not have long term agreements with suppliers for our raw materials and any increase in the cost of, or a shortfall in the availability of, such raw materials could have an adverse effect on our business and results of operations, and seasonable variations could also result in fluctuations in our results of operations;
(ix) We have incurred indebtedness and an inability to comply with repayment and other covenants in our financing agreements could adversely affect our business, results of operations, financial condition and cash flows;
(x) There are certain outstanding litigations involving our Company, which, if determined adversely, may affect our business operations and reputation.

For a further discussion of factors that could cause actual results to differ from our expectations and estimates, please see *"**Risk Factors**"*, "***Our Business***", *"**Industry Overview**"* and *"**Management's Discussion and Analysis of Financial Condition and Results of Operations**"* on pages 35, 251, 150 and 378, respectively. By their nature, certain market risk disclosures are only estimates and could be materially different from what actually occurs in the future. As a result, actual gains or losses could materially differ from those that have been estimated.

There can be no assurance to the Bidders that the expectations reflected in these forward-looking statements will prove to be correct. Given these uncertainties, the Bidders 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.

Forward-looking statements reflect current views as on the date of this Draft Red Herring Prospectus 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. Neither our Company, our Promoter Selling Shareholders, our Directors, KMPs, SMPs, the BRLM 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 the SEBI ICDR Regulations, our Company will ensure that the investors in India are informed of material developments pertaining to our Company and the Equity Shares from the date of this Draft Red Herring Prospectus in relation to the statements and undertakings made by it in this Draft Red Herring Prospectus until the time of the grant of listing and trading permission by the Stock Exchanges for this Offer. Further, in accordance with the SEBI ICDR Regulations, the Promoter Selling Shareholders shall, severally and not jointly, ensure that the investors are informed of material developments from the date of this Draft Red Herring Prospectus in relation to the statements and undertakings specifically made or confirmed by each such Promoter Selling Shareholder in this Draft Red Herring Prospectus until the time of the grant of listing and trading permission by the Stock Exchanges for this Offer. Only statements and undertakings which are specifically "confirmed" or "undertaken" by the Promoter Selling Shareholders, as the case may be, in this Draft Red Herring Prospectus shall, severally and not jointly, deemed to be statements and undertakings made by such Promoter Selling Shareholders.

SUMMARY OF THE OFFER DOCUMENT

This section is a general summary of certain disclosures and terms of the Offer included in this Draft Red Herring Prospectus and is neither exhaustive, nor does it purport to contain a summary of all the disclosures in this Draft Red Herring Prospectus or all details relevant to prospective investors. This summary should be read in conjunction with, and is qualified in its entirety by, the more detailed information appearing elsewhere in this Draft Red Herring Prospectus, including *"**Risk Factors**", "**The Offer**", "**Capital Structure**", "**Objects of the Offer**" "**Industry Overview**", "**Our Business**", "**Our Promoters and Promoter Group**", "**Other Financial Information**", "**Management's Discussions and Analysis of Financial Position and Results of Operations**" "**Outstanding Litigation and Material Developments**" and "**Offer Procedure**"on pages* 35, 82, 96, 150, 251, 367, 377, 378, 414 and 462, respectively.

Primary business of our Company

We are primarily engaged as a retail supermarket chain operating in tier-III cities and nearby suburban areas, with focus on "value retail", offering food, non-food (FMCG), general merchandise and apparel catering to the needs of the entire family. Over the years, we have emerged as a player managing one of the largest network of stores in the MMR region (*Source: D&B Report*). We launched our private label goods under our brand Patel Fresh, Indian Chaska, Blue Nation and Patel Essentials. Further, we started our processing activity in our Facility 2 and Agri-cluster in Kutch, Gujarat.

Summary of the industry in which our Company operates

India's economy is showing signs of resilience with GDP growing to an estimated 7.3% in FY 2024. Although this translates into only a slight uptick in demand (compared to FY 2023- 7.2%), the GDP growth in FY 2023 represents a return to pre-pandemic era growth path. Looking ahead to FY25, GDP growth is expected to maintain a robust above 7% growth trajectory, which will mark the fourth consecutive year of 7%+ growth. India's middle-class segment has emerged as a key demand driver for products ranging from packaged foods to big ticket items like automobiles and residential real estate middle-class segment in India – with annual earnings in the range of INR 5 – 30 lakhs – is expected to account for nearly 61% of total population by 2046-47. This population segment would be driving the growth store in food and grocery retailing sector in India. Given the evolving spending pattern among India's consumers, the biggest benefits of the growth in India's consumer base would be reaped by stakeholders in consumer products and food and grocery retailing industry. The growth in food and grocery retailing is accompanied by an increasing preference towards branded and packaged food products.

(Source: D&B Report)

Our Promoters

As on the date of this Draft Red Herring Prospectus, Dhanji Raghavji Patel and Bechar Raghavji Patel are the Promoters of our Company. For further details, please see *"**Our Promoters and Promoter Group**"* on page 367.

Offer Size

The following table summarises the details of the Offer size:

Offer of Equity Shares(1)	Up to 1,00,20,000* Equity Shares, aggregating up to ₹[●] Lakhs*
of which	
(i) Fresh Issue(1)(3)	Up to 90,18,000* Equity Shares, aggregating up to ₹[●] Lakhs
(ii) Offer for Sale(2)	Up to 10,02,000* Equity Shares, aggregating up to ₹[●] Lakhs* by the Promoter Selling Shareholders
The Offer may include:	
(i) Employee Reservation Portion(4)	Up to 51,000* Equity Shares aggregating to ₹ [●] Lakhs*
Net Offer	[●]* Equity Shares aggregating to ₹[●] Lakhs *

Notes:
**Subject to finalisation of Basis of Allotment;*

(1) *The Offer including the Fresh Issue has been authorized by our Board pursuant to its resolution dated March 01, 2024 and by our Shareholders pursuant to a special resolution dated March 07, 2024. Our Board has taken on record the approval for the Offer for Sale by each of the Promoter Selling Shareholders pursuant to its resolution dated March 20, 2024.*

(2) *Each Promoter Selling Shareholder has, severally and not jointly, specifically confirmed that its respective portion of the Offered Shares are eligible to be offered for sale in the Offer in accordance with the SEBI ICDR Regulations. For details on authorisation of each of the Promoter Selling Shareholder in relation to the Offered Shares, please see "**Other Regulatory and Statutory Disclosures**" on page 433.*

(3) *Our Company, in consultation with the BRLM, may consider undertaking a further issue of Equity Shares of the Company, as may be permissible through a preferential issue, private placement, right issue or any other method as may be permitted in accordance with applicable law to any person(s), of up to 5,00,000 Equity Shares, aggregating up to ₹ [●] Lakhs, between the date of this Draft Red Herring Prospectus till the filing of the Red Herring Prospectus with the RoC, subject to appropriate approvals ("**Pre-IPO Placement**"). The Pre-IPO Placement, if undertaken, will be at a price to be decided by our Company in consultation with the BRLM, and the Pre-IPO Placement will be completed prior to filing of the Red Herring Prospectus with the RoC. If the Pre-IPO Placement is undertaken, the amount raised from the Pre-IPO Placement will be reduced from the Fresh Issue, subject to compliance with Rule 19(2)(b) of the SCRR, as amended.*

(4) *In the event of undersubscription in the Employee Reservation Portion (if any), the unsubscribed portion may be Allotted on a proportionate basis, to all Eligible Employees who have Bid in excess of ₹2,00,000 (net of Employee Discount), subject to the maximum value of Allotment not exceeding ₹5,00,000 (net of Employee Discount). The unsubscribed portion, if any, in the Employee Reservation Portion (after Allocation up to ₹5,00,000, net of Employee Discount) shall be added to the Net Offer.*

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

Objects of the Offer

Our Company proposes to utilise the Net Proceeds towards funding the following objects:

Particulars	Estimated Amount (₹ in Lakhs) (2)
Repayment/prepayment, in full or part, of certain borrowings availed of by our Company	Upto 6,000
Funding working capital requirements of our Company	Upto 11,500
General Corporate Purposes(1)	[●]

Notes:

(1) *To be determined upon finalisation of Offer Price and updated in the Prospectus prior to filing with the RoC. The amount for general corporate purposes shall not exceed twenty-five percent (25%) of the Net Proceeds being raised.*

(2) *Our Company, in consultation with the BRLM, may consider undertaking a further issue of Equity Shares of the Company, as may be permissible through a preferential issue, private placement, right issue or any other method as may be permitted in accordance with applicable law to any person(s), of up to 5,00,000 Equity Shares, aggregating up to ₹ [●] Lakhs, between the date of this Draft Red Herring Prospectus till the filing of the Red Herring Prospectus with the RoC, subject to appropriate approvals ("**Pre-IPO Placement**"). The Pre-IPO Placement, if undertaken, will be at a price to be decided by our Company in consultation with the BRLM, and the Pre-IPO Placement will be completed prior to filing of the Red Herring Prospectus with the RoC. If the Pre-IPO Placement is undertaken, the amount raised from the Pre-IPO Placement will be reduced from the Fresh Issue, subject to compliance with Rule 19(2)(b) of the SCRR, as amended.*

For further details, please see ***"Objects of the Offer"*** beginning on page 114.

Aggregate pre-Offer shareholding of our Promoters, members of our Promoter Group and Selling Shareholders as a percentage of the paid-up Equity Share capital of our Company

The aggregate pre-Offer shareholding of our Promoters, members of our Promoter Group and the Promoter Selling Shareholders as a percentage of the pre-Offer paid-up Equity Share capital of the Company is set out below:

Sr. No.	Name of Shareholder	Pre-Offer Equity Share capital	
		Number of Equity Shares held as on the date of this Draft Red Herring Prospectus	Percentage of total pre-Offer paid up Equity Share capital (%)
Promoter Selling Shareholders			
1.	Dhanji Raghavji Patel	1,62,86,528	66.80
2.	Bechar Raghavji Patel	46,72,000	19.16
	Total (A)	**2,09,58,528**	**85.96**
Promoter Group			
3.	Bharat Haribhai Patel	12,48,000	5.12
4.	Rahul Dhanji Patel	6,40,000	2.62
5.	Hiren Bechar Patel	6,40,000	2.62
6.	Mahesh Haribhai Patel	3,20,000	1.31
7.	Ankit Beacher Patel	3,20,000	1.31
8.	Asmita Dhanji Patel	64,000	0.26
9.	Vaishali Panvelkar	64,000	0.26
10.	Komal Rahul Waghela	64,000	0.26
11.	Preeti Pankaj Patel	64,000	0.26
	Total (B)	**34,24,000**	**14.04**
	Total (A) + (B)	**2,43,82,528**	**100.00**

Summary derived from the Restated Financial Statements

The following details are derived from the Restated Financial Statements:

(₹ in Lakhs, except otherwise specified)

Particulars	As at and for period ended September 30, 2023	As at and for financial year ended March 31, 2023	As at and for financial year ended March 31, 2022	As at and for financial year ended March 31, 2021
Equity Share capital	380.98	380.98	380.98	380.98
Net Worth(1)	8165.25	7186.92	5584.24	4450.03
Revenue from Operations	44598.21	101854.78	76615.91	82337.46
Restated Profit / (Loss) after tax	977.78	1637.97	1137.03	1149.74
Restated Earnings per Equity Share				
- Basic & Diluted per Equity Share (Pre Bonus(2)	25.67	42.99	29.85	33.88
- Basic & Diluted per Equity Share (Post Bonus)(3)	4.01	6.72	4.66	5.29
Net Asset Value per Equity Share (Post Bonus)	33.49	29.48	22.90	20.49
Total Borrowings	16339.35	18281.39	17090.45	17636.99

Notes:

The ratios have been computed as under:

(1) *Net worth is taken as Equity share capital + Other Equity (including Non-controlling interest)*

(2) *Revenue from Operations exclude other income*

(3) *Basic & Diluted EPS amounts are calculated by dividing the profit/(loss) for the period/years attributable to Shareholders of our Company by the number of Equity Shares outstanding during the period/years.*

(4) *Basic and Diluted EPS amounts are calculated by dividing the profit/(loss) for the period/years attributable to Shareholders of our Company by the weighted average number of Equity Shares outstanding during the period/years*

(5) *Net Asset Value per Equity Share is calculated as net worth attributable to the Equity Shareholders of our Company as at the end of financial period/year divided by the weighted average number of Equity Shares used in calculating*

basic earnings per share. Net Worth attributable to the Equity Shareholders of our Company" means the aggregate value of the paid-up equity share capital and all reserves created out of the profits and securities premium account and debit or credit balance of profit and loss account, including legal reserve and after deducting, if any the aggregate value of the accumulated losses

(6) *Total Borrowing includes the non-current borrowing and current borrowings of our Company.*

Qualifications of the Statutory Auditors

There are no qualifications by our Statutory Auditors which have not been given effect to in the Restated Financial Statements.

Summary of Outstanding Litigation

A summary of outstanding litigation proceedings as on the date of this Draft Red Herring Prospectus as disclosed in the section titled *"**Outstanding Litigation and Material Developments**"* on page 414 in terms of the SEBI ICDR Regulations and the Materiality Policy is provided below:

Name of the entity	Criminal Proceedings	Tax Proceedings *	Statutory or Regulatory Proceedings	Disciplinary actions by SEBI or Stock Exchanges against our Promoters	Material Civil Litigations	Amount involved (₹ in Lakhs)
Company						
By our Company	Nil	5	Nil	Not Applicable	Nil	1609.45
Against our Company	4	11	Nil(1)	Not Applicable	1	3,131.06
Directors (Other than Promoters)						
By our Directors	13	6	Nil	Not Applicable	Nil	529.11
Against our Directors	8	10	Nil(2)	Not Applicable	1	541.72
Promoters						
By our Promoters	1	6	Nil	Nil	Nil	1277.58
Against our Promoters the Promoters	8	10	Nil(3)	Nil	1	1678.32

**To the extent quantifiable*

(1) *Statutory or Regulatory Proceedings against our Company form part of Criminal Proceedings.*

(2) *Statutory or Regulatory Proceedings against our Directors form part of Criminal Proceedings.*

(3) *Statutory or Regulatory Proceedings against our Promoters form part of Criminal Proceedings.*

For further details of the outstanding litigation proceedings, please see *"**Outstanding Litigation and Material Developments**"* on page 414.

Further, as on the date of this Draft Red Herring Prospectus, there are no pending litigation involving our Group Companies which has a material impact on our Company.

As on the date of this Draft Red Herring Prospectus, our Company has no subsidiary.

Risk Factors

Specific attention of the investors is invited to the section *"**Risk Factors**"* on page 35.

Summary of contingent liabilities

The details of our contingent liabilities (as per Ind AS 37) derived from the Restated Financial Statements are set forth in the table below:

(₹ in Lakhs)

Particulars	For the six-months period ended September 30, 2023	Fiscal 2023	Fiscal 2022	Fiscal 2021
Disputed Income Tax Liability				
Assessment Year 2014-15	114.04	114.04	114.04	-
Assessment Year 2015-16	314.76	314.76	314.76	-
Assessment Year 2016-17	624.34	624.34	624.34	-
Assessment Year 2017-18	282.60	282.60	282.60	-
Assessment Year 2018-19	273.72	273.72	273.72	-
	1,609.45	**1,609.45**	**1,609.45**	**-**

Note:
The management does not expect these demands/claims to succeed. Claims, where the possibility of outflow of resources embodying economic benefits is remote, have not been considered in contingent liability. For further details of the contingent liabilities, please see *"**Restated Financial Statements- Note 34- Contingent Liabilities**"* beginning on page 376.

Summary of Related Party Transactions

A summary of the related party transactions as per Ind AS 24-Related Party Disclosures read with the SEBI ICDR Regulations entered into by our Company with related parties as at and for the Financial Years ended March 31, 2023, March 31, 2022 and March 31, 2021 and for the six-months period ended September 30, 2023, derived from the Restated Financial Statements, is as follows:

(₹ in Lakhs)

Nature of Transactions	For the six-months period ended September 30, 2023	As at and for financial year ended March 31, 2023	As at and for financial year ended March 31, 2022	As at and for financial year ended March 31, 2021
Director Remuneration	56.15	84.00	66.00	66.00
Interest on loan	108.38	153.21	218.01	331.68
Issue of Equity Shares during the year	-	-	-	100.00
Loan repaid	620.12	1,735.46	2,322.29	2,768.25
Loan taken	5.62	1,995.08	2,175.10	1,931.34
Purchase	2.00	37.44	-	8.44
Remuneration	15.00	24.00	18.00	12.00
Rent	12.00	25.20	25.20	25.20
Salary	39.22	71.60	51.60	48.00
Sales	-	113.10	-	-
Transfer of Equity Shares during the year	29.50	-	-	-

Financing Arrangements

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

Details of Pre-IPO Placement

Our Company is contemplating a pre-IPO placement. Our Company, in consultation with the BRLM, may consider undertaking a further issue of Equity Shares of the Company, as may be permissible through a preferential issue, private placement, right issue or any other method as may be permitted in accordance with applicable law to any person(s), of up to 5,00,000 Equity Shares, aggregating up to ₹ [●] Lakhs, between the date of this Draft Red Herring Prospectus till the filing of the Red Herring Prospectus with the RoC, subject to appropriate approvals ("**Pre-IPO Placement**"). The Pre-IPO Placement, if undertaken, will be at a price to be decided by our Company in consultation with the BRLM, and the Pre-IPO Placement will be completed prior to filing of the Red Herring Prospectus with the RoC. If the Pre-IPO Placement is undertaken, the amount raised from the Pre-IPO Placement will be reduced from the Fresh Issue, subject to compliance with Rule 19(2)(b) of the SCRR, as amended.

Details of price at which the Equity Shares were acquired in the last three (3) years preceding the date of this Draft Red Herring Prospectus

Except as disclosed below, our Promoter Selling Shareholders, and members of the Promoter Group have not acquired any Equity Shares in the last three (3) years preceding the date of this Draft Red Herring Prospectus:

Name of the Shareholders	Nature of Transaction	Face value (in ₹)	Date of acquisition of Equity Shares	Number of Equity Shares acquired	Acquisition price per Equity Share (₹)
Promoters					
Dhanji Raghavji Patel	Transfer of Equity Shares by way of gift to Rahul Dhanji Patel	10	July 31, 2023	(100,000)	Nil
	Bonus Issue**	10	December 30, 2023	1,37,41,758	Nil
Bechar Raghavji Patel	Bonus Issue**	10	December 30, 2023	39,42,000	Nil
Promoter Group					
Bharat Haribhai Patel	Transfer of Equity Shares by way of gift from Shavji Jesha Patel	10	May 30, 2023	10,000	Nil
	Transfer of Equity Shares by way of gift from Jaishri Bharatbai Patel	10	May 30, 2023	20,000	Nil
	Transfer of Equity Shares by way of gift from Punji Beacher Patel	10	June 19, 2023	1,45,000	Nil
	Bonus Issue**	10	December 30, 2023	10,53,000	Nil
Rahul Patel	Transfer of Equity Shares by way of gift from Dhanji Raghavji Patel	10	July 31, 2023	1,00,000	Nil
	Bonus Issue**	10	December 30, 2023	5,40,000	Nil
Hiren Bechar Patel	Bonus Issue**	10	December 30, 2023	5,40,000	Nil
Ankit Beacher Patel	Bonus Issue**	10	December 30, 2023	2,70,000	Nil

Name of the Shareholders	Nature of Transaction	Face value (in ₹)	Date of acquisition of Equity Shares	Number of Equity Shares acquired	Acquisition price per Equity Share (₹)
Vaishali Panvelkar	Bonus Issue**	10	December 30, 2023	54,000	Nil
Preeti Pankaj Patel	Transfer of Equity Shares by way of gift from Komal Rahul Waghela	10	May 30, 2023	10,000	Nil
	Bonus Issue**	10	December 30, 2023	54,000	Nil
Mahesh Haribhai Patel	Transfer of Equity Shares by way of gift from Geeta Mahesh Patel	10	May 30, 2023	10,000	Nil
	Transfer of Equity Shares by way of gift From Ananthibhain S Patel	10	June 19, 2023	30,000	Nil
	Bonus Issue**	10	December 30, 2023	270,000	Nil
Komal Rahul Waghela	Transfer of Equity Shares by way of gift to Preeti Pankaj Patel	10	May 30, 2023	(10,000)	Nil
	Transfer of Equity Shares by way of gift to Punji Beacher Patel	10	June 19, 2023	(20,000)	Nil
	Bonus Issue**	10	December 30, 2023	54,000	Nil
Asmita Dhanji Patel	Transfer of Equity Shares by way of gift from Smita Dhanji Patel	10	May 30, 2023	10,000	Nil
	Bonus Issue**	10	December 30, 2023	54,000	Nil

Notes:

**As certified by our Statutory Auditor- Kanu Doshi Associates LLP, Chartered Accountants, pursuant to their certificate dated March 29, 2024;*

***There is no acquisition price per Equity Share for these transactions, as these Equity Shares were acquired pursuant to bonus issue.* For further details, please see *"**Capital Structure**"* on page 96.

Weighted average price at which Equity Shares were acquired by our Promoter Selling Shareholders in the one (1) year, eighteen months (18) and three (3) years preceding the date of this Draft Red Herring Prospectus

The weighted average price at which Equity Shares were acquired by our Promoter Selling Shareholders in the one (1) year preceding the date of this Draft Red Herring Prospectus is as follows:

Name	Number of Equity Shares acquired in the last one (1) year	Weighted average price of Equity Shares acquired in the last one (1) year**
Promoter Selling Shareholders		
Dhanji Raghavji Patel	1,37,41,758	Nil*
Bechar Raghavji Patel	39,42,000	Nil*

Notes:

**Shares issued on account of bonus issue.*

*** As certified by our Statutory Auditor- Kanu Doshi Associates LLP, Chartered Accountants, pursuant to their certificate dated March 29, 2024;*

The weighted average price at which Equity Shares were acquired by our Promoter Selling Shareholders in the eighteen (18) months preceding the date of this Draft Red Herring Prospectus is as follows:

Name	Number of Equity Shares acquired in the last eighteen (18) months **	Weighted average price of Equity Shares acquired in the last eighteen (18) months
Promoter Selling Shareholders		
Dhanji Raghavji Patel	1,37,41,758	Nil*
Bechar Raghavji Patel	39,42,000	Nil*

Notes:
**Shares issued on account of bonus issue.*
*** As certified by our Statutory Auditor- Kanu Doshi Associates LLP, Chartered Accountants, pursuant to their certificate dated March 29, 2024.*

The weighted average price at which Equity Shares were acquired by our Promoter Selling Shareholders in the three (3) years preceding the date of this Draft Red Herring Prospectus is as follows:

Name	Number of Equity Shares acquired in the last one (3) years**	Weighted average price of Equity Shares acquired in the last one (3) years
Promoter Selling Shareholders		
Dhanji Raghavji Patel	1,37,41,758	Nil*
Bechar Raghavji Patel	39,42,000	Nil*

Notes:
**Shares issued on account of bonus issue.*
*** As certified by our Statutory Auditor- Kanu Doshi Associates LLP, Chartered Accountants, pursuant to their certificate dated March 29, 2024.*

Weighted average cost of acquisition of all shares transacted in the last three (3) years, eighteen (18) months and one (1) year

The weighted average cost of acquisition of all shares transacted (i) in the preceding three (3) years; (ii) in the preceding one (1) year; and (iii) in the preceding eighteen (18) months from the date of this Draft Red Herring Prospectus is as under:

Period	Weighted average cost of acquisition***	Upper end of the price band (₹[●]) is 'X' times the weighted average cost of acquisition**	Range of acquisition price: Lowest price – Highest price (in ₹)*
Last one (1) year	Nil	[●]	[●]
Last three (3) years	Nil	[●]	[●]
Last eighteen (18) months	Nil	[●]	[●]

Notes:
*******As certified by our Statutory Auditor- Kanu Doshi Associates LLP, Chartered Accountants, pursuant to their certificate dated March 29, 2024.*
***To be updated upon finalization of the Price Band.*
****Shares issued on account of bonus issue and Shares transferred without consideration.*

Average cost of acquisition for our Promoter Selling Shareholders

The average cost of acquisition per Equity Share by our Promoter Selling Shareholders, as at the date of this Draft Red Herring Prospectus, is:

Name	Number of Equity Shares acquired since inception	Weighted average price of Equity Shares acquired since inception#
Promoter Selling Shareholders		
Dhanji Raghavji Patel	1,62,86,528	7.57
Bechar Raghavji Patel	46,72,000	1.56

Notes:
 # As certified by our Statutory Auditors- Kanu Doshi Associates LLP, Chartered Accountants, pursuant to their certificate dated March 29, 2024.

Issuances of Equity Shares for consideration other than cash in the last one year (excluding bonus issuances)

Our Company has not issued any Equity Shares for consideration other than cash in the one (1) year preceding the date of this Draft Red Herring Prospectus.

For details, see please *"**Capital Structure**"* on page 96.

Split / Consolidation of Equity Shares in the last one year

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

Exemption from complying with any provisions of securities laws, if any, granted by SEBI

As on the date of this Draft Red Herring Prospectus, our Company has not made any application under Regulation 300(2) of the SEBI ICDR Regulations for seeking exemption from strict compliance with any provisions of securities laws for the purpose of disclosure in this Draft Red Herring Prospectus.

SECTION II - RISK FACTORS

*An investment in Equity Shares involves a high degree of risk. Potential investors should carefully consider all the information in this Draft Red Herring Prospectus, including the risks and uncertainties described below, before making an investment in our Equity Shares. The risks described below are not the only ones relevant to us or our Equity Shares, the industry and segments in which we currently operate or propose to operate. Additional risks and uncertainties, not presently known to us or that we currently deem immaterial may also impair our business, results of operations, financial condition and cash flows. If any or a combination of the following risks, or other risks that are not currently known or are currently deemed immaterial, actually occur, our business, results of operations, financial condition and cash flows could suffer, the trading price of our Equity Shares could decline and investors may lose all or part of their investment. To obtain a complete understanding of our Company, prospective investors should read this section in conjunction with "**Industry Overview**", "**Our Business**", "**Restated Financial Statements**" and "**Management's Discussion and Analysis of Financial Condition and Results of Operations**" on pages 150, 251, 376, and 378, respectively, as well as the financial, statistical and other information contained in this Draft Red Herring Prospectus.*

In making an investment decision, prospective investors must rely on their own examination of us and the terms of the Offer including the merits and risks involved. Prospective investors should consult their tax, financial and legal advisers about the consequences of an investment in our Equity Shares.

*Prospective investors should pay particular attention to the fact that our Company is incorporated under the laws of India and is subject to a legal and regulatory environment, which may differ in certain respects from that of other countries. This Draft Red Herring Prospectus also contains forward-looking statements that involve risks, assumptions, estimates and uncertainties. Our actual results could differ materially from those anticipated in these forward-looking statements as a result of certain factors, including the considerations described below and elsewhere in this Draft Red Herring Prospectus. For details, please see "**Forward-Looking Statements**" on page 24.*

*Unless otherwise indicated, the industry-related information contained in this Draft Red Herring Prospectus is derived from the report titled "Industry Report on Food & Grocery Retailing and Food Processing Report" ("**D&B Report**") dated March 27, 2024, prepared and issued by Dun & Bradstreet Information Services Private Limited ("**D&B**"), which has been exclusively commissioned and paid for by our Company for an agreed fee for the purposes of confirming our understanding of the industry, exclusively in connection with the Offer. A copy of the D&B Report shall be available on the website of our Company at https://patelrpl.in/ in compliance with applicable laws. We engaged D&B, in connection with the preparation of the D&B Report on February 12, 2024. For further details and risks in relation to the D&B Report, please see "**Certain Conventions, Currency of Presentation, Use of Financial Information and Market Data**" on page 20 and "**Risk Factor- Internal Risk Factor 22- Industry information included in this Draft Red Herring Prospectus has been derived from an industry report prepared by Dun & Bradstreet, exclusively commissioned and paid for by us for such purpose**" on page 51. There are no parts, data or information (which may be relevant for the proposed Offer), that has been left out or changed in any manner.*

*Unless otherwise stated, or the context otherwise requires, the financial information as of and for the FYs 2023, 2022 and 2022 and the six months ended September 30, 2023 used in this section is derived from our Restated Ind AS Financial Information. In addition, certain non-GAAP financial measures and certain other statistical information relating to our operations and financial performance have been included in this section and elsewhere in this Draft Red Herring Prospectus. Such non-GAAP financial measures should be read together with the nearest GAAP measure. Please see "**Certain Conventions, Currency of Presentation, Use of Financial Information and Market Data—Non-GAAP measures**" on page 21.Unless specified or quantified in the relevant risk factors below, we are not in a position to quantify the financial or other implications of any of the risks described in this section.*

Internal Risk Factors

1. ***All our retail stores are concentrated in the state of Maharashtra, more particularly within the Thane and Raigad district. In the Financial Years 2022-23, 2021-22 and 2020-21 and the six months period ended September 30, 2023, our revenue from retail sales accounted for 26.17%, 32.59%, 28.73% and 31.17% of our revenue from operations, respectively. Any adverse developments affecting our operations in such region, could have an adverse impact on our retail business, financial condition, results of operations and cash flows.***

As on December 31, 2023, we have thirty-one (31) retail stores in the state of Maharashtra. We have established our stores in the central suburban area of the MMR i.e., in Thane district and Raigad district of Maharashtra, thus focusing on the growing tier-III cities and the suburban areas. Our stores are primarily located using a cluster approach on the basis of adjacencies, with focus on efficient supply chain, targeting densely-populated residential areas with a majority of lower-middle class, middle class and aspiring upper-middle class customers. The table below sets forth our revenue from our retail stores:

Location	Six months period ended September 30, 2023		Fiscal 2023		Fiscal 2022		Fiscal 2021	
	No. of stores	Revenue (₹ in Lakhs)	No. of stores	Revenue (₹ in Lakhs)	No. of stores	Revenue (₹ in Lakhs)	No. of stores	Revenue (₹ in Lakhs)
Ambernath	6	2,626.73	6	5,311.45	6	5,211.03	6	5,172.73
Ambernath (R Choice)	-	-	2*	214.18	2*	124.05	2*	64.17
Badlapur	6	2,496.33	5	4,790.70	5	4,419.39	4	4,615.83
Dombivli	7	1,799.82	7	3,103.34	5	2,445.50	5	2,291.15
Kalyan	5	2,245.66	5	4,488.47	4	4,551.51	4	4,111.35
Khopoli	1	420.24	1	185.18	-	-	-	-
Murbad	1	461.73	1	848.27	1	802.56	1	614.66
Shahapur	1	890.54	1	1,687.67	1	1,660.28	1	1,395.45
Shahad	1	368.90	1	783.31	1	930.74	1	988.56
Titwala	1	1,490.44	1	2,854.30	1	2,545.94	1	2,065.19
Ulhasnagar	2	1,101.08	2	2,388.78	2	2,280.44	2	2,340.33
Total	**31**	**13,901.38**	**32**	**26,655.66**	**28**	**24,971.45**	**27**	**23,659.43**

**The Company transferred the 2 stores, being our exclusive garment outlets and thus terminating the lease for the 2 stores. Till such termination the Company has accounted a revenue of ₹214.18 Lakhs during the Fiscal 2023.*

We aim to open more stores in the state of Maharashtra. Additionally, while opening new stores, we consciously follow a cluster-based approach. More than one store located close to each other in a cluster may lead to each such store eating into the sales of the other stores in the cluster leading to falling sales in each of such stores. For instance, our closest stores are situated within a distance of 2 kms from each other. Our past store sales may not be comparable to or indicative of future sales. If our cluster based approach fails or leads to reduction of individual store sales due to over-crowding in a small area, it may lead to lower revenues which could have a material adverse effect on our business, financial condition and results of operations.

Existing and potential competitors to our businesses may increase their focus on this city, which could reduce our market share. For example, our competitors may intensify their efforts in this city to capture a larger market share by launching aggressive promotional campaigns.

The concentration of our stores in Maharashtra heightens our exposure to adverse developments related to competition, as well as economic, political, demographic and other changes, which may affect the performance of our stores or distribution centre, and which could have a material adverse effect on our business, financial condition and results of operations.

2. ***Our inability to maintain an optimal level of inventory in our stores may impact our operations adversely.***

An optimal level of inventory is important in our retail business as it allows us to respond to customer demand effectively and to maintain a full range of products at our stores. As on December 31, 2023 we offer around 38 product categories with over 10,000 product SKUs in our stores. We currently function on a low inventory level model i.e., we typically maintain inventory levels that are sufficient for a few days of operation. For instance, our average inventory turnover ratio (computed by dividing revenue from retail sales by average inventory, which is an average of opening inventory and closing inventory) was 3.25 (not annualised), 7.39, 6.77 and 6.42, respectively in the six months period ended September 30, 2023 and in FY 2022-23, 2021-22 and 2020-21, respectively. We believe our Distribution Centre and Facility 1 situated at Ambernath, Maharashtra, forms the backbone of our supply chain to support our retail store network which is within a radius of 60 kms, thus optimizing our inventory holding level.

Disruptions to the delivery of products to our Distribution Centre and stores may occur for reasons such as poor handling, transportation bottlenecks, or labour strikes, which could lead to delayed or lost deliveries, or damaged products and disrupt supply of these products. Further, natural disasters such as earthquakes, extreme climatic / weather conditions such as floods, or droughts or natural conditions such as crop disease, pests or soil erosion may adversely impact the supply of fresh products and local transportation. Should our supply of products be disrupted, we may not be able to procure an alternate source of supply of products in time to meet the demands of our customers, or we may not be able to procure products of equal quality or on equally competitive terms, or at all. Such disruption to supply would materially and adversely affect our business, profitability and reputation.

In addition, even if we are able to arrange for sale of all our stock, we cannot ensure that products are not consumed by consumers subsequent to the expiry of the shelf life, which may lead to health hazards. While we display the shelf life in the packing of our products, we may face claims for damages or other litigation in the event our products are sold and consumed subsequent to expiry of their shelf life. Any or all of these factors could adversely affect our reputation, and consequently our business, prospects and financial performance.

Although there are checks to avoid under-stocking and over-stocking, our estimates and forecasts are not always accurate. Due to our EDLC/ EDLP pricing strategy, we have very limited flexibility to mark down prices of products which are nearing their expiry date. If we over-stock inventory, our capital requirements will increase and we will incur additional financing costs. If we under-stock inventory, our ability to meet customer demand and our operating results may be adversely affected. Our average inventory per store for the FYs 2022-23, 2021-22 and 2020-21 and the six months period ended September 30, 2023 is ₹ 120.22 Lakhs, ₹ 141.90 Lakhs, ₹ 147.79 Lakhs and ₹ 138.12 Lakhs, respectively. Any mismatch between our planning and actual consumer consumption could lead to potential excess inventory or out-of-stock situations, either of which could have an adverse effect on our business, financial condition and results of operation.

3. ***We face foreign exchange risks that could adversely affect our results of operations and cash flows.***

A significant portion of our total revenue from operations is denominated in currencies other than Indian Rupees. For the FYs 2022-23, 2021-22 and 2020-21 and the six months period ended September 30, 2023, our exports accounted for ₹ 66,962.58 Lakhs, ₹ 46,767.38 Lakhs, ₹ 53,472.70 Lakhs and ₹ 24,567.11 Lakhs respectively, representing 65.74%, 61.04%, 64.94%, and 59.09% respectively, of our revenue from operations. We monitor our exposure to foreign currencies and selectively enter into hedging transactions in an attempt to reduce the risks of currency fluctuations. Our Company has partly hedged its foreign currency risk and the open forward contract position as on September 30, 2023 is ₹ 1662.95 Lakhs (equivalent to US Dollar 20 Lakhs), against total foreign currency receivable of ₹ 6475.28 Lakhs (equivalent to US Dollar 77.96 Lakhs). For further details, please see *"**Management's Discussion and Analysis of Financial Condition and Results of Operations**"* on page 378. However, these activities are not always sufficient to protect us against incurring potential losses if currencies fluctuate significantly. For instance, we have incurred foreign exchange loss of ₹ (328.62) Lakhs for the FY 2022-23. We cannot assure you that we will not be subject to foreign exchange losses in the future. In addition, the policies of the RBI may also change from time to time, which may limit our ability to effectively hedge our foreign currency exposures and may have an adverse effect on our results of operations and cash flows.

4. ***Our business is operating under various laws which require us to obtain approvals from the concerned statutory/ regulatory authorities in the ordinary course of business. Some of our approvals are required to be transferred in the name of Patel Retail Limited from Patel Retail Private Limited, pursuant to change of name of our Company. Our inability to obtain, maintain or renew requisite statutory and regulatory permits and approvals for our business operations in a timely manner could materially and adversely affect our business, prospects, results of operations and financial condition.***

We are required to obtain and maintain a number of statutory and regulatory licenses, permits and approvals under the central, state and local government laws of India, in the ordinary course of business.

Such licenses, permits and approvals may contain conditions, some of which could be onerous. There can be no assurance that the relevant authorities will issue these approvals or licenses in a timely manner, or at all. In the event of any unanticipated delay in receipt of such approvals, it may have an adverse impact on our business operations. Also, our Company was converted from a private limited company (Patel Retail Private Limited) to a public limited company (Patel Retail Limited).

For instance, as on the date of this Draft Red Herring Prospectus, we do not possess the following licenses and our Company is in process of making necessary applications for the same- (i) contract labour licenses for our Facility 2 and Facility 3 situated in Kutch, Gujarat ("**Kutch Facilities**"); (ii) license for working of the lift for Facility 1; (iii) no objection certificate for fire safety for Facility 1. While our Company is in the process of making necessary application for seeking these licenses / approval, there is no assurance that the relevant authorities will allot these licenses or we will not be subject to penalties or interruptions in our operations.

Failure by us to renew, maintain or obtain the required permits or approvals at the requisite time may result in the interruption of our operations and may have an adverse effect on our business, financial condition and results of operations. For instance, there was a delay in making an application for renewal of a license. For instance, the consent to operate issued by the Maharashtra Pollution Control Board ("**MPCB**") for Factory 1 situated at Ambernath, Maharashtra expired on March 31, 2023. Our Company made payment for renewing the same on November 22, 2023 and is in receipt of the said license and no penalty for delayed payment was levied on us. Further, we have made applications for grant of the following licenses: (i) factory license for Facility 2; (ii) application for amendment to registration of establishments employing contract labour for Facility 1 is proposed to increase the maximum number of contract labour that can be employed on any day.

We cannot assure that the approvals, licenses, registrations and permits issued to us would not be suspended or revoked in the event of non-compliance or alleged non-compliance with any terms or conditions thereof, or pursuant to any regulatory action. Any failure to renew the approvals that have expired or apply for and obtain the required approvals, licenses, registrations or permits, or any suspension or revocation of any of the approvals, licenses, registrations and permits that have been or may be issued to us, may impede our operations. Further, some of our registration certificates are in the formely known as i.e., Patel Retail Private Limited. Our Company has taken steps to update the change in the records of concerned authorities in certain cases. For further details, please see *"**Government and Other Statutory Approvals**"* on page 425. In the event that we are unable to obtain such approvals in a timely manner or at all, our business operations may be adversely affected.

5. ***We appoint contract labour for carrying out our operations (including our stores) and we may be held responsible for payment of wages of such workers, if the independent contractors through whom such workers are hired default on their payment obligations. Such obligations could have an adverse impact on our results of operations, cash flows and financial condition.***

In order to retain flexibility and control costs, we appoint independent contractors who in turn engage on-site contract labourers for performing certain of our ancillary operations, including, assisting in loading and unloading, material handling, operators, maintenance and repairs, unskilled work, housekeeping, salespersons at our stores and security activities. As of December 31, 2023, we had six hundred and thirty six (636) contract labourers at our stores and at our Distribution Centre and Facility 1, one hundred and ninety one (191) contract labourers at our Facility 2 and at our Agri-cluster, who are not on our payrolls. The number of contract labourers vary from time to time based on the nature and extent of work contracted to independent contractors. Although we do not engage these labourers directly, we may be held responsible for any wage payments to be made to such labourers in the event of default by such independent contractors, including any incorrect disclosure by such independent contractor with respect to the applicability of the provision of the CLRA, as amended. All contract labourers engaged at our facilities are assured minimum wages that are fixed by the state governments from time to time. Any upward revision of wages that may be required by the state government to be paid to such contract labourers, or offer of permanent employment or the unavailability of the required number of contract labourers, may adversely affect the business and future results of our operations.

6. ***Any inability to comply with food safety laws, environmental laws and other applicable regulations in relation to our manufacturing facilities and stores may adversely affect our business, financial condition and results of operations.***

Our manufacturing operations and stores are subject to a wide range of health, safety, and environmental laws and regulations. Compliance with these laws and regulations is essential to ensure the well-being of our employees, protect the environment, and maintain our business operations. Violations of these laws and regulations can lead to fines, penalties, or litigation, which may have adverse effects on our business, financial condition, and results of operations. For example, we must adhere to the provisions of the Food Safety and Standards Act, 2006 ("**FSS Act**"), which sets scientific standards for food articles and regulates their manufacture, storage, distribution, and sale to ensure safe and wholesome food for human consumption and the provisions of the Insecticides Act, 1968 which regulates the import, manufacture, sale, transport, distribution and use of insecticides to prevent risk to human beings or animals. Non-compliance with licensing requirements or operating without a license under the FSS Act can result in punishable offenses and fines. To remain compliant with applicable laws and regulations, we may need to modify our operations or make capital improvements in the future. This could involve investing in new equipment or technologies, implementing additional safety measures, or making changes to our manufacturing processes. These modifications may require financial resources and could impact our operational efficiency. In addition to food safety regulations, we are also subject to laws and government regulations related to safety, health, and environmental protection. These include the Environmental Protection Act 1986, the Air (Prevention and Control of Pollution) Act, 1981, the Water (Prevention and Control of Pollution) Act 1974, and other regulations established by the Ministry of Environment and the pollution control board of Gujarat. Compliance with these environmental protection laws and regulations is crucial to minimize the impact of our operations on air and water quality, as well as to protect ecosystems and public health. Failure to comply with these laws could result in penalties, legal actions, or reputational damage.

We recognize the importance of adhering to health, safety, and environmental regulations and strive to maintain a culture of compliance within our organization. We have implemented processes and procedures to ensure ongoing compliance with applicable laws and regulations. Regular monitoring, training, and internal audits are conducted to identify and address any areas of noncompliance. Any non-compliance or failure to adapt to evolving regulatory requirements could have negative consequences on our business operations, financial condition, and results of operations.

7. ***Our Company may be involved in certain legal and regulatory proceedings. Any adverse decision in such proceedings may have a material adverse effect on our business, results of operations, financial condition and cash flows.***

Our Company, our Promoters and Directors are currently involved in certain legal proceedings, which are pending at different levels of adjudication before various courts, tribunals and other authorities. Such proceedings could divert management's time and attention and consume financial resources in their defense or prosecution. The amounts claimed in these proceedings have been disclosed to the extent ascertainable and quantifiable.

Name of the entity	Criminal Proceedings	Tax Proceedings	Statutory or Regulatory Proceedings	Disciplinary actions by SEBI or Stock Exchanges against our Promoters	Material Civil Litigations	Amount involved (₹ in Lakhs)
Company						
By our Company	Nil	5	Nil	Not Applicable	Nil	1609.45
Against our Company	4	11	Nil[(1)]	Not Applicable	1	3,131.06
Directors (Other than Promoters)						
By our Directors	13	6	Nil	Not Applicable	Nil	529.11
Against our Directors	8	10	Nil[(2)]	Not Applicable	1	541.72
Promoters						

Name of the entity	Criminal Proceedings	Tax Proceedings	Statutory or Regulatory Proceedings	Disciplinary actions by SEBI or Stock Exchanges against our Promoters	Material Civil Litigations	Amount involved (₹ in Lakhs)
By our Promoters	1	6	Nil	Nil	Nil	1277.58
Against our Promoters the Promoters	8	10	Nil(3)	Nil	1	1678.32

Notes:

(1) *Statutory or Regulatory Proceedings against our Company form part of Criminal Proceedings;*

(2) *Statutory or Regulatory Proceedings against our Directors form part of Criminal Proceedings;*

(3) *Statutory or Regulatory Proceedings against our Promoters form part of Criminal Proceedings*.

An adverse outcome / decision in any of the aforesaid proceedings may have an adverse effect on our business, results of operations and future financial performance. There can be no assurance that any of the matters will be settled in favour of our Company, or that no additional liability will arise out of these proceedings. For further details, please see *"**Outstanding Litigations and Material Developments**"* on page 414.

8. ***We have certain contingent liabilities that have been disclosed in the Restated Financial Information, which if they materialise, may adversely affect our business, results of operations, financial condition and cash flows.***

As of September 30, 2023, our contingent liabilities as disclosed in the notes to our Restated Financial Information. The following table sets forth our contingent liabilities as of September 30, 2023:

(₹ in Lakhs)

Particulars	For the six-months period ended September 30, 2023	Fiscal 2023	Fiscal 2022	Fiscal 2021
Disputed Income Tax Liability				
Assessment Year 2014-15	114.04	114.04	114.04	-
Assessment Year 2015-16	314.76	314.76	314.76	-
Assessment Year 2016-17	624.34	624.34	624.34	-
Assessment Year 2017-18	282.60	282.60	282.60	-
Assessment Year 2018-19	273.72	273.72	273.72	-
	1,609.45	**1,609.45**	**1,609.45**	**-**

Notes:

The management does not expect these demands/claims to succeed. Claims, where the possibility of outflow of resources embodying economic benefits is remote, have not been considered in contingent liability. If a significant portion of our contingent liabilities materialise, it could have an adverse effect on our results, business of operations, cash flows and financial condition. For further details, please see *"**Restated Financial Statements- Note 34 - Contingent Liabilities**"* beginning on page 376.

9. ***Our Promoters and Directors Dhanji Raghavji Patel (Chairman and Managing Director) and Bechar Raghavji Patel (Whole-time Director) and Hiren Bechar Patel (Non-Executive Director) do not possess educational qualifications in the field in which our Company operates.***

Our Promoters and Directors- Dhanji Raghavji Patel and Bechar Raghavji Patel do not possess educational qualifications in the field in which our Company operates. However, they have been associated with our Company since its inception and have built the business. For further details, please see *"**Our Management- Brief Profile of our Directors**"* on page 349. Our future success will depend on, among other things, the ability of our Company to evolve with the changing landscape of the business verticals in which we operate.

10. ***Our Company depends on the skills, knowledge and experience of our Promoter, Key Management Personnel and Senior Management for our growth. The loss of their services may have a material adverse effect on our business, financial condition, and results of operations.***

We primarily depend and benefit from the strategic guidance, knowledge, skills and experience of our Promoters- Dhanji Raghavji Patel (Chairman and Managing Director and Key Managerial Personnel) and Bechar Raghavji Patel (Whole-time Director and Key Managerial Personnel), who are instrumental in developing business strategies, monitoring its successful implementation and meeting future challenges. Further, complementing his vision, Bharat Haribhai Patel (Chief Operating Officer, Key Managerial Personnel) and Mahesh Haribhai Patel (General Manager- Retail, Senior Management) ably assist in conducting our day-to-day operations and execution of strategies. Dhanji Raghavji Patel, Bharat Haribhai Patel and Mahesh Haribhai Patel collectively, have several years of experience in managing our various businesses and are difficult to replace. For further details, please see *"**Brief Profiles of our Directors (Qualifications and Experience) and Key Managerial Personnel of our Company and Senior Management Personnel of our Company**"* on pages 349 and 364 respectively. If their involvement in our business reduces in the future, we may be unable to implement our plans as anticipated or maintain administrative control as we currently do, which in turn could adversely affect our business, results of operations, financial condition and prospects. In the event we are unable to attract and retain managerial personnel or our Key Managerial Personnel / Senior Management joins our competitors or venture into competing businesses, our ability to conduct efficient business may be impaired. The loss of services of our Promoter, such Key Managerial Personnel or Senior Management and our inability to retain them may have an adverse effect on our business, results of operations, and financial condition. If their involvement in our business reduces in future, we may be unable to implement our plans as anticipated or maintain administrative control as we currently do.

11. ***Our Company has entered into related party transactions in the past and may continue to do so in future. There can be no assurance that such transactions will not have an adverse effect on our results of operations, and financial condition.***

We have in the ordinary course of business, entered into transactions with related parties in the past and are likely to do so in the future. These transactions typically include remuneration to our Executive Directors, Key Managerial Personnel, interest paid to our Directors not exceeding 12% per annum towards unsecured loans provided by them, and rent paid to our Directors for use of premises. For details, please see *"**Our Management- Interest of our Directors**"* and *"**Our Promoters and Promoter Group- Interest of our Promoters**"* on pages 353 and 368, respectively.

The related party transactions can be summarised broadly under the category such as remuneration to directors and KMPs (₹ 100.37 Lakhs, ₹ 173.60 Lakhs, ₹ 126.60 Lakhs, and ₹ 117.00 Lakhs), loan taken (₹ 1807.18 Lakhs, ₹ 2580.05 Lakhs, ₹ 2281.86 Lakhs, and ₹ 2429.06 Lakhs), sale of good (Nil, ₹ 113.10 Lakhs, Nil, and Nil) and purchase of goods (₹ 2 Lakhs, ₹ 37.44 Lakhs, Nil and ₹ 8.44 Lakhs), rent paid (₹ 12.00 Lakhs, ₹ 25.20 Lakhs, ₹ 25.20 Lakhs, and ₹ 25.20 Lakhs), interest on unsecured loan (₹ 108.38 Lakhs, ₹ 153.21 Lakhs, ₹ 218.01 Lakhs, and ₹ 331.68 Lakhs) for the financial period covered under this Draft Red Herring Prospectus i.e., six months period ended September 30,2023, Fiscal 2023, Fiscal 2022 and Fiscal 2021, respectively.

The table below sets forth a summary of our related party transactions for the FYs 2022-23, 2021-22 and 2020-21 and the six (6) months period ended September 30, 2023:

(₹ in Lakhs)

Sr. No.	Related parties	Nature of Transactions during the year	For the six months period ended September 30, 2023	2022-23	2021-22	2020-21
(i)	Dhanji Raghavji Patel	Director Remuneration	37.50	60.00	48.00	48.00
		Interest on loan	50.45	107.83	163.79	246.77
		Rent	0.90	1.80	1.80	1.80
		Issue of Equity Shares during the year	-	-	-	100.00
		Loan taken	0.47	1,146.50	2,091.60	1,898.37
		Loan Repaid	614.97	1,731.41	1,526.85	2,743.30
(ii)	Bechar Raghavji Patel	Director Remuneration	16.00	12.00	9.00	9.00
		Interest on loan	-	45.37	20.27	26.97
		Rent	0.90	1.80	1.80	1.80
		Loan taken	-	544.54	18.24	32.98
		Loan Repaid	-	-	245.73	24.95
(iii)	Hiren Bechar Patel	Director Remuneration	2.65	12.00	9.00	9.00
		Interest on loan	57.93	-	33.95	57.93
		Rent	-	1.20	1.20	1.20
		Loan taken	-	300.00	64.56	-
		Loan Repaid	-	-	549.01	-
(iv)	Ashwin Shavji Patel	Salary	-	6.00	9.00	9.00
	Patel R Choice (Prop Ashwin Patel)	Sales	-	113.10	-	-
(v)	Mahesh Haribhai Patel	Salary	15.00	24.00	12.00	12.00
(vi)	Bharat Haribhai Patel	Salary	22.50	36.00	24.00	24.00
		Transfer of Equity Shares during the year	19.50	-	-	-
		Loan taken	5.15	4.05	0.70	-
		Loan Repaid	5.15	4.05	0.70	-
(vii)	Rahul Dhanji Patel	Remuneration	15.00	24.00	18.00	12.00
		Transfer of Equity Shares during the year	10.00	-	-	-
(viii)	Shavji Jesha Patel	Salary	-	2.00	3.00	3.00
(ix)	PRPL Garments Private Ltd	Purchase	2.00	37.44	-	8.44
(x)	Ananthibhain S Patel	Salary	-	3.60	3.60	-
(xi)	Manish Rambabu Agarwal	Salary*	-	-	-	-
(xii)	M/s. KBP Corporation (Partnership	Rent	10.20	20.40	20.40	20.40

Sr. No.	Related parties	Nature of Transactions during the year	For the six months period ended September 30, 2023	2022-23	2021-22	2020-21
	Firm of Komal Rahul Waghela)					
(xiii)	Deepesh Sanjay Somani	Salary	1.72	-	-	-

***** *Manish Rambabu Agarwal was paid salary in the capacity of Director – Finance for the Fiscal 2023, Fiscal 2022 and Fiscal 2021 and for the six months period ending on September 30, 2023.*

The related party transactions are in compliance with the Companies Act, 2013, SEBI Listing Regulations, relevant Accounting Standards and other statutory compliances. However, there can be no assurance that we could not have achieved more favourable terms, had such transactions been entered with third parties. Post listing, all related party transactions that we may enter into, will be subject to the approval of the Audit Committee, Board and Shareholders, as applicable, and in compliance with the applicable accounting standards, provisions of the Companies Act and SEBI Listing Regulations (as amended) and other applicable law, in the interest of the Company and minority shareholders. We cannot assure you that our existing agreements and any such future transactions, will be in the interest of our Company and minority shareholders or will not have an adverse effect on our financial condition and results of operations.

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

Our operations are subject to risks inherent to manufacturing operations such as risk of equipment failure, work accidents, fire, earthquakes, flood and other force majeure events, acts of terrorism and explosions including hazards that may cause injury and loss of life, severe damage to and the destruction of property and equipment and environmental damage. Further, we could face liabilities or otherwise suffer losses should any unforeseen incident such as fire, flood, and accidents affect our stores and distribution centre or in the region where our stores and distribution centre are located.

In order to mitigate the risk of losses from potentially harmful events, our principal types of coverage include the marine cargo annual turnover policy, burglary insurance for our stores, mediclaim insurance for our employees. Further, our coverage includes New India Bharat Laghu Udyam Policy Suraksha Policy which covers building, furniture & fixtures, plant and machinery, stocks for our factories at Ambernath, Maharashtra ("**Facility 1**"), Dudhai, Gujarat ("**Facility 2**") and Dudhai, Gujarat ("**Facility 3**"), stores situated at Maharashtra.

Notwithstanding the fact of the insurance coverage we carry, we may not be fully insured against certain business risks. We cannot assure that any claim under the insurance policies maintained by us, will be honoured fully, in part, or on time. To the extent that we suffer any loss or damage that is not covered or exceeds our insurance coverage, our business, results of operations, financial condition and cash flows could be adversely affected. For further details, please see *"**Our Business**"* on page 251.

While we believe that we have obtained insurance against losses that are most likely to occur in our line of business, there may be certain losses that may not be covered by the Company. Further, while there has been no past instance of inadequate insurance coverage for any loss, we cannot assure that we will continue to accurately ascertain and maintain adequate insurance for losses that may be incurred in the future. However, there have been instances whereby our Company has been unable to recover our insurance claim to the tune of ₹ 41.15 Lakhs and ₹ 9.19 Lakhs with respect to loss on account of floods during the six months period ending September 30, 2023 and FY 2022-23 respectively and ₹ 0.29 Lakhs with respect to loss on account of theft for the FY 2022-23. Our Company does not maintain D&O and cybercrime insurance. Further, we do not have keyman insurance policy in place.

13. ***Certain of our properties are not owned by us, but taken on leave and license basis. Further, our Registered Office is not located on land owned by us and we have only leasehold rights. Our inability***

to renew the lease agreements and/or leave and license agreements or any adverse impact on the title or ownership rights of our landlords / owners in relation to these premises may impede our operations.

Except two properties owned by our Promoters, two properties owned by our Company and two properties owned by our promoter group entities (where our retail stores are situated), the rest of our retail stores are on premises that have been taken on leave and license/ lease from third parties. For details please see ***"Our Business- Immovable Properties"*** on page 328. Upon expiration of the leave and license/ lease agreements for each of our premises, we will be required to negotiate the terms and conditions. Our leave and license/ lease agreements are renewable on mutually acceptable terms and upon payment of such rent escalations as stated in the agreements. Any delay or non-payment of rent may result in vacation of the property.

Our Registered Office, Distribution Centre and Facility 1 which is located at Plot M-2, Anand Nagar, Additional MIDC, Ambernath (East), Thane- 421506, Maharashtra, was allotted by the Maharashtra Industrial Development Corporation to MGN Properties LLP, vide Deed of Assignment dated December 20, 2012. MGN Properties LLP assigned to us the said premises for residual term of 92.5 years.

Further, our Company has also taken certain properties in Maharashtra and Gujarat on leave and license for use as godown, rent free residential accommodation for our staff, warehousing and logistics purposes. We cannot assure that we will be able to renew our lease/ leave and license agreements on commercially acceptable terms or at all. If we do not comply with the terms of the leave and license/ lease agreements, it may lead to termination which would have an adverse effect on our business, and results of operations. Further, any adverse impact on the title or ownership rights of the landlords, may force us to vacate such premises and we would be required to make alternative arrangements.

In the event that we are required to vacate our current premises, we could be required to make alternate arrangements for our infrastructure and there can be no assurance that the new arrangements will be on commercially acceptable terms. Apart from the above-mentioned reason, any road widening projects or other infrastructure projects in front of our stores may result in loss of frontage, thereby reducing the appeal of a store to a prospective customer. We cannot predict various infrastructure projects affecting our stores that may exist at any particular time in the future. Further, relocation of any part of our operations may cause disruptions to our business and may require significant expenditure. If we are required to relocate our business operations, we may suffer a disruption in our operations or have to pay increased charges, which could have an adverse effect on our business, results of operations, financial condition and cash flows.

Further, the leave and license agreements for our stores entered into by our Company are not duly registered as per existing laws. The effect could be non-admissibility of the agreement in legal proceedings, and we may not be able to legally enforce to same, except after paying a penalty for inadequate stamping.

Therefore, unless such documents are adequately stamped or duly registered, such documents may be rendered inadmissible as evidence in a court in India or may not be authenticated by any public officer and the same may attract penalty as prescribed under applicable law or may impact our ability to enforce these agreements legally, which may result in an adverse effect on the continuance of our operations and business.

14. ***We are subject to risks associated with new geographic locations.***

As on the date of this Draft Red Herring Prospectus, our retail business operations are situated in Maharashtra (Thane and Raigad District). Our retail business has grown steadily over the years, primarily through expansion of our store network from one (1) store in FY 2007-08 to thirty-one (31) stores as of December 31, 2023, across ten (10) cities/ suburban areas in Thane and Raigad districts of Maharashtra. As part of our expansion strategy, we plan to deepen our store network in the central suburban area of the MMR such as Bhiwandi, Padgha, Diva, Vasind, Vangani and Neral and gradually expand our network in the western suburban area of the MMR such as Mira Road, Bhayander, Vasai and Virar. For further details, please see *"**Our Business- Steady footprint expansion using a distinct store acquisition strategy and ownership model**"* on page 269.

The concentration of our retail business in the state of Maharashtra subjects us to various risks, including but not limited to:

(a) Regional slowdown;
(b) Interruptions on account of adverse climatic conditions;
(c) Change in laws, policies and regulations of the political and economic environment; and
(d) Our limited brand recognition and reputation in regions other than Maharashtra.

Expansion into new geographic areas will subject us to various challenges, including those relating to our lack of familiarity, presence of our competitors, difficulties in staffing and managing such operations and the lack of brand recognition and reputation in such areas.

While we strive to geographically diversify our business and reduce our concentration risk, we cannot assure you that developments in Maharashtra will not impact our business. If we are unable to mitigate the concentration risk, we may not be able to develop our business effectively and our business, financial condition and results of operation could be adversely affected.

15. *Our Promoters will continue to collectively hold majority of the shareholding in our Company, after completion of this Offer.*

As on the date of this Draft Red Herring Prospectus, our Promoters collectively hold 85.96% of the Equity Share capital of our Company. For further details of their shareholding pre and post-Offer, please see *"**Capital Structure- History of build-up of our Promoters' shareholding and lock-in of Promoters' shareholding (including Promoters' contribution) - Build-up of our Promoters' equity shareholding in our Company**"* on page 103.

After the completion of the Offer, our Promoters will continue to collectively hold majority of the shareholding of our Company. As a result, our Promoters will continue to exercise significant influence over our business policies and affairs, including being able to control the composition of our Board, the approval of mergers, strategic acquisitions or joint ventures or the sales of substantially all of our assets, and the policies for dividends, investments, lending, capital expenditures and determine matters requiring Shareholders' approval or approval of our Board. Such concentration of ownership by our Promoters could delay, defer or cause a change of our control or a change in our capital structure, delay, defer or cause a merger, consolidation, takeover or other business combination involving us, discourage or encourage a potential acquirer from making a tender offer or otherwise attempting to obtain control of us. There can be no assurance that our Promoters will act to resolve any conflicts of interest in our favour. Any such conflict may adversely affect our ability to execute our business strategy or operate our business. For further information on interests of our Promoters in the Company, please see *"**Our Promoters and Promoter Group- Interests of our Promoters**"* and *"**Our Management- Interest of our Directors**"* on pages 368 and 353, respectively.

16. *Certain of our Promoters and Directors have interests in us, other than reimbursement of expenses incurred in the ordinary course of business in their capacity as Directors and normal remuneration or benefits.*

Our Promoters and Directors- Dhanji Raghavji Patel (Chairman and Managing Director) and Bechar Raghavji Patel (Whole-time Director) are interested in our Company to the extent: (i) that they have promoted our Company; (ii) of the Equity Shares held by them in our Company and dividend payable, if any, and other distributions in respect of the Equity Shares held by them or the shareholding of their relatives; (iii) of remuneration and reimbursement of expenses, if any, payable to them; (iv) of unsecured loans provided by them to our Company and interest payable to them on the said loans; (v) rent payable to them as regards use of commercial properties situated at Ambernath, Maharashtra for our retail stores. Please see *"**Our Promoters and Promoter Group- Interest of our Promoters**"* on page 368.

Our Non-Executive Director- Hiren Bechar Patel is interested in our Company to the extent: (i) of Equity Shares held in our Company and dividend payable, if any, and other distributions in respect of the Equity Shares held by him; (ii) of unsecured loan provided by him to our Company and interest payable to him on the said loans; (iii) rent payable to him as regards use of property situated at Anjar, Kutch, Gujarat for warehousing and logistics purposes. Please see *"**Our Management- Interest of our Directors**"* on page 353.

17. ***The loss of certain independent certification of our products could have an adverse effect on our reputation, results of operations, financial condition and cash flows.***

As on the date of this Draft Red Herring Prospectus, we hold valid quality certifications including *inter-alia* the following: (i) BRCGS Food Safety certificate for Factory 1; (ii) Halal Certificate for Factory 1; (iii) Kosher certificate for Factory 1; (iv) Certificate of registration on food management system (ISO 22000:2018) for Facility 1, Facility 2 and Facility 3 (Unit IV). We could lose the certifications for certain of our products if we are not able to adhere to the quality standards and specifications required under such certifications or failure to renew such certifications. For instance, as on the date of this Draft Red Herring Prospectus, the certificate of registration on food management system (ISO 22000:2018) for Facility 1 stands expired. Our Company has made an application for renewal of the said certification, and is under process. The loss of any independent certification may restrict our ability to export our products outside India, which could have an adverse effect on our reputation, results of operations, financial condition and cash flows. If we fail to comply with the requirements for applicable quality standards, or if otherwise unable to obtain or renew such quality certifications in the future, in a timely manner, or at all, our business and prospects will be adversely affected.

18. ***We are subject to strict quality requirements. Any failure by us to comply with quality requirements/ standards may result in cancellation of existing and future orders.***

Our business is subject to adherence with quality standards, as per the requirements of the customers and market practice. Any failure by us to achieve or maintain compliance with these requirements or standards may adversely affect our orders from our customers. Our customers may choose our competitors over us if we fail to meet the quality standards, which may in-turn harm our reputation. In case of degradation in quality, we may also become subject to legal proceedings and commercial or contractual disputes. Further, if we incur significant liabilities for which there is no or insufficient insurance coverage; our business, financial condition and results of operations could be adversely affected

19. ***Our Promoters and members of our Promoter Group have given personal guarantees for loan facilities obtained by our Company. 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.***

Our Promoters and members of our Promoter Group have provided personal guarantees towards loan facilities taken by our Company. The table sets forth the details of guarantees given by our individual Promoters:

Sr. No.	Guarantee given in favour of	Guarantee amount (₹ in Lakhs)	Reason for the Guarantee	Period of Guarantee	Financial Implication in case of Default	Security available	Obligation on our Company
1	Bank of Baroda	25.50[(1)]	Car loan facility	Till all the loan obligations have been repaid in full	Personally liable to the extent of guarantee amount	(i) Hypothecation of vehicle- Tata Harrier XZA Plus DT; (ii) Personal guarantee by Dhanji Raghavji Patel, Bechar Raghavji Patel and Hiren Bechar Patel	Nil
2	Bank of Baroda	27.70[(2)]	Car loan facility	Till all the loan obligations have been repaid in full	Personally liable to the extent of guarantee amount	(i) Hypothecation of vehicle- Jeep Compass Limited Plus 4x4 DSL; (ii) Personal guarantees by Dhanji Raghavji Patel, Bechar Raghavji Patel and Hiren Bechar Patel	Nil
3	Yes Bank Limited	8170.00[(3)]	Not applicable	Till all the loan obligations have been repaid in full	Personally liable to the extent of guarantee amount	(i) 1st Charge Pari Passu by way of Hypothecation on Current Assets and Specific Movable Fixed Assets (except vehicles); (ii) 1st Charge Pari Passu by way of Equitable Mortgage on Property-Residential (Flat No 409 and 410) located at Flat no. 409 and 410, 4th floor, Padmavati Complex, Kohoj, Kuntavali, Ambernath (East), Thane; (iii) 1st Charge Pari Passu by way of Equitable Mortgage on Property-Residential (Flat No. 111 Padmavati Complex) located at Flat No. 111, 1st Floor, Padmavati complex, khoj Kuntavali, Ambernath (East), Thane; (iv) 1st Charge Pari Passu by way of Equitable Mortgage on Property- Residential (Plot No. 111, Kansai Sections) located at Plot no. 111, CTS no. 3846, New Fields, Kansai Sections, Ambernath (East), Thane; (v) 1st Charge Pari Passu by way of Equitable Mortgage on Industrial Property (Plot No M-2, Udyog Bhawan) located at Plot no M-2, Udyog Bhawan No. 5, Additional Ambernath Industrial Area, Village Jambhivali, Ambernath (East), Thane; (vi) 1st Charge Pari Passu by way of Equitable Mortgage on Property-Commercial (Shop No 1, Vivekanand	Nil

						Arcade) located at Shop No 1, Basement Vivekanand arcade CHS, Ghandhi Chowk, Badlapur (East)- 421503; (vii) 1st Charge Pari Passu by way of Equitable Mortgage on Property-Commercial (Offices/Shops at Jain Plaza) located at Shop/ office no 1,2,3,4,10,11,110,111,112 Jain Plaza, Khoj Kuntoli, Shivajij Chowk, Ambernath, Thane, Maharashtra (9 Shops/Offices); (viii) 1st Charge Pari Passu by way of Equitable Mortgage on Industrial Property (Plant 1 Dudhai, Kutch Property) located at Survey No. 145/1, Bhuj-Bhachau Highway No. 42, Village Dudhai, Tal Anjar, Kutch- 3701101; (ix) Corporate guarantee of Shree Sai Developers; (x) Personal Guarantee of: 1. Dhanji Raghavji Patel; 2. Bechar Raghavji Patel and 3. Hiren Bechar Patel	
4	HDFC Bank Limited	13,394.40[(4)]		Till all the loan obligations have been repaid in full	Personally liable to the extent of guarantee amount	(i) Office and Factory, Plot no. M-2., Anand Nagar Ambernath East, Udyog Bhavan No. 5 MIDC Additional Ambernath Industrial Area, Opp. Oriental Ltd, 421506, Addl. Ambernath ind. Area, Maharashtra, India. (ii) Residential Property/ Flat no. 410, Sai Section Road, 4th Floor, C-Wing Building No. 1, Padmavati Complex, near Tadka Hotel, 421501, Ambernath, Maharashtra, 421501 (iii) Residential Property/ Flat no. 111, Sai Section Road, 1^{st} Floor, C-Wing Building No. 1, Padmavati Complex, near Tadka Hotel, 421501, Ambernath, Maharashtra 421501.	Nil

						(iv) Commercial Property/ Basement, Vivekanand Arcade, Basement, Plot no. 5, Near Bank of Baroda, Survey no. 35, Hissa no. 2 (part), situated at Revenue Village, Kulgaon Tal., Ambernath Dist. Thane 421503. (v) Factory/ Survey No. 145/1 Village Dudhai, Anjar Bhachau road, Bhuj-Bhachau Highway (Dudhai Village) Kachchh – 370110, Anjar, Gujarat, India. (vi) Shop/Office No. 3, Khoj Khuntoli Shivaji Chowk Ambernath East, and 41st floor Wing B Jain Plaza, Near Bank of India, 421401, Murbad, Maharashtra, India, 421401. (vii) Residential property/ Plot No. 111, Kansai Section Road, Ambernath (E) – 421502, 1st to 6th floor, Akshardham, CTS No. 3846, Near Chaudhary Hospital, 421501, Thane, Maharashtra, India. (viii) Commercial Property/ Shop No. 112, Khoj Kuntoli Shivaji Chowk Ambernath East, 1st Floor Wing A Jain Plaza, Near Bank Of India, 421401, Murbad, Maharashtra. (ix) Commercial Shop/Shop No. 111, Khoj Kuntoli Shivaii Chowk Ambernath East, 1st Floor Wing A Jain Plaza, Near Bank Of India, 421401, Murbad, Maharashtra, India. (x) Commercial Shop/Shop No 11, Khoj Kuntoli Shivaji Chowk, Ground Floor Wing A Jain Plaza, Near Bank Of India, 421401, Murbad, Maharashtra, India (xi) Commercial Property/ Office No 10, Khoj Kuntoli Shivaji Chowk Ground Floor Wing A Jain Plaza,	

						Near Bank of India, 421401, Murbad, Maharashtra, India. (xii) Commercial Property/Office No 1, Khoj Kuntoli Shivaji Chowk Ambernath East, And 21st Floor Wing B Jain Palza, Near Bank of India, 421401, Murbad, Maharashtra, India (xiii) Commercial Shop/Shop No. 110, Khoj Kuntoli, Shivaji Chowk, Ambernath East, 1st Floor Wing A Jain Plaza, Near Bank of India, Murbad, Maharashtra, India. (xiv) Residential Property/Flat No. 409, Sai Section, Ambernath (E), Taluka Ulhasnagar, 4th Floor Wing C Building No. 1 Padmavati Complex, Near Tadka Hotel, 421501, Ambernath, Maharashtra, India. (xv) Industrial Property at Kutch/Survey No 170/2, Bhuj Bhachau Highway, Village: Dudhai, Ta. Anjar-Kachchh, Opp. Sardar Patel High School, 370511, Kachchh, Gujarat.	

As certified by our Statutory Auditor- Kanu Doshi Associates LLP, Chartered Accountants pursuant to their certificate dated March 29, 2024.

Notes:

(1) This guarantee was issued by Dhanji Raghavji Patel and Bechar Raghavji Patel, our Promoters along with Hiren Bechar Patel, Non-Executive Director and member of our Promoter group.

(2) This guarantee was issued by Dhanji Raghavji Patel and Bechar Raghavji Patel, our Promoters along with Hiren Bechar Patel, Non-Executive Director and member of our Promoter group.

(3) This guarantee was issued by Dhanji Raghavji Patel and Bechar Raghavji Patel, our Promoters along with Hiren Bechar Patel, Non-executive Director and Smita Dhanji Patel, members of our Promoter Group.

(4) This guarantee was issued by Dhanji Raghavji Patel and Bechar Raghavji Patel, our Promoters along with Hiren Bechar Patel, Non-executive Director and Smita Dhanji Patel, members of our Promoter Group.

For further information, please see *"**History and Certain Corporate Matters- Details of Guarantees given to third Parties by Promoters participating in the Offer for Sale**"* on page 346. Any default or failure by our Company to repay the loans in a timely manner, or at all could trigger repayment obligations of our Promoters and members of our Promoter Group in respect of such loans, which in turn, could have an impact on their ability to effectively service their obligations, thereby having an effect on our business, results of operation and financial condition. Furthermore, in the event that our Promoters and members of our Promoter Group withdraw or terminate their guarantees, our lenders for such facilities may ask for alternate guarantees, repayment of amounts outstanding under such facilities, or even terminate such facilities. Accordingly, our business, results of operations, financial condition and prospects may be adversely affected by the revocation of the personal guarantee provided by our Promoters and members of our Promoter Group.

20. ***Our ability to pay dividends in the future will depend upon our future earnings, cash flows, working capital requirements and capital expenditures and the terms of the financing agreements.***

The declaration and payment of dividends will be recommended by the Board and approved by the Shareholders, at their discretion, subject to the provisions of the Articles of Association and applicable law, including the Companies Act. Our Company has a formal dividend policy as adopted by our Board pursuant to its resolution dated December 30, 2023. Our Company has paid interim dividend of ₹1/- per Equity Share, out of profits of the first three quarters, April to December for the FY 2022-23. For further information, please see *"**Dividend Policy**"* on page 375. Our ability to pay dividends in the future will depend on our earnings, financial condition, cash flow, working capital requirements, capital expenditure and restrictive covenants of our financing arrangements. We may retain all future earnings, if any, for use in the operations and expansion of our business. Additionally, our ability to pay dividends may also be restricted by the terms of financing arrangements that we may enter into. For details, please see *"**Financial Indebtedness**"* on page 411. We cannot assure you that we will be able to pay dividends in the future.

21. ***Industry information included in this Draft Red Herring Prospectus has been derived from an industry report prepared by Dun & Bradstreet, exclusively commissioned and paid for by us for such purpose.***

This Draft Red Herring Prospectus contains information from an industry report titled *"Industry Report on Food & Grocery Retailing and Food Processing"* ("**D&B Report**") prepared by Dun & Bradstreet Information Services Private Limited ("**D&B**"), an independent third party research agency, commissioned and paid for by us, exclusively for the purpose of the Offer, for an agreed fee. Our Company commissioned this report for the purpose of confirming our understanding of the food and grocery retailing and food processing industry in India. D&B has advised that it has taken utmost care to ensure accuracy and objectivity while developing the report based on information available in its proprietary database, and other sources considered by it as accurate and reliable including the information in public domain. The D&B Report also highlights that all forecasts in the report are based on assumptions considered to be reasonable by D&B; however, the actual outcome may be materially affected by changes in the industry and economic circumstances, which could be different from the projections.

There are no standard data gathering methodologies in the industry in which we conduct our business, and methodologies and assumptions vary widely among different industry sources. Further, such assumptions may change based on various factors. There can be no assurance that D& B Report's assumptions are correct or will not change and, accordingly, our position in the market may differ from that presented in this Draft Red Herring Prospectus. Further, the commissioned report is not a recommendation to invest or disinvest in our Company. Prospective Investors are advised not to unduly rely on the commissioned report or extracts thereof as included in this Draft Red Herring Prospectus, when making their investment decisions.

The data used in these sources may have been reclassified by us for the purposes of presentation and may also not be comparable. Industry sources and publications generally state that the information contained therein has been obtained from sources generally believed to be reliable, but that their accuracy, completeness and underlying assumptions are not guaranteed and their reliability cannot be assured. Industry sources and publications are also prepared based on information as of specific dates and may no longer be current or reflect current trends.

In view of the foregoing, Investors may not be able to seek legal recourse for any losses resulting from undertaking any investment in the Offer pursuant to reliance on the information in this Draft Red Herring Prospectus based on, or derived from, the D&B Report. Investors should consult their own advisors and undertake an independent assessment of information in this Draft Red Herring Prospectus based on, or derived from, the D& B Report before making any investment decision regarding the Offer. Please see *"**Industry Overview**"* on page 150. For the disclaimers associated with the D&B Report, please see *"**Certain Conventions, Use of Financial Information and Market Data and Currency of Presentation- Industry and Market Data**"* on page 20.

22. ***Our Company has applied for registrations of certain intellectual property in its name. Until such registrations are granted, we may not be able to prevent unauthorised use of such trademarks by third parties.***

We rely on our branding and intellectual property rights for the success of our business. Our name and trademarks are significant to our business and operations. Accordingly, it is important that we identify, obtain and retain intellectual property rights. As on the date of this Draft Red Herring Prospectus, we have applied the following trademarks, status of which is as under:

Sr. No.	Trademark and Class	Application Number	Logo	Status
1	Mumbai Chaska (Device) under class 32	4116707		Opposed
2	Patel Retail Limited with Logo…. Trust & Togetherness under class 35	6102469		Objected
3	Indian Chaska under class 30	6133747		Objected

Further, we have also applied for registration of copyrights in respect of the following: (i) and (ii) vide applications dated September 10, 2023 respectively. For further details, please see *"**Our Business**"* on page 251.

There can be no assurance that our applications will be accepted and that the trademarks and copyrights will be registered. The registration of intellectual property including trademarks is a time-consuming process and there can be no assurance that any registration applications we may pursue will be successful and that such registration will be granted to us. Our failure to register or protect our intellectual property rights may undermine our brand and hinder the growth of our business. Pending the registration of these trademarks and copyrights, we may have a lesser recourse to initiate legal proceedings to protect our private labels. Further, in the event we are unable to obtain registrations due to opposition by third parties or if any injunctive or other adverse order is issued against us in respect of any of our trademarks and copyrights for which we have applied for registration, we may not be able to avail the legal protection or prevent unauthorised use of such trademarks and copyrights by third parties, which may adversely affect our goodwill and business. Furthermore, there is no assurance that steps taken by us to protect our intellectual property rights will be adequate to stop infringement by others, including imitation and misappropriation of our brand.

23. ***Certain of our brands are unregistered.***

We manufacture and sell our products under our home-grown brands *'Indian Chaska'* and *'Patel Essentials'*. Whole spices and grounded spices, wheat flour and refined wheat flour are sold under the brand *'Indian Chaska'* and home improving products are sold under the brand *'Patel Essentials'*. As on the date of this Draft Red Herring Prospectus, the said brands are unregistered. If we fail to register the appropriate intellectual property, or our efforts to protect the relevant intellectual property prove to be inadequate, the value attached to our brand and proprietary rights will deteriorate, which could have a material adverse effect on our growth, prospects, financial condition, cash flows and results of operations. In the absence of registration of these trademarks, we have lesser recourse to initiate legal proceedings to protect our brand name. In the event of unauthorised use of brands, we may be compelled to pursue legal action, which may divert our attention and resources, thereby affecting our business operations.

24. ***Our inability to identify, obtain and retain intellectual property rights, or to protect or use them, could harm our business. Further, we may infringe upon the intellectual property rights of others, any misappropriation of which could adversely affect our business and reputation.***

We are currently using the logo (PRL Logo) which is not yet registered in our name. We have made an application for registering our logo under the Trademarks Act, 1999, the status of which appears as 'accepted and advertised'.

If we are unable to get the same registered with the trademark authorities then, our Company may not be able to successfully enforce or protect our intellectual property rights and obtain statutory protections available under the TM Act, as otherwise available for registered trademarks in future, which could have a material adverse effect on our business, goodwill, and results of operations. There can be no assurance that third parties will not infringe upon our intellectual property, causing damage to our business prospects, reputation and goodwill. Our efforts to protect our intellectual property may not be adequate and may lead to erosion of our business value and our operations could be adversely affected. We may need to litigate in order to determine the validity of such claims and the scope of the proprietary rights of others. Any such litigation could be time consuming and costly and the outcome cannot be guaranteed. We may not be able to detect any unauthorized use or take appropriate and timely steps to enforce or protect our intellectual property, which could adversely affect our business, results of operations and financial condition.

25. ***We may not be able to adequately protect or continue to use our intellectual property. In addition, the use of our brands or similar trade names by third parties could have a material adverse effect on our business growth and prospects, financial condition, results of operations and cash flows.***

We currently sell our products in India through a network of distributors, who further distribute our products to the end-use customers. We sell our products under various brand labels including but not limited to "Patel Fresh", "Indian Chaska", "Patel Essentials" and "Blue Nation". We have registered certain trademarks in India and may apply for further registrations in the future. The registration of intellectual property including trademarks is a time-consuming process and there can be no assurance that any registration applications we may pursue will be successful and that such registration will be granted to us. If we fail to register the appropriate intellectual property, or our efforts to protect relevant intellectual property prove to be inadequate, the value attached to our brand and proprietary property could deteriorate, which could have a material adverse effect on our business growth and prospects, financial condition, results of operations and cash flows.

26. ***Certain corporate records and an order copy in relation to a litgation matter involving our Promoter are not traceable.***

Our Company is unable to trace documents pertaining to strike-off of Prayosha Infratech LLP and Shayona Builders LLP. As per status available on the portal of the Ministry of Corporate Affairs ("**MCA**"), the status of the LLPs appears as struck off. Despite having conducted an electronic search on the MCA portal, we are unable to retrieve the same. We have relied on the status appearing on the MCA portal for making disclosures in the relevant section. For details, please see *"**Our Promoters and Promoter Group- Details of companies or firms from which our Promoters have dissociated**"* on page 370.

Further, copy of the order in the matter of R.C.C. no. 804 of 2016 (Nilesh Sonubal Vishe, Food Safety Officer, Food and Drug Administration, Thane, ("**Complainant**") vs. Paresh Jayantilal Chande ("**Accused 1**"), Bechar

Raghavji Patel ("**Accused 2**") and Kirti Gunwant Vithlani ("**Accused 3**") is not traceable. While the Company has made best efforts in retrieving the same, the outcome of the case is uncertain.

27. ***Our Company will not receive proceeds from the Offer for Sale.***

The Offer comprises an Offer for Sale aggregating up to 10,02,000 Equity Shares, aggregating up to ₹ [●] Lakhs by the Promoter Selling Shareholders. The Promoter Selling Shaholders will receive the entire proceeds from the Offer for Sale *(after deducting the applicable Offer Expenses)* and our Company will not receive any proceeds of the Offer. The table below sets forth details of the Promoter Selling Shareholders:

Name of the Promoter Selling Shareholder	Number of Equity Shares held by the Promoter Selling Shareholder	Percentage of paid-up Equity Share capital (%)	Number of Equity Shares offered (₹ in Lakhs)
Dhanji Raghavji Patel	1,62,86,528	66.80	7,68,000 Equity Shares aggregating up to ₹ [●] Lakhs
Bechar Raghavji Patel	46,72,000	19.16	2,34,000 Equity Shares aggregating up to ₹ [●] Lakhs

The expenses of the Promoter Selling Shareholders will, at the outset, be borne by our Company and each Promoter Selling Shareholder will reimburse our Company for such expenses (inclusive of taxes) incurred by our Company on behalf of such Promoter Selling Shareholders, in relation to the Offer in the manner as prescribed under applicable law and in a manner as may be mutually agreed among our Company and the Promoter Selling Shareholders.

28. ***We benefit from our relationship with one of our Promoters- Dhanji Raghavji Patel and our business and growth prospects may decline if we cannot benefit from this relationship.***

We benefit in many ways from our relationship with one of our Promoters- Dhanji Raghavji Patel on account of his knowledge and experience in the industry in which we operate. For brief profiles of our Promoter, Chairman and Managing Director- Dhanji Raghavji Patel, please see *"**Our Management- Brief Profiles of our Directors (Qualifications and Experience)**"* on page 349. Our growth and future success are influenced, in part, by our continued relationship with him. There is no assurance that we will be able to continue to take advantage of the benefits from these relationships in the future. If we lose our relationship with our Promoters for any reason, our business and growth prospects may decline and our financial condition and results of operations may be adversely affected.

29. ***Our Group Company, PRPL Garments Private Limited has incurred losses in the last three Financial Years.***

Our Group Company, PRPL Garments Private Limited has incurred losses during the FYs 2022-23, 2021-22 and 2020-21. For further details, please see *"**Our Group Companies**"* on page 431. We cannot assure you that our Group Company will not incur losses in the future, or that such losses will not adversely affect our reputation or our business.

30. ***Our Company has availed unsecured borrowings from our Promoters and Directors, which may be recalled by them at any time.***

As on September 30, 2023, we have availed unsecured borrowings from Dhanji Raghavji Patel (Promoter and Chairman and Managing Director), Bechar Raghavji Patel (Whole-time Director) and Hiren Bechar Patel (Non-Executive Director) to the tune of ₹1171.96 Lakhs, ₹ 566.32 Lakhs and ₹ 68.90 Lakhs respectively. In the event that the lenders seek repayment/ redemption of such unsecured borrowings, we would need to find alternative sources of financing, which may not be available on commercially reasonable terms, or at all and therefore such recall may adversely affect our business, cash flows and financial condition. While we have not faced any such instances where unsecured borrowings were recalled/ redeemed by lenders in the six months ended September 30, 2023 and FYs 2022-23, 2021-22 and 2020-21, there is no assurance that this would not occur in the future.

31. ***Our business is manpower intensive and a high proportion of our total staff comprises of employees on contract. Our business may be adversely affected if we are unable to recruit and retain suitable staff for our operations.***

Our operations are manpower intensive. The success of our operations depends on the availability of and maintaining good relationships with our workforce. Our success also depends on our ability to attract hire, train, and retain skilled personnel. As on December 31, 2023, we have one hundred and sixty seven (167) employees on our pay roll and eight hundred and twenty seven (827) employees on contract labour basis. For details, please see *"**Our Business- Human Resources**"* on page 321. Shortage of skilled personnel or disruptions caused by disagreements with employees could have an adverse effect on our business, results of operations, financial condition and cash flows. Although we have not experienced any labour unrest in the last three Financial Years and the six months ended September 30, 2023, there can be no assurance that we will not experience disruptions in work or our operations due to disputes, strikes, work stoppages, work slow-downs or lockouts at our facilities or other problems with our work force, which may adversely affect our ability to continue our business operations. Any labour unrest directed against us, could directly or indirectly prevent or hinder our normal operating activities, and, if not resolved in a timely manner, could lead to disruptions in our operations.

The table below sets forth details of our employee benefit expense, during the six months ended September 30, 2023 and the FYs 2020-21, 2021-22, 2022-23:

Particulars	FY 2022-23	FY 2021-22	FY 2020-21	For the six months period ended September 30, 2023
Employee benefit expenses (₹ in Lakhs)	2,264.15	1,902.59	1,780.29	1,295.19
Percentage of total expenses (in %)	2.27	2.51	2.19	2.99

Set out below are details in respect of attrition experienced by us during six months ended September 30, 2023 and the last three FYs i.e., FY 2020-21, 2021-22 and 2022-23:

Particulars	FY 2022-23	FY 2021-22	FY 2020-21	For the six months period ended September 30, 2023
Attrition rate of our employees	10.14%	12.38%	12.16%	12.08%

As we expect to continue to expand our operations, we will need to continue to attract and retain experienced management personnel. We could incur additional expenses and need to devote significant time and resources to recruit and train replacement personnel, which could further disrupt our business and growth. Our ability to meet continued success and future business challenges depends on our ability to attract, recruit and train experienced, talented and skilled professionals. The loss of the services of any key personnel or our inability to recruit or train a sufficient number of experienced personnel or our inability to manage the attrition levels in different employee categories may have an adverse effect on our financial results and business prospects. Further, if we are unable to offer qualified personnel adequate compensation or sustain their employee benefits plans, we may be unable to attract or retain our employees and the competition for highly skilled personnel may require us to increase salaries, which increased costs we may be unable to pass on to our clients.

32. ***There are certain instances of delays in payment of statutory dues. Any delay in payment of statutory dues or non-payment of statutory dues in dispute may attract financial penalties from the respective government authorities, which may have an adverse impact on our financial condition and cash flows.***

There have been certain instances on delay in payment of statutory dues during six months ended September 30, 2023, and in last three FYs fiscals, which *inter-alia* include, goods and services tax, provident fund, employees' state insurance, income-tax, sales-tax, which as on the date of this Draft Red Herring Prospectus has been deposited with relevant authorities. For instance, please see below instances of delay/ irregularity in payment of provident fund dues, ESIC and GST for the periods indicated:

The following table depicts the delays in filing of GST returns by the Company:

For the Financial Year Ended	Return Type	Total number of returns filed	Delayed filings
FY 2022-23	GSTR-3B	24	9
FY 2021-22	GSTR-3B	24	15
FY 2020-21	GSTR-3B	24	17
Six months period ended September 30, 2023	GSTR-3B	12	5

Details of payment of provident fund dues

(₹ in Lakhs)

For the Financial Year Ended	Total Amount Paid	Amount Paid within due date	Delayed payment
FY 2022-23	25.45	21.21	4.24
FY 2021-22	25.45	16.97	8.48
FY 2020-21	2.08	1.55	0.53
Six months period ended September 30, 2023	15.41	9.94	5.47

Details of payment of ESIC dues

(₹ in Lakhs)

For the Financial Year Ended	Total Amount Paid	Amount Paid within due date	Delayed payment
FY 2022-23	0.64	0.59	0.05
FY 2021-22	0.64	0.43	0.21
FY 2020-21	0.70	0.47	0.23
Six months period ended September 30, 2023	0.74	0.42	0.32

There can be no assurance that such delays may not arise in future. This may lead to financial penalties from respective government authorities which may have a material adverse impact on our financial condition and cash flows.

33. ***Significant portion of our revenues is concentrated from a limited number of clients in the non-retail business. The loss of any of our significant clients may have an adverse effect on our business, financial condition, results of operations, and prospect.***

We have established long standing mutually beneficial relationships with our clients in the non-retail business. Our customers primarily are retail outlets, supermarkets, institutional buyers and network of dealers and wholesalers. For the Financial Years ended March 31, 2023, March 31, 2022 and March 31, 2021 and the six months period ended September 30, 2023, our revenue from top five (5) and top ten (10) clients are as follows:

Particulars	Six months period ended September 30, 2023		FY 2022-23		FY 2021-22		FY 2020-21	
Customers	₹ (in Lakhs)	% to operation revenue	₹ (in Lakhs)	% to operation revenue	₹ (in Lakhs)	% to operation revenue	₹ (in Lakhs)	% to operation revenue
Top 5 customers	9,576.41	21.47%	21,988.21	21.59%	13,372.28	17.45%	16,533.90	20.08%
Top 10 customers	13,856.67	31.07%	32,802.58	32.21%	20,435.11	26.67%	23,397.20	28.42%

For further details, please see *"**Our Business- Reliance on major Customers**"* on page 382.

Significant revenue from a limited number of clients increases the potential volatility of our results. We cannot assure you that we can maintain the same levels of business from our top clients. Furthermore, events such as adverse market conditions, any restructuring or changes in the regulatory regime, could adversely affect our clients and consequently impact our business. While, our Company has not experienced such instances in the past, in the event our Company is unable to comply with its obligations towards such top five (5) or top ten (10) clients, it would result in a substantial reduction in the number of purchases by such client in future resulting in an impact on the overall business and revenue generated by the Company from such client.

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

The success of our business will depend greatly on our ability to effectively implement our growth strategies. For further details on our strategies, please see *"**Our Business- Key Strategies**"* on page 279. There can be no assurance that we will be able to successfully execute our strategies, which may adversely affect our business, financial condition, cash flows and results of operations.

We expect our strategies to place significant demands on our management and other resources and require us to continue developing and improving our operational, financial and other internal controls. Our inability to manage our business and strategies could have an adverse effect on our business, financial condition, cash flows and profitability.

35. ***We have an instance of time and cost overrun as regards setting up of Unit 5 (Facility 3) situated in Kutch, Gujarat.***

Our Company received MOFPI approval dated July 9, 2019 ("**Letter**") for setting up of Unit V for processing of sesame seed at Dudhai, Kutch, Gujarat ("**Project**") under the *'Scheme of Creation/ Expansion of Food Processing & Preservation Capacities of Pradhan Mantri Kisan Sampada Yojana'*. As per the Letter, our Company was eligible for grant-in-aid of ₹121.80 Lakhs in two (2) installments, subject to fulfilment of certain conditions. Further, the implementation schedule for the Project was eighteen (18) months from the date of issuance of the Letter, i.e. on or before January 8, 2021. However, our Company applied for the second instalment of grant-in-aid only in February, 2024.

As on February 29, 2024, following is the status of our Unit V (Facility 3):

(i) Unit V is a part of and located inside the Agri-Cluster, the land for the facility has been acquired and is in possession.
(ii) Civil construction of plant is completed.
(iii) All the plant and machineries have been received on site and final installation is in process.
(iv) An amount of ₹618.00 Lakhs has already been incurred on the project out of which ₹152.94 Lakhs was funded by HDFC Bank through Term Loan, ₹105.40 Lakhs was funded by HDFC Bank through Bridge Loan, ₹54.81 was funded from grant received from Ministry of Food Processing Industries (MoFPI) and balance 304.85 Lakhs was funded from internal accruals.

***As certified by Chartered Engineer vide letter dated March 21, 2024.**

36. ***There have been delays in submitting regulatory filings with the RoC. We cannot assure you that no legal proceedings or regulatory actions will be initiated against our Company in the future.***

There have delays in filing forms with the RoC. For instance (i) Form PAS-3 for allotment of Equity Shares; (ii) Form MGT-14 for increase in authorised share capital; (iii) Form INC-27 for conversion of private company into public company were filed by payment of additional fees. Further, there has an inadvertent error in filing form MGT-14 with the RoC. The date of the board meeting has been inadvertently mentioned in the form as November 8, 2014 instead of October 20, 2014. There can be no assurance that the RoC will not take an adverse view of the irregularity, or that we will not be subject to any penalties by the RoC in this respect. However, our Company in the past has availed the benefit of Company Law Settlement Scheme (CLSS), 2010 for availing immunity from penalty and prosecution under the Companies Act, 1956 in respect of belated documents filed under the scheme and have paid additional fees of ₹1875/- only.

With the expansion of our operations there can be no assurance that such non-compliances will not arise, or that we will be able to implement, and continue to maintain, adequate measures to rectify or mitigate any such non-compliances, in a timely manner or at all. Any penalty or regulatory action taken against us may adversely impact our cash flows and results of operations.

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

Our business and the industry we operate in are vulnerable to the problem of product shrinkage. Shrinkage at our stores or our distribution centres may occur through a combination of shoplifting by customer, pilferage by employee, damage, obsolescence and expiry and error in documents and transactions that go un-noticed. The retail industry also typically encounters some inventory loss on account of employee theft, shoplifting, vendor fraud, credit card fraud and general administrative error. Our business operations also involve a majority of cash transactions.

An increase in product shrinkage levels at our existing and future stores or our Distribution Centre and Facility 1 may force us to install additional security and surveillance equipment, which will increase our operational costs and may have an adverse impact on our profitability. Further, we cannot assure you whether these measures will successfully prevent product shrinkage. Furthermore, although we have cash management procedures and controls in place, there are inherent risks in cash management including, theft and robbery, employee fraud and the risks involved in transferring cash from our stores to banks. Additionally, in case of losses due to theft, fire, breakage or damage caused by other casualties, there can be no assurance that we will be able to recover from our insurer the full amount of any such loss in a timely manner, or at all. For instance, our Company has been unable to recover insurance claim to the tune of ₹0.29 Lakhs with respect to loss on account of theft for the FY 2022-23. In addition, if we file claims under an insurance policy it could lead to increases in the insurance premiums payable by us or the termination of coverage under the relevant policy.

38. ***The Company is dependent on few numbers of suppliers. Loss of any of our large suppliers may affect our cost of raw materials and profitability.***

We are dependent on third-party vendors for supply of raw materials for further processing to finished products. We handpick our raw materials from various parts of the country and process our products with utmost care without the use of artificial preservatives or chemicals, thereby creating a product portfolio of spices, peanut, flour, pulses, staples & groceries and mango pulp, which carry the freshness and goodness of each ingredient. Systematic procurement of raw material in their respected seasons helps us to provide linear quality of our products for the whole year. We also source our raw materials directly from farmers, to ensure that we use absolutely natural ingredients in our products and also through traders and APMC markets. For instance, we source chillies from the APMC market of Guntur, Warangal, Gondal and our wheat flour is made from wheat grains which are sourced from Dahod, Rajkot, Gondal, Nimbahera, Jaipur and also it is sourced directly from Food Corporation of India (FCI) and the pulses / dal are sourced from Jalgaon, Rajkot and Dhanduka.

Our top ten (10) suppliers contributes to 24.49%, 29.24%, 21.79% and 27.17% for the Fiscal 2023, Fiscal 2022 and Fiscal 2021 and for the six months period ended September 30, 2023, respectively of our revenue from operations. Our top five (5) suppliers contributes to 14.45%, 19.45%, 13.07% and 17.12% for the Fiscal 2023, Fiscal 2022 and Fiscal 2021 and for the six months period ended September 30, 2023, respectively of our revenue from operations. Our business operations are highly dependent on our suppliers and the loss of any of our suppliers may adversely affect our cost of raw material and consequently on our business and results of operations. While we typically have long term relationships with our suppliers, we have not entered into long term agreements with our suppliers and the success of our business is accordingly significantly dependent on us maintaining good relationships with our suppliers. If our suppliers are unable to supply us with adequate quantities of raw materials at commercially reasonable prices, or if we are unable to procure raw materials from other sources on commercially acceptable terms, our business and results of operations could be adversely affected.

Further, we are subject to risks of shortages or discontinuation in supply, long lead times, cost increases and quality control issues with our suppliers. Any adverse factors such as seasonality of crops, natural disasters, changes in legislation or any other force majeure events may adversely impact procurement and availability of raw materials. This may affect our ability to meet client commitments and may consequently, affect our sales and profitability.

39. ***None of our Independent Directors have experience of being a Director of a public limited company.***

Our Independent Directors do not have the experience of being directors/ holding directorships of public listed companies. Accordingly, they have limited exposure as regards managing the affairs of a listed company which *inter-alia* entails several compliance requirements and scrutiny of affairs by shareholders, regulators and the public at large that is associated with being a listed company.

As a listed company, our Company will be required to adhere strict standards pertaining to accounting, corporate governance and reporting that it did not require as an unlisted company. Our Company will also be subject to the SEBI Listing Regulations, which will require it to file audited annual and unaudited quarterly reports with respect to its business and financial condition. If the Company experiences any delays, we may fail to satisfy the reporting obligations. Further, as a publicly listed company, our Company will need to maintain and improve the effectiveness of our disclosure controls and procedures and internal control over financial reporting, including keeping adequate records of daily transactions. In order to maintain and improve the effectiveness of our Company’s disclosure controls and procedures and internal control over financial reporting, significant resources and management attention will be required. As a result, the Board of our Company may have to provide increased attention to such procedures and their attention may be diverted from our business concerns, which may adversely affect our business, prospects, results of operations and financial condition.

40. ***Our Company has reported certain negative cash flows from its operating activity, investing activity and financing activity, details of which are given below. Sustained negative cash flow could impact our growth and business***

Our Company had reported certain negative cash flows in previous years as per the Restated Financial Information, as stated below:

(₹ in Lakhs)

Particulars	For the six months period ended September 30, 2023	For the Financial Year ended		
		March 31, 2023	March 31, 2022	March 31, 2021
Cash flow from / (used in) Operating Activities	3,179.36	(556.18)	3,400.71	(3,925.84)
Cash flow from / (used in) Investing Activities	(346.50)	(488.46)	(1,619.45)	(1,307.60)
Cash flow from / (used in) Financing Activities	(2,661.25)	(3.98)	(1,234.44)	5,674.70

Cash flow of a company is a key indicator to show the extent of cash generated from operations to meet capital expenditure, pay dividends, repay loans and make new investments without raising finance from external resources. Since our Company is in a growth phase, our working capital requirement has increased in tandem and this has resulted in negative cash flow from operations in the FYs 2022-23, 2021-22 and 2020-21 and the six month period ended September 30, 2023. We may continue to have negative operating cash flows in future. If our

Company is not able to generate sufficient operating cash flows, it may adversely affect our business and financial operations.

For further details, please see *"**Restated Financial Statements- Restated Cash Flow Statement**"* beginning on page 376.

41. ***Any adverse revision to our credit rating by rating agencies may adversely affect our ability to raise additional financing and the interest rates and other commercial terms at which such funding is available.***

The cost and availability of capital, amongst other factors, is dependent on our credit ratings. Acuite has reaffirmed the long rating of Acuite BBB and the short term rating of Acuite A3+ on the credit facilities to the tune of ₹15,800 Lakhs, availed by our Company. The outlook is stable. Ratings reflect a ratings agency's opinion of our Company's financial strength, operating performance, strategic position and our ability to meet our obligations. While our ratings have not been downgraded in the past, any adverse change in credit ratings assigned to our Company or our borrowing limits in the future may impact our ability to raise additional funds and/ or interest cost at which we borrow additional funds and could have an adverse effect on our business, and results of operations. Certain restrictive covenants may also become applicable as regards our indebtedness, in case of downward revision in ratings.

42. ***Our funding requirements and the proposed deployment of Net Proceeds are based on management estimates and have not been appraised by any bank or financial institution or any other independent agency and may be subject to change based on various factors, some of which may be beyond our control. We have not entered into any definitive agreements to utilise certain portions of the Net Proceeds of the Offer.***

We intend to use a portion of the Net Proceeds of the Fresh Issue for the purposes described in "***Objects of the Offer***" on page 114. The Objects of the Offer are (i) Repayment/prepayment, in full or part, of certain borrowings availed of by our Company; (ii) Funding of working capital requirements of the Company; and (iii) General Corporate Purposes.

Our Company may have to revise its management estimates from time to time on account of various factors, including factors beyond its control such as market conditions, competition, cost of commodities and interest, and consequently its requirements may change. Additionally, various risks and uncertainties, including those set forth in this section, may limit or delay our Company's efforts to use the Net Proceeds to achieve profitable growth in its business. The planned use of the Net Proceeds is based on current conditions and is subject to changes in external circumstances, costs, other financial conditions or business strategies. However, the deployment of the Net Proceeds will be monitored by a monitoring agency appointed pursuant to the SEBI ICDR Regulations.

In accordance with sections 13(8) and 27 of the Companies Act, we cannot change the utilization of the Net Proceeds or the terms of any contract as disclosed in this Draft Red Herring Prospectus without obtaining the Shareholders' approval through a special resolution. We may not be able to obtain the Shareholders' approval in a timely manner, or at all, in the event we need to make such changes. Any delay or inability in obtaining such Shareholders' approval may adversely affect our business or operations. Further, as required under Section 27 of the Companies Act, our Promoters would be required to provide an exit opportunity to the shareholders who do not agree with our proposal to change the objects of the Offer or vary the terms of such contracts, at a price and manner as prescribed by SEBI. The requirement to provide an exit opportunity to such dissenting shareholders may deter our Promoters from agreeing to any changes made to the proposed utilization of the Net Proceeds, even if such change is in our interest. Further, we cannot assure you that our Promoters will have adequate resources to provide an exit opportunity at the price prescribed by SEBI. For further details on exit opportunity to dissenting shareholders, please see *"**Objects of the Offer- Variation in Objects**"* on page 128. In light of these factors, we may not be able to undertake variation of objects of the Offer to use any unutilized proceeds of the Offer, if any, or vary the terms of any contract referred to in this Draft Red Herring Prospectus, even if such variation is in our interest. This may restrict our ability to respond to any change in our business or financial condition by re-deploying the unutilized portion of the Net Proceeds, if any, or varying the terms of any contract, which may adversely affect our business, financial condition, results of operations, cash flows and prospects.

43. ***Our Company proposes to utilize a portion of the Net Proceeds to repay/ pre-pay all or certain borrowings availed by our Company. We may not be able to derive the expected benefits of the deployment of the Net Proceeds, in a timely manner, or at all.***

Our Company intends to use a certain portion of the Net Proceeds for repayment/ prepayment of certain borrowings availed by our Company and general corporate purposes, as disclosed in *"**Objects of the Offer**"* on page 114.

The details of the borrowings identified to be repaid/ pre-paid using the Net Proceeds have been disclosed in *"**Objects of the Offer**"* on page 114. The repayment/ pre-payment of the identified borrowings is subject to various factors including, commercial considerations, market conditions, cost of borrowings and conditions attached to such borrowings. Further, we would be subject to penal cost on re-payment and/or pre-payment of the identified borrowings. While we believe that utilization of Net Proceeds for repayment/pre-payment of borrowings would help us to reduce our indebtedness and enable the utilization of our internal accruals for further investment in business growth and expansion, the repayment of borrowings will not result in the creation of any tangible assets for our Company.

44. ***Failure to comply with export obligation may expose us to significant import duties and other penalties.***

Our Company is permitted to import wheat, under the Advance Licensing scheme of the Government of India. As per the terms of the license issued, we are required to complete exports ("**Export Obligations**") of wheat within one hundred and eighty (180) days from the date of clearance of each import consignment and no extension of such period is allowed. In case of non-fulfilment of Export Obligations, a penalty equal to five times of the CIF value of the imported materials, corresponding to the shortfall of Export Obligations shall be imposed in addition to payment of applicable duty. However, there have been no instances of non-compliance with Export Obligations in the past.

As of February 29, 2024, we have exported 5,478.23 MT of wheat flour under the Advance Licensing scheme against import of 10,836. 95 MT of wheat. As on February 29, 2024, we are obligated to export 4,793.30 MT of wheat flour. Failure to meet these export obligations on or before June 2, 2024 may result in payment of customs duty along with interest and/or penalty. However, given our consistent and adequate export orders, our Company does not anticipate any risk in this regard as fulfilling export obligations is an ongoing process.

45. ***If we are unable to continue to offer daily low prices pursuant to our EDLC/ EDLP pricing strategy, we risk losing our distinct advantage and a substantial portion of our customers which will adversely affect our business, financial condition and results of operations. Further, in case of shortages, our suppliers may increase prices of products beyond our control due to which we may lose our competitive advantage.***

One of our key strengths has been our ability to offer our customers value-retailing and daily low prices and consequently greater daily savings. This has been possible in part due to our strong supplier and vendor relationships and our pricing strategies.While we try to reduce our margins in instances of price increase or pass on the increase in price to our customers, there are commercial limitations to this approach and we may not always be able to offer our products at price points which represent value for money, a key attraction for a majority of our target customer base.

Several of our competitors including e-tailers may offer better promotional prices on select products at a given time period or around festivals, holidays or weekends, then offered by us. While we have managed to grow our customer base in the past, there can be no assurance that our target customer base will not develop a preference for the promotion model and be attracted to promotional deals offered by our competitors.

Moreover, our competitors may have a significant pricing or locational advantage owing to various factors including differing scales of operations and the sizes of their distribution centres. They may also have diversified their presence in more geographical areas and may therefore be in a better position to consolidate their market share.

Our ability to maintain and enhance our competitiveness through our EDLC/ EDLP pricing strategy will have a direct effect on our business, financial condition and results of operations. There can be no assurance that shortages and price hikes will not take place in the future. If we are unable to maintain our pricing competitiveness and are not able to effectively respond to competition from existing retailers and prospective entrants and consequent pricing pressures, it will adversely affect our business, financial condition and results of operations.

46. ***Our inability to promptly identify and respond to changing customer preferences or evolving trends may decrease the demand for our products, which may adversely affect our business, results of operations, cash flows.***

Our wide range of product offerings focus on foods, non-food (FMCG), general merchandise and apparel. Our ability to continuously upgrade our product range to address shift in customer preferences, just in time inventory availability and changes in demand has helped us to maintain the diversified product portfolio. We have launched packages of various sizes for our products. For example, our powder spices are available in packages of 100 gms to 10 kgs, whereas our blended spices will be available in as small as a pouch that is 10 grams to 500 grams box packs. The markets for some of our products such as home and personal care and apparel are characterised by frequent changes, particularly customer preferences, new products and product variant introductions. We plan our products based on the forecast of customer buying patterns as well as on forecasted trends and customer preferences. Any mismatch between our forecasts, our planning and the actual purchase by customers can impact us adversely, leading to excess inventory or understocking, impacting us adversely.

We rely on the continued demand for our products in the markets we are present in. Before we can introduce a new product, we must successfully execute a number of steps including successful market research, customer acceptance of our new products, scaling our vendor and infrastructure networks to increase / change the nature of our inventory.

Our continued success depends on our ability to anticipate, gauge and react in a timely and cost-effective manner to changes in customer tastes for our products, as well as to where and how customers shop for those products. We must continually work to stock and retail new products, maintain and enhance the recognition of our brands, achieve a favourable mix of products, and refine our approach as to how and where we market and sell our products. While we try to introduce new products or variants, we recognise that customer tastes cannot be predicted with certainty and can change rapidly, and that there is no certainty that these will be commercially viable or effective or accepted by our customers. If we are unable to foresee or respond effectively to the changes in market conditions, there may be a decline in the demand for our products, thereby reducing our market share, which could adversely affect our business and results of operations.

47. ***Our operating results could be materially harmed if we are unable to accurately forecast consumer demand for our products or manage our inventory.***

We strive to keep optimum inventory with wholesalers, distributors and dealers to control our costs and working capital requirements. To maintain an optimal inventory, we monitor our inventory levels based on our projections of demand as well as on a real-time basis. Although our manufacturing facility enables us to fulfil large orders from our distributors in minimal lead time, unavailability of products, due to high demand or inaccurate forecast, may result in loss of sales and adversely affect our customer relationships. We manage our inventory by constantly monitoring and tracking our current inventory levels, while keeping a small portion of reserve stock, based on our forecast for customer demand. If we fail to accurately forecast customer demand, we may experience excess inventory levels or a shortage of products available for sale. Inventory levels in excess of customer demand may result in inventory write-offs and the sale of excess inventory at discounted prices, which may cause our gross margin to suffer and could impair the strength of our brand. On the other hand, in the case we experience shortage of products, we may be unable to meet the demand for our products, and our business and operating results could be adversely affected. Therefore, an inaccurate forecast can also result in an over-supply of products, which may increase inventory costs, negatively impact cash flow, reduce the quality of inventory, shrinkages and ultimately lead to reduction in margins. Further, some of our raw materials can become old and may lose its natural properties. Any of the aforesaid circumstances could have a material adverse effect on our business, results of operations and financial condition. During the six month period ended September 30, 2023 and the FYs 2022-23, 2021-22 and 2020-21, our inventories were ₹ 9575.01 Lakhs, ₹ 7667.65 Lakhs, ₹ 5447.63 Lakhs, and ₹ 6113.76 Lakhs, respectively. Further, if we fail to convert the inventory we purchase by manufacturing our products, we may be required to write-down our inventory or pay our suppliers without new purchases, or create additional vendor financing, all of which could have an adverse impact on our income and cash flows.

48. ***Our operations are dependent on the supply of large amounts of raw material such as wheat, spices and peanuts. We do not have long term agreements with suppliers for our raw materials and any increase in the cost of, or a shortfall in the availability of, such raw materials could have an adverse effect on our business and results of operations, and seasonable variations could also result in fluctuations in our results of operations.***

We require raw materials such as whole spices (chillies, coriander seeds, cumin seeds, fennel seeds, fenugreek seeds, carom seeds, mustard seeds and turmeric), wheat, peanuts, and mangoes. We source our raw materials from sourcing agents in the Agricultural Produce Market Committees across Gujarat. We have long-standing relationships with most of our suppliers. Further, we have developed a reputation and relationship with multiple suppliers to avoid concentration risk. For instance, top 10 suppliers constituted 24.49%, 29.24%, 21.79% and 27.17% of our revenue from operations for the FY 2022-23, FY 2021-22 and FY 2020-21 and for the six months period ended September 30, 2023, respectively. Strong relationships with suppliers aids us in getting first-hand information and market intelligence on price movements in the markets where we operate. Such market intelligence is essential in mitigating the price risk associated with commodities. For details, please see *"**Our Business- Cost and Availability of Raw Materials**"* on page 381.

Our growth as a business depends on the ability to attract and retain high quality and cost efficient suppliers to our network. In order to maintain flexibility in procurement options, we do have not any long-term supply arrangements with most of our suppliers and we procure raw materials on a purchase order basis. Further, we purchase home improving products under our brand Patel Essentials, ready to cook instant mix (such as basundi, falooda, etc.) under our brand Patel Fresh, ghee and papad under our brand Indian Chaska from third party manufacturers on purchase order basis. We also purchase garments under our brand Blue Nation from third party manufacturers on job work basis and on purchase order basis. If we are unable to continue to procure supplies at competitive prices, our business will be adversely affected. Further, the success of our supplier relationships depends significantly on satisfactory performance by them and their ability to fulfil obligations in a timely manner. If any of our suppliers fails for any reason to deliver the raw materials in a timely manner or at all, it may affect our ability to manage our inventory levels, which in turn, may result in unavailability of raw materials. While we intend to continue to enter into new supplier relationships as part of our business strategy, we may not be able to identify or conclude appropriate or viable arrangements in a timely manner or at all. Further, there can be no assurance that our relationships with new suppliers in the future will necessarily contribute to our profitability. If we fail to successfully leverage our existing and new relationships with suppliers, our business and financial performance could be adversely affected.

49. ***There have been instances in the past of litigation against us and our Directors due to perceived deficiency in the products we sell, and we may face potential liabilities in the future (in the form of lawsuits or claims from third parties), which may adversely affect our business, results of operations, cash flows and financial condition.***

We believe in providing quality products and due care is taken to mitigate the associated risks which may happen due to factors beyond our control. We may face the risk of legal proceedings and claims being brought against us by our customers on account of sale of any defective product. Further, we could also face liabilities, should our customers face any loss or damage due to any unforeseen incident such as fire, or any accident in our stores. This may result is lawsuits and/ or claims against us, which may materially affect our operations and lead to loss of reputation and business. For instance, Nilesh Sonubal Vishe, Food Safety Officer, Food and Drug Administration, Thane filed two (2) complaints against our Whole-time Director and Promoter- Bechar Raghavji Patel and others before the Court of Judicial Magistrate, First Class, First Court, Kalyan, Thane ("JMFC Kalyan") alleging that the samples of mukwas were unsafe for consumption, as per the provisions of the Food Safety & Standards Act, 2006, Food Safety & Standards (Food Products Standards and Food Additives) Regulations, 2011 and Food Safety & Standards (Packaging and Labelling) Regulations, 2011). Further, the Inspector of Legal Metrology, Ulhasnagar Division- Shriniwas B. Jadhavkar filed a complaint against Bechar Raghavji Patel, Dhanji Raghavji Patel, Patel, our Company and Bharat Haribhai Patel before the Ambernath (East) Police Station, alleging violation of certain provisions of the Legal Metrology Act, 2009 and the Legal Metrology (Packaged Commodities) Rules, 2011. For further details, please see "***Litigation and Material Developments- All criminal proceedings against our Directors***" on page 416.

Although we have not been subject to any material product liability claims, we cannot assure you that we will not be subject to such claims in the future. Further, even if we successfully defend ourselves against a claim, or successfully claim back compensation from others, we may need to spend a substantial amount of money and time in defending such a claim and in seeking compensation. In any or a combination of these situations, we could suffer losses, which would adversely impact our financial condition, cash flows. Any claims against us initiated by our customers may have an adverse effect on our reputation, brand image and our financial condition.

50. ***Our Company requires significant amount of capital for continued growth. We may require additional equity or debt in the future in order to continue to grow our business, which may not be available on favorable terms or at all. Our inability to secure future loan facilities from new lenders on favorable terms to meet our capital requirements may have an adverse effect on our results of operations.***

Our business is capital intensive, including working capital and requires significant amount of capital. As on December 31, 2023, we have thirty-one (31) stores in the central suburban areas of MMR i.e., in the Thane and Raigad districts of Maharashtra. As part of our expansion strategy, we plan to deepen our store network in the central suburban areas of MMR such as Bhiwandi, Padgha, Diva, Vasind, Vangani & Neral and gradually expand our network in the western suburban areas of MMR such as Mira Road, Bhayander, Virar and Vasai. Further, we are also engaged in processing of whole spices, grounded spices, peanuts, wheat flour, mango pulp at our manufacturing Facilities. For further details, please see "***Our Business***" on page 251.

We intend to use a portion of the Net Proceeds of the Fresh Issue for the purposes described in "***Objects of the Offer***" on page 114. The Objects of the Offer are (i) Repayment/prepayment, in full or part, of certain borrowings availed of by our Company; (ii) Funding of working capital requirements of the Company; and (iii) General Corporate Purposes. In addition to the requirement of funds as provided in Objects of the Offer, we may need to obtain additional financing in the normal course of business from time to time, as we expand our operations. We may not be successful in obtaining additional funds in the future from new or existing lenders in a timely manner and/or on favourable terms including rate of interest, primary security cover, collateral security, terms of repayment, or at all. Moreover, certain of our loan documentations contain provisions that limit our ability to incur future debt. If we do not have access to additional capital, we may be required to delay, scale back or abandon some or all of our plans or growth strategies or reduce capital expenditures and the size of our operations. Further, if we decide to raise additional funds through the incurrence of debt, our interest and debt repayment obligations will increase, and could have a significant effect on our profitability and cash flows. Any issuance of equity to raise additional funds, on the other hand, would result in a dilution of the shareholding of existing Shareholders. If we are unable to raise additional funds on favourable terms or at all as and when required, our business, results of operations, financial condition and prospects could be adversely affected.

51. ***The average cost of acquisition of Equity Shares held by our Promoters and the Selling Shareholders may be less than the Offer Price.***

The average cost of acquisition of Equity Shares held by our Promoters Selling Shareholders may be less than the Offer Price. The details of the average cost of acquisition of Equity Shares held by our Promoters Selling Shareholders are set out below:

Name	Number of Equity Shares acquired since inception	Weighted average price of Equity Shares acquired since inception[#]
Promoter Selling Shareholders		
Dhanji Raghavji Patel	1,62,86,528	7.57
Bechar Raghavji Patel	46,72,000	1.56

Notes:

[#] *As certified by our Statutory Auditors- Kanu Doshi Associates LLP, Chartered Accountants, pursuant to their certificate dated March 29, 2024.*

52. ***We have incurred indebtedness and an inability to comply with repayment and other covenants in our financing agreements could adversely affect our business, results of operations, financial condition and cash flows.***

We have entered into agreements with certain banks for working capital facilities. As on September 30, 2023, we had total outstanding fund based borrowings of ₹ 14532.17 Lakhs. Further, there have been no defaults of the restrictive covenants or events of defaults or re-scheduling/ re-structuring in relation to borrowings availed by our Company from any financial institutions or banks in the last three FYs and in the six months ended September 30, 2023. As on the date of this Draft Red Herring Prospectus, we have received all consents required from our lenders in connection with this Offer.

The said borrowings contain certain restrictive covenants such as (i) not to formulate or enter into any scheme of merger, amalgamation, compromise or reconstruction; (ii) permit any change in the ownership or control of our Company; or (iii) effect any material change in the management or business of our Company without the bank's prior written consent. Further, in terms of security, we are required to create a mortgage or charge over our movable and immovable properties. We may also be required to furnish additional security, if required by our lenders. Additionally, these financing agreements also require us to maintain certain financial ratios such as current ratio, debt service coverage ratio. While we are in compliance with the ratios prescribed as per our financing agreements, we cannot assure you that we will be able to comply with these financial or other covenants at all times or that we will be able to obtain the consent necessary to take actions that we believe are required to operate and grow our business.

Any additional financing that we require to fund our expenditure, if met by way of additional debt financing, may place restrictions on us which may, among other things, limit our ability to pursue our growth plans, require us to dedicate a substantial portion of our cash flow from operations to make payments on our debt, thereby reducing the availability of our cash flow to fund capital expenditures, meet working capital requirements and use for other general corporate purposes, limit our flexibility in planning for, or reacting to changes in our business and our industry, either through the imposition of restrictive financial or operational covenants or otherwise.

53. ***Any actual or alleged contamination or deterioration in the quality of our products or our raw materials could result in legal liability, damage to our reputation.***

We are subject to various contamination-related risks which typically affects the food industry. These risks include:

(i) Relatively short-shelf life of certain products;
(ii) Contamination/ spoilage of raw materials;
(iii) Product tampering;
(iv) Product labelling errors;
(v) Improper storage of our products and raw materials;
(vi) Adulteration of our products with any substance making it unfit for human consumption;
(vii) Non-compliance with food safety and quality control standards;
(viii) Consumer liability product claims and expense;
(ix) Potential cost and disruption of product recalls.

Any actual or alleged contamination or deterioration of our products (whether deliberate or accidental) could result in legal liability, damage to our reputation and may adversely affect our business prospects and consequently our results of operation and financial performance.

The risk of contamination or deterioration in quality exists at each stage of our operations, from procurement of raw materials from farmers and third-party suppliers, transportation of raw materials to our Manufacturing Facilities, processing of raw materials into final products, storage and delivery to our consumers and distribution of our products to wholesalers or retailers until final consumption by consumers.

There can no assurance that contamination of our raw materials or products will not occur during the transportation, production, distribution and sales processes, due to reasons unknown to us or beyond our control. If our products or raw materials are found to be spoilt, contaminated, tampered with, incorrectly labelled or reported to be associated with any such incidents, we may be forced to recall our products from the market and we could be subject to product liability claims, government scrutiny, investigation or intervention, product returns, resulting in increased costs and incur civil or criminal liability. Additionally, we may be subject to liabilities arising out of violations under the provisions of the Food Safety and Standards Act, 2006, applicable rules and regulations. The occurrence of any such event(s) may have a material adverse effect on our business, results of operations, cash flows and financial condition.

54. ***Our stores and processing facilities require an adequate supply of electricity, other fuel and water. Their shortage or non-availability may be adversely affect our operations.***

Our stores and processing facilities have significant electricity requirements. Any interruption in power supply to our stores and processing facilities may disrupt our operations. Our business, financial condition, results of operations and cash flows may be adversely affected by any disruption of operations. We depend on third parties for all of our power requirements. Further, we have limited options in relation to maintenance of power back-ups such as diesel generator sets and any increase in diesel prices will increase our operating expenses which may adversely impact our business margins. Since we have significant power consumption, any unexpected or significant increase in its tariff can increase the operating cost of our stores, Facilities and Distribution Centre. Our electricity expenses amounted to ₹685.96 Lakhs, ₹415.33 Lakhs, ₹418.25 Lakhs and ₹554.13 Lakhs for last three FYs and in the six months ended September 30, 2023. In the markets in which we operate in, there are limited number of electricity providers due to which in case of a price hike we may not be able to find a cost-effective substitute, which may negatively affect our business, financial condition and results of operations.

55. ***Our manufacturing operations may be adversely affected by strikes, work stoppages, or increased wage demands by our employees or those of our suppliers.***

Success of our operations also depends on availability of labour and maintaining cordial relationships with our labour force. As of December 31, 2023, we had one hundred and sixty-seven (167) permanent employees (excluding trainees), and eight hundred and twenty-seven (827) contract workers working in our manufacturing facilities. As of the date of this Draft Red Herring Prospectus, our employees are not members of any organised labour unions. Notwithstanding, strikes and lockouts as a result of disputes with our labour force may adversely affect our operations, which may have an impact on our production levels. While we have not had instance of strikes, lockouts or labour disputes in the past, we cannot assure you that we shall not experience any strikes or lockouts on account of labour disputes in the future. Such events could disrupt our operations and may have a material adverse effect on our business, financial condition and results of operations. In addition, we also may face protests from local citizens at our existing facilities or while setting up new facilities, which may delay or halt our operations.

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

56. ***Our business relies on the performance of our information technology systems. Any interruption or failure to migrate to more advanced systems in the future may have an adverse effect on our business, results of operations, cash flows and financial condition.***

Our information technology system is critical to our business. We have adopted information technology policies to assist us in our operations. We utilize an enterprise resource planning solution, Sanvik (Oracle) and Tallyprime (ERP), which assists us with various functions including customer relationship management, human resources and supply chain management. For details, please see *"**Our Business- Information Technology**"* on page 322.

Our Company's information technology systems may not always operate without interruption and may encounter temporary abnormality or become obsolete, which may affect its ability to maintain connectivity with our stores and distribution centre. If we experience an interruption or a reduction in the performance, reliability or availability of our technology architecture from man-made or natural causes, our operations and ability to manage our administrative systems could be adversely impacted. Any technical failures associated with our information technology system, including those caused by power failures, computer viruses and other unauthorized tampering, may affect our operations. We cannot assure that we will be successful in developing, installing, running and migrating to new software systems or systems as required for its overall operations. Even if we are successful in this regard, significant capital expenditures may be required, and it may not be able to benefit from the investment immediately.

We may be subject to cyber-attacks and other cyber-security risks and threats, including computer break-ins, phishing, and social engineering. Cyber-security vulnerabilities may put us at risk for possible losses due to fraud, operational disruptions, or the unintended dissemination of sensitive personal information, proprietary information or confidential information. We may also be subject to liability as a result of any theft, loss, unauthorized disclosure or misuse of confidential, sensitive and/ or personal information stored on our systems, including medical data of our patients. While no such instances have occurred in the past, we cannot assure you that such instances will not occur in the future. The development of our information technology system is generally outsourced to third party suppliers, over which we have limited control. Failure by such third party suppliers to adequately secure or manage our information and systems, as well as their discontinuation of existing products and services that we rely on, may adversely affect our operations, reputation, results of operations, and business. All of these may have a material adverse impact on our business, results of operations and profitability.

57. ***We are dependent on third parties for our transportation needs. Any disruptions may adversely affect our operations, business and financial condition.***

As regards our retail business, we have our own fleet of fifteen (15) trucks, which are utilised to transport the products to our stores from our Distribution Centre. In addition to our transport fleet, we also engage third party logistic solution providers, who provide transportation services on certain specific routes, in order to deliver on time to our stores and our network of retail customers to optimize the transportation costs of our products.

As regards our non-retail business (processing), our success depends on the uninterrupted supply and transportation of various raw materials required in the manufacture of our products and of our products to our customers or intermediate delivery points, that are subject to various uncertainties and risks. We transport our raw materials, packing materials and our finished products by road, sea and air. We rely on third- party logistic companies and freight forwarders to deliver our raw materials, packaging materials and finished products. We enter into contractual relationships with such logistic companies which is open-ended, with a stipulated notice period with rate revisions typically depending on the escalation and de-escalation of fuel prices. There may also be delay in delivery of raw materials, packaging materials and products which may also affect our business and results of operation negatively. Our ability to manufacture, transport, and sell our products is critical to our success. Any disputes with our transporters, including disputes regarding pricing or performance, could adversely affect our ability to supply products to our customers on timely basis and could materially and adversely affect our product sales, financial condition, and results of operations. As of March 31, 2021, March 31, 2022, March 31, 2023 and for the six months period ended September 30, 2023, the expenses incurred by our Company on clearing and forwarding charges including freight outward and freight inward was ₹ 3413.80 Lakhs, ₹ 3957.01 Lakhs, ₹ 4021.93 Lakhs and ₹ 1213.67 Lakhs comprising of 4.15%, 5.16%, 3.95% and 2.72%, respectively, of the revenue of operations of our Company.

Our operations and profitability are dependent upon availability of transportation and other logistics facilities in a time and cost efficient manner. Accordingly, our business is vulnerable to increased transportation costs including as a result of increase in fuel costs, transportation strikes, delays, damages or losses of goods in transit and disruption of transportation services because of weather related problems, strikes, lock-outs, accidents, inadequacies in road infrastructure or other events.

Although we have experienced few 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 be cost inefficient, thereby adversely affecting our operations, profitability, reputation and market position.

Accordingly, any disruption to our third-party transportation services availed by us, due to weather, natural disaster, fire or explosion, terrorism, pandemics, strikes, government action, or other reasons beyond our control or the control of our transporters, could impair our ability to manufacture or sell our products. For instance, during lock-down imposed under the COVID-19 pandemic, our Company encountered challenges in availability of trucks and containers for supply of its products to its customers which resulted in increase of our inventory day for the FY 2020-21. Further, our transport to overseas destinations through Red Sea have witnessed disruptions which has resulted in increase in shipping and insurance costs. Failure to take adequate steps to mitigate the likelihood or potential impact of such events or to effectively manage such events if they occur could adversely affect our business. The occurrence of any of these factors could result in a significant decrease in the sales volume of our products and therefore adversely affect our financial condition, cash flows and results of operations.

58. ***We operate in a competitive market and any increase in competition may adversely affect our business and financial condition.***

We face competition across our business activities from varied peers. As regards our retail business, our key direct competitors in the region where we presently operate include other organised B&M retailers such as D-Mart, Big Bazaar, Reliance Retail and unorganised retailers such as local departmental stores, kirana shops. As regards the masala and grocery products business, our major competitors include Gandhi Spices Private Limited (Hathi Masala), Adani Food Products Private Limited, Ramdev Food Private Limited, MDH Masala Private Limited, Baadshah Masala Private Limited, Everest Masala Private Limited in the unlisted space and NHC Food Limited, Sheetal Universal Limited in the listed space. For further details, please see *"**Our Business- Competition**"* on page 322.

We face intense competition from other retailers that market products similar to ours. We compete in various aspects, including brand recognition, value for money, product quality and pricing, supply chain management etc. Intensified competition may result in pricing pressures and reduced profitability and may impede our ability to achieve sustainable growth in our revenues or cause us to lose market share. Our competitors may also engage in aggressive and negative marketing or public relations strategies which may harm our reputation and increase our marketing expenses. Any of these events could substantially harm our results of operations.

Some of our existing and potential competitors enjoy substantial competitive advantages including: longer operating history, relationships with large number of suppliers, capability to leverage their sales efforts and marketing expenditures across a broader portfolio of products, access to a broad customer base, brand recognition, greater financial, marketing, distribution and other resources, experienced management team.

Competitors may, whether through consolidation or growth, present more credible integrated or lower cost solutions. We cannot assure you that we can continue to compete effectively with our competitors. 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.

59. ***Certain of our products are subject to seasonal variations. Lower revenues outside of the festive period of any Financial Year may adversely affect our business, results of operations, financial condition and cash flows.***

Certain of our products are subject to seasonal variations, including the foods and FMCG businesses, primarily due to increased consumption patterns of some products or derivatives in the summer and/or monsoon seasons in India. For example, a major portion of the sales of dry fruits occur between November and January in India; sales of cold beverages increase in the summer months; and a significant share of fresh fruit bunches are harvested in India between May and October. As a result, a substantial share of the income we derive from these products is received during these periods. Because of these seasonal fluctuations, our sales and results of operations may vary each quarter, and the sales and results of operations of any given fiscal quarter may not be relied upon as indicators of the sales or results of operations of other fiscal quarters or of our future performance.

60. ***Certain aspects of our business are dependent on the supply of large amounts of raw material such as wheat, spices and groundnuts. We do not have long term agreements with suppliers for our raw materials and any increase in the cost of, or a shortfall in the availability of, such raw materials could have an adverse effect on our business and results of operations, and seasonable variations could also result in fluctuations in our results of operations.***

As regards our non-retail business segment (i.e., processing), we are dependent on the agricultural industry for our raw materials. The raw materials required by us include whole spices such as chillies, coriander seeds, cumin seeds, fennel seeds, fenugreek seeds, carom seeds, mustard seeds, turmeric, wheat, groundnut, mango etc. We source our raw materials from sourcing agents in Agriculture Product Market Committees across Gujarat. For further details, please see *"**Our Business- Cost and availability of Raw Materials**"* on page 381.

The price and availability of such raw materials depend on several factors beyond our control, including overall economic conditions, production levels, market demand and competition for such materials, production and transportation cost, duties and taxes and trade restrictions. Unfavourable weather patterns, including extremes such as drought, floods and natural disasters, may have an adverse effect on the availability of raw materials. There is growing concern that carbon dioxide and other greenhouse gases in the atmosphere may have an adverse impact on global temperatures, weather patterns and the frequency and severity of extreme weather and natural disasters. The availability of raw materials for our operations, which includes, amongst others wheat, paddy and oilseeds may be adversely affected by longer than usual periods of heavy rainfall in certain regions or a drought caused by weather patterns such as the El Nino. Such events may have an adverse impact on the availability and prices of raw materials for our operations, which may increase the costs of our operations as well as negatively affect our business, results of operations and financial condition. Adverse weather conditions may also result in decreased availability of water, which could impact our manufacturing operations.

In addition, we do not have long term supply contracts with any of our raw material suppliers and we typically place orders with them in advance of our anticipated requirements. The absence of long term contracts at fixed prices exposes us to volatility in the prices of raw materials that we require and we may be unable to pass these costs onto our customers. We also face a risk that one or more of our existing suppliers may discontinue their supplies to us, and any inability on our part to procure raw materials from alternate suppliers in a timely fashion, or on commercially acceptable terms, may adversely affect our operations. If, for any reason, primary suppliers of raw materials curtail or discontinue their delivery of such materials or products to us in the quantities we need, or on commercially acceptable terms, production schedules could be disrupted and our business and results of operations could be adversely affected.

Additionally, the supply of raw materials for our business operations is subject to seasonal variations. For example, the supply of raw materials which we procure depends on the harvesting season of various crops. As a result of such seasonal fluctuations, and as a strategy to rationalize and maintain our working capital requirements, we follow the approach of buying our raw materials from vendors as and when demand arises, in addition to our seasonal storage that we maintain and as a result our operations may vary by fiscal quarter, and the sales and results of operations of any given fiscal quarter may not be relied upon as indicators of the sales or results of operations of other fiscal quarters or of our future performance. Such seasonal fluctuations may also result in a shortfall in the availability of the raw materials required for our business operations during certain periods, which could also have an adverse effect on our business and results of operations.

The agricultural industry is largely dependent on various factors including monsoon and weather conditions. Meteorologically, our country has diversified and different weather conditions that prevail at different places. Sometimes, one region receives very heavy rainfall whereas another region receives scant rainfall. Abnormal weather conditions may affect crop production, destroy crops which may lead to a subsequent increase in the price of raw materials. Although the demand for our products is continuous throughout the year, we are affected by seasonality in procurement of raw materials. Therefore, our results of operations and cash flows across quarters in a Financial Year may not be comparable and any such comparisons may not be meaningful.

61. ***The Equity Shares have never been publicly traded and after the Offer, the Equity Shares may experience price and volume fluctuations and an active trading market for the Equity Shares may not develop. Further, the Offer Price, market capitalization to revenue from operations multiple, price to revenue from operations ratio and price to earnings ratio based on the Offer Price of our Company, may not be indicative of the market price of the Equity Shares on listing.***

Set forth below are the details of our revenue from operations and profit after tax for the six months period ended September 30, 2023, and for the FYs ended March 31, 2023, March 31, 2022 and March 31, 2021:

Particulars	For the six months period ended September 30, 2023 (₹ in Lakhs)	FY 2022-23 (₹ in Lakhs)	FY 2021-22 (₹ in Lakhs)	FY 2020-21 (₹ in Lakhs)
Revenue from operations	44,598.21	101,854.78	76,615.91	82,337.46
Profit after tax	977.98	1,637.97	1,137.03	1,149.74

Our market capitalization to revenue from operations for the FY 2022-23 multiple is [●] times at the upper end of the Price Band and [●] times at the lower end of the Price Band, and our price to earnings ratio multiple for the FY 2022-23 is [●] times at the upper end of the Price Band and [●] times at the lower end of the Price Band. The table below provides details of our price to earnings ratio and market capitalization to revenue from operations at Offer Price:

	Price to earnings ratio*	Market capitalisation to revenue from operations*
FY 2022-23		

***Note:** To be included in Prospectus.*

Prior to the Offer, 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 Offer. 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 Offer Price of the Equity Shares is proposed to be determined through a book-building process 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. In addition to the above, the current market price of securities listed pursuant to certain previous initial public offerings managed by the BRLM is below their respective Offer Prices. For further details, please see *"**Other Regulatory and Statutory Disclosures**"* on page 433.

62. ***Our Promoters Dhanji Raghavji Patel, Bechar Raghavji Patel, Key Managerial Personnel Rahul Dhanji Patel, Bharat Haribhai Patel and Senior Management Mahesh Haribhai Patel, by virtue of their positions have the power to influence decisions pertaining to the Company.***

Our Promoters Dhanji Raghavji Patel, Bechar Raghavji Patel, Key Managerial Personnel Rahul Dhanji Patel, Bharat Haribhai Patel and Senior Management Mahesh Haribhai Patel are related to each other. For further details, please see *"**Our Management- Relationship between our Directors, Key Managerial Personnel or Senior Management**"* on page 350. Further, they hold Equity Shares in the Company. For further details, please see *"**Our Management-Shareholding of our Directors in our Company**"* and *"**Our Management- Shareholding of our Key Managerial Personnel and Senior Management of our Company**"* on page 353 and 365, respectively.

By virtue of their positions and shareholding in our Company, the said persons have the power to control management and policy decisions in concert, which may or may not be in the interests of our Company. While three (3) Independent Directors have been appointed on our Board to mitigate the said risk, there can be no assurance that the Promoters, Key Managerial Personnel and Senior Management act in the best interests of our Company.

63. ***Information related to our installed capacities and the historical capacity utilisation of our manufacturing facilities included in this Draft Red Herring Prospectus is based on various assumptions and estimates and future production and capacity utilisation may vary.***

Information relating to our installed capacities and the historical capacity utilization of our Manufacturing Facilities included in this Draft Red Herring Prospectus is based on various assumptions and estimates by V N

Talithaya, Chartered Engineer, as set out in their certificate dated March 21, 2024, including but not limited to those relating to the number of working days in a week, working days in a financial year and the number of shifts per working day. Such assumptions and estimates may not continue to be true and future production and capacity utilisation may vary. Calculation of the installed capacities and historical capacity utilisation of our Manufacturing Facilities by the Independent Chartered Engineer may not have been undertaken on the basis of any standard methodology and may not be comparable to that employed by competitors.

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

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

65. ***Under-utilisation of our manufacturing capacities could have an adverse effect on our business, future prospects, and future financial performance.***

Our capacity utilization levels are dependent on our ability to carry out uninterrupted operations at Manufacturing Facilities, the availability of raw materials, industry/ market conditions, as well as by the product requirements of, and procurement practice followed by, our customers. In the event we face prolonged disruptions at our facilities including due to interruptions in the supply of electricity or as a result of labour unrest, or are unable to procure sufficient raw materials, we would not be able to achieve full capacity utilization of our manufacturing facilities, resulting in operational inefficiencies which could have a material adverse effect on our business and financial condition. During the FY 2022-23, 2021-22 and 2020-21 and the six months period ended September 30, 2023, our overall capacity utilization for manufacturing Facility 1 were 45.23%, 45.02%, 47.34% and 48.03% respectively, for manufacturing Facility 2 were 17.06%, 46.63%, 87.81% and 9.31% respectively, for manufacturing Facilty 3 - Unit I were 29.14%, Nil%, Nil% and 34.39% respectively, for manufacturing Facilty 3 - Unit II were 3.00%, 1.00%, Nil% and 9.08% respectively, for manufacturing Facilty 3 - Unit III were 33.62%, Nil%, Nil% and 52.14% respectively, for manufacturing Facilty 3 – Unit IV were 27.90%, Nil%, Nil% and 6.34% respectively and for manufacturing Facilty 3 – F&V Unit were 2.80%, Nil%, Nil% and 3.92% respectively. For further details, please see *"**Our Business- Installed Capacity and Capacity Utilization**"* on page 289.

These rates are not indicative of future capacity utilization rates, which is dependent on various factors, including demand for our products, availability of raw materials, our ability to manage our inventory and improve operational efficiency. Under-utilization of our manufacturing capacities over extended periods, or significant under-utilization in the short-term, could materially and adversely impact our business, growth prospects and future financial performance.

66. ***We do not manufacture some of our products such as papad, ghee, asafoetida (hing) etc. in our own capacity. We procure them from third party manufacturers.***

We purchase (i) home improving products (such as detergents, phenyl, dish wash liquid, mop, plastic bucket etc.); (ii) ready to cook instant mix food items (such as basundi mix, falooda mix etc.), (iii) ghee and papad from third party manufacturers on purchase order basis and sell them under our brands 'Patel Essentials', 'Patel Fresh' and 'Indian Chaska', respectively. Further, we also purchase garments from third party manufacturers on job work basis and also on purchase order basis and sell them under our brand 'Blue Nation'.

Our revenue from sales of private label products constitutes 18.47%, 19.80%, 21.36% and 22.93% of our retail sales and 4.83%, 6.45%, 6.14%, and 7.15% of our revenue from operations, during the Fiscal 2023, Fiscal 2022 and Fiscal 2021 and for the six months period ended September 30, 2023, respectively.

We do not manufacture the aforestated products in our own capacity. Any decline in the supply, delivery or quality of such products or rise in costs or charges may adversely affect our operations. We do not have long term arrangements with such suppliers. There can be no assurance that such parties shall continue to do business with us. Further, we have limited influence and control over the manufacturing processes and quality control measures implemented by these manufacturers. In the event that the third-party manufacturers fail to meet these standards, we may face reputational damage and may have to incur the cost of any resultant product recalls or legal claims. Additionally, we may face increased costs if the third-party manufacturers raise their prices or if we need to find alternative manufacturers. This could result in decreased profit margins and adversely affect our business, results of operations, financial condition and cash flows. We are exposed to the risk of these suppliers, third party manufacturers and service providers failing to adhere to the standards set for them by us and statutory and/ or regulatory bodies in respect of factors such as quality, quantum of production, weights and measures and safety standards and non-compliance of relevant rules and regulations, and any consequent action by such statutory and/ or regulatory bodies or otherwise, could adversely affect our business operations, results of operations, cash flows and financial condition, due to reasons such as shortage of supply, product liability claims and product recalls. This may also result in lost confidence on the part of our customers and adversely affect our reputation. Further, any delay or failure on the part of the third party manufacturers to deliver the products in a timely manner or to meet our quality standards by such third party manufacturers, would result in adverse effect on our business operations, results of operation, cash flows and financial condition.

While there has not been any instance in the last three Fiscals and in the six months ended September 30, 2023 where we experienced any of the aforesaid risks in relation to the third-party manufacturers, we cannot assure you that such instance will not arise in the future.

67. ***Increase in bank charges for usage of electronic data capture machine may adversely affect our results of operations and financial condition.***

Our operations require usage of electronic data capture machine in all our stores for collecting payments from customers which comes at a cost as well as a yearly charge by banks. We also provide unified payments interface based payment options to our customers. Increase in bank charges or charges by wallet service providers in this regard may have an adverse effect on our business, results of operation, cash flows and financial condition, since we may not be able to pass on the cost to our customers.

68. ***The strategic location of our stores is one of the means of attracting customers. Any development impairing the success and viability of our stores could adversely affect our business, financial condition, and results of operation.***

Our stores are typically located in densely populated residential areas and neighbourhoods, keeping in mind accessibility and potential for future development. Sales are derived, in part, from the volume of footfalls in these locations. We plan to deepen our store network in the central suburban area of the MMR such as Bhiwandi, Padgha, Diva, Vasind, Vangani & Neral and gradually expand our network in the western suburban area of the MMR such as Mira Road, Bhayander, Virar & Vasai following our cluster-focused expansion strategy. We believe that selection of suitable locations for our stores has been critical to our expansion plans.

Store locations may become unsuitable and our sales volume and customer traffic may be adversely affected by various factors such as, changes in primary occupancy in a particular area from residential to commercial, competition from nearby retailers and unorganised kirana shops, changing customer demographics, fast changing lifestyle of customers, change in choices, taste and preference of customers in a particular market and the popularity of other businesses located near our stores. This could result in material and adverse effect on our business, cash flows, results of operations and financial condition.

69. ***We do not have definitive agreements or fixed terms of trade with most of our suppliers. Failure to successfully leverage our supplier relationships and network or to identify new suppliers could adversely affect us.***

One of the prime reasons we are able to offer affordable retailing to our customers is our strong relationships with our suppliers. Our growth as a business depends on our ability to attract and retain high quality and cost efficient suppliers to our network. In order to maintain flexibility in procurement options, we do not have any long-term supply agreements with our suppliers and we procure our products on a purchase order basis. If we are unable to continue to procure supplies at competitive prices, our business will be adversely affected. Furthermore, the success of our supplier relationships depends significantly on satisfactory performance by our suppliers and their fulfilment of their obligations. If any of our suppliers fails for any reason to deliver the products in a timely manner or at all, it may affect our ability to manage our inventory levels, which in turn, may result in unavailability of the product thereby adversely affecting our customer shopping experience and our reputation. While we intend to continue to enter into new supplier relationships as a part of our business strategy, we may not be able to identify or conclude appropriate or viable arrangements in a timely manner or at all. Further, there can be no assurance that our relationships with new suppliers in the future will necessarily contribute to a better experience for our customers or to our profitability. If we fail to successfully leverage our existing and new relationships with suppliers, our business operations, results of operations, cash flows and financial condition could be adversely affected.

70. ***We derive a significant portion of our revenue from trading in agro-commodities, procurement of which is heavily dependent on third party suppliers.***

Our Company deals in wholesale supply of food grains like: wheat, peanut, sesame seeds, sugar, whole spices like: coriander, cumin, ajwain, methi, mustard, fennel, etc. Our presence in the agro commodity trading segment enable us to identify opportunities and enter into trading from one commodity to another in accordance with change in demand or inconsistency in pricing for any commodity during any season. Our management team continuously monitors and undertakes deep research of the current trends and demand of agricultural produce and commodities in the market and accordingly it easily switches over to the agricultural produce or commodity in demand. For instance, our revenue from trading in agro commodities for the Fiscal 2023, Fiscal 2022 and Fiscal 2021 and for the six months period ended September 30, 2023 are as detailed herein below:

Parameters	Six months period ended September 30, 2023	Fiscal 2023	Fiscal 2022	Fiscal 2021
	(₹ in Lakhs)	(₹ in Lakhs)	(₹ in Lakhs)	(₹ in Lakhs)
Sugar	6,390.93	35,113.77	25,944.49	19,899.36
Rice	87.01	3,152.18	294.90	2,442.25
Others	2,775.55	1,140.02	1,425.60	6,306.96
Total	**9,253.48**	**39,405.97**	**27,664.99**	**28,648.57**

**As certified by our Statutory Auditor- Kanu Doshi Associates LLP, Chartered Accountants, pursuant to certificate dated March 29, 2024.*

For the procurement of agro-commodities, we are heavily dependent on external suppliers with which we do not have any formal long-term arrangements. Further, the availability and prices of such agro- commodities can fluctuate due to factors beyond our control, including, amongst others, world supply and demand, weather, crop yields, trade disputes between governments of key producing and consuming countries and governmental regulation. Global demand for agricultural commodities may be adversely affected in periods of sustained economic downturn, while supply may increase due to good weather patterns or long-term technological developments, all of which are factors beyond our control. While we forecast the demand for the agro-commodities and accordingly plan our procurement volumes for our operations accordingly, any error in our forecast could result in surplus stock, which may not be sold in a timely manner. Further, any decline in the quality of such commodities or delay in delivery of commodities by such parties, may adversely affect our operations.

71. ***Our Independent Director and certain members of our promoter group have not filed Income Tax Returns ("ITR").***

As on the date of this Draft Red Herring Prospectus, one of our Independent Director and certain members of our promoter group have not filed ITRs for any financial year. In the event cognizance is taken by certain authorities in relation to the aforesaid, it may result in penal actions against the said persons, which may affect our reputation.

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

Certain non-GAAP financial measures and certain other industry measures relating to our operations and financial performance have been included in this Draft Red Herring Prospectus.We compute and disclose such non-GAAP financial measures and such other industry related statistical information relating to our operations and financial performance as we consider such information to be useful measures of our business and financial performance, and because such measures are frequently used by securities analysts, investors and others to evaluate the operational performance of Food & Grocery Retailing and Food Processing, many of which provide such non-GAAP financial measures and other industry related statistical and operational information. Such supplemental financial and operational information is therefore of limited utility as an analytical tool, and investors are cautioned against considering such information either in isolation or as a substitute for an analysis of our audited financial statements as reported under applicable accounting standards disclosed elsewhere in this Draft Red Herring Prospectus

These non-GAAP financial measures and such other industry related statistical and other information relating to our operations and financial performance may not be computed on the basis of any standard methodology hat is applicable across the industry and therefore may not be comparable to financial measures and industry related statistical information of similar nomenclature that may be computed and presented by other companies. For further information, please see *"**Management's Discussion and Analysis of Financial Condition and Results of Operations –Non-GAAP Measures**"* on page 21

EXTERNAL RISKS

Risks relating to India

73. ***Changing laws, rules and regulations and legal uncertainties in India could lead to new compliance requirements that are uncertain.***

The regulatory and policy environment in which we operate is evolving and is subject to change. The GoI may implement new laws or other regulations and policies that could affect our business in general, which could lead to new and additional compliance requirements, including requiring us to obtain approvals and licenses from the Government and other regulatory bodies, or impose onerous requirements. For instance, the GoI has introduced (a) the Code on Wages, 2019; (b) the Code on Social Security, 2020; (c) the Occupational Safety, Health and Working Conditions Code, 2020; and (d) the Industrial Relations Code, 2020 which consolidate, subsume and replace numerous existing central labour legislations. While the rules for implementation under these codes have not been notified, we are yet to determine the impact of all or some such laws on our business and operations, which may restrict our ability to grow our business in the future and increase our expenses.

The Digital Personal Data Protection Bill, 2023 has received assent of the President of India on August 11, 2023. We may incur increased costs and other burdens relating to compliance with such new requirements, which may also require significant management time and other resources, and any failure to comply may adversely affect our business, results of operations and prospects.

Uncertainty in the applicability, interpretation or implementation of any amendment to, or change in, governing law, regulation or policy in the jurisdictions in which we operate, 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. We may incur increased costs and other burdens relating to compliance with such new requirements, which may also require significant management time and other resources, and any failure to comply may adversely affect our business, results of operations, financial condition and prospects. Uncertainty in the applicability, interpretation or implementation of any amendment to, or change in, governing law, regulation or policy, including by reason of an absence, or a limited body, of administrative or judicial precedent may be time consuming as well as costly for us to resolve and may impact the viability of our current businesses or restrict our ability to grow our businesses in the future.

74. ***The occurrence of natural or man-made disasters, fires, epidemics, pandemics, acts of war, terrorist attacks, civil unrest and other events could materially and adversely affect the financial markets and our business.***

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

Our operations may be adversely affected by fires, natural disasters and/or severe weather, which can result in damage to our property or inventory and generally reduce our productivity and may require us to evacuate personnel and suspend operations.

A number of countries in Asia, including India, as well as countries in other parts of the world, are susceptible to contagious diseases and, for example, have had confirmed cases of diseases such as the highly pathogenic H7N9, H5N1 and H1N1 strains of influenza in birds and swine and more recently, the COVID-19 virus. A worsening of the current outbreak of COVID-19 pandemic or future outbreaks of COVID-19 or a similar contagious disease could adversely affect the global economy and economic activity in the region. As a result, any present or future outbreak of a contagious disease could have a material adverse effect on our business and the trading price of the Equity Shares.

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. India has, from time-to-time experienced instances of social, religious and civil unrest and hostilities between neighbouring countries. For example, there was a mass protest by farmers against three farm acts which were passed by the Parliament of India in September 2020. The introduction of the law caused protests in several parts of the country like Delhi, Haryana and Punjab. In case there are mass protests leading to civil unrest, such incidents could impact both our operations and adversely affect our business, results of operations, financial condition and cash flows. Military activity or terrorist attacks in the future could influence the Indian economy by disrupting communications and making travel more difficult and such political tensions could create a greater perception that investments in Indian companies involve higher degrees of risk. Events of this nature in the future, as well as social and civil unrest within other countries in Asia, could influence the Indian economy and could have an adverse effect on the market for securities of Indian Company.

75. ***A downgrade in ratings of India and other jurisdictions in which we operate may affect the trading price of the Equity Shares.***

Our borrowing costs and our access to the debt capital markets depend significantly on the credit ratings of India. Any further adverse revisions to credit ratings for India by international rating agencies may adversely impact our ability to raise additional financing and the interest rates and other commercial terms at which such financing is available. Further, a downgrading of India's credit ratings may occur, for example, upon change of government tax or fiscal policy, which are outside our control. This could have an adverse effect on our ability to fund our growth on favourable terms and consequently adversely affect our business and financial performance and the price of the Equity Shares.

76. ***We may be affected by competition laws in India, the adverse application or interpretation of which could adversely affect our business.***

The Competition Act, 2002 ("**Competition Act**"), as amended, seeks to prevent business practices that have an appreciable adverse effect on competition in the relevant market in India. Under the Competition Act, any arrangement, understanding or action in concert between enterprises, whether formal or informal, which causes or is likely to cause an appreciable adverse effect on competition in India is void and attracts substantial monetary penalties. Further, any agreement among competitors which directly or indirectly involves the determination of purchase or sale prices, limits or controls production, supply, markets, technical development, investment or provision of services, shares the market or source of production or provision of services in any manner by way of allocation of geographical area, type of goods or services or number of consumers in the relevant market or in any other similar way or directly or indirectly results in bid-rigging or collusive bidding is presumed to have an appreciable adverse effect on competition.

The Competition Act also prohibits abuse of a dominant position by any enterprise. If it is proved that the contravention committed by a company took place with the consent or connivance or is attributable to any neglect on the part of, any director, manager, secretary or other officer of such company, that person shall be also guilty of the contravention and may be punished. The Competition Act aims to, among other things, prohibit all agreements and transactions, including agreements between vertical trading partners i.e. entities at different stages or levels of the production chain in different markets, which may have an appreciable adverse effect on competition in India. Consequently, all agreements entered into by us could be within the purview of the Competition Act. We may also be subject to queries from the CCI pursuant to complaints by consumers or any third persons, which could be made without any or adequate basis given our market presence. Further, the CCI has extra-territorial powers and can investigate any agreements, abusive conduct or combination occurring outside of India if such agreement, conduct or combination has an appreciable adverse effect on competition in India. However, the effect of the provisions of the Competition Act on the agreements entered into by us cannot be predicted with certainty at this stage.

77. ***A third-party could be prevented from acquiring control of us post this Offer, because of anti-takeover provisions under Indian law.***

As a listed Indian entity, there are provisions in Indian law that may delay, deter or prevent a future takeover or change in control of our Company. Under the Securities and Exchange Board of India (Substantial Acquisition of Shares and Takeovers) Regulations, 2011 ("**SEBI Takeover Regulations**"); an 'acquirer' has been defined as any person who, directly or indirectly, acquires or agrees to acquire shares or voting rights or control over a company, whether individually or acting in concert with others. Although these provisions have been formulated to ensure that interests of investors/ shareholders are protected, these provisions may also discourage a third party from attempting to take control of our Company subsequent to completion of the Offer. Consequently, even if a potential takeover of our Company would result in the purchase of the Equity Shares at a premium to their market price or would otherwise be beneficial to our shareholders, such a takeover may not be attempted or consummated because of the SEBI Takeover Regulations.

78. ***Investors may not be able to enforce a judgment of a foreign court against us, our Directors and our BRLM or any their directors and executive officers in India respectively, except by way of a lawsuit in India.***

Our Company is incorporated under the laws of India as a company limited by shares. As on the date of this Draft Red Herring Prospectus, all of our Directors, Key Managerial Personnel and Senior Management are residents of India. Our Company's assets and a substantial portion of the assets of our Directors and executive officers resident in India are located in India. As a result, it may be difficult for investors to effect service of process upon us or such persons outside India or to enforce judgments obtained against our Company or such parties outside India.

India is not a party to any international treaty in relation to the recognition or enforcement of foreign judgments. Recognition and enforcement of foreign judgments is provided for under section 13 of the Code of Civil Procedure, 1908 ("**CPC**"), on a statutory basis. Section 13 of the CPC provides that foreign judgments shall be conclusive regarding any matter directly adjudicated upon, except: (i) where the judgment has not been pronounced by a court of competent jurisdiction; (ii) where the judgment has not been given on the merits of the case; (iii) where it appears on the face of the proceedings that the judgment is founded on an incorrect view of international law or a refusal to recognize the law of India in cases to which such law is applicable; (iv) where the proceedings in which the judgment was obtained were opposed to natural justice; (v) where the judgment has been obtained by fraud; and (vi) where the judgment sustains a claim founded on a breach of any law then in force in India. Under the CPC, a court in India shall, upon the production of any document purporting to be a certified copy of a foreign judgment, presume that the judgment was pronounced by a court of competent jurisdiction, unless the contrary appears on record. However, under the CPC, such presumption may be displaced by proving that the court did not have jurisdiction.

Section 44A of the CPC provides that where a foreign judgment has been rendered by a superior court, within the meaning of that section, in any country or territory outside of India which the GoI has by notification declared to be in a reciprocating territory, it may be enforced in India by proceedings in execution as if the judgment had been rendered by the relevant court in India. However, Section 44A of the CPC is applicable only to monetary decrees not being of the same nature as amounts payable in respect of taxes, other charges of a like nature or of a fine or other penalties but does not include an arbitration award, even if such an award is enforceable as a decree or judgment. The United Kingdom, United Arab Emirates, Singapore and Hong Kong, among others, have been declared by the GoI to be reciprocating territories for the purposes of section 44A of the CPC.

The United States and India do not currently have a treaty providing for reciprocal recognition and enforcement of judgments, other than arbitration awards, in civil and commercial matters. Therefore, a final judgment for the payment of money rendered by any federal or state court in the United States on civil liability, whether or not predicated solely upon the federal securities laws of the United States, would not be enforceable in India. However, the party in whose favour such final judgment is rendered may bring a new suit in a competent court in India based on a final judgment that has been obtained in the United States. The suit must be brought in India within three (3) years from the date of the judgment in the same manner as any other suit filed to enforce a civil liability in India.

Further, there may be considerable delays in the disposal of suits by Indian courts. It is unlikely that a court in India would award damages on the same basis as a foreign court if an action were brought in India. Furthermore, it is unlikely that an Indian court would enforce a foreign judgment if that court was of the view that the amount of damages awarded was excessive or inconsistent with public policy or Indian law. It is uncertain as to whether an Indian court would enforce foreign judgments that would contravene or violate Indian law. However, a party seeking to enforce a foreign judgment in India is required to obtain approval from the RBI under the FEMA to execute such a judgment or to repatriate any amount recovered, and we cannot assure you that such approval will be forthcoming within a reasonable period of time, or at all, or that conditions of such approvals would be acceptable. Further, any such amount may be subject to income tax in accordance with applicable laws. Any judgment awarding damages in a foreign currency is required to be converted into Rupees on the date the award becomes enforceable and not on the date of payment.

OFFER SPECIFIC RISKS

Risks relating to the Equity Shares and this Offer

79. ***The Offer Price of the Equity Shares may not be indicative of the market price of the Equity Shares after the Offer.***

The Offer Price of the Equity Shares will be determined by our Company and in consultation with the BRLM through the Book Building Process. This price will be based on numerous factors, as described under *"**Basis for Offer Price**"* on page 129 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, problems such as temporary closure, broker default and settlement delays experienced by the Indian Stock Exchanges, strategic actions by us or our competitors, 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. Consequently, the price of our Equity Shares may be volatile, and you may be unable to resell your Equity Shares at or above the Offer Price, or at all. There has been significant volatility in the Indian stock markets in the recent past, and our Equity Share price could fluctuate significantly because of market volatility. A decrease in the market price of our Equity Shares could cause investors to lose some or all of their investment.

80. ***The trading volume and market price of our Equity Shares may be volatile post the Offer.***

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

(a) General economic and stock market conditions;
(b) Quarterly variations in our results of operations;
(c) Results of operations that vary from those of our competitors;

(d) Changes in expectations as to our future financial performance, including financial estimates by research analysts and investors;
(e) Announcements by us or our competitors of significant acquisitions, strategic alliances, joint operations or capital commitments;
(f) Announcements by third parties or governmental entities of significant claims or proceedings against us;
(g) New laws and governmental regulations applicable to our industry;
(h) Additions or departures of key management personnel;
(i) Changes in exchange rates;
(j) Public's reaction to our press releases, other public announcements and filings with the regulator;
(k) Any additional investment or sale of investment by significant shareholders(s);
(l) Fluctuations in stock market prices and volume.

Changes as regards any of the factors above could adversely affect the price of our Equity Shares.

81. *Qualified Institutional Buyers ("QIBs") and Non-Institutional Investors are not permitted to withdraw or lower their Bids (either quantity of Equity Shares or the Bid Amount) at any stage after submitting a Bid.*

Pursuant to the provisions of the SEBI ICDR Regulations and other regulations and guidelines prescribed by the SEBI, QIBs and Non-Institutional Investors are not permitted to withdraw or lower their Bids (in terms of quantity of Equity Shares Bid for or the price) at any stage after submitting a Bid and are required to pay the Bid Amount at the time of submission of the Bid.

While our Company is required to complete Allotment pursuant to the Offer within three (3) Working Days from the Bid/Offer Closing Date, or such other period as may be prescribed by SEBI, events affecting the Bidders' 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 Bid by QIBs and Non- Institutional Investors and Allotment of the Equity Shares. Our Company may choose to complete the Allotment of the Equity Shares pursuant to the Offer despite the occurrence or one or more such events, and QIBs and Non- Institutional Investors would not be able to withdraw or lower their Bids in such or any other situation, once they have submitted their Bid.

82. *Any future issuance of Equity Shares, or convertible securities or other equity linked instruments by us may dilute your shareholding and sale of Equity Shares by the Promoters, members of our Promoter Group and other significant shareholders may adversely affect the trading price of the Equity Shares.*

We may be required to finance our growth (whether organic or inorganic) through future equity offerings. Any future issuance of Equity Shares, convertible securities or securities linked to the Equity Shares by us, may lead to a dilution of your shareholding in our Company. Any future equity issuances by us (including under any employee benefit scheme) or disposal of our Equity Shares by our Promoters, members of our Promoter Group or any of our other principal shareholders or any other change in our shareholding structure or any public perception regarding such issuance or sales may adversely affect the trading price of the Equity Shares, which may lead to other adverse consequences including difficulty in raising capital through offering of our equity shares or incurring additional debt.

We cannot assure you that we will not issue further Equity Shares or that our existing shareholders including our Promoter and members of our Promoter Group will not dispose of further Equity Shares after the completion of the Offer (subject to compliance with the lock-in provisions under the SEBI ICDR Regulations) or pledge or encumber their Equity Shares. Any future issuances could also dilute the value of shareholders' investment in the Equity Shares and adversely affect the trading price of our Equity Shares. Such securities may also be issued at prices below the Offer Price. We may also issue convertible debt securities to finance our future growth or fund our business activities. In addition, any perception by investors that such issuances or sales might occur could also affect the trading price of the Equity Shares.

83. ***Significant differences exist between Indian Accounting Standards and other accounting principles, such as United States Generally Accepted Accounting Principles (GAAP) and International Financial Reporting Standards (IFRS), which investors may consider material to their assessment of our financial condition.***

Our Restated Financial Information for the six months period ended September 30, 2023, FY 2022-23, FY 2021-22 and FY 2020-21, have been prepared and presented in conformity with Ind AS. Ind AS differs in certain significant respects from IFRS, U.S. GAAP and other accounting principles with which prospective investors may be familiar in other countries. If our financial statements were to be prepared in accordance with such other accounting principles, our results of operations, cash flows and financial position may be substantially different. Prospective investors should review the accounting policies applied in the preparation of our financial statements, and consult their own professional advisers for an understanding of the differences between these accounting principles and those with which they may be more familiar. Any reliance by persons not familiar with Indian accounting practices on the financial disclosures presented in this Draft Red Herring Prospectus should be limited accordingly.

84. ***Rights of shareholders of our Company under Indian law may be more limited than under the laws of other jurisdictions.***

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

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

Under foreign exchange regulations currently in force in India, transfer of shares between non-residents and residents are freely permitted (subject to certain exceptions), if they comply with the valuation and reporting requirements specified by the RBI, from time to time. If a transfer of shares is not in compliance with such requirements and fall under any of the exceptions specified by the RBI, then the RBI's prior approval is required. Additionally, shareholders who seek to convert Rupee proceeds from a sale of shares in India into foreign currency and repatriate that foreign currency from India require a no-objection or a tax clearance certificate from the Indian income tax authorities. We cannot assure you that any required approval from the RBI or any other governmental agency can be obtained on any particular terms, or at all. In terms of Press Note 3 of 2020, dated April 17, 2020, issued by the Department for Promotion of Industry and Internal Trade ("**DPIIT**"), as consolidated in the FDI Policy with effect from October 15, 2020, all investments under the foreign direct investment route by entities of a country which shares land border with India or where the beneficial owner of an investment into India is situated in or is a citizen of any such country will require prior approval of the GoI. 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 GoI. Any such approval(s) would be subject to the discretion of the regulatory authorities. This may cause uncertainty and delays in our future investment plans and initiatives.

We cannot assure you that any required approval from the relevant governmental agencies can be obtained on any particular terms or at all. For further details, please see "***Restrictions on Foreign Ownership of Indian Securities***" on page 489.

Moreover, the exchange control regulations we are subject to constrain our ability to remit dividends to our Shareholders. There is no assurance that your dividends will not subject to any delay or deduction. In addition, the exchange control regulations we are subject to could affect the availability of cash and cash equivalents for use by our Company, which may adversely affect our business, results of operations, financial condition and cash flows.

86. ***The determination of the Price Band is based on various factors and assumptions and the Offer Price of the Equity Shares may not be indicative of the market price of the Equity Shares after the Offer.***

The determination of the Price Band is based on various factors and assumptions and will be determined by our Company, in consultation with the BRLM. Furthermore, the Offer Price of the Equity Shares will be determined by our Company in consultation with the BRLM, through the Book Building Process. These will be based on numerous factors, including factors as described under *"**Basis for the Offer Price**"* on page 129 and may not be indicative of the market price for the Equity Shares after the Offer.

The market price of our Equity Shares could be subject to significant fluctuations after the Offer, and may decline below the Offer Price. The factors that could affect the market price of the Equity Shares include, among others, broad market trends, financial performance and results of our Company post-listing, and other factors beyond our control. There can be no assurance that an active market will develop or sustained trading will take place in the Equity Shares or regarding the price at which the Equity Shares will be traded after listing.

87. ***Pursuant to listing of the Equity Shares, we may be subject to pre-emptive surveillance measures such as the Additional Surveillance Measures ("ASM") and Graded Surveillance Measures ("GSM") by the Stock Exchanges in the order to enhance market integrity and safeguard the interest of the investors.***

On and post the listing of equity shares, we may be subject to ASM and GSM by the Stock Exchange(s) and the Securities and Exchange Board of India. These measures have been introduced in order to enhance market integrity, safeguard the interest of investors and to alert and advise investors to be extra cautious and carry out necessary due diligence while dealing in such securities. The criteria for shortlisting any scrip trading on the Stock Exchange(s) under the ASM is based on an objective criteria as jointly decided by SEBI and the Stock Exchanges(s) which includes market based dynamic parameters such as high low price variation, client concentration, close to close price variation, market capitalization, average daily trading volume and its change, and average delivery percentage, among others. A scrip is typically subjected to GSM measures where there is an abnormal price rise that is not commensurate with the financial heath and fundamentals of a company. Specific parameters for GSM include net worth, net fixed assets, price to earnings ratio, market capitalisation, and price to book value, among others. Factors within and beyond our control may lead to our securities being subject to GSM or ASM. In the event our Equity Shares are subject to such surveillance measures implemented by any of the Stock Exchanges, we may be subject to certain additional restrictions in connection with trading of our Equity Shares such as limiting trading frequency (for example, trading either allowed once in a week or a month) or freezing of price on upper side of trading which may have an adverse effect on the market price of our Equity Shares or may in general cause disruptions in the development of an active trading market for our Equity Shares.

88. ***Requirements of being a listed company may strain our resources.***

We are not a publicly listed company and have not, historically, been subjected to the increased scrutiny of our affairs by shareholders, regulators and the public at large that is associated with being a listed company. As a listed company, we will incur significant legal, accounting, corporate governance and other expenses that we did not incur as an unlisted company. We will be subject to the SEBI Listing Regulations, which will, among other things, require us to file audited annual and unaudited quarterly reports with respect to our business and financial condition. If we experience any delays, we may fail to satisfy our reporting obligations and/or we may not be able to readily determine and accordingly report any changes in our results of operations as promptly as other listed companies. Further, as a publicly listed company, we will need to maintain and improve the effectiveness of our disclosure controls and procedures and internal control over financial reporting, including keeping adequate records of daily transactions. In order to maintain and improve the effectiveness of our disclosure controls and procedures and internal control over financial reporting, significant resources and management attention will be required. As a result, our management's attention may be diverted from our business concerns, which may adversely affect our business, prospects, results of operations and financial condition. In addition, we may need to hire additional legal and accounting staff with appropriate experience and technical accounting knowledge, but we cannot assure you that we will be able to do so in a timely and efficient manner.

89. ***Investors may be subject to Indian taxes arising out of income arising on the sale of the Equity Shares.***

Under current Indian tax laws, unless specifically exempted, capital gains arising from the sale of equity shares held as investments in an Indian company are generally taxable in India. Any capital gain realized on the sale of listed equity shares on a Stock Exchange held for more than 12 months immediately preceding the date of transfer will be subject to long term capital gains in India at the specified rates depending on certain factors, such as whether the sale is undertaken on or off the Stock Exchanges, the quantum of gains and any available treaty relief.

Accordingly, Investors may be subject to payment of long term capital gains tax in India, in addition to payment of Securities Transaction Tax ("STT"), on the sale of any Equity Shares held for more than 12 months immediately preceding the date of transfer. STT will be levied on and collected by a domestic stock exchange on which the Equity Shares are sold. Further, any capital gains realized on the sale of listed equity shares held for a period of 12 months or less immediately preceding the date of transfer will be subject to short term capital gains tax in India as well as STT.

Capital gains arising from the sale of the Equity Shares will not be chargeable to tax in India in cases where relief from such taxation in India is provided under a treaty between India and the country of which the seller is resident read with the Multilateral Instrument ("MLI"), if and to the extent applicable, and the seller is entitled to avail benefits thereunder. Generally, Indian tax treaties do not limit India's ability to impose tax on capital gains. As a result, residents of other countries may be liable for tax in India as well as in their own jurisdiction on a gain upon the sale of the Equity Shares. No dividend distribution tax is required to be paid 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 non-resident.

Our 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 pursuant to any corporate action including dividends. Our Company cannot predict whether any tax laws or other regulations impacting it will be enacted, or predict the nature and impact of any such laws or regulations or whether, if at all, any laws or regulations would have a material adverse effect on our Company's business, financial condition, results of operations and cash flows.

90. ***Investors will not be able to sell immediately on an Indian stock exchange any of the Equity Shares they purchase in the Offer.***

The Equity Shares will be listed on the Stock Exchanges. Pursuant to applicable Indian laws, certain actions must be completed before the Equity Shares can be listed and trading in the Equity Shares may commence. The Allotment of Equity Shares in this Offer and the credit of such Equity Shares to the applicant's demat account with depository participant and listing is expected to commence within the period as may be prescribed under the applicable laws. Any failure or delay in obtaining the approval or otherwise any delay in commencing trading in the Equity Shares would restrict investors' ability to dispose their Equity Shares. We cannot assure that the Equity Shares will be credited to investors' demat accounts, or that trading in the Equity Shares will commence, within the time periods prescribed under applicable law.

SECTION III: INTRODUCTION
THE OFFER

The following table summarizes the details of the Offer:

Particulars	Details of Equity Shares
Offer of Equity Shares of face value of ₹10/- each[(1)]	Up to 1,00,20,000 Equity Shares, aggregating up to ₹[●] Lakhs
of which:	
Fresh Issue[(1)(9)]	Up to 90,18,000 Equity Shares, aggregating up to ₹[●] Lakhs
Offer for Sale[(2)]	Up to 10,02,000 Equity Shares, aggregating up to ₹[●] Lakhs
The Offer comprises:	
Employee Reservation Portion[(3)(4)]	Up to 51,000 Equity Shares, aggregating up to ₹[●] Lakhs
Net Offer	Up to [●] Equity Shares, aggregating up to ₹[●] Lakhs
The Net Offer comprises of:	
A) QIB Portion[(5)(6)]	Not more than [●]* Equity Shares, aggregating up to ₹ [●] Lakhs
of which:	
(i) Anchor Investor Portion[(5)(7)]	Up to [●]* Equity Shares
(ii) Net QIB Portion (assuming Anchor Investor Portion is fully subscribed)	Up to [●]* Equity Shares
of which:	
(a) Available for allocation to Mutual Funds only (5% of the Net QIB Portion)	[●]* Equity Shares
(b) Balance for all QIBs including Mutual Funds	[●]* Equity Shares
B) Non- Institutional Portion[(7)]	Not less than [●]* Equity Shares, aggregating up to ₹ [●] Lakhs
of which:	
(a) One-third of the Non-Institutional Portion available for allocation to Bidders with an application size more than ₹2,00,000 and up to ₹10,00,000	[●]* Equity Shares
(b) Two-third of the Non-Institutional Portion available for allocation to Bidders with an application size of more than ₹10,00,000	[●]* Equity Shares
C) Retail Portion[(7)(8)]	Not less than [●]* Equity Shares, aggregating up to ₹ [●] Lakhs
Pre and post-Offer Equity Shares	
Equity Shares outstanding prior to the Offer (as on the date of this Draft Red Herring Prospectus)	2,43,82,528 Equity Shares of face value of ₹10/- each
Equity Shares outstanding after the Offer	[●] Equity Shares

Use of Net Proceeds by our Company	For details about the use of Net Proceeds from the Fresh Issue, please see *"**Objects of the Offer**"* on page 114. Our Company will not receive any proceeds from the Offer for Sale.

**Subject to finalisation of the Basis of Allotment.*

Notes:

(1) *The Offer has been authorized by a resolution of our Board dated March 1, 2024 and the Fresh Issue has been authorised by a special resolution of our Shareholders dated March 7, 2024.*

(2) *Each of the Promoter Selling Shareholders (severally and not jointly) has specifically confirmed that its portion of the Offered Shares has been held by it in accordance with applicable law and is eligible for being offered for sale as part of the Offer in terms of regulation 8 of the SEBI ICDR Regulations. Each of the Promoter Selling Shareholders has confirmed and approved its participation in the Offer for Sale are as set out below.*

Sr. No.	Name of the Promoter Selling Shareholder	Number of Offered Shares	Date of Consent Letter
1.	Dhanji Raghavji Patel	Up to 7,68,000 Equity Shares aggregating up to ₹[●] Lakhs	March 1, 2024
2	Bechar Raghavji Patel	Up to 2,34,000 Equity Shares aggregating up to ₹[●] Lakhs	March 1, 2024

Each Promoter Selling Shareholder confirms that the Equity Shares being offered by it are eligible for being offered for sale pursuant to the Offer in terms of Regulation 8 of the SEBI ICDR Regulations.

(3) *In the event of under-subscription in the Employee Reservation Portion, the unsubscribed portion will be available for allocation and Allotment, proportionately to all Eligible Employees who have Bid in excess of ₹2,00,000, subject to the maximum value of Allotment made to such Eligible Employee not exceeding ₹5,00,000. The unsubscribed portion, if any, in the Employee Reservation Portion (after allocation of up to ₹5,00,000 to each Eligible Employee), shall be added to the Net Offer. Further, an Eligible Employee Bidding in the Employee Reservation Portion can also Bid in the Net Offer and such Bids will not be treated as multiple Bids subject to applicable limits. For further details, please see "**Offer Structure**" on page 456.*

(4) *Our Company, in compliance with the SEBI ICDR Regulations, may offer an Employee Discount of up to [●]% to the Offer Price (equivalent of ₹ [●] per Equity Share), which shall be announced at least two (2) Working Days prior to the Bid/ Offer Opening Date.*

(5) *Our Company 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. The QIB portion will accordingly be reduced for the Equity Shares allocated to Anchor Investors. One-third of the Anchor Investor Portion shall be reserved for domestic Mutual Funds only, 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 in the Anchor Investor Portion shall be added back to the Net QIB Portion. Further, 5% of the Net QIB Portion (excluding Anchor Investor Portion) shall be available for allocation on a proportionate basis to Mutual Funds only, and the remainder of the Net QIB Portion (excluding Anchor Investor Portion) will be available for allocation on a proportionate basis to all QIB Bidders (other than Anchor Investors), including Mutual Funds, subject to valid Bids having being received at or above the Offer Price. In the event the aggregate demand from Mutual Funds is less than as specified above, the balance Equity Shares available for Allotment in the Mutual Fund Portion will be added to the Net QIB Portion and allocated proportionately to the QIB Bidders (other than Anchor Investors) in proportion to their Bids. For further details, please see "**Offer Procedure**" on page 462.*

(6) *Subject to valid Bids being received at or above the Offer Price, under subscription, if any, in any category, except in the QIB Portion, would be allowed to be met with spill-over from any other category or combination of categories, as applicable, at the discretion of our Company in consultation with the BRLM, and the Designated Stock Exchange, subject to applicable laws. In the event of under-subscription in the Offer, subject to receipt of minimum subscription for 90% of the Fresh Issue and compliance with rule 19(2)(b) of the SCRR, our Company and the BRLM shall first ensure Allotment of Equity Shares offered pursuant to the Fresh Issue, followed by Allotment of Equity Shares offered by the Promoter Selling Shareholders.*

(7) *Allocation to Bidders in all categories, except Anchor Investors, if any, Non-Institutional Bidders, and Retail Individual Bidders, shall be made on a proportionate basis, subject to valid Bids received at or above the Offer Price. The allocation to each Retail Individual Bidder shall not be less than the minimum Bid Lot, subject to availability of Equity Shares in the Retail Portion and the remaining available Equity Shares, if any, shall be allocated on a proportionate basis. The Equity Shares available for allocation to Non-Institutional Investors under the Non-Institutional Portion, shall be subject to the following: (i) One-third of the Non-Institutional Portion shall be reserved for Bidders with application size of more than ₹2,00,000 and*

*up to ₹10,00,000; and two-thirds of the Non-Institutional Portion shall be reserved for Bidders with an application size of more than ₹10,00,000, provided that the unsubscribed portion in either of the above sub-categories of Non-Institutional Portion may be allocated to Bidders in the other sub-category of Non-Institutional Bidders. The Allocation to each Non-Institutional Bidder shall not be less than the minimum application size i.e., ₹2,00,000, subject to availability of Equity Shares in the Non-Institutional Portion and the remaining Equity Shares, if any, shall be allocated on a proportionate basis in accordance with the SEBI ICDR Regulations. Allocation to Anchor Investors shall be on a discretionary basis, in accordance with the conditions specified in this regard in Schedule XIII of the SEBI ICDR Regulations. For details, please see "**Offer Structure**" and "**Offer Procedure**" on pages 456 and 462 respectively.*

(8) *SEBI through its Circular No: SEBI/HO/CFD/DIL2/CIR/P/2022/45 dated April 5, 2022, has prescribed that all individual investors applying in initial public offerings opening on or after May 1, 2022, where the application amount is up to ₹5,00,000 shall use UPI. Individual Investors bidding under the Non-Institutional Portion for more than ₹2,00,000 and up to ₹5,00,000, using the UPI Mechanism, shall provide their UPI ID in the Bid cum Application Form for Bidding through 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.*

(9) *Our Company, in consultation with the BRLM, may consider undertaking a further issue of Equity Shares of the Company, as may be permissible through a preferential issue, private placement, right issue or any other method as may be permitted in accordance with applicable law to any person(s), of up to 5,00,000 Equity Shares, aggregating up to ₹ [●] Lakhs, between the date of this Draft Red Herring Prospectus till the filing of the Red Herring Prospectus with the RoC, subject to appropriate approvals ("**Pre-IPO Placement**"). The Pre-IPO Placement, if undertaken, will be at a price to be decided by our Company in consultation with the BRLM, and the Pre-IPO Placement will be completed prior to filing of the Red Herring Prospectus with the RoC. If the Pre-IPO Placement is undertaken, the amount raised from the Pre-IPO Placement will be reduced from the Fresh Issue, subject to compliance with Rule 19(2)(b) of the SCRR, as amended.*

For further details, including grounds for rejection of Bids, please see *"**Offer Structure**"* and *"**Offer Procedure**"* on pages 456 and 462 respectively.

For details of the terms of the Offer, please see *"**Terms of the Offer**"* on page 447.

SUMMARY OF FINANCIAL INFORMATION

The following tables set forth the summary financial information derived from the Restated Financial Statements for the six months period ended September 30, 2023 and for the financial years ended March 31, 2023, March 31, 2022 and March 31, 2021 on a restated basis. The summary financial information presented below should be read in conjunction with *"**Financial Information**" and "**Management's Discussion and Analysis of Financial Position and Results of Operations**"* on pages 376 and 378, respectively.

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Patel Retail Limited

(formerly known as "Patel Retail Private Limited")

Restated Balance Sheet

(All amounts are in INR lakhs except per share data or otherwise stated)

Particulars	Note No.	As at September 30, 2023	As at March 31, 2023	As at March 31, 2022	As at March 31, 2021
ASSETS					
Non - Current Assets					
Property, Plant and Equipment	3	5,438.29	5,749.56	3,710.12	2,666.02
Capital work-in-progress		381.21	174.83	2,679.16	2,574.15
Intangible Assets	3	10.46	12.40	15.73	8.24
Intangible assets under development		58.70	58.70	30.18	-
Right-to-use assets		69.93	99.44	35.34	-
Financial assets					
i. Non Current Investments	4	1.65	1.65	1.65	1.65
ii. Other Financial assets	5	501.56	473.46	415.93	401.82
Other Non - Current assets	6	1,332.72	1,431.57	1,225.42	850.75
Other Non - Current Tax assets (Net)	7	69.23	129.70	106.87	109.66
Deferred Tax Asset (Net)	8	204.08	186.16	183.74	199.14
Total Non- Current Assets		**8,067.84**	**8,317.48**	**8,404.13**	**6,811.43**
Current Assets					
Inventories	9	9,575.01	7,667.65	5,447.63	6,113.76
Financial assets					
i. Trade receivables	10	7,730.12	10,359.63	8,367.56	8,794.18
ii. Cash and cash equivalents	11	436.23	264.62	1,293.54	165.50
iii. Other Bank Balances	12	66.23	66.23	85.93	667.15
iv. Other financial assets	13	853.49	459.39	183.15	173.85
Other Current assets	14	1,316.56	3,176.99	3,604.69	1,943.08
Total Current Assets		**19,977.65**	**21,994.51**	**18,982.50**	**17,857.52**
TOTAL ASSETS		**28,045.49**	**30,311.99**	**27,386.63**	**24,668.95**
EQUITY AND LIABILITIES					
Equity					
(a) Equity share capital	15	380.98	380.98	380.98	380.98
(b) Other Equity	16	7,784.26	6,805.94	5,203.26	4,069.05
Total Equity		**8,165.24**	**7,186.92**	**5,584.24**	**4,450.03**
Liabilities					
Non Current Liabilities					
Financial Liabilities					
i. Long Term Borrowings	17	3,742.12	3,527.06	3,693.94	3,788.11
ii. Lease Liabilities		16.83	43.89	21.71	-
iii. Other Financial liabilities					
Provisions					
Deferred tax liabilities (Net)					
Long Term provisions	18	24.49	19.72	13.01	3.67
Total Non- Current Liabilities		**3,783.43**	**3,590.66**	**3,728.66**	**3,791.78**
Current Liabilities					
Financial Liabilities					
i. Short Term Borrowings	19	12,597.23	14,754.33	13,396.51	13,848.88
ii. Lease liabilities		57.55	59.64	14.66	-
iii. Trade payables	20	3,173.37	4,282.07	3,162.25	2,307.06
Dues of micro and small enterprises					
Dues other than micro and small enterprises					
Short Term Provisions	18	0.05	0.04	0.02	0.01
Other Current liabilities	21	268.60	262.14	1,500.29	271.20
Current tax liabilities (Net)	22	-	176.18	-	-
Total Current Liabilities		**16,096.80**	**19,534.41**	**18,073.73**	**16,427.14**
TOTAL EQUITY AND LIABILITIES		**28,045.48**	**30,311.99**	**27,386.63**	**24,668.95**

The accompanying notes forming an integral part of the financial statements

As per our report of even date attached.

FOR KANU DOSHI ASSOCIATES LLP
Chartered Accountants
Firm's Registration Number: 104746W/W100096

Sd/-
Kunal Vakharia
Partner
Membership No. 148916

Place: Mumbai
Dated: 20th March 2024

FOR AND ON BEHALF OF PATEL RETAIL LIMITED

Sd/-
Dhanji R. Patel
Chairman & Managing Director
DIN 01376164

Sd/-
Bechar R. Patel
Director
DIN 02169626

Sd/-
Rahul D. Patel
Chief Executive Officer

Sd/-
Manish R. Agarwal
Chief Financial Officer

Sd/-
Deepesh S. Somani
Company Secretary

Patel Retail Limited

(formerly known as "Patel Retail Private Limited")

Restated Statement of Profit and Loss

(All amounts are in INR lakhs except per share data or otherwise stated)

Particulars	Note No.	Six Months Period ended September 30, 2023	Year ended March 31, 2023	Year ended March 31, 2022	Year ended March 31, 2021
Continuing operations					
Revenue from operations	23	44,598.21	1,01,854.78	76,615.91	82,337.46
Other income	24	83.76	125.58	567.67	437.88
Total Income		**44,681.97**	**1,01,980.36**	**77,183.58**	**82,775.34**
Expenses					
Cost of material consumed	25	19,807.98	32,407.46	20,766.85	27,573.69
Purchases Of Stock-In-Trade	26	17,978.87	55,451.87	43,548.89	44,251.39
Changes in inventories	27	(857.14)	(1,839.72)	719.42	(800.90)
Employee benefit expenses	28	1,295.19	2,264.15	1,902.59	1,780.29
Finance Cost	29	690.05	1,113.45	678.83	757.66
Depreciation & amortization expenses	30	484.18	985.78	469.69	460.92
Other Expenses	31	3,967.29	9,372.63	7,568.03	7,197.18
Total Expenses		**43,366.44**	**99,755.63**	**75,654.32**	**81,220.23**
Profit before exceptional items and tax		1,315.54	2,224.73	1,529.26	1,555.11
Exceptional items		-	-	-	-
Profit before tax		1,315.54	2,224.73	1,529.26	1,555.11
Less: Tax expenses					
(1) Current tax					
of Current year		355.58	591.18	373.65	406.28
of Earlier years		-	(1.06)	2.23	0.84
(2) Deferred tax					
of Current year		(18.02)	(3.37)	16.35	(1.76)
of Earlier years					
Total Tax Expenses		**337.56**	**586.75**	**392.23**	**405.37**
Profit after tax	**A**	**977.98**	**1,637.97**	**1,137.03**	**1,149.74**
Other Comprehensive Income					
A. (i) Items that will be reclassified to profit or loss					
(ii) Income tax relating to items that will be reclassified to profit or loss					
B. (i) Items that will not be reclassified to profit or loss		0.46	3.74	(3.77)	-
(ii) Income tax relating to items that will not be reclassified to profit or loss		(0.12)	(0.94)	0.95	-
Total Other Comprehensive Income for the year	**B**	**0.34**	**2.80**	**(2.82)**	**-**
Total Comprehensive Income for the year	**(A+B)**	**978.32**	**1,640.77**	**1,134.21**	**1,149.74**

Earning per equity share (Face Value of Rs.10 /- each)					
Basic (In Rs.) (EPS for September ended not annualised)	32	25.67	42.99	29.85	33.88
Diluted (In Rs.) (EPS for September ended not annualised)	32	25.67	42.99	29.85	33.88

FOR KANU DOSHI ASSOCIATES LLP
Chartered Accountants
Firm's Registration Number: 104746W/W100096

Sd/-
Kunal Vakharia
Partner
Membership No. 148916

FOR AND ON BEHALF OF PATEL RETAIL LIMITED

Sd/-
Dhanji R. Patel
Chairman & Managing Director
DIN 01376164

Sd/-
Bechar R. Patel
Director
DIN 02169626

Place: Mumbai
Dated: 20th March 2024

Sd/-
Rahul D. Patel
Chief Executive Officer

Sd/-
Manish R. Agarwal
Chief Financial Officer

Sd/-
Deepesh S. Somani
Company Secretary

Patel Retail Limited
(formerly known as "Patel Retail Private Limited")
Restated Statement of Cash Flows
(All amounts are in INR lakhs except per share data or otherwise stated)

Particulars	Six Months Period ended September 30, 2023	Year ended March 31, 2023	Year ended March 31, 2022	Year ended March 31, 2021
Profit before income tax	**1,315.54**	**2,224.73**	**1,529.26**	**1,555.11**
Adjustments for				
Depreciation and amortisation expense	454.68	939.35	459.60	460.92
Depreciation on Right of Use of assets	29.51	46.44	10.10	-
Loss on disposal of property, plant and equipment	-	0.80	(13.16)	-
Unwinding of discount on security deposits	(10.05)	(16.89)	(12.44)	(8.81)
Dividend and interest income	(1.34)	(11.99)	(13.77)	(4.39)
Finance costs	690.05	1,113.45	678.83	757.66
Provision for expected credit loss reversed	-	(84.00)	(63.00)	(63.00)
OCI portion of gratuity	0.46	3.74	(3.77)	-
Change in operating assets and liabilities, net of effects from purchase of controlled entities and sale of subsidiary:				
(Increase)/Decrease in trade receivables	2,629.51	(1,908.07)	489.62	(3,836.54)
(Increase) in inventories	(1,907.37)	(2,220.02)	666.13	(807.93)
Increase in trade payables	(1,108.70)	1,119.82	855.19	571.39
(Increase) in other financial assets	(394.10)	(276.24)	(9.30)	(173.85)
(Increase)/decrease in other non-current assets	98.85	(206.15)	(374.66)	(379.70)
(Increase)/decrease in other non current financial assets	(18.05)	(40.64)	(1.68)	(459.35)
(Increase)/decrease in other current assets	1,860.43	427.69	(1,661.61)	(970.78)
Increase/(decrease) in provisions	4.78	6.73	9.36	(21.93)
Increase/(Decrease) in other current liabilities	6.46	(1,238.15)	1,229.09	27.16
Cash generated from operations	**3,650.66**	**(119.41)**	**3,773.80**	**(3,354.04)**
Income taxes paid	(471.30)	(436.77)	(373.09)	(571.81)
Net cash inflow from operating activities	**3,179.36**	**(556.18)**	**3,400.71**	**(3,925.84)**
Cash flows from investing activities				
Payments for property, plant and equipment	(344.86)	(873.32)	(1,659.01)	(1,312.00)
Proceeds from sale of property, plant and equipment	(2.99)	372.86	25.79	-
Dividends received	-	0.28	0.35	-
Interest received	1.34	11.71	13.42	4.39
Net cash outflow from investing activities	**(346.50)**	**(488.46)**	**(1,619.45)**	**(1,307.60)**
Cash flows from financing activities				
Proceeds from issues of shares		-	-	1,000.00
Increase in short term borrowings	(2,157.10)	1,357.82	(452.37)	5,484.82
Decrease in long term borrowings	215.06	(166.88)	(94.17)	(52.45)
Finance lease payments	(33.27)	(52.56)	(11.56)	-
Interest paid	(685.94)	(1,104.26)	(676.34)	(757.66)
Dividends paid to company's shareholders	-	(38.10)	-	-
Net cash inflow (outflow) from financing activities	**(2,661.25)**	**(3.98)**	**(1,234.44)**	**5,674.70**
Net increase (decrease) in cash and cash equivalents	**171.61**	**(1,048.62)**	**546.82**	**441.25**
Cash and cash equivalents at the beginning of the financial year	330.85	1,379.47	832.65	391.40
Cash and cash equivalents at end of the year	502.46	330.85	1,379.47	832.66

FOR KANU DOSHI ASSOCIATES LLP
Chartered Accountants
Firm's Registration Number: 104746W/W100096

Sd/-
Kunal Vakharia
Partner
Membership No. 148916

FOR AND ON BEHALF OF PATEL RETAIL LIMITED

Sd/-
Dhanji R. Patel
Chairman & Managing Director
DIN 01376164

Sd/-
Bechar R. Patel
Director
DIN 02169626

Sd/-
Rahul D. Patel
Chief Executive Officer

Sd/-
Manish R. Agarwal
Chief Financial Officer

Sd/-
Deepesh S. Somani
Company Secretary

Place: Mumbai
Dated: 20th March 2024

GENERAL INFORMATION

Our Company was originally incorporated as *"Patel Retail Private Limited"* at Ambernath, Maharashtra as a private limited company under the Companies Act, 1956, pursuant to a certificate of incorporation dated June 13, 2007 issued by the Registrar of Companies, Maharashtra, Mumbai. Thereafter, our Company was converted into a public limited company, approved vide shareholders' resolution dated July 18, 2023, pursuant to which the name of our Company was changed to *"Patel Retail Limited"* and a fresh certificate of incorporation consequent upon change of name on conversion to public limited company was issued by the Registrar of Companies, Mumbai dated August 28, 2023

Registered and Corporate Office of our Company

Patel Retail Limited
Plot No. M-2, Anand Nagar, Additional MIDC,
Ambernath (East)- 421506,
Maharashtra, India

For details of our incorporation and changes in the name and Registered Office of our Company, please see *"**History and Certain Corporate Matters**"* on page 342.

Company Registration Number and Corporate Identity Number

The registration number and corporate identity number of our Company are as follows:

(i) **Corporate Identification Number:** U52100MH2007PLC171625

(ii) **Registration Number:** 171625

Address of the Registrar of Companies

Our Company is registered with the Registrar of Companies, Maharashtra, Mumbai, which is situated at the following address:

Registrar of Companies, Maharashtra at Mumbai
100, Everest,
Marine Drive,
Mumbai- 400002,
Maharashtra, India

Board of Directors

As on the date of this Draft Red Herring Prospectus, the following table sets out the brief details of our Board:

Name	Designation	Address	DIN
Dhanji Raghavji Patel	Chairman and Managing Director	Plot No 111, Flat No 1, Akshardham, Kansai Section, Kansai Section Section Road, Near Chaudhary Hospital, Ambarnath (East), Thane- 421501, Maharashtra, India	01376164
Bechar Raghavji Patel	Whole-time Director	Flat no. 5/6, Plot no-111, Akshardham, Kansai Section, Near Chaudary Hospital, Ambernath (East), Thane- 421501, Maharashtra, India	02169626
Hiren Bechar Patel	Non-Executive Director	Akshardham, Floor no. 5 & 6, Plot no. 111, Kansai Section, Ambernath (East), Thane- 421501, Maharashtra, India	01375968

Name	Designation	Address	DIN
Yashwant Suresh Bhojwani	Independent Director	P N. 4, Near Central Ware House, Shri Laxmi Building East, Wardhaman Nagar, Nagpur- 440008, Maharashtra, India	03562756
Nitin Pandurang Patil	Independent Director	2001, Saptashree Height, Kolshet Road, Dhokali Naka, Thane (West), Near TMC Sport Club, Thane, Sandozbaugh, Thane- 400607, Maharashtra, India	08431287
Harshini V Jadhav	Independent Director	d/01, Shiv Mandir Road, Shiv Basav Nagar, Ambernath, Thane- 421501, Maharashtra, India	10350490

For further details of our Board of Directors, please see *“**Our Management- Board of Directors**”* on page 347.

Company Secretary and Compliance Officer

Deepesh Sanjay Somani is the Company Secretary and Compliance Officer of our Company. His contact details are set forth below:

Deepesh Sanjay Somani
Plot No. M-2, Anand Nagar, Additional MIDC,
Ambernath (East) - 421506,
Maharashtra, India
Telephone: +91 7391043825
Email: cs@patelrpl.net

Book Running Lead Manager

Fedex Securities Private Limited
B7, 3rd Floor, Jay Chambers, Dayaldas Road,
Vile Parle (East), Mumbai- 400057,
Maharashtra, India
Telephone: +91 8104985249
Email: mb@fedsec.in
Contact person: Saipan Sanghvi
Website: www.fedsec.in
SEBI Registration number: INM000010163

Syndicate Members

[●]

Investor Grievances

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

All Offer-related grievances, other than that of Anchor Investors, may be addressed to the Registrar to the Offer, with a copy to the relevant Designated Intermediary with whom the Bid cum Application Form was submitted. The Bidder should give full details such as name of the sole or first Bidder, Bid cum Application Form number, Bidder’s DP ID, Client ID, PAN, date of submission of the Bid cum Application Form, address of the Bidder, number of Equity Shares applied for, ASBA Account number (for Bidders other than UPI Bidders) in which the amount equivalent to the Bid

Amount was blocked or the UPI ID (in case of UPI Bidders), date of Bid cum Application Form and the name and address of the relevant Designated Intermediary where the Bid cum Application Form was submitted.

Further, the Bidder shall also enclose a copy of the Acknowledgment Slip or provide the acknowledgment number received from the Designated Intermediaries in addition to the documents or information mentioned hereinabove. All grievances relating to Bids submitted through Registered Brokers may be addressed to the Stock Exchanges with a copy to the Registrar to the Offer. The Registrar to the Offer shall obtain the required information from the SCSBs for addressing any clarifications or grievances of ASBA Bidders.

All Offer-related grievances of the Anchor Investors may be addressed to the BRLM, giving full details such as the name of the sole or first Bidder, Anchor Investor Application Form number, Bidders' DP ID, Client ID, PAN, date of the Anchor Investor Application Form, address of the Bidder, number of the Equity Shares applied for, Bid Amount paid on submission of the Anchor Investor Application Form and the name and address of the BRLM where the Anchor Investor Application Form was submitted by the Anchor Investor.

Legal Counsel to our Company as to Indian Law

Crawford Bayley & Co., Advocates and Solicitors
4th Floor, State Bank Buildings, NGN Vaidya Marg,
Fort, Mumbai- 400023,
Maharashtra, India
Telephone: +91 22 22703026
Contact person: Sanjay Buch
Email: sanjay_buch@crawfordbayley.com

Registrar to the Offer

Bigshare Services Private Limited
Address: Office no. S6-2, 6th Floor,
Pinnacle Business Park, Next to Ahura Centre,
Mahakali Caves Road, Andheri (East),
Mumbai- 400093,
Maharashtra, India
Telephone: +91 022 62638200
Email: ipo@bigshareonline.com
Investor grievance email: investor@bigshareonline.com
Contact person: Babu Rapheal
Website: https://www.bigshareonline.com/
SEBI Registration no.: INR000001385

Banker(s) to the Offer

Escrow Collection Bank(s)

[●]

Public Offer Account Bank(s)

[●]

Refund Bank(s)

[●]

Sponsor Bank(s)

[●]

Statement of inter se allocation of Responsibilities for the Offer

Fedex Securities Private Limited is the sole Book Running Lead Manager to this Offer and all the responsibilities relating to the co-ordination and other activities in relation to this Offer shall be performed by them and accordingly, there is no inter se allocation of responsibilities in this Offer.

Designated Intermediaries

Self-Certified Syndicate Banks

The list of SCSBs notified by SEBI for the ASBA process is available at 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.

A list of the Designated SCSB Branches with which an ASBA Bidder (other than a UPI Bidder using UPI Mechanism), not Bidding through Syndicate/Sub Syndicate or through a Registered Broker, RTA or CDP may submit the Bid cum Application Forms, is available at https://www.sebi.gov.in/sebiweb/other/OtherAction.do?doRecognisedFpi=yes&intmId=34, or at such other websites as may be prescribed by SEBI from time to time.

Further, the branches of the SCSBs where the Designated Intermediaries could submit the ASBA Form(s) of Bidders (other than RIBs) is provided on the website of SEBI at https://www.sebi.gov.in/sebiweb/other/OtherAction.do?doRecognisedFpi=yes&intmId=35 which may be updated from time to time or at such other website as may be prescribed by SEBI from time to time

Details of nodal officers of SCSBs, identified for Bids made through the UPI Mechanism, are available at www.sebi.gov.in.

Eligible Self-Certified Syndicate Banks and mobile applications enabled for UPI Mechanism

In accordance with 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 and SEBI Circular No. SEBI/HO/CFD/DIL2/CIR/P/2022/45 dated April 5, 2022, UPI Bidders bidding using the UPI Mechanism may only apply through the SCSBs and mobile applications whose names appear on the website of SEBI, which may be updated from time to time. A list of SCSBs and mobile applications, using the UPI handles, which are live for applying in public issues using UPI mechanism, is provided as 'Annexure A' for SEBI Circular No. SEBI/HO/CFD/DIL2/CIR/P/2019/85 dated July 26, 2019 and specified on the website of the SEBI https://www.sebi.gov.in/sebiweb/other/OtherAction.do?doRecognisedFpi=yes&intmId=40 and https://www.sebi.gov.in/sebiweb/other/OtherAction.do?doRecognisedFpi=yes&intmId=43 respectively, as updated from time to time and at such other websites as may be prescribed by SEBI from time to time.

Syndicate SCSB Branches

In relation to Bids (other than Bids by Anchor Investors and RIBs) submitted under the ASBA process to a member of the Syndicate, the list of branches of the SCSBs at the Specified Locations named by the respective SCSBs to receive deposits of Bid cum Application Forms from the members of the Syndicate is available on the website of the SEBI at https://www.sebi.gov.in/sebiweb/other/OtherAction.do?doRecognisedFpi=yes&intmId=35, which may be updated from time to time or any other website prescribed by SEBI from time to time. For more information on such branches collecting Bid cum Application Forms from the Syndicate at Specified Locations, please see the website of SEBI https://www.sebi.gov.in/sebiweb/other/OtherAction.do?doRecognisedFpi=yes&intmId=35 or any such other website, as may be prescribed by SEBI from time to time.

Registered Brokers

Bidders can submit ASBA Forms in the Offer using the stock broker network of the Stock Exchanges i.e., through the Registered Brokers at the Broker Centres. The list of the Registered Brokers eligible to accept ASBA Forms from Bidders (other than RIBs), including details such as postal address, telephone number and e-mail address, is provided on the websites of the Stock Exchanges- BSE and the NSE at http://www.bseindia.com/Markets/PublicIssues/brokercentres_new.Aspx? and https://www.nseindia.com/products-services/initial-public-offerings-asba-procedures, respectively, as updated from time to time.

***Registrar and Share Transfer Agents* (“RTA”)**

The list of the RTAs eligible to accept ASBA Forms from Bidders at the Designated RTA Locations, including details such as address, telephone number, and e-mail address, is provided on the websites of the Stock Exchanges- BSE and NSE at http://www.bseindia.com/Static/Markets/PublicIssues/RtaDp.aspx?expandable=6 and https://www.nseindia.com/products-services/initial-public-offerings-asba-procedures, respectively, as updated from time to time.

***Collecting Depository Participants* (“CDP”)**

The list of the CDPs eligible to accept ASBA Forms at the Designated CDP Locations, including details such as name and contact details, is provided on the websites of the Stock Exchanges- BSE and NSE at http://www.bseindia.com/Static/Markets/PublicIssues/RtaDp.aspx?expandable=6 and https://www.nseindia.com/products-services/initial-public-offerings-asba-procedures, respectively, as updated from time to time.

Experts

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

(i) Our Company has received written consent dated March 20, 2024 from Kanu Doshi Associates LLP, Chartered Accountants to include their name as required under section 26 of the Companies Act, 2013 read with the SEBI ICDR Regulations, in this Draft Red Herring Prospectus, and as an *“expert”* as defined under section 2(38) of the Companies Act, 2013 to the extent and in their capacity as our Statutory Auditors, and in respect of their (i) certificate on Key Performance Indicators dated March 29, 2024; (ii) examination report dated March 20, 2024 relating to the Restated Financial Statements; and (iii) report dated March 20, 2024 on the statement of possible special tax benefits, included in this Draft Red Herring Prospectus and such consent has not been withdrawn as on the date of this Draft Red Herring Prospectus. However, the term *“expert”* shall not be construed to mean an *“expert”* as defined under the U.S. Securities Act.

(ii) Our Company has also received written consent dated March 21, 2024 from V N Talithaya, Chartered Engineer to include their name as required under section 26 of the Companies Act, 2013 read with the SEBI ICDR Regulations, in this Draft Red Herring Prospectus, and as an *“expert”* as defined under section 2(38) of the Companies Act, 2013, to the extent and in their capacity as independent chartered engineer in respect to their certificate dated March 21, 2024 on our Company’s manufacturing capacity and its utilization at our manufacturing facilities.

The abovementioned consents have not been withdrawn as on the date of this Draft Red Herring Prospectus.

Statutory Auditors of our Company

Kanu Doshi Associates LLP, Chartered Accountants
F 203, The Summit, Samarth Nagar,
Hanuman Road, Western Express Highway,
Vile Parle (East), Mumbai- 400057,
Maharashtra, India
Telephone: +91 22 26150100
Email: info@kdg.co.in
Firm registration number: 104746W/ W100096
Peer review certificate number: 014809

Changes in the Auditors

Except as stated below, there has been no change in the statutory auditors during the three (3) years immediately preceding the date of this Draft Red Herring Prospectus:

Particulars	Date of change	Reason for change
S. H. Kukreja & Co., Chartered Accountants Office no. 10, Ground Floor, Sai Mannat Apartment, Opp. Swami Hansmuni Maharaj Degree College, Jai Baba Dham Road, Ulhasnagar- 421005, Maharashtra, India **Telephone:** 0251 2536001 **Email:** shkukreja@yahoo.com **Firm registration number:** 0114282W	August 1, 2020	Completion of term
M/s. K C Ramrakhiyani & Co., Chartered Accountants B-306, 3rd Floor, Woodland Complex, Furniture Bazar, New Link Road, Ulhasnagar- 421002, Maharashtra, India **Telephone:** 0251 2734893 **Email:** kailash@kcr.co.in **Firm registration number:** 131342W	August 18, 2020	To fill in the casual vacancy
M/s. K C Ramrakhiyani & Co., Chartered Accountants B-306, 3rd Floor, Woodland Complex, Furniture Bazar, New Link Road, Ulhasnagar- 421002, Maharashtra, India **Telephone:** 0251 2734893 **Email:** kailash@kcr.co.in **Firm registration number:** 131342W	October 9, 2020	Appointment as Statutory auditor for four (4) years i.e., from FY 2020-21 to FY 2023-24
M/s. K C Ramrakhiyani & Co., Chartered Accountants B-306, 3rd Floor, Woodland Complex, Furniture Bazar, New Link Road, Ulhasnagar- 421002, Maharashtra, India **Telephone:** 0251 2734893 **Email:** kailash@kcr.co.in **Firm registration number:** 131342W	September 28, 2023	Pre-occupation
Kanu Doshi Associates LLP 203, The Summit, Hanuman Road, Western Express Highway, Vile Parle (East), Mumbai- 400057 Maharashtra, India **Telephone:** 022 26150100 / 111 / 112	September 30, 2023	Appointment as Statutory Auditor for five (5) years i.e., from April 1, 2023 till March 31, 2028

Particulars	Date of change	Reason for change
Email: info@kdg.co.in **Firm registration number:** 104746W/W100096 **Peer review certificate number:** 014809		

Bankers to our Company

Yes Bank Limited
Yes Bank House, 6th Floor, South Wing,
Off Western Express Highway,
Santacruz (East), Mumbai- 400055,
Maharashtra, India
Telephone: +91 8369861669 / 022 5091 9406
Contact person: Kunal Jain
Website: https://www.yesbank.in/
Email: kunal.jain3@yesbank.in

HDFC Bank Limited
Giga plex, 14th Floor, Building Number 9,
MIDC Plot No 1, Airoli (West),
Navi Mumbai- 400709,
Maharashtra, India
Contact person: Shraddha Arun Budge
Website: https://www.hdfcbank.com/
Email: shraddha.budge@hdfcbank.com

Monitoring Agency

Our Company shall in compliance with regulation 41 of the SEBI ICDR Regulations, appoint a monitoring agency prior to the filing of the Red Herring Prospectus, for monitoring the utilisation of the Net Proceeds from the Fresh Issue. For details in relation to the proposed utilisation of the Net Proceeds, please see *"**Objects of the Offer– Monitoring of utilization of funds**"* on page 127.

Grading of the Offer

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

Debenture Trustee

As this is an Offer is of Equity Shares, there is no requirement to appoint a debenture trustee.

Appraising Entity

No appraising entity has been appointed in relation to the Offer. None of the objects of the Offer for which the Net Proceeds will be utilised have been appraised by any agency. For details, please see *"**Risk Factors- Our funding requirements and the proposed deployment of Net Proceeds are based on management estimates and have not been appraised by any bank or financial institution or any other independent agency and may be subject to change based on various factors, some of which may be beyond our control. We have not entered into any definitive agreements to utilise certain portions of the Net Proceeds of the Offer**"* on page 60.

Credit Rating

As this is an offer consisting only of Equity Shares, there is no requirement to obtain credit rating.

Green Shoe Option

No green shoe option is contemplated under the Offer.

Filing of this Draft Red Herring Prospectus

A copy of this Draft Red Herring Prospectus has been filed electronically through the SEBI intermediary portal at https://siportal.sebi.gov.in, as required under Regulation 25(8) of the SEBI ICDR Regulations and in accordance with the SEBI Master Circular for Issue of Capital and Disclosure Requirements bearing reference number SEBI/HO/CFD/PoD-2/P/CIR/2023/00094 dated June 21, 2023. It will also be filed with SEBI at:

Securities and Exchange Board of India
Corporation Finance Department
Division of Issues and Listing
SEBI Bhavan, Plot No. C4 A, 'G' Block
Bandra Kurla Complex, Bandra (East)
Mumbai- 400051,
Maharashtra, India

Filing of the Red Herring Prospectus and Prospectus

A copy of the Red Herring Prospectus, along with the material documents and contracts required to be filed under section 32 of the Companies Act, would be filed with the RoC, Maharashtra, Mumbai and a copy of the Prospectus to be filed under Section 26 of the Companies Act, would be filed with the RoC, Maharashtra, Mumbai and through the electronic portal at https://www.mca.gov.in/content/mca/global/en/home.html.

Book Building Process

Book building, in the context of the Offer, refers to the process of collection of Bids from Bidders on the basis of the Red Herring Prospectus and the Bid cum Application Forms (and the Revision Forms) within the Price Band and the minimum Bid Lot. The Price Band and the minimum Bid Lot will be decided by our Company, in consultation with the BRLM, and if not disclosed in the Red Herring Prospectus, will be advertised in [●] editions of [●] (a widely circulated English national daily newspaper), [●] editions of [●] (a widely circulated Hindi national daily newspaper) and [●] editions of [●] (a widely circulated Marathi daily newspaper), Marathi being the regional language of Maharashtra where our Registered Office is located), at least two Working Days prior to the Bid/Offer Opening Date and shall be made available to the Stock Exchanges for the purposes of uploading on their respective websites. Pursuant to the Book Building Process, the Offer Price shall be determined by our Company, in consultation with the BRLM after the Bid/Offer Closing Date, in accordance with applicable law. For further details, please see *"**Offer Procedure**"* on page 462.

All Bidders, except Anchor Investors, shall only participate in this Offer through the ASBA process by providing the details of their respective ASBA Account in which the corresponding Bid Amount will be blocked by the SCSBs and Sponsor Banks, as the case may be. In addition to this, the RIBs, NIBs and Eligible Employees may participate through the ASBA process, either by (i) providing the details of their respective ASBA Account in which the corresponding Bid Amount will be blocked by the SCSBs; or (ii) using the UPI Mechanism. Anchor Investors are not permitted to participate in the Offer through the ASBA process.

In accordance with the SEBI ICDR Regulations, QIBs Bidding in the Net QIB Portion and Non-Institutional Bidders Bidding in the Non-Institutional Portion are not permitted to withdraw their Bid(s) or lower the size of their Bid(s) (in terms of quantity of the Equity Shares or the Bid Amount) at any stage. Retail Individual Bidders Bidding in Retail Portion (subject to Bid Amount being up to ₹2,00,000) and Eligible Employees Bidding in the Employee Reservation Portion can revise their Bid(s) during the Bid/ Offer Period and withdraw their Bid(s) until Bid / Offer Closing Date. Further, Anchor Investors in the Anchor Investor Portion cannot revise and withdraw their Bids after the Anchor Investor Bidding Date. Allocation to QIBs (other than Anchor Investors) and Non-Institutional Bidders will be on a proportionate basis while Allocation to Anchor Investors will be on discretionary basis. Pursuant to SEBI circular no. (SEBI/HO/CFD/DIL2/CIR/P/2022/45) dated April 5, 2022, all individual investors applying in initial public offerings whose application amount is up to ₹5,00,000 shall use UPI Mechanism and individual investors Bidding under the Non-

Institutional Portion Bidding for more than ₹2,00,000 and up to ₹5,00,000, using the UPI Mechanism, shall provide their UPI ID in the Bid-cum-Application Form for Bidding through 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. For further details, please see *"**Offer Procedure**"* on page 462.

The Book Building Process under the SEBI ICDR Regulations and the Bidding process are subject to change, from time to time. Bidders are advised to make their own judgment about an investment through this process prior to submitting a Bid in the Offer.

Bidders should note that the Offer is also subject to (i) filing of the Prospectus by our Company with the RoC and receipt of final approval of the RoC; and (ii) obtaining final listing and trading approvals from the Stock Exchanges, which our Company shall apply for after Allotment as per the prescribed timelines under applicable law. For further details, please see *"**Terms of the Offer**"* and *"**Offer Procedure**"* on pages 447 and 462 respectively.

Each Bidder, by submitting a Bid in the Offer, will be deemed to have acknowledged the above restrictions and the terms of the Offer.

For further details on method and process of Bidding, please see *"**The Offer**"*, *"**Offer Procedure**"* and *"**Offer Structure**"* on pages 82, 462 and 456 respectively.

Explanation of Book Building Process and Price Discovery Process

For an explanation of the Book Building Process, the price discovery process and allocation, please see *"**Terms of the Offer**"* and *"**Offer Procedure**"* on pages 447 and 462 respectively.

Underwriting Agreement

The Underwriting Agreement has not been executed as on the date of this Draft Red Herring Prospectus. After the determination of the Offer Price and allocation of Equity Shares, but prior to the filing of the Prospectus with the RoC, our Company and the Promoter Selling Shareholders will enter into an Underwriting Agreement with the Underwriters for the Equity Shares proposed to be offered through the Offer. The extent of underwriting obligations and the Bids to be underwritten in the Offer shall be as per the Underwriting Agreement. It is proposed that pursuant to the terms of the Underwriting Agreement, the obligations of the Underwriters will be several and will be subject to certain conditions to closing, specified therein.

The Underwriting Agreement is dated [●]. The Underwriters have indicated their intention to underwrite the following number of Equity Shares:

(The Underwriting Agreement has not been executed as on the date of this Draft Red Herring Prospectus and will be executed after determination of the Offer Price and allocation of the Equity Shares, but prior to filing of the Prospectus with the RoC. This portion has been intentionally left blank and will be filled in before the filing of the Prospectus with the RoC.)

Name, address, telephone and email of the Underwriters	Indicative number of Equity Shares to be underwritten	Amount underwritten (₹ in Lakhs)
[●]	[●]	[●]

The abovementioned underwriting commitment is indicative and will be finalised after determination of the Offer Price and Basis of Allotment and will be subject to the provisions of the SEBI ICDR Regulations.

In the opinion of our Board (based on the representations made to our Company by the Underwriters), the resources of the Underwriters are sufficient to enable them to discharge their respective underwriting obligations in full. The Underwriters are registered with SEBI under section 12(1) of the SEBI Act or registered as merchant bankers with SEBI or as brokers with the Stock Exchange(s). Our Board / IPO Committee, at its meeting, held on [●], has accepted and entered into the Underwriting Agreement mentioned above on behalf of our Company.

Allocation among the Underwriters may not necessarily be in the proportion of their underwriting commitments set forth in the table above. Notwithstanding the above table, the Underwriters shall be severally responsible for ensuring payment with respect to the Equity Shares allocated to Bidders respectively procured by them, in accordance with the Underwriting Agreement.

Subject to the applicable laws and pursuant to the terms of the Underwriting Agreement, the BRLM will be responsible for bringing in the amount devolved in the event that the Syndicate Members do not fulfil their underwriting obligations.

CAPITAL STRUCTURE

The share capital of our Company, as on the date of this Draft Red Herring Prospectus is set forth below:

Sr. No.	Particulars	Amount (₹ in Lakhs)	
		Aggregate nominal value	Aggregate value at Offer Price
A.	**AUTHORISED SHARE CAPITAL***		
	3,51,00,000 Equity Shares of ₹10/- each	3510.00	NA
B.	**ISSUED, SUBSCRIBED AND PAID-UP SHARE CAPITAL BEFORE THE OFFER**		
	2,43,82,528 Equity Shares of ₹10/- each	2438.25	NA
C.	**PRESENT OFFER IN TERMS OF THIS DRAFT RED HERRING PROSPECTUS(2)**		
	Offer of up to 1,00,20,000 Equity Shares of face value of ₹10/- each, aggregating up to ₹[●] Lakhs(1)(2)(4)(5)	1002.00	[●]
	of which:		
	Fresh Issue of up to 90,18,000 Equity Shares of face value of ₹10/- each, aggregating up to ₹[●] Lakhs(1)(5)	901.80	[●]
	Offer for sale of up to 10,02,000 Equity Shares of face value of ₹10/- each, aggregating up to ₹[●] Lakhs(1)(3)	100.20	[●]
	which includes:		
	Employee Reservation Portion of up to 51,000 Equity Shares, aggregating to up to ₹[●] Lakhs(4)	5.10	
D.	**ISSUED, SUBSCRIBED AND PAID-UP SHARE CAPITAL AFTER THE OFFER**		
	[●] Equity Shares of face value of ₹10/- each	[●]	[●]
E.	**SECURITIES PREMIUM ACCOUNT**		
	Before the Offer	Nil	
	After the Offer#	[●]	

Notes:

* *For details in relation to the changes in the authorised share capital of our Company in the last ten (10) years, please see "**History and Certain Corporate Matters- Amendments to the Memorandum of Association in the last ten (10) years**"* on page 343.

(1) *To be included upon finalisation of the Offer Price;*

(2) *The Offer has been authorised by our Board pursuant to its resolution dated March 01, 2024 and the Fresh Issue has been authorised by our Shareholders pursuant to a special resolution passed on March 07, 2024.*

(3) *Each of the Promoter Selling Shareholders confirms that the Equity Shares being offered by it are eligible for being offered for sale pursuant to the Offer in terms of regulation 8 of the SEBI ICDR Regulations. For further details of authorisation of the Offer, please see "**Other Regulatory and Statutory Disclosures**" on page 433.*

(4) *In the event of under-subscription in the Employee Reservation Portion (if any), the unsubscribed portion will be available for allocation and Allotment, proportionately to all Eligible Employees who have Bid in excess of ₹2,00,000, subject to the maximum value of Allotment made to such Eligible Employee not exceeding ₹5,00,000. The unsubscribed portion, if any, in the Employee Reservation Portion (after allocation up to ₹5,00,000), shall be added to the Net Offer. Our Company in consultation with the BRLM, may offer a discount of ₹ [●] per Equity Share of the Offer Price to Eligible Employees bidding in the Employee Reservation Portion which shall be announced two Working Days prior to the Bid/ Offer Opening Date.*

(5) *Our Company, in consultation with the BRLM, may consider undertaking a further issue of Equity Shares of the Company, as may be permissible through a preferential issue, private placement, right issue or any other method as may be permitted in*

accordance with applicable law to any person(s), of up to 5,00,000 Equity Shares, aggregating up to ₹ [●] Lakhs, between the date of this Draft Red Herring Prospectus till the filing of the Red Herring Prospectus with the RoC, subject to appropriate approvals ("Pre-IPO Placement"). The Pre-IPO Placement, if undertaken, will be at a price to be decided by our Company in consultation with the BRLM, and the Pre-IPO Placement will be completed prior to filing of the Red Herring Prospectus with the RoC. If the Pre-IPO Placement is undertaken, the amount raised from the Pre-IPO Placement will be reduced from the Fresh Issue, subject to compliance with Rule 19(2)(b) of the SCRR, as amended.

NOTES TO THE CAPITAL STRUCTURE

1. Share Capital History of our Company

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

[Remainder of the page has been intentionally left blank.]

Names of the allottees along with the number of Equity Shares allotted to each allottee	Date of allotment	Reason / Nature of allotment	Number of Equity Shares allotted	Face value per Equity Share (₹)	Offer Price per Equity Share including premium (₹)	Form of consideration	Cumulative number of Equity Shares	Cumulative Paid-up Equity Share Capital (₹)
Allotment of 5,000 Equity Shares to Dhanji Raghavji Patel and 5,000 Equity Shares to Bechar Raghavji Patel	June 13, 2007	Initial subscription to the MoA	10,000	10	10	Cash	10,000	1,00,000
Allotment of 3,45,000 Equity Shares to Bechar Raghavji Patel; 75,000 Equity Shares to Punji Beacher Patel; 40,000 Equity Shares to Komal Rahul Waghela; 50,000 Equity Shares to Ankit Beacher Patel; 1,00,000 Equity Shares to Hiren Bechar Patel; 50,000 Equity Shares to Leelavati H Patel; 2,10,000 Equity Shares to Dhanji Raghavji Patel; 10,000 Equity Shares to Smitaben Dhanji Patel; 10,000 Equity Shares to Vaishali Panvelkar; 20,000 Equity Shares to Jaishri Bharatbai Patel; 20,000 Equity Shares to Bharat Haribhai Patel; 10,000 Equity Shares to Ashwin Shavji Patel; 10,000 Equity Shares to Latabhain Ashwin Patel; 10,000 Equity Shares to Shavji Jesha Patel; 10,000 Equity Shares to Ananthibhain S Patel; 10,000 Equity Shares to Mahesh Haribhai Patel; 10,000 Equity Shares to Geeta Mahesh Patel	March 31, 2010	Further Issue[(1)]	9,90,000	10	10	Cash	10,00,000	1,00,00,000
Allotment of 3,80,000 Equity Shares to Bechar Raghavji Patel	January 15, 2013	Rights Issue	5,00,000	10	10	Cash	15,00,000	1,50,00,000

Names of the allottees along with the number of Equity Shares allotted to each allottee	Date of allotment	Reason / Nature of allotment	Number of Equity Shares allotted	Face value per Equity Share (₹)	Offer Price per Equity Share including premium (₹)	Form of consideration	Cumulative number of Equity Shares	Cumulative Paid-up Equity Share Capital (₹)
and 1,20,000 Equity Shares to Dhanji Raghavji Patel								
Allotment of 5,00,000 Equity Shares to Dhanji Raghavji Patel	June 7, 2013	Rights Issue	5,00,000	10	10	Cash	20,00,000	2,00,00,000
Allotment of 3,00,000 Equity Shares to Dhanji Raghavji Patel	June 12, 2013	Rights Issue	3,00,000	10	10	Cash	23,00,000	2,30,00,000
Allotment of 5,09,770 Equity Shares to Dhanji Raghavji Patel	December 18, 2014	Private Placement	5,09,770	10	23.54 (includes premium of ₹13.54/- per Equity Share)	Cash	28,09,770	2,80,97,700
Allotment of 1,00,000 Equity Shares to Dhanji Raghavji Patel	August 27, 2020	Private Placement	1,00,000	10	100 (includes premium of ₹90/- per Equity Share)	Cash	29,09,770	2,90,97,700
Allotment of 1,00,000 Equity Shares to Dhanji Raghavji Patel	August 29, 2020	Private Placement	1,00,000	10	100 (includes premium of ₹90/- per Equity Share)	Cash	30,09,770	3,00,97,700
Allotment of 2,70,000 Equity Shares to Dhanji Raghavji Patel	August 31, 2020	Private Placement	2,70,000	10	100 (includes premium of ₹90/- per Equity Share)	Cash	32,79,770	3,27,97,700
Allotment of 4,30,000 Equity Shares to Dhanji Raghavji Patel	September 10, 2020	Private Placement	4,30,000	10	100 (includes premium	Cash	37,09,770	3,70,97,700

Names of the allottees along with the number of Equity Shares allotted to each allottee	Date of allotment	Reason / Nature of allotment	Number of Equity Shares allotted	Face value per Equity Share (₹)	Offer Price per Equity Share including premium (₹)	Form of consideration	Cumulative number of Equity Shares	Cumulative Paid-up Equity Share Capital (₹)
					of ₹90/- per Equity Share)			
Allotment of 1,00,000 Equity Shares to Dhanji Raghavji Patel	September 11, 2020	Private Placement	1,00,000	10	100 (includes premium of ₹90/- per Equity Share)	Cash	38,09,770	3,80,97,700
Allotment of 1,37,41,758 Equity Shares to Dhanji Raghavji Patel; 39,42,000 Equity Shares to Bechar Raghavji Patel; 10,53,000 Equity Shares to Bharat Haribhai Patel; 5,40,000 Equity Shares to Hiren Bechar Patel; 5,40,000 Equity Shares to Rahul Dhanji Patel; 2,70,000 Equity Shares to Ankit Beacher Patel; 2,70,000 Equity Shares to Mahesh Haribhai Patel; 54,000 Equity Shares to Asmita Dhanji Patel; 54,000 Equity Shares to Vaishali Panvelkar; 54,000 Equity Shares to Komal Rahul Waghela; and 54,000 Equity Shares to Preeti Pankaj Patel	December 30, 2023	Bonus Issue	2,05,72,758	10	NA	NA	24,382,528	24,38,25,280

2. **Preference share capital**

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

3. **Equity Shares issued for consideration other than cash or by way of bonus issue**

Except as detailed below, our Company has not issued any Equity Shares (i) by way of bonus issue; or (ii) for consideration other than cash at any time, since incorporation:

Name of the allottee(s) along with the number of Equity Shares allotted to each allottee	Date of allotment of Equity Shares	Reason / Nature of allotment	Number of Equity Shares allotted	Face value per Equity Share (₹)	Offer Price per Equity Share (₹)	Benefits accrued to our Company	Form of consideration
Allotment of 1,37,41,758 Equity Shares to Dhanji Raghavji Patel; 39,42,000 Equity Shares to Bechar Raghavji Patel; 10,53,000 Equity Shares to Bharat Haribhai Patel; 5,40,000 Equity Shares to Hiren Bechar Patel; 5,40,000 Equity Shares to Rahul Dhanji Patel; 2,70,000 Equity Shares to Ankit Beacher Patel; 2,70,000 Equity Shares to Mahesh Haribhai Patel; 54,000 Equity Shares to Asmita Dhanji Patel; 54,000 Equity Shares to Vaishali Panvelkar; 54,000 Equity Shares to Komal Rahul Waghela; and 54,000 Equity Shares to Preeti Pankaj Patel	December 30, 2023	Bonus Issue	2,05,72,758	10	NA	-	NA

4. **Issue of Equity Shares out of revaluation reserves**

Our Company has not issued any Equity Shares out of its revaluation reserves, since incorporation.

5. **Issue of Equity Shares pursuant to sections 391 to 394 of the Companies Act, 1956 or sections 230 to 234 of the Companies Act, 2013**

Our Company has not issued or allotted any Equity Shares pursuant to any scheme of arrangement approved under sections 391-394 of the Companies Act, 1956 or section 230-234 of the Companies Act, 2013, as applicable.

6. **Issue of Equity Shares under employee stock option schemes**

Our Company has not issued any Equity Shares under any employee stock option scheme, as on date of this Draft Red Herring Prospectus. Our Company does not have any employee stock option scheme, as on the date of this Draft Red Herring Prospectus.

7. **Issue of Equity Shares at a price lower than the Offer price during the preceding one (1) year**

Except as disclosed below, our Company has not issued any Equity Shares at a price lower than the Offer price, during the period of one (1) year immediately preceding the date of this Draft Red Herring Prospectus.

Names of allottees	Date of allotment of Equity Shares	Reason / Nature of allotment	Number of Equity Shares allotted	Face value per Equity Share (₹)	Offer Price per Equity Share (₹)	Form of Consideration	Whether the allottees are Promoters / Members of Promoter Group
Allotment of 1,37,41,758 Equity Shares to Dhanji Raghavji Patel; 39,42,000 Equity Shares to Bechar Raghavji Patel; 10,53,000 Equity Shares to Bharat Haribhai Patel; 5,40,000 Equity Shares to Hiren Bechar Patel; 5,40,000 Equity Shares to Rahul Dhanji Patel; 2,70,000 Equity Shares to Ankit Beacher Patel; 2,70,000 Equity Shares to Mahesh Haribhai Patel; 54,000 Equity Shares to Asmita Dhanji Patel; 54,000 Equity Shares to Vaishali Panvelkar; 54,000 Equity Shares to Komal Rahul Waghela; and 54,000 Equity Shares to Preeti Pankaj Patel	December 30, 2023	Bonus Issue	2,05,72,758	10	NA	NA	Yes

8. **History of build-up of our Promoters' shareholding and lock-in of Promoters' shareholding (including Promoters' contribution)**

As on the date of this Draft Red Herring Prospectus, our Promoters hold 2,09,58,528 Equity Shares in aggregate, equivalent to 85.96% of the issued, subscribed and paid-up Equity Share capital of our Company. As on the date of this Draft Red Herring Prospectus, our Promoters, along with our Promoter Group hold 2,43,82,528 Equity Shares, equivalent to 100.00% of the issued, subscribed and paid-up Equity Share capital of our Company. All Equity Shares held by our Promoters are in dematerialised form, as on the date of this Draft Red Herring Prospectus.

(i) *Build-up of our Promoters' equity shareholding in our Company*

Set forth below is the build-up of the equity shareholding of our Promoters, since incorporation of our Company:

Nature of Transaction	Date of allotment / transfer	Number of Equity Shares allotted / transferred	Cumulative number of Equity Shares	Face value per Equity Share (₹)	Issue / Acquisition Price / Transfer Price per Equity Share (₹)	Date when the Equity Shares were made fully paid-up	% of pre-Offer Equity Share Capital	% of post-Offer Equity Share Capital
Dhanji Raghavji Patel								
Initial subscription to MoA	June 13, 2007	5,000	5,000	10	10	June 13, 2007	0.02	[●]
Further Issue	March 31, 2010	2,10,000	2,15,000	10	10	March 31, 2010	0.86	[●]
Rights Issue	January 15, 2013	1,20,000	3,35,000	10	10	January 15, 2013	0.49	[●]
Rights Issue	June 7, 2013	5,00,000	8,35,000	10	10	June 7, 2013	2.05	[●]
Rights Issue	June 12, 2013	3,00,000	11,35,000	10	10	June 12, 2013	1.23	[●]
Private Placement	December 18, 2014	5,09,770	16,44,770	10	23.54 (includes premium of ₹13.54 per Equity Share)	December 18, 2014	2.09	[●]
Private Placement	August 27, 2020	1,00,000	17,44,770	10	100 (includes premium of ₹90 per Equity Share)	August 27, 2020	0.41	[●]
Private Placement	August 29, 2020	1,00,000	18,44,770	10	100 (includes premium of ₹90 per Equity Share)	August 29, 2020	0.41	[●]
Private Placement	August 31, 2020	2,70,000	21,14,770	10	100 (includes premium of ₹90 per Equity Share)	August 31, 2020	1.11	[●]
Private Placement	September 10, 2020	4,30,000	25,44,770	10	100 (includes premium of	September 10, 2020	1.76	[●]

Nature of Transaction	Date of allotment / transfer	Number of Equity Shares allotted / transferred	Cumulative number of Equity Shares	Face value per Equity Share (₹)	Issue / Acquisition Price / Transfer Price per Equity Share (₹)	Date when the Equity Shares were made fully paid-up	% of pre-Offer Equity Share Capital	% of post-Offer Equity Share Capital
					₹90 per Equity Share)			
Private Placement	September 11, 2020	1,00,000	26,44,770	10	100 (includes premium of ₹90 per Equity Share)	September 11, 2020	0.41	[●]
Transfer by way of gift	July 31, 2023	(1,00,000)	25,44,770	10	NA	NA	(0.41)	[●]
Bonus Issue	December 30, 2023	1,37,41,758	1,62,86,528	10	NA	NA	56.36	[●]
Total						**1,62,86,528**	**66.80**	
Bechar Raghavji Patel								
Initial subscription to MoA	June 13, 2007	5,000	5,000	10	10	June 13, 2007	0.02	[●]
Further Issue	March 31, 2010	3,45,000	3,50,000	10	10	March 31, 2010	1.41	[●]
Rights Issue	January 15, 2013	3,80,000	7,30,000	10	10	January 15, 2013	1.56	[●]
Bonus Issue	December 30, 2023	39,42,000	46,72,000	10	NA	NA	16.17	[●]
Total						**46,72,000**	**19.16**	

(ii) All Equity Shares held by our Promoters were fully paid-up on the respective dates of allotment of such Equity Shares. As on the date of this Draft Red Herring Prospectus, none of the Equity Shares held by our Promoters are subject to any pledge. Our Promoters do not hold any preference shares, as on the date of this Draft Red Herring Prospectus.

(iii) Except as stated above under *"**Build-up of Promoters' equity shareholding in our Company**"* and as stated below, none of the members of our Promoter Group, our Promoters, our Directors, or any of their respective relatives, as applicable, have purchased or sold any securities of our Company during the period of six (6) months immediately preceding the date of this Draft Red Herring Prospectus:

Date of allotment / transfer	Nature of Transaction	Number of Equity Shares	Face value per Equity Share (₹)	Offer Price / Transfer Price per Equity Shares (₹)	Nature of Consideration
May 30, 2023	Transfer of 10,000 Equity Shares from Ashwin Shavji Patel to Ananthibhain S Patel	10,000	10	NA	NA
	Transfer of 10,000 Equity Shares from Geeta Mahesh Patel to Mahesh Haribhai Patel	10,000	10	NA	NA
	Transfer of 20,000 Equity Shares from Jaishri Bharatbai Patel to Bharat Haribhai Patel	20,000	10	NA	NA
	Transfer of 10,000 Equity Shares from Komal Rahul Waghela to Preeti Pankaj Patel	10,000	10	NA	NA
	Transfer of 20,000 Equity Shares from Komal Rahul Waghela to Punji Beacher Patel	20,000	10	NA	NA
	Transfer of 50,000 Equity Shares from Leelavati Hiren Patel to Punji Beacher Patel	50,000	10	NA	NA
	Transfer of 10,000 Equity Shares from Latabhain Ashwin Patel to Ananthibhain S Patel	10,000	10	NA	NA
	Transfer of 10,000 Equity Shares from Shavji Jesha Patel to Bharat Haribhai Patel	10,000	10	NA	NA
	Transfer of 10,000 Equity Shares from Smitaben Dhanji Patel to Asmita Dhanji Patel	10,000	10	NA	NA
June 19, 2023	Transfer of 30,000 Equity Shares from Ananthibhain S Patel to Mahesh Haribhai Patel	30,000	10	NA	NA
	Transfer of 1,45,000 Equity Shares from Punji Beacher Patel to Bharat Haribhai Patel	1,45,000	10	NA	NA
July 31, 2023	Transfer of 1,00,000 Equity Shares from Dhanji Raghavji Patel to Rahul Dhanji Patel	1,00,000	10	NA	NA

(iv) There have been no financing arrangements whereby our Promoters, members of our Promoter Group, our Directors and/or their relatives have financed the purchase of Equity Shares of our Company, by any other person (other than in the normal course of business of the financing entity), during the six (6) months immediately preceding the date of filing of this Draft Red Herring Prospectus.

(v) **Shareholding of our Promoters and the members of our Promoter Group**

Set forth below is the equity shareholding of our Promoters and members of our Promoter Group as on the date of this Draft Red Herring Prospectus:

Name of Shareholder	Pre-Offer		Post-Offer[1]	
	No. of Equity Shares	% of Pre-Offer Equity Share Capital	No. of Equity Shares	% of Post-Offer Equity Share Capital
Promoters				
Dhanji Raghavji Patel	1,62,86,528	66.80	[●]	[●]
Bechar Raghavji Patel	46,72,000	19.16	[●]	[●]
Total (A)	**2,09,58,528**	**85.96**	[●]	[●]
Promoter Group				
Bharat Haribhai Patel	12,48,000	5.12	[●]	[●]
Rahul Dhanji Patel	6,40,000	2.62	[●]	[●]
Hiren Bechar Patel	6,40,000	2.62	[●]	[●]
Mahesh Haribhai Patel	3,20,000	1.31	[●]	[●]
Ankit Beacher Patel	3,20,000	1.31	[●]	[●]
Asmita Dhanji Patel	64,000	0.26	[●]	[●]
Vaishali Panvelkar	64,000	0.26	[●]	[●]
Komal Rahul Waghela	64,000	0.26	[●]	[●]
Preeti Pankaj Patel	64,000	0.26	[●]	[●]
Total (B)	**34,24,000**	**14.04**	[●]	[●]
Total (A) + (B)	**2,43,82,528**	**100.00**	[●]	[●]

Notes:

(1) Subject to finalisation on Basis of Allotment.

9. Lock-in Requirements

(i) ***Details of minimum Promoters' contribution locked in for eighteen (18) months***

(a) Pursuant to regulation 14 and 16 of the SEBI ICDR Regulations, an aggregate of 20% of the fully diluted post-Offer Equity Share capital of our Company (except for the Equity Shares offered pursuant to the Offer for Sale), shall be locked-in for a period of eighteen (18) months from the date of Allotment as minimum Promoters' contribution ("**Minimum Promoters' Contribution**"). Our Promoters' shareholding in excess of 20% of the fully diluted post-Offer Equity Share Capital shall be locked-in for a period of six (6) months from the date of Allotment.

(b) The Promoters have given consent, pursuant to their letters dated [●], to include such number of Equity Shares held by them, in aggregate, as may constitute 20% of the fully diluted post-Offer Equity Share capital of our Company, as Minimum Promoters' Contribution.

(c) Set forth below are the details of Equity Shares that will be locked-in for eighteen (18) months as Minimum Promoters' Contribution from the date of Allotment*:

Name of the Promoter	Number of Equity Shares held	Number of Equity Shares locked-in[(1)]	Date of allotment of Equity Shares/ Transfer of Equity Shares and when made Fully Paid-up / Transfers	Face value per Equity Share (₹)	Allotment / Acquisition price per Equity Share (₹)	Nature of Transaction	Date up to which the Equity shares are subject to lock-in	% of fully diluted pre-Offer paid-up capital	% of fully diluted post-Offer paid-up capital
[●]	[●]	[●]	[●]	[●]	[●]	[●]	[●]		[●]
Total									

Note:

[*]To be updated at the Prospectus stage and subject to finalisation of Basis of Allotment.

[(1)] All the Equity shares were fully paid-up on the respective dates of allotment / acquisition of such Equity Shares.

(d) Our Promoters have agreed not to dispose of, sell, transfer, charge, pledge or otherwise encumber in any manner, the Minimum Promoters' Contribution from the date of filing of this Draft Red Herring Prospectus, until the expiry of the lock-in period specified above, or for such other time as required under the SEBI ICDR Regulations, except as may be permitted, in accordance with the SEBI ICDR Regulations.

(e) Our Company undertakes that the Equity Shares that are being locked-in are not, and will not be, ineligible for computation of Minimum Promoters' Contribution in terms of regulation 15 of the SEBI ICDR Regulations. In this connection, we confirm the following:

(i) The Equity Shares offered for Minimum Promoters' Contribution do not include Equity Shares acquired during the three (3) immediately preceding years before filing of this Draft Red Herring Prospectus (a) for consideration other than cash and revaluation of assets or capitalisation of intangible assets involved in such transactions; or (b) which have resulted from bonus issue by utilisation of revaluation reserves or unrealised profits of our Company or from bonus issue against Equity Shares which are otherwise ineligible for computation of Minimum Promoters' Contribution;

(ii) The Minimum Promoters' Contribution does not include any Equity Shares acquired during the one (1) immediately preceding year, at a price lower than the price at which the Equity Shares are being offered to the public in the Offer;

(iii) Our Company has not been formed by conversion of one or more partnership firms or limited liability partnership firm and there is no change in management; and

(iv) The Equity Shares forming part of the Minimum Promoters' Contribution are not pledged with any creditor.

(ii) ***Details of Equity Shares locked in for six (6) months***

The entire pre-Offer Equity Share capital of our Company (excluding those Equity Shares forming part of the Minimum Promoters' Contribution) ("**Promoters' Six month Lock-in**") shall be locked-in for a period of six (6) months from the date of Allotment or such other minimum lock-in period as may be prescribed under the SEBI ICDR Regulations, except for the Equity Shares sold pursuant to the Offer for Sale or as permitted under the SEBI ICDR Regulations.

(iii) ***Details of Equity Shares locked-in for six (6) months***

The entire pre-Offer Equity Share capital of our Company (excluding the Minimum Promoters' Contribution and Promoters' Six month Lock-in) will be locked-in for a period of six (6) months from the date of Allotment.

(iv) ***Lock-in of Equity Shares Allotted to Anchor Investors***

50% of the Equity Shares Allotted to each of the Anchor Investors in the Anchor Investors Portion shall be locked-in for a period of ninety (90) days from the date of Allotment and the remaining 50% shall be locked-in for a period of thirty (30) days from the date of Allotment.

(v) ***Recording on non-transferability of Equity Shares locked-in***

As required under Regulation 20 of the SEBI ICDR Regulations, our Company shall ensure that the details of the Equity Shares locked-in are recorded by the relevant Depository.

(vi) ***Other requirements in respect of lock-in***

Pursuant to regulation 21 of the SEBI ICDR Regulations, the locked-in Equity Shares held by our Promoters (as mentioned above) may be pledged only with any scheduled commercial banks or public financial institutions or a systemically important non-banking finance company or a housing finance company as a collateral security for loans granted by such entities, subject to the following:

(a) If the Equity Shares are locked-in in terms of sub-regulation (a) of Regulation 16(1) of the SEBI ICDR Regulations, the loan has been granted for the purpose of financing one or more of the objects of the Offer and the pledge of Equity Shares is one of the terms of sanction of the loan;

(b) If the Equity Shares are locked-in in terms of sub-regulation (b) of Regulation 16(1) of the SEBI ICDR Regulations and the pledge of Equity Shares is one of the terms of sanction of the loan.

Provided that such lock-in shall continue pursuant to the invocation of the pledge and such transferee shall not be eligible to transfer the Equity Shares till the lock-in period stipulated in the SEBI ICDR Regulations has expired.

Pursuant to regulation 22 of the SEBI ICDR Regulations, the Equity Shares held by our Promoters and locked-in, may be transferred to another Promoter or any person of our Promoter Group or to a new promoter, subject to continuation of lock-in in the hands of transferees for the remaining period and compliance of SEBI Takeover Regulations, as applicable.

Further, in terms of regulation 22 of the SEBI ICDR Regulations, the Equity Shares held by persons other than our Promoters prior to the Offer and locked-in for a period of six (6) months, may be transferred to any other person holding Equity Shares which are locked-in along with the Equity Shares proposed to be transferred, subject to continuation of the lock-in in the hands of the transferees for the remaining period and compliance with the SEBI Takeover Regulations, as applicable.

[Remainder of the page has been intentionally left blank.]

10. Shareholding Pattern of our Company

Set forth below is the shareholding pattern of our Company, as on the date of this Draft Red Herring Prospectus:

Category (I)	Category of Shareholder (II)	Number of Shareholders (III)	Number of fully paid-up Equity Shares held (IV)	Number of partly paid-up Equity Shares held (V)	Number of Equity Shares underlying depository receipts (VI)	Total number of Equity Shares held (VII)= (IV) + (V) + (VI)	Shareholding as a % of total number of Equity Shares (calculated as per SCRR, 1957) As a % of A+B+C2) (VIII)	Number of voting rights held in each class of securities (IX)				Number of Equity Shares underlying outstanding convertible securities (including warrants) (X)	Shareholding as a % assuming full conversion of convertible securities (as a percentage of diluted share capital) (XI) = (VII) + (X) As a % of (A+B+C2)	Number of locked-in Equity Shares (XII)		Number of Equity Shares pledged or otherwise encumbered (XIII)		Number of Equity Shares held in dematerialised form (XIV)
								Number of Voting Rights			Total as % of A+B+C)			Number (a)	As a % of total Equity Shares held (b)	Number (a)	As a % of total Shares held (b)	
								Class e.g. Equity Shares	Class e.g. Others	Total								
(A)	Promoters and Promoter Group	11	2,43,82,528	-	-	2,43,82,528	100	2,43,82,528	-	2,43,82,528	100	-	-	-	-	-	-	2,43,82,528
(B)	Public	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
(C)	Non Promoter Non Public	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
(C1)	Shares underlying depository receipts	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-

Category (I)	Category of Shareholder (II)	Number of Shareholders (III)	Number of fully paid-up Equity Shares held (IV)	Number of partly paid-up Equity Shares held (V)	Number of Equity Shares under lying depository receipts (VI)	Total number of Equity Shares held (VII)= (IV) + (V) + (VI)	Shareholding as a % of total number of Equity Shares (calculated as per SCRR, 1957) As a % of A+B+C2) (VIII)	Number of voting rights held in each class of securities (IX)				Number of Equity Shares underlying outstanding convertible securities (including warrants) (X)	Shareholding as a % assuming full conversion of convertible securities (as a percentage of diluted share capital) (XI) = (VII) + (X) As a % of (A+B+C2)	Number of locked-in Equity Shares (XII)		Number of Equity Shares pledged or otherwise encumbered (XIII)		Number of Equity Shares held in dematerialised form (XIV)
								Number of Voting Rights			Total as % of A+B+C)			Number (a)	As a % of total Equity Shares held (b)	Number (a)	As a % of total Shares held (b)	
								Class e.g. Equity Shares	Class e.g. Others	Total								
(C2)	**Shares held by Employee Trusts**	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Total (A)+(B)+ (C)		**11**	**2,43,82,528**	**-**	**-**	**2,43,82,528**	**100**	**2,43,82,528**	**-**	**2,43,82,528**	**100**	**-**	**-**	**-**	**-**	**-**	**-**	**2,43,82,528**

11. As on the date of this Draft Red Herring Prospectus, the BRLM- Fedex Securities Private Limited and its associates (as defined under the SEBI Merchant Bankers Regulations) do not hold any Equity Shares of our Company. However, the BRLM and its associates may engage in transactions with, and perform services for our Company in the ordinary course of business or may in the future engage in commercial banking and investment banking transactions with our Company for which they may in the future receive customary compensation.

12. Details of shareholding of the major Shareholders of our Company

(a) As on the date of this Draft Red Herring Prospectus, our Company has eleven (11) shareholders.

(b) Set forth below are details of Shareholders, holding 1% or more of the paid-up Equity Share capital of our Company, as on the date of filing of this Draft Red Herring Prospectus:

Sr. No.	Name of the Shareholder	Number of Equity Shares held	Percentage of Equity Share Capital (%)
1	Dhanji Raghavji Patel	1,62,86,528	66.80
2	Bechar Raghavji Patel	46,72,000	19.16
3	Bharat Haribhai Patel	12,48,000	5.12
4	Rahul Dhanji Patel	6,40,000	2.62
5	Hiren Bechar Patel	6,40,000	2.62
6	Mahesh Haribhai Patel	3,20,000	1.31
7	Ankit Beacher Patel	3,20,000	1.31
	Total	**2,41,26,528**	**98.94**

(c) Set forth below are details of shareholders, holding 1% or more of the paid-up Equity Share capital of our Company, as of ten (10) days prior to the date of filing of this Draft Red Herring Prospectus:

Sr. No.	Name of the Shareholder	Number of Equity Shares held	Percentage of Equity Share Capital (%)
1	Dhanji Raghavji Patel	1,62,86,528	66.80
2	Bechar Raghavji Patel	46,72,000	19.16
3	Bharat Haribhai Patel	12,48,000	5.12
4	Hiren Bechar Patel	6,40,000	2.62
5	Rahul Dhanji Patel	6,40,000	2.62
6	Mahesh Haribhai Patel	3,20,000	1.31
7	Ankit Beacher Patel	3,20,000	1.31
	Total	**2,41,26,528**	**98.94**

(d) Set forth below are details of shareholders, holding 1% or more of the paid-up Equity Share capital of our Company, as of two (2) years prior to the date of filing of this Draft Red Herring Prospectus:

Sr. No.	Name of the Shareholder	No. of Equity Shares held	Percentage of Equity Share Capital (%)
1	Dhanji Raghavji Patel	26,44,770	69.42
2	Bechar Raghavji Patel	7,30,000	19.16
3	Hiren Bechar Patel	1,00,000	2.62
4	Punji Beacher Patel	75,000	1.97
5	Ankit Beacher Patel	50,000	1.31
6	Leelavati Hiren Patel	50,000	1.31
7	Komal Rahul Waghela	40,000	1.05
	Total	**36,89,770**	**96.85**

(e) Set forth below is a list of shareholders, holding 1% or more of the paid-up Equity Share capital of our Copany, as of one (1) year prior to the date of filing of this Draft Red Herring Prospectus:

Sr. No.	Name of the Shareholder	Number of Equity Shares held	Percentage of Equity Share Capital (%)
1	Dhanji Raghavji Patel	26,44,770	69.42
2	Bechar Raghavji Patel	7,30,000	19.16
3	Hiren Bechar Patel	1,00,000	2.62
4	Punji Beacher Patel	75,000	1.97
5	Ankit Beacher Patel	50,000	1.31
6	Leelavati Hiren Patel	50,000	1.31
7	Komal Rahul Waghela	40,000	1.05
Total		**36,89,770**	**96.85**

13. **Shareholding of our Directors, Key Managerial Personnel and Senior Management in our Company**

Except as disclosed below, none of our Directors, Key Managerial Personnel and Senior Management hold any Equity Shares in our Company:

Sr. No.	Name of the Director / Key Managerial Personnel / Senior Management	Number of Equity Shares	% of Pre-Offer Equity Share Capital	% of Post-Offer Equity Share Capital
1	Dhanji Raghavji Patel	1,62,86,528	66.80	[●]
2	Bechar Raghavji Patel	46,72,000	19.16	[●]
3	Hiren Bechar Patel	6,40,000	2.62	[●]
4	Bharat Haribhai Patel	12,48,000	5.12	[●]
5	Rahul Dhanji Patel	6,40,000	2.62	[●]
6	Mahesh Haribhai Patel	3,20,000	1.31	[●]
Total		**2,38,06,528**	**97.63**	[●]

For further details, please see *"**Our Management- Shareholding of our Directors in our Company**"* and *"**Our Management- Shareholding of our Key Managerial Personnel and Senior Management of our Company**"* on pages 353 and 365

14. Our Company presently does not intend or propose and is not under negotiations or considerations to alter its capital structure for a period of six (6) months from the Bid/ Offer Opening Date, by way of split or consolidation of the denomination of Equity Shares, or further issue of Equity Shares (including securities convertible into or exchangeable, directly or indirectly for Equity Shares) whether on a preferential basis or by way of bonus shares or on a rights basis or by way of further public issue of Equity Shares (including issue of securities convertible into or exchangeable, directly or indirectly for Equity Shares).

15. Our Company, our Directors and the BRLM have not entered into any buy-back or other arrangements for the purchase of Equity Shares being offered through this Offer.

16. No person connected with the Offer, including our Company, the BRLM, the members of the Syndicate, our Promoters or members of our Promoter Group or our Directors, shall offer any incentive, whether direct or indirect, in the nature of discount, commission and allowance, except for fees or commission for services rendered in relation to the Issue, in any manner, whether in cash or kind or services or otherwise to any Bidder for making a Bid.

17. The Equity Shares are fully paid-up and there are no partly paid-up Equity Shares, as on the date of this Draft Red Herring Prospectus. The Equity Shares to be issued pursuant to the Offer shall be fully paid-up at the time of Allotment.

18. Except for the Pre-IPO Placement, there will be no further issue of Equity Shares whether by way of issue of bonus shares, preferential allotment, rights issue or in any other manner during the period commencing from filing of this Draft Red Herring Prospectus with SEBI until the Equity Shares have been listed on the Stock Exchanges or all application moneys have been refunded, as the case may be.

19. Our Company has no outstanding warrants, options to be issued or rights to convert debentures, loans or other convertible instruments into, or which would entitle any person any option to receive Equity Shares of our Company, as on the date of this Draft Red Herring Prospectus.

20. Our Company shall ensure that all transactions in the Equity Shares by our Promoters and the members of our Promoter Group during the period between the date of filing this Draft Red Herring Prospectus filed in relation to this Offer and the date of closure of the Offer shall be reported to the Stock Exchanges within twenty-four (24) hours of such transactions.

21. There shall be only one denomination of the Equity Shares of our Company at any given time, unless otherwise permitted by law. Our Company will comply with such disclosure and accounting norms as may be specified by SEBI from time to time.

22. Except to the extent of sale of the respective portion of Offered Shares in the Offer for Sale by our Promoter Selling Shareholders, none of our Promoters and members of our Promoter Group will not participate in the Offer.

23. Our Company has not made any initial public offer of its Equity Shares during the preceding two (2) years from the date of this Draft Red Herring Prospectus.

24. Neither (i) the BRLM or any associate of the BRLM (other than Mutual Funds sponsored by entities which are associates of the BRLM or insurance companies promoted by entities which are associates of the BRLM or AIFs which are sponsored by entities that are associates of the BRLM or FPIs (other than individuals, corporate bodies and family offices); nor (ii) pension funds sponsored by entities which are associates of the BRLM, can apply in the Offer under the Anchor Investor Portion. Further, no person related to our Promoters or members of our Promoter Group can apply in the Offer under the Anchor Investor Portion.

25. A Bid cannot be made for more than the Offer Size. The maximum Bid by any Bidder should not exceed the investment limits prescribed under relevant laws applicable to each category of investors.

OBJECTS OF THE OFFER

The Offer comprises of the Fresh Issue of upto 90,18,000 Equity Shares, aggregating to ₹ [●] Lakhs by our Company and an Offer for Sale of upto 10,02,000 Equity Shares aggregating to ₹[●] Lakhs by the Promoter Selling Shareholders.

Offer for Sale

The proceeds of the Offer for Sale shall be received by the Promoter Selling Shareholders. Our Company will not receive any proceeds from the Offer for Sale. Each of the Promoter Selling Shareholders will be entitled to the Offer Proceeds, to the extent of the Equity Shares offered by them in the Offer, net of their respective share of the Offer related expenses. For further details of the Offer for Sale, please see "***The Offer***" on page 82.

Objects of the Offer

Our Company proposes to utilize the Net Proceeds from the Offer towards funding the following objects:
1. Repayment/prepayment, in full or part, of certain borrowings availed of by our Company;
2. Funding of working capital requirements of the Company; and
3. General corporate purposes.

(collectively, referred to herein as the "**Objects**")

The main objects clause and objects incidental and ancillary to the main objects as set out in the Memorandum of Association enables our Company to undertake (i) existing business activities; (ii) the activities proposed to be funded from the Net Proceeds; and (iii) the activities towards which the loans proposed to be repaid from the Net Proceeds were utilised.

In addition, we expect to achieve the benefits of listing of the Equity Shares on the Stock Exchanges, including enhancing our visibility and our brand image among our existing and potential customers and creation of a public market for our Equity Shares in India.

Net Proceeds

The following table sets forth details of the Net Proceeds:

Particulars	Estimated Amount (₹ in lakhs)
Gross Proceeds from the Offer# **(A)**	[●](1)
Less: Offer Related Expenses in relation to the Fresh Issue* **(B)**	[●])2)
Net proceeds from the Fresh Issue after deducting the Offer related expenses to be borne by our Company ("**Net Proceeds**") **(A-B)**	**[●](2)**

For details with respect to sharing of fees and expenses amongst our Company and the Promoter Selling Shareholders, please refer to the heading "Objects of the Offer -Offer Related Expenses**" on page 124 .*
#Subject to finalisation of Basis of Allotment

*(1) Our Company, in consultation with the BRLM, may consider undertaking a further issue of Equity Shares of the Company, as may be permissible through a preferential issue, private placement, right issue or any other method as may be permitted in accordance with applicable law to any person(s), of up to 5,00,000 Equity Shares, aggregating up to ₹ [●] Lakhs, between the date of this Draft Red Herring Prospectus till the filing of the Red Herring Prospectus with the RoC, subject to appropriate approvals ("**Pre-IPO Placement**"). The Pre-IPO Placement, if undertaken, will be at a price to be decided by our Company in consultation with the BRLM, and the Pre-IPO Placement will be completed prior to filing of the Red Herring Prospectus with the RoC. If the Pre-IPO Placement is undertaken, the amount raised from the Pre-IPO Placement will be reduced from the Fresh Issue, subject to compliance with Rule 19(2)(b) of the SCRR, as amended.*

(2) To be determined after finalisation of the Offer Price and updated in the Prospectus prior to filing of the RoC.

Utilisation of Net Proceeds

The following table sets forth details of the proposed utilisation of the Net Proceeds:

Particulars	Estimated Amount (₹ in Lakhs)
Repayment/prepayment, in full or part, of certain borrowings availed of by our Company	Upto 6,000.00
Funding of working capital requirements of the Company	Upto 11,500.00
General corporate purposes*#	**[●]**
Net Proceeds	**[●]**

**To be finalised upon determination of Offer Price and updated in the Prospectus prior to filing with the RoC. The amount to be utilized for general corporate purposes shall not exceed 25% of the Gross Proceeds.*
#Subject to finalisation of Basis of Allotment

Proposed schedule of implementation and deployment of Net Proceeds

We propose to deploy the Net Proceeds towards the Objects in accordance with the estimated schedule of implementation and deployment of funds as set forth in the table below:

(₹ in Lakhs)

Particulars	Amount to be funded from Net Proceeds^	Estimated amount to be deployed from the Net Proceeds in Fiscal 2025	Estimated amount to be deployed from the Net Proceeds in Fiscal 2026
Repayment/prepayment, in full or part, of certain borrowings availed of by our Company	Up to 6,000.00	Up to 6,000.00	NIL
Funding of working capital requirements of the Company	Up to 11,500.00	Up to 11,500.00	NIL
General corporate purposes (1)	[●]	[●]	[●]
Net Proceeds (1)	[●]	[●]	[●]

(1)*To be finalised upon determination of Offer Price and updated in the Prospectus prior to filing with the RoC. The amount utilized for general corporate purposes shall not exceed 25% of the Gross Proceeds.*

^ Our Company, in consultation with the BRLM, may consider undertaking a further issue of Equity Shares of the Company, as may be permissible through a preferential issue, private placement, right issue or any other method as may be permitted in accordance with applicable law to any person(s), of up to 5,00,000 Equity Shares, aggregating up to ₹ [●] Lakhs, between the date of this Draft Red Herring Prospectus till the filing of the Red Herring Prospectus with the RoC, subject to appropriate approvals ("**Pre-IPO Placement**"). The Pre-IPO Placement, if undertaken, will be at a price to be decided by our Company in consultation with the BRLM, and the Pre-IPO Placement will be completed prior to filing of the Red Herring Prospectus with the RoC. If the Pre-IPO Placement is undertaken, the amount raised from the Pre-IPO Placement will be reduced from the Fresh Issue, subject to compliance with Rule 19(2)(b) of the SCRR, as amended.

The fund requirements, proposed deployment of funds and the intended use of the Net Proceeds set out above is based on our current business plan, internal management estimates, prevailing market conditions and other commercial considerations. However, these fund requirements and proposed deployment of Net Proceeds have not been appraised by any external/~~independent~~ agency or any bank or financial institution. We may have to revise our funding requirement on account of various factors, such as financial and market conditions, interest rate fluctuations, access to capital, competitive landscapeand other external factorssuch as changes in the business environment or regulatory climate, which may not be within the control of our management.This may also entail rescheduling of the proposed deployment of the Net Proceeds at the discretion of our management, subject to compliance with applicable laws. Further, in the event, the Net Proceeds are not utilized (in full or in part) for the objects of the Offer during the period stated above due to any reason, including (i) the timing of completion of the Offer; (ii) market conditions outside the control of our Company; and (iii) any other economic, business and commercial considerations, the remaining Net Proceeds shall be utilized in subsequent periods as may be determined by our Company, in accordance with applicable laws. Further, such factors could also require us to advance the utilisation before the scheduled deployment as disclosed above.. Please see ***Risk Factors- Our funding requirements and the proposed deployment of Net Proceeds are based on management estimates and have not been appraised by any bank or financial institution or any other independent agency and maybe subject to change based on various factors some of which maybe beyond our control. We have not entered into any definitive agreements to utilise certain portions of the Net Proceeds of the Offer"*** on page 60.

Subject to compliance with applicable laws, if the actual utilisation towards the Objects, as set out above, is lower than the proposed deployment, such balance will be used towards general corporate purposes, provided that the total amount to be utilised towards general corporate purposes will not exceed 25% of the Gross Proceeds, in accordance with the SEBI ICDR Regulations. In case of a shortfall in raising requisite capital from the Net Proceeds towards meeting the Objects of the Offer, we may explore a range of options including utilising our internal accrualsor undertakingany additional debt arrangements. We believe that such alternate arrangements would be available to fund any such shortfalls.

Our Company proposes to deploy the entire Net Proceeds towards the Objects in the manner as specified and as per the schedule provided in the table above. In the event that the estimated utilization is not completed as per the aforementioned schedule, due to the reasons stated above, such funds shall be utilised in the next Fiscals, as may be determined by our Company, in accordance with applicable law. Depending upon such factors, we may have to reduce or extend the utilisation period for any of the stated Objects beyond the estimated time period, at the discretion of our management, in accordance with applicable law. Further, such factors could also require us to advance the utilisation before the scheduled deployment as disclosed above towards any particular or all Objects. Any such change in our plans may require rescheduling of our expenditure programs and increasing or decreasing expenditure for a particular object vis-à-vis the utilization of Net Proceeds. In case of variations in the actual utilization of funds earmarked for the purposes set forth above, increased fund requirements for a particular purpose may be financed by our internal accruals, additional equity and/or debt arrangements, as required. Subject to compliance with applicable laws, if the actual utilisation towards any of the Objects, including offer related expenses is lower than the proposed deployment such balance will be used for funding other existing Objects, if necessary and/or towards general corporate purposes to the extent that the total amount to be utilised towards general corporate purposes will not exceed 25% of the Gross Proceeds in accordance with the SEBI ICDR Regulations.

DETAILS OF THE OBJECTS OF THE OFFER

1. Repayment/ prepayment, in full or part, of certain borrowings availed of by our Company

Our Company has entered into various financing arrangements with banks and other lenders, which include term loans and working capital facilities, including fund based and non-fund based borrowings. For details of our Company's outstanding financial indebtedness, please see "***Financial Indebtedness***" on page 411.

As on September 30, 2023, our Company had sanctioned facilities aggregating ₹21,697.17 Lakhs, including non-fund based limit and outstanding facilities aggregating ₹14,582.29 Lakhs, including non-fund based limit. Our Company proposes to utilise an estimated amount of upto ₹6000.00 lakhs from the Net Proceeds towards full or partial repayment or pre-payment of certain borrowings availed by our Company. Given the nature of these borrowings and the terms of repayment or pre-payment, the aggregate outstanding amounts under these borrowings may vary from time to time and our Company may, in accordance with the relevant repayment schedule, repay or refinance some of their existing borrowings or avail of additional credit facilities. If at the time of the Prospectus, any of the below-mentioned loans are repaid in part or full or refinanced or if any additional credit facilities are availed or drawn down or if the limits under the working capital borrowings are increased, then our Company may utilise the Net Proceeds for part or full pre-payment / repayment of any such refinanced facilities or repayment of any additional facilities obtained by our Company and details of such borrowings will be included in the Prospectus. However, the aggregate amount to be utilised from the Net Proceeds towards repayment or pre-payment of certain of our borrowings (including refinanced or additional facilities availed, if any), in part or full, would not exceed ₹6,000.00 Lakhs. We believe that such repayment/ pre-payment will help reduce our Company's outstanding indebtedness and debt servicing costs and enable utilisation of our Company's internal accruals for further investment in our Company's business growth and expansion. Additionally, our Company believes that the leverage capacity of our Company will improve its ability to raise further resources in the future to fund potential business development opportunities and plans to grow and expand our business.

The selection of borrowings proposed to be repaid/ prepaid out of the borrowings provided below, shall be based on various factors including (i) cost of the borrowings to our Company, including applicable interest rates, (ii) any conditions attached to the borrowings restricting our Company's ability to prepay the borrowings and time taken to fulfil such requirements, (ii) receipt of consents for prepayment or waiver from any conditions attached to such prepayment from our respective lenders, prior to completion of the Offer; (iii) terms and conditions of such consents and waivers, (iv) levy of any prepayment penalties and the quantum thereof, (v) provisions of any law, rules, regulations governing such borrowings, and (vi) other commercial considerations including, among others, the amount of the loan outstanding and the remaining tenor of the loan.

The following table provides details of certain of the borrowings availed by our Company, which are currently proposed to be fully or partially repaid (earlier or scheduled) or pre-paid from the Net Proceeds*:

[Remainder of the page has been intentionally left blank.]

Sr. No.	Name of the Lender	Nature of Loan	Purpose	Amount sanctioned	Amount outstanding		Rate of Interest/ Commission	Tenor and repayment schedule	Prepayment terms / penalty	Whether loan is for capital expenditure requirements
					As at September 30, 2023 (₹ in Lakhs)	As at February 29, 2024 (₹ in Lakhs)				
1.	HDFC Bank Ltd	CC	Working Capital	4350.00	4501.32	4328.30	9%	On Demand	2%	No
2.	HDFC Bank Ltd	PCFC	Working Capital	3100.00	2098.24	2727.00	7.80%	90 Days	2%	No
3.	HDFC Bank Ltd	WCDL	Working Capital	700.00	-	700	8.65%	90 Days	2%	No
4.	YES Bank Ltd	CC	Working Capital	8170.00	3247.14	3336.52	10.50%	On Demand	2%	No
5.	YES Bank Ltd	PCFC	Working Capital		713.62	1093.65	7.50%	120 Days	2%	No
6.	YES Bank Ltd	WCDL	Working Capital		2500	3700	9.15%	60 Days	2%	No

Note:

In accordance with Clause 9(A)(2)(b) of Part A of Schedule VI of the SEBI ICDR Regulations which requires a certificate from the statutory auditor certifying the utilisation of loans for the purposes availed, our Company has obtained the requisite certificate dated March 29, 2024, from our Statutory Auditors- Kanu Doshi Associates LLP, Chartered Accountants.

**Includes interest amount.*

For the purposes of the Offer, our Company has obtained the necessary consent from our lenders as is required under the relevant facility documents for undertaking activities in relation to the Offer, including any consequent actions.

Given the nature of these borrowings and the terms of prepayment, the aggregate outstanding amounts may vary from time to time and our Company may, in accordance with the relevant repayment schedule, repay or refinance some of its existing borrowings prior to Allotment. In light of the above, post filing of this Draft Red Herring Prospectus, any of the abovementioned loans or facilities may be repaid, in part or full, or refinanced.

Further, we may be subject to the levy of pre-payment penalties or premiums, depending on the facility being repaid/prepaid, the conditions specified in the relevant documents governing such credit facility and the amount outstanding/being pre-paid/repaid, as applicable. In the event that there are any prepayment penalties required to be paid under the terms of the relevant financing arrangements, the amount of such prepayment penalties shall be paid by our Company out of our internal accruals. We will take such provisions also into consideration while deciding repayment and/ or pre-payment of loans from the Net Proceeds. In addition to the above, we may, from time to time, enter into further financing arrangements and draw down funds thereunder. In such cases or in case any of the above loans are prepaid, repaid, redeemed (earlier or scheduled), refinanced or further drawn down prior to the completion of the Offer, we may utilise Net Proceeds towards prepayment, repayment or redemption (earlier or scheduled) of such additional indebtedness availed by us.

2. Funding working capital requirements of our Company

Our Company proposes to utilise up to ₹11,500 Lakhs from the Net Proceeds towards funding its working capital requirements in Fiscal 2025. We have significant working capital requirements, and we fund our working capital requirements in the ordinary course of business from our internal accruals/equity and financing facilities from various banks, financial institutions, non-banking financial companies and related parties. Our Company requires additional working capital for funding future growth requirements of our Company. For details of the working capital facilities availed by us, please see "***Financial Indebtedness***" on page 411.

Basis of estimation of working capital requirement

We propose to utilise upto ₹11,500.00 Lakhs from the Net Proceeds to fund the working capital requirements of our Company in the Fiscal 2025 and Fiscal 2026. The balance portion of our working capital requirement will be arranged from existing equity, internal accruals, borrowings from banks, financial institutions, non-banking financial companies and related parties.

The details of our Company's working capital as at six months period ended as at September 30, 2023, Fiscal 2023, Fiscal 2022 and Fiscal 2021, and the source of funding, derived from the financial statement of our Company, as certified by Kanu Doshi Associates LLP, Chartered Accountants, Statutory Auditors, through their certificate dated March 29, 2024 are provided in the table below:

(₹ in Lakhs)

Particulars	**As at six months period ended September 30, 2023**	**Fiscal 2023**	**Fiscal 2022**	**Fiscal 2021**
Current assets				
Trade receivables	7,730.12	10,359.63	8,367.56	8,794.18
Inventories	9,575.01	7,667.65	5,447.63	6,113.76
Fixed deposit towards Bank Guarantee	66.23	66.23	85.93	667.15
Other Current Assets including other financial assets (excluding cash and cash equivalents)	2,170.05	3,636.38	3,787.83	2,116.93
Total Current Assets (A)	**19,541.41**	**21,729.89**	**17,688.95**	**17,692.02**
Current liabilities				
Trade payables	3,173.37	4,282.07	3,162.25	2,307.06
Other financial liabilities, other current liabilities, Provisions and income tax liabilities (excluding current lease liabilities)	268.65	438.36	1,500.31	271.20

Particulars	As at six months period ended September 30, 2023	Fiscal 2023	Fiscal 2022	Fiscal 2021
Total Current Liabilities (B)	**3,442.02**	**4,720.43**	**4,662.56**	**2,578.26**
Net working capital (A – B)	**16,099.39**	**17,009.45**	**13,026.40**	**15,113.76**
Sources of funds				
Working Capital Borrowing	12,034.84	14,406.41	12,854.14	12,897.35
Internal accruals / Equity	4,064.55	2,603.04	172.26	2,216.41
Total Means of Finance	**16,099.39**	**17,009.45**	**13,026.40**	**15,113.76**

Expected working capital requirements

Under our retail business, we sell a wide range of goods and merchandise across our product categories i.e., Food, Non-Food (FMCG), general merchandise and apparels. For instance, each of our retail stores offer over 10,000 SKUs. We focus on using our deep knowledge of the clusters and regions in which we operate to customize our product assortment in each store, keeping in mind the local demands and preferences. We majorly procure our store inventories from reputed third party brands, dealers, APMC markets and also from third party manufacturers, which we purchase under our brands i.e. Patel Essentials, Patel Fresh & Indian Chaska. Our inventory level to store ratio for the Fiscal 2023, 2022 and 2021 and for the six months period ended on September 30, 2023, is ₹120.22 Lakhs, ₹141.90 Lakhs, ₹147.49 Lakhs and ₹138.12 Lakhs respectively. Our Inventory level to store ratio also varies depending on the date on which we open our new stores during the year.

The raw materials required by us, such as wheat, chilly, coriander, fennel and mango are seasonal in nature. As a strategy to meet our supply requirements, we procure these raw materials during season and store them in our dry warehouse and cold storage, as the case may be. We also source our raw materials such as peanuts, cumin, mustard, fenugreek, carom, turmeric, sesame and other agri trading produce such as sugar, rice, pulses, oil seeds, edible oils etc. depending on our requirement from local APMC markets, wholesalers and famers from time to time. However, we do not store inventories of our agri trading products such as, sugar, rice, pulses, oil seeds, etc which we procure based on order in hand and prevailing government restrictions. This strategy helps us in maintaining sufficient quantity of raw material at competitive price for meeting the demand requirements of our domestic and export customers.

Our trade receivables primarily comprises of receivables from our domestic and export customers to whom we supply our manufacturing and traded goods. Further, our trade receivable also includes outstanding from some of our old retail store customers. However, the said receivables are nominal as compared to our revenue from operations.

Further, our Company has export revenue of ₹66,962.58 Lakhs, ₹46,767.38 Lakhs, ₹53,472.70 Lakhs and ₹24,567.11 Lakhs for the Fiscal 2023, 2022 and 2021 and for the six months period ended on September 30, 2023 comprising of 65.74%, 61.04%, 64.94% and 55.09% respectively, of our revenue from operations. For exports, we sell our finished products on a Cost, Insurance and Freight basis (CIF) or freight on board basis (FOB). Our payment term for exports is either "Documents against Payment (D/P) at sight", "Collection against Document (CAD) through bank", "Documents against Acceptance (D/A) 60/90 days credit period" and "payment against proof of shipment i.e., scan copy of bill of lading and other related export documents. Accordingly, the payment is released by our customers after all necessary documents are delivered to our customer's bank and where the export is against delivery the payment is released on the goods reaching the destination port.

We normally insist for advance from our new customers to an extent of 10% to 20% of the order value. For instance, we have received advance from our customers against export of sugar. Our customer advance for the Fiscal 2023, Fiscal 2022 and Fiscal 2021 and for the six months period ended on September 30, 2023 stood at ₹183.24 Lakhs, ₹1,439.46 Lakhs, ₹269.38 Lakhs and ₹241.45 Lakhs, respectively. The advance received from our customers is accounted under the head "other current liabilities". Further, we pay advance to the suppliers of agri produce such as sugar, edible oil etc. For instance, we have paid advance to our suppliers against purchase of sugar. Our advance to supplier for the Fiscal 2023, Fiscal 2022 and Fiscal 2021 and for the six months period ended on September 30, 2023 stood at ₹2913.20 lakhs, ₹3536.10 lakhs, ₹1813.57 lakhs and ₹1191.27 lakhs, respectively. The advance paid to our suppliers is accounted under the head "other current assets".

Key parameters determining the working capital requirements such as growth in revenue from operations, % of net working capital to revenue are as under:

(₹ in Lakhs)

Particulars	For the six months period ending on September 30, 2023*	Fiscal 2023	Fiscal 2022	Fiscal 2021
Revenue from Operations	44,598.21	1,01,854.78	76,615.91	82,337.46
Net working capital	16,099.39	17,009.45	13,026.40	15,113.76
Percentage of Net working capital to Revenue	36.10%	16.70%	17.00%	18.36%
Growth in revenue	NA	32.94%	-6.95%	NA

** The Percentage of Net working capital to Revenue is lower during Fiscal 2023, Fiscal 2022 and Fiscal 2021 on account of significant export trading of sugar as compared to the six months period ending on September 30, 2023.*

Hence, we have significant working capital requirement in the nature of trade receivables and inventory of raw material and finished goods, which we fund in the ordinary course of business from our internal accruals/equity and financing facilities from various banks, financial institutions and related parties. The higher working capital requirement of 36.10% for the six months period ended September 30, 2023 would get normalised by year end.

Accordingly, on the basis of the existing and estimated working capital requirement of our Company on a standalone basis, and assumptions for such working capital requirements, our Board pursuant to its resolution dated March 29, 2024, has approved the estimated working capital requirements as set forth below:

(₹ in Lakhs)

Particulars	Fiscal 2025 (Projected)	Fiscal 2024 (Estimated)	As on March 31, 2023 (Actuals)
Current Assets			
Trade receivables	14,068.38	10,316.88	10,359.63
Inventories	14,640.55	11,028.78	7,667.65
Fixed deposit towards Bank Guarantee	85.95	72.00	66.23
Other Current Assets including other financial assets (excluding cash and cash equivalents)	2,367.12	2,121.00	3,636.38
Total Current Assets (A)	**31,162.00**	**23,538.66**	**21,729.89**
Current Liabilities			
Trade payables	3,287.67	2,712.33	4,282.07
Other financial liabilities, other current liabilities, Provisions and income tax liabilities (excluding current lease liabilities)	520.55	454.09	438.37
Total Current Liabilities (B)	**3,808.22**	**3,166.42**	**4,720.43**
Net working capital (A – B)	**27,353.78**	**20,372.24**	**17,009.46**

Particulars	Fiscal 2025 (Projected)	Fiscal 2024 (Estimated)	As on March 31, 2023 (Actuals)
Sources of funds			
Borrowings	7,479.79	14,979.79	14,406.41
Internal accruals / Equity	8,392.44	5,392.44	2,603.05
Offer Proceeds	Upto 11,500.00	0.00	NIL
Total Means of Finance	**27,353.78**	**20,372.24**	**17,009.46**

**The working capital projections are certified by our Board of Directors vide their Board Resolution dated March 29, 2024.*

The table below sets forth the details of holding levels (in days) for the six months period ended September 30, 2023 and for the Fiscal 2023, Fiscal 2022 and Fiscal 2021 as well as the estimated holding levels (in days) for Fiscals 2024 and Fiscal 2025:

Days	Fiscal 2025 (Projected)	Fiscal 2024 (Estimated)	September 30, 2023 (Actual)	Fiscal 2023 (Actual)	Fiscal 2022 (Actual)	Fiscal 2021 (Actual)
Trade receivables	51	46	32	37	40	39
Inventories	53	49	39	27	26	27
Fixed deposit towards Bank Guarantee	00	00	00	00	00	3
Other Current Assets including other financial assets (excluding cash and cash equivalents)	9	9	9	13	18	9
Trade payables	12	12	13	15	15	10
Other financial liabilities, other current liabilities, Provisions and income tax liabilities (excluding current lease liabilities)	2	2	1	2	7	1

The above details of holding levels as well as projections have been certified by the Board of Directors vide their resolution dated March 29, 2024.

Notes:

1. *Holding period (in days) is calculated as respective current asset or current liability divided by revenue from operations multiplied by number of days (see note 2 below). Estimated holding days for Fiscal 2024 and 2025 have been rounded to the nearest number.*
2. *The holding period has been computed over 365 (three hundred sixty five) days for each fiscal year and 183 (one hundred eighty-three) days for the six months period ended September 30, 2023.*

Key assumptions for working capital projections made by our Company

The table below sets forth the key assumptions for our working capital projections:

Particulars	Justification
Trade receivables	The holding levels of trade receivables were at 39 days in Fiscal 2021, 40 days in Fiscal 2022, 37 days in Fiscal 2023 and 32 days in September 30, 2023. Trade receivables comprises of receiveables from domestic customers and export customers. Trade receivable days for Fiscal 2024 is considered at 46

Particulars	Justification
	days as against 37 days in Fiscal 2023. The increase in trade receivable days is primarily on account of increase in sales of processed goods from our Agri-cluster. Further, the receivable days for export has also increased on account of higher credit period offered to our export customers to penetrate the market. We believe that this strategy would help our Company in increasing our sales volume of processed goods. On an average our export receivable days for Fiscal 2024 considered at around 80 days and that from domestic sales is considered around 30 days. Accordingly, we have considered trade receivable days of 51 days for Fiscal 2025.
Inventories	Our Company had maintained overall inventory holding period of 27 days in Fiscal 2021, 26 days in Fiscal 2022, 27 days in Fiscal 2023 and 39 days in September 30, 2023. Our inventory comprises of store inventory and non-store inventory i.e. related to our processing and trading activities. The inventory holding days for our retail business was around 62 days in Fiscal 2021, 49 days in Fiscal 2022, 53 days in Fiscal 2023 and 61 days in September 30, 2023. Going forward, the holding days for non-trading inventory will increase on account of increase in sale of processed goods as compared to trading sales during the earlier fiscal. This shift in sale requires us to maintain higher level of inventory. Further, store inventory is assumed to be maintained at similar level of 60 days. Accordingly, we have maintained inventory level around 49 days for Fiscal 2024 and 53 days for Fiscal 2025.
Fixed deposit towards Bank Guarantee	Bank guarantee is provided by our Company to reputed third-party brand companies against goods purchased primarily for our stores. This would be less than 1 day of our retail sales.
Other Current Assets including other financial assets (excluding cash and cash equivalents)	Other current assets include prepaid expenses and advance to trade payables. Our other current asset days was at 9 days in Fiscal 2021, 18 days in Fiscal 2022, 13 days in Fiscal 2023 and 9 days in September 30, 2023. We expect the holding level to stay around 9 days for Fiscal 2024 and Fiscal 2025.
Trade payables	Our trade payables mainly comprise of suppliers of raw materials, traded goods and supplier of various services. We buy our inventory and raw materials from reputed third-party brand manufacturer, dealers, farmers and APMC markets. Our trade payable days was 10 days in Fiscal 2021, 15 days in Fiscal 2022, 15 days in Fiscal 2023 and 13 days in September 30, 2023. We plan to maintain an optimum credit period to take benefit of the supply of raw material. Accordingly, we would be maintaining trade payable days at 12 days for Fiscal 2024 and Fiscal 2025.
Other financial liabilities, other current liabilities, Provisions and income tax liabilities (excluding current lease liabilities)	It includes statutory dues and advance from customers. Our Company had maintained holding level of other financial liabilities, other current liabilities, current tax liabilities (net) and provisions (excluding current lease liabilities) at 1 day in Fiscal 2021, 7 days in Fiscal 2022, 2 days in Fiscal 2023 and 1 day in September 30, 2023. We consider the holding level to will be maintained at Fiscal 2023 level. Accordingly, the other financial liabilities days will be around 2 days of our revenue from operations for Fiscal 2024 and for the Fiscal 2025.

We expect that our working capital requirement will correspondingly increase in line with the increase in our revenue from operations, change in sales mix from traded sales to higher sales of processed products.

Further, our Company has considered that the contribution of export sales as a percentage to our revenue from operations would be close to domestic sales. This would require us to maintain higher level of inventory days and will also be subject to higher trade receivable days.

3. General Corporate Purposes

Our Company proposes to deploy the balance of the Net Proceeds aggregating ₹ [●] Lakhs towards general corporate purposes and subject to such utilization not exceeding 25% of the Gross Proceeds, in compliance with the SEBI ICDR Regulations. The general corporate purposes for which we propose to utilise the Net Proceeds include expenses towards strategic initiatives, funding growth opportunities, strengthening marketing capabilities and brand building exercises, general corporate contingencies, acquisition affixed assets, capital expenditure, business development initiatives and as approved periodically by our Board or a duly constituted committee thereof from to time, subject to compliance with applicable law, including the necessary provisions of the Companies Act.

The quantum of utilization of funds towards each of the above purposes will be determined by our Board based on the permissible amount actually available under the head 'General Corporate Purposes' and the business requirements of our Company, from time to time. Our Company's management, in accordance with the policies of our Board, shall have flexibility in utilising surplus amounts, if any. In the event our Company is unable to utilise the entire amount that is currently estimated for use out of Net Proceeds in a Fiscal, our Company will utilise such unutilised amount in the next Fiscal.

Bridge Financing

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

Means of Finance

The entire requirements of the objects detailed above are intended to be funded from the Net Proceeds and internal accruals. Accordingly, we confirm that there is no need for us to make firm arrangements of finance through verifiable means towards at least 75% of the stated means of finance, excluding the amount to be raised through the Fresh Issue under Regulation 7(1)(e) of the SEBI ICDR Regulations and Paragraph 9(C)(1) of Part A of Schedule VI of the SEBI ICDR Regulations. Subject to applicable laws, in case of a shortfall in the Net Proceeds or any increase in the actual utilisation of funds earmarked for the Objects, our Company may explore a range of options including utilizing our internal accruals and/or seeking additional debt from existing and/or other lender.

Offer Related Expenses

The total expenses of the Offer are estimated to be approximately ₹ [●] Lakhs. The expenses of this Offer include, among others, listing fees, underwriting commission (if any), selling commission and brokerage, fees payable to the BRLM, fees payable to legal counsel, fees payable to the Registrar to the Offer, Escrow Collection Bank and Sponsor Bank to the Offer, processing fee to the SCSBs for processing application forms, brokerage and selling commission payable to members of the Syndicate, Registered Brokers, RTAs and CDPs, printing and stationery expenses, advertising and marketing expenses and all other incidental and miscellaneous expenses for listing the Equity Shares on the Stock Exchanges.

The Company and each Promoter Selling Shareholders shall ensure that all fees and expenses relating to the Offer, including the underwriting commissions, procurement commissions, if any, and brokerage due to the underwriters and subbrokers or stock brokers, fees payable to the Self Certified Syndicate Banks, syndicate members, legal advisors and any other agreed fees and commissions payable in relation to the Offer shall be paid within the time prescribed under the agreements to be entered into with such persons and as set forth in the engagement letter, in accordance with Applicable Law. All amounts due to the BRLM and the Syndicate Members or their affiliates under thee Offer Agreement or the engagement letter shall be payable directly from the Public Offer Account after transfer of funds from the Escrow Accounts and the ASBA Accounts to the Public Offer Account and immediately on receipt of final listing and trading approvals from the Stock Exchanges.

Expenses*	Estimated expense* (₹ in Lakhs)	As a % of the total estimated Offer expenses	As a % of the total Offer Size
Fees payable to the BRLM	[●]	[●]	[●]
Commission/processing fee for SCSBs, Sponsor Bank(s) and Bankers to the Offer and fee payable to the Sponsor Bank for Bids made by RIBs. Brokerage, underwriting commission and selling commission and bidding charges for Members of the Syndicate, Registered Brokers, CRTAs and CDP(1)(2)(3)(4)	[●]	[●]	[●]
Advertising and marketing expenses	[●]	[●]	[●]
Fee payable to auditors, consultants, Advisors to the Company and market research firms, commissions (including underwriting commission, brokerage and selling commission).	[●]	[●]	[●]
Fees to regulators, including Stock Exchanges	[●]	[●]	[●]
Others (i) Listing fees, SEBI, BSE and NSE processing fees, book building software fees and other regulatory expenses; (ii) Printing and distribution of stationery; (iii) Fees payable to the Registrar to the Offer; (iv) Fees payable to legal counsels; (v) Monitoring Agency; and (vi) Miscellaneous.	[●]	[●]	[●]
Total estimated Offer expenses	[●]	[●]	[●]

**Offer expenses excludes applicable taxes, where applicable. Offer expenses will be incorporated at the time of filing of the Prospectus. Offer expenses are estimates and are subject to change*

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

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

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

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 or NSE

No processing fees/uploading charges shall be payable by our Company to the SCSBs on the applications directly procured by them.

SCSBs will be entitled to a processing fee for processing the ASBA Form procured by the members of the Syndicate (including their sub-syndicate members), CRTAs or CDPs from Retail Individual Investors and Non-Institutional Bidders and submitted to the SCSBs for blocking as follows:

*Portion for Retail Individual Bidders**	*₹[●] per valid ASBA Forms (plus applicable taxes)*
*Portion for Non-Institutional Bidders**	*₹[●] per valid ASBA Forms (plus applicable taxes)*

**Based on valid ASBA Forms*

Notwithstanding anything contained above, the total processing fee payable under this clause will not exceed ₹[●] Lakhs (plus applicable taxes), and if the total processing fees exceeds ₹[●] Lakhs (plus applicable taxes), then the processing fees will be paid on a pro-rata basis

(2) The processing fees for applications made by UPI Bidders using the UPI Mechanism would be as follows: Sponsor Bank will be entitled to processing fee of ₹[●] per valid ASBA Form for Bids made by RIIs using the UPI Mechanism. The Sponsor Bank shall be responsible for making payments to third parties such as the remitter bank, NPCI and such other parties as required in connection with the performance of its duties under applicable SEBI circulars, amendments, the Syndicate Agreement and other applicable laws.

- Members of the Syndicate / RTAs / CDPs (uploading charges): ₹ [●] per valid Bid cum Application Form (plus applicable taxes)

Notwithstanding anything contained above, the total Bid uploading charges/processing fees for applications made by RIIs (up to ₹2,00,000), Non-Institutional Bidders (for an amount more than (from ₹2,00,000 to ₹5,00,000) using the UPI Mechanism would not exceed ₹[●] Lakhs (plus applicable taxes), and if the total Bid uploading charges/processing fees exceeds ₹10,00,000 (plus applicable taxes), then Bid uploading charges/processing fees using UPI Mechanism will be paid on a pro-rata basis except the fee payable to Sponsor Banks (plus applicable taxes).

(3) Brokerage, selling commission on the portion for UPI Bidders (using the UPI Mechanism), RIIs and NIIs which are procured by the members of the Syndicate (including their sub-syndicate members), CRTAs, CDPs, RTAs or for using 3-in1 type accounts- linked online trading, demat & bank account provided by some of the brokers which are members of Syndicate (including their sub-syndicate members) would be as follows:

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

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

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.

For Non-Institutional Bidders (Bids above ₹5,00,000) on the basis of the Syndicate ASBA Form bearing SM Code and the Sub-Syndicate code of the application form submitted to SCSBs for blocking of the fund and uploading on the Stock Exchanges' platform by SCSBs. 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 Syndicate/sub-Syndicate Members and not the SCSB

The payment of selling commission payable to the sub-brokers / agents of sub-syndicate members are to be handled directly by the respective sub-syndicate member.

The selling commission payable to the CRTAs and CDPs will be determined on the basis of the bidding terminal id as captured in the bid book of BSE or NSE.

Uploading charges/ processing charges of ₹[●]/- per valid application (plus applicable taxes) are applicable only in case of bid uploaded by the members of the Syndicate, CRTAs and CDPs:

- *for applications made by Retail Individual Investors using the UPI Mechanism*

Uploading Charges/ Processing Charges of ₹[●]/- per valid application (plus applicable taxes) are applicable only in case of bid uploaded by the members of the Syndicate, CRTAs and CDPs:

- *for applications made by Retail Individual Investors using 3-in-1 type accounts*
- *for Non-Institutional Investor Bids using Syndicate ASBA mechanism / using 3- in -1 type accounts,*

The Bidding/uploading charges payable to the Syndicate/Sub-Syndicate Members, RTAs and CDPs will be determined on the basis of the bidding terminal id as captured in the bid book of BSE or NSE

Notwithstanding anything contained above, the total processing fee payable under this clause will not exceed ₹5,00,000 (plus applicable taxes), and if the total processing fees exceeds ₹[●] Lakhs (plus applicable taxes), then processing fees will be paid on a pro-rata basis.

(4) Selling commission/Bid uploading charges payable to the registered brokers on the portion for Retail Individual Investors and Non-Institutional Investors which are directly procured by the Registered Brokers and submitted to SCSB for processing would be as follows: Portion for Retail Individual Investors and Non-Institutional Investors: ₹[●]/- per valid ASBA Form (plus applicable taxes) based on valid applications.

For avoidance of doubt, notwithstanding anything mentioned in any of the aforementioned clauses, the total cost to the Company shall not exceeds ₹40,00,000 (plus applicable taxes) for uploading and/or processing of the Bids. If the total cost to the Company exceeds ₹40,00,000 then the amount of ₹[●] Lakhs (plus applicable taxes) shall be distributed on a pro-rata basis in the manner stipulated above, so that the total cost of the Company shall not exceed ₹[●] Lakhs (plus applicable taxes).

The processing fees for applications made by the UPI Bidders 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 and SEBI circular no. SEBI/HO/CFD/DIL2/CIR/P/2022/51 dated April 20, 2022 and SEBI Circular No. SEBI/HO/CFD/DIL2/P/CIR/2022/75 dated May 30, 2022 and SEBI Master Circular no. SEBI/HO/MIRSD/POD-1/P/CIR/2023/70 dated May 17, 2023 (to the extent applicable).

Interim Use of Funds

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

In accordance with Section 27 of the Companies Act, 2013, our Company confirms that, pending utilisation of the proceeds of the Offer as described above, it shall not use the funds from the Offer Proceeds for any investment in equity and/or real estate products and/or equity linked and/or real estate linked products.

Appraising agency

None of the objects of the Offer for which the Net Proceeds will be utilized have been appraised by any bank, financial institution, or any other agency.

Monitoring of utilization of funds

Our Company has appointed ICRA Limited as the monitoring agency in accordance with Regulation 41 of the SEBI ICDR Regulations. Our Board and the monitoring agency will monitor the utilisation of the Net Proceeds, and submit the report required under Regulation 41(2) of the SEBI ICDR Regulations.

Our Audit Committee and the Monitoring Agency will monitor the utilisation of the Net Proceeds. Our Company undertakes to place the report(s) of the Monitoring Agency on receipt before the Audit Committee without any delay.

Our Company will disclose the utilisation of the Net Proceeds, including interim use, under a separate head in our balance sheet for such fiscal periods as required under the SEBI ICDR Regulations, the SEBI Listing Regulations and any other applicable laws or regulations, clearly specifying the purposes for which the Net Proceeds have been utilised. Our Company will also, in its balance sheet for the applicable fiscal periods, provide details, if any, for any amounts that have not been utilised. Our Company will indicate investments, if any, of unutilised Net Proceeds in the balance sheet of our Company for the relevant Fiscals subsequent to receipt of listing and trading approvals from the Stock Exchanges.

Pursuant to Regulation 18(3) and Regulation 32(3) of the Listing Regulations, our Company shall, on a quarterly basis, disclose to the Audit Committee the uses and applications of the Net Proceeds. Further, in terms of Regulation 32(6) of the Listing Regulations, our Company is required to submit to the Stock Exchange for any comments or report received from the Monitoring Agency, within 45 days from the end of each quarter. The Audit Committee shall make recommendations to our Board for further action, if appropriate. On an annual basis, our Company shall prepare a statement of funds utilised for purposes other than those stated in this Draft Red Herring Prospectus and place it before the Audit Committee and make other disclosures as may be required until such time as the Net Proceeds remain unutilised. Such disclosure shall be made only until such time that all the Net Proceeds have been utilised in full. The statement shall be certified by the statutory auditor of our Company. Furthermore, in accordance with Regulation 32(1) of the Listing Regulations, our Company shall furnish to the Stock Exchanges on a quarterly basis, a statement indicating (i) deviations, if any, in the actual utilisation of the proceeds of the Offer from the objects of the Offer as stated above; and (ii) details of category wise variations in the actual utilisation of the proceeds of the Offer from the objects of the Offer as stated above. The explanation for such variation (if any) will be included in our Director’s report, after placing the same before the Audit Committee.

Variation in Objects

In accordance with Section 13(8) and Section 27 of the Companies Act, 2013 and applicable rules, our Company shall not vary the Objects of the Offer without our Company being authorized to do so by the Shareholders by way of a special resolution through postal ballot. In addition, the notice issued to the Shareholders in relation to the passing of such special resolution ("**Postal Ballot Notice**") shall specify the prescribed details as required under the Companies Act and applicable rules. The Postal Ballot Notice shall simultaneously be published in the newspapers, one in English and one in the vernacular language of the jurisdiction where the Registered Office is situated. Our Promoters or controlling Shareholders will be required to provide an exit opportunity to such Shareholders who do not agree to the proposal to vary the Objects, at such price, and in such manner, as may be prescribed by SEBI, in this regard.

Other Confirmations

No part of the proceeds of the Offer will be paid by us to the Promoters and Promoter Group, the Directors, Associates, Key Management Personnel, Senior Management Personnel or Group Companies, except in the normal course of business and in compliance with the applicable law. There are no material existing or anticipated transactions in relation to the utilisation of the Net Proceeds entered into or to be entered into by our Company with our Promoters, Promoter Group, Directors, Key Managerial Personnel and/or Senior Management Personnel.

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BASIS FOR OFFER PRICE

The Price Band and the Offer Price will be determined by our Company in consultation with the BRLM, on the basis of assessment of market demand for the Equity Shares offered through the Book Building Process and on the basis of quantitative and qualitative factors as described below, in compliance with the SEBI ICDR Regulations. The face value of the Equity Shares is ₹10 each and the Offer Price is [●] times the face value at the lower end of the Price Band and [●] times the face value at the higher end of the Price Band.

Investors should also refer to the "***Risk Factors***", "***Summary of Financial Information***", "***Our Business***", "***Restated Financial Statement***" **and** "***Management's Discussion and Analysis of Financial Condition and Results of Operations***" on pages 35, 85, 251, 376 and 378, respectively, to have an informed view before making an investment decision.

Qualitative Factors

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

1. Value retailing to a well-defined target consumer base
2. Deep knowledge and understanding of optimal product assortment and stringent inventory management using IT systems
3. Steady footprint expansion using a distinct store acquisition strategy and ownership model
4. Our Presence
5. Logistics and distribution network
6. Diversified product portfolio
7. Large scale procurement and storage capabilities
8. Consistent focus on quality
9. Long Standing Relationship with our customers
10. Strong promoter background and an experienced and entrepreneurial management team with a proven track record and a high degree of employee ownership
11. Strong track record of growth and profitability

For details, please see "***Our Business – Key Strengths***" on page 268
.

Quantitative Factors

Some of the information presented below, relating to us, is derived from the Restated Financial Statement. For details, see "***Restated Financial Statement***" **and** "***Other Financial Information***" on pages 376 and 377, respectively of this Draft Red Herring Prospectus.

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

1. Basic and Diluted Earnings Per Share ("EPS"):

Year / Period ended	Basic EPS and Diluted EPS** (Pre-Bonus)	Weights	Basic EPS and Diluted EPS** (Post-Bonus)	Weights
March 31, 2023	42.99	3	6.72	3
March 31, 2022	29.85	2	4.66	2
March 31, 2021	33.88	1	5.29	1
Weighted Average	**37.09**		**5.80**	
For six-months period ended September 30, 2023*	25.67		4.01	

**Not annualized*

***Pursuant to a resolution of our Shareholders passed at the EGM held on December 30, 2023, our Company has issued bonus shares in the ratio of 54 (fifty four) Equity Shares for every 10 (ten) existing Equity Shares held. Accordingly, the earnings per Equity Share have been adjusted for the aforementioned bonus issue*

Notes:

(1) *Earnings per Equity Share (Basic & Diluted) = Restated profit for the period/year attributable to the Equity Shareholders /Weighted average number of Equity Shares outstanding during the period/year. The weighted average number of Equity Shares outstanding during the year is adjusted for bonus issue of Equity Shares.*

(2) *Weighted Average EPS = Aggregate of Year wise weighted EPS divided by the Aggregate weights i.e. [(EPS *Weights) for each year / Total Weights]*

(3) *Earnings per share calculations are in accordance with Ind AS - 33 (earnings per share) prescribed by the Companies (Indian Accounting Standards) Rules, 2015*

(4) *The above statement should be read with significant accounting policies and notes on Restated Financial Information as appearing in the Restated Financial Information.*

(5) *The face value of the Equity Shares is ₹10 each.*

(6) *The figures disclosed above are derived from the Restated Financial Information.*

2. Price/Earning ("P/E") ratio in relation to Price Band of ₹ [●] to ₹ [●] per Equity Share:

Particulars	P/E at the Floor Price (no. of times)	P/E at the Cap Price (no. of times)
Based on basic and diluted EPS for the year ended March 31, 2023	[●]	[●]

Industry P/E ratio

Particulars	Industry P/E (no. of times)	Name of the peer company	Face value per equity shares (₹)
Highest	123.35	Avenue Supermarts Limited	10
Lowest	10.45	Kovilpatti Lakshmi Roller Flour Mills Limited	10
Average	47.09	NA	NA

Note:
The highest and lowest industry P/E shown above is based on the peer set provided below under "Comparison with listed industry peers". The industry average has been calculated as the arithmetic average P/E of the peer set provided below. P/E figures for the peers are computed based on closing market price as on March 28, 2024 on NSE and BSE, divided by Basic EPS based on the financial results declared by the peers for the Financial Year ending March 31, 2023 submitted to Stock Exchanges.

3. Return on Net worth (RoNW)

Return on Net Worth (RoNW) derived from the Restated Financial Statement:

Year Ended	RONW (%)	Weight
March 31, 2023	22.79%	3
March 31, 2022	20.36%	2
March 31, 2021	25.84%	1
Weighted Average	**22.49%**	
For six-months period ended September 30, 2023*	11.98%	NA

**Not annualised*
Note:
1) *Net worth attributable to the Equity Shareholders of our Company has been defined as the aggregate value of the paid-up equity share capital and all reserves created out of the profits and securities premium account and debit or credit balance of profit and loss account, including legal reserve and after deducting, if any the aggregate value of the accumulated losses, prepaid expenses, deferred expenditure and miscellaneous expenditure not written off*

as per the Restated Financial Information, but does not include reserves created out of revaluation of assets and write-back of depreciation as on March 31, 2021, March 31, 2022, March 31, 2023 and six months period ended September 30, 2023 in accordance with Regulation 2(1)(hh) of the SEBI ICDR Regulations, as amended.

(2) *Return on Net worth attributable to the Equity Shareholders of our Company (%) = Restated net profit for the period/year attributable to Equity Shareholders of our Company / Restated Net worth attributable to the Equity Shareholders of our Company as at the end of the period/year. Return on Net worth attributable to the Equity Shareholders of the company is a non-GAAP measure.*

(3) *Weighted average = Aggregate of year-wise weighted Return on Net worth attributable to the Equity Shareholders of our Company divided by the aggregate of weights i.e. (Return on Net worth attributable to the Equity Shareholders of our Company x Weight) for each period/year / Total of weights*

(4) *The figures disclosed above are derived from the Restated Financial Statements of our Company.*

4. Net Asset Value per Equity Share of face value of ₹10 each, as adjusted (NAV)(i)

Particulars	Post Bonus (₹)
As on March 31, 2023	29.48
As on September 30, 2023*	33.49
After the Offer(ii)	
- At Floor Price	[●]
- At Cap Price	[●]
Offer Price per equity share	[●]

** Not annualised.*

Notes:

(i) *Net Asset Value per Equity Share is calculated as net worth attributable to the Equity Shareholders of our Company as at the end of financial period/year divided by the weighted average number of Equity Shares used in calculating basic earnings per share. Net Worth attributable to the Equity Shareholders of our Company means the aggregate value of the paid-up equity share capital and all reserves created out of the profits and securities premium account and debit or credit balance of profit and loss account, including legal reserve and after deducting, if any the aggregate value of the accumulated losses.*

(ii) *To be decided upon finalisation of Offer Price per Equity Share.*

5. Comparison of accounting ratios with listed Industry Peers

There are no listed companies in India that is in diversified business verticals which is similar to that of our Company. Hence, basis factors such as the scale of the business, exposure to the retail sector (as retail contributes significant revenue from operations for our Company), processing of spices, peanuts and wheat flour (as our Company is in processing of whole and ground spices, peanuts and wheat flour and refined wheat flour), a proxy set of listed peers of Avenue Supermarts Limited, Spencers Retail Limited, Osia Hyper Retail Limited, Aditya Consumer Marketing Limited, Sheetal Universal Limited, KN Agri Resources Limited, Kovilpatti Lakshmi Roller Flour Mills Limited and Madhusudhan Masala Limited ("**Industry Peers**") have been identified for our Company. While these companies are not strictly comparable to the business of our Company, we have used their ratios for comparable purpose.

Companies (As on March 31, 2023)	CMP*	EPS (Basic in ₹)	EPS (Diluted in ₹)	PE Ratio	RONW (%)	NAV (Per Share)	Face Value
Patel Retail Limited	[●]	6.72	6.72	[●]	22.79%	29.48	10.00
Peer Group							
Avenue Supermarts Limited (Consolidated)	4529.35	36.72	36.49	123.35	14.79%	248.03	10.00
Spencers Retail Limited (Consolidated)	91.25	(23.34)	(23.37)	NA	-139.83%	-16.69	5.00
Osia Hyper Retail Limited	28.1	0.92	0.92	30.54	8.42%	10.95	10.00
Aditya Consumer Marketing Limited	96.6	0.84	0.84	115.00	4.43%	18.87	10.00

Companies (As on March 31, 2023)	CMP*	EPS (Basic in ₹)	EPS (Diluted in ₹)	PE Ratio	RONW (%)	NAV (Per Share)	Face Value
Sheetal Universal Limited	61.15	2.56	2.56	23.89	30.63%	8.37	10.00
Kovilpatti Lakshmi Roller Flour Mills Limited	194.2	18.58	18.58	10.45	17.66%	105.25	10.00
KN Agri Resources Limited (Consolidated)	136	11.75	11.75	11.57	10.41%	112.88	10.00
Madhusudhan Masala Limited	103	6.94	6.94	14.84	52.40%	13.24	10.00

**Offer Price of our Company is considered as CMP*
Source: All the financial information for listed industry peers mentioned above is on a standalone basis and consolidated basis and is sourced from the filings made with stock exchanges, available on www.bseindia.com and www.nseindia.com for the Financial Year ending March 31, 2023.
Notes:

(i) Considering the nature and size of the business of our Company the peers are not strictly comparable. However, above company is included for broad comparison.
(ii) The figures for Patel Retail Limited are based on the Restated Financial Statements for the year ended March 31, 2023.
(iii) The figures for the peer group are for the year ended March 31, 2023 and are based on their respective financial statements filed with BSE Ltd and NSE Ltd.
(iv) NAV is computed as the closing net worth divided by the closing outstanding number of equity shares. Net worth has been computed as the aggregate of share capital and reserves and surplus (excluding Revaluation Reserves) and as attributable to the owners of the Company.
(v) P/E Ratio for the peer has been computed based on the closing market price of respective equity shares as on March 28, 2024 sourced from website of Stock Exchange as divided by the Basic EPS as applicable.
(vi) RoNW is computed as net profit after tax (excluding comprehensive income), as attributable to the owners of the Company divided by closing net worth. Net worth has been computed as the aggregate of share capital and reserves and surplus (excluding Revaluation Reserves) and as attributable to the owners of the Company.

For further details, please see "***Risk Factors***" on page 35 and the financials of our Company including important profitability and return ratios, as set out in "***Restated Financial Statements***" on page 376 to have more informed view about the investment proposition. The Face Value is ₹10.00/- per Equity Share and the Offer Price ₹ [●]/- has been determined by our Company in consultation with the BRLM and is justified by the company in consultation with the BRLM on the basis of above information.

6. Key Performing Indicators ("KPIs")

The table below sets forth the details of KPIs that our Company considers have a bearing for arriving at the basis for Offer Price. The key financial and operational metrics set forth above, have been approved and verified by the members of the Audit Committee pursuant to their resolution dated March 29, 2024. Further, the Audit Committee has on March 29, 2024 taken on record that other than the key financial and operational metrics set out below, our Company has not disclosed any other KPIs during the three years preceding this Draft Red Herring Prospectus with its investors. The KPIs disclosed below have been used historically by our Company to understand and analyze the business performance, which in result, help it in analyzing the growth of various verticals in comparison to our Company's peers, and other relevant and material KPIs of the business of our Company that have a bearing for arriving at the Basis for Offer Price have been disclosed below. Additionally, the KPIs have been certified by our Statutory Auditors- Kanu Doshi Associates LLP, Chartered Accountants, who hold a valid certificate issued by the Peer Review Board of the Institute of Chartered Accountants of India, vide their certificate dated March 29, 2024 and has been included in *"**Material Contracts and Documents for Inspection – Material Documents**"* on page 534.

The tables below set forth the details of our certain financial data based on our Restated Financial Statement, certain non-GAAP measures and KPIs that our Company considers have a bearing for arriving at the basis for the Offer Price. All the financial data based on our Restated Financial Statement, certain non-GAAP measures, operational metrics and KPIs disclosed below have been approved and confirmed by a resolution of our Audit Committee dated March 29, 2024. Further, the Audit Committee has noted that no KPIs have been disclosed to any new investors in the last three year preceding the date of this Draft Red Herring Prospectus. The KPIs disclosed below have been used historically by our Company to understand and analyze the business performance, which in result, help it in analyzing the growth of business verticals in comparison to our peers. Further, the KPIs disclosed herein have been certified by Kanu Doshi Associates LLP, Chartered Accountants, Statutory Auditors, pursuant to their certificate dated March 29, 2024.

For details of our other operating metrics disclosed elsewhere in this Draft Red Herring Prospectus, see "***Our Business***", and "***Management's Discussion and Analysis of Financial Position and Results of Operations***" on pages 251 and 378, respectively.

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 Directors of our Company), until the later of (a) one year after the date of listing of the Equity Shares on the Stock Exchanges; and (ii) complete utilisation of the proceeds of the offer as disclosed in "***Objects of the Offer***" on page 114 of this Draft Red Herring Prospectus, or for such other duration as may be required under the SEBI ICDR Regulations.

The list of our KPIs along with brief explanation of the relevance of the KPI for our business operations are set forth below. We have also described and defined the KPIs, as applicable, in *"**Definitions and Abbreviations**"* on page 1.

A list of our KPIs for the six months ended September 30, 2023 and Fiscal 2023, Fiscal 2022 and Fiscal 2021 is set out below:

(₹ in Lakhs)

Metrics	For the six months ended September 30, 2023	Fiscal 2023	Fiscal 2022	Fiscal 2021
Financial				
Revenue from operations(1)	44,598.21	1,01,854.78	76,615.91	82,337.46
Growth in revenue from operations (%)(2)	NA	32.94%	-6.95%	NA
Gross Profit(3)	7,668.49	15,835.17	11,580.75	11,313.28
Gross Profit Margin(%)(4)	17.19%	15.55%	15.12%	13.74%
EBITDA(5)	2,489.77	4,323.96	2,677.79	2,773.69
EBITDA Margin(%)(6)	5.58%	4.25%	3.50%	3.37%
Adjusted EBITDA(7)	2,406.01	4,198.38	2,110.12	2,335.81
Adjusted EBITDA Margin(%)(8)	5.39%	4.12%	2.75%	2.84%
Restated Profit after tax (PAT)(9)	977.98	1,637.97	1,137.03	1,149.74
PAT Margin(10)	2.19%	1.61%	1.48%	1.40%
RoE(%)(11)	12.15%	23.66%	20.61%	26.39%
RoCE(%)(12)	7.88%	12.66%	7.28%	8.57%
Net Debt / EBITDA Ratio(13)	6.39	4.18	5.88	6.06
Debt Equity ratio(14)	2.00	2.54	3.06	3.96
Operational				
Geographical Segment Revenue(15)				
Domestic Revenue	19,541.36	34,197.36	28,608.80	27,970.21
Domestic Revenue (%)	43.82%	33.57%	37.34%	33.97%
Export Revenue	24,500.75	66,621.44	46,713.89	53,153.29
Export Revenue (%)	54.94%	65.41%	60.97%	64.56%
Revenue split by Division(16)				

Metrics	For the six months ended September 30, 2023	Fiscal 2023	Fiscal 2022	Fiscal 2021
Retail Sales	13,901.38	26,655.66	24,971.45	23,659.43
Retail Sales (as a % of total)	31.17%	26.17%	32.59%	28.73%
Sale - Process	19,436.98	31,042.15	18,549.70	23,941.78
Sale - Process (as a % of total)	43.58%	30.48%	24.21%	29.08%
Sale - Trading	10,703.76	43,120.98	31,801.55	33,522.29
Sale - Trading (as a % of total)	24.00%	42.34%	41.51%	40.71%
Other operating income	556.09	1,035.99	1,293.22	1,213.95
Other operating income (%)	1.25%	1.02%	1.69%	1.47%
Retail Sales matrix (17)				
Revenue per store	896.86	832.99	891.84	876.28
Revenue per Retail Business area	0.11	0.22	0.23	0.23
Retail Sales Category wise(17)				
Revenue – Food	10,139.44	19,630.03	18,699.28	18,011.73
Revenue – Non-Food (FMCG)	2,678.46	5,041.37	4,509.20	4,291.36
Revenue – General Merchandise and Apparel	1,083.48	1,984.26	1,762.97	1,356.34
Retail Sales Private Labels(17)				
Revenue – Private Label	3,187.87	4,924.49	4,944.22	5,053.68
Revenue – Private Label (as % to Retail Sales)	22.93%	18.47%	19.80%	21.36%
Key working capital parameters (in days)				
Net Working Capital Days(18)	66	61	62	67
Inventory Days(19)	39	27	26	27
Trade Receivable Days(20)	32	37	40	39
Trade Payable Days(21)	13	15	15	10

Notes:

**KPIs and metrics for the period are not annualized. Growth rate from Fiscal 2023 to six months period ended September 30, 2023 is not disclosed as the periods are not comparable*

1. *Revenue from Operations means the revenue from operations as appearing in the Restated Financial Statement.*
2. *Growth in revenue from operations (%) is calculated as a percentage of revenue from operations of the relevant period/year minus revenue from operations of the preceding period/year, divided by revenue from operations of the preceding period/year.*
3. *Gross Profit is calculated as revenue from operations less cost of materials consumed, purchase of stock in trade and changes in inventories of finished goods.*
4. *Gross Profit Margin refers to the percentage margin derived by dividing Gross Profit by revenue from operations.*
5. *EBITDA is calculated as restated profit / (loss) for the period / year, plus finance costs, total taxes, and depreciation and amortisation expense.*
6. *EBITDA Margin (%) is calculated as EBITDA divided by revenue from operations.*
7. *Adjusted EBITDA is calculated as EBITDA less other income.*
8. *Adjusted EBITDA Margin is calculated as Adjusted EBITDA divided by the revenue from operations.*
9. *Profit after Tax means restated profit / (loss) for the period/year as appearing in the Restated Financial Statement.*
10. *Profit after Tax Margin refers to the percentage margin derived by dividing Profit after Tax by revenue from operations.*
11. *Return on Equity (%) refers to restated profit after tax divided by Networth attributable to the Equity Shareholders of our Company for the year/period. Restated profit after tax means restated profit / (loss) for the period/year as appearing in the Restated Financial Statements.*
12. *Return on Capital Employed is calculated as adjusted EBITDA less depreciation and amortisation / Capital*

Employed. Capital Employed is calculated as total equity plus total borrowings plus total lease liabilities and deferred tax liabilities(net) minus deferred tax assets (net).

13. *Net Debt to EBITDA Ratio is a measurement of leverage, calculated as a company's interest-bearing liabilities minus cash or cash equivalents, divided by its EBITDA.*
14. *Debt Equity ratio is calculated as total borrowings divided net worth available to the equity shareholders of the Company.*
15. *Revenue from operations divided between sale of products from domestic market and outside India market as appearing in the Restated Financial Statement and other operating income.*
16. *Revenue from Operations as appearing in the Restated Financial Statement divided between our Company's key divisions i.e. retail sales, process sales & trading sales.*
17. *Retail store revenue on various parameters.*
18. *Working Capital Days refers to total current assets days minus total current liabilities days.*
19. *Inventory days have been calculated as inventory divided by revenue from operations multiplied by 183 days (to annualize) for the six months period ended September 30, 2023 and 365 days for the complete fiscal years.*
20. *Trade Receivables days have been calculated as Trade Receivables divided by revenue from operations multiplied by 183 days (to annualize) for the six months period ended September 30, 2023 and 365 days for the complete fiscal years.*
21. *Trade Payables days have been calculated as Trade Payables divided by revenue from operations multiplied by 183 days (to annualize) for the six months period ended September 30, 2023 and 365 days for the complete fiscal years.*

The above KPIs of our Company have also been disclosed, along with other key financial and operating metrics, in ***"Our Business"*** and ***"Management's Discussion and Analysis of Financial Condition and Results of Operations"*** on pages 251 and 378 respectively of this Draft Red Herring Prospectus. All such KPIs have been defined consistently and precisely in '***Definitions and Abbreviations'*** on page 1.

Our Company shall continue to disclose the KPIs disclosed hereinabove in this section on a periodic basis, at least once in a year (or for 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, or until the utilization of Offer Proceeds, whichever is later, on the Stock Exchanges pursuant to the Offer, or for such other period as may be required under the SEBI ICDR Regulations.

Explanation for the KPI metrics

KPI	Explanations
Revenue from Operations (₹ in Lakhs)	Revenue from Operations is used by our management to track the revenue profile of our business and in turn helps assess the overall financial performance of the Company and size of the business
Growth in revenue from operations (%)	Growth in Revenue from operations provides information regarding the growth of the business for the respective period.
Gross Profit (₹ in Lakhs)	Gross Profit provides information regarding the profits from manufacturing of products by the Company.
Gross Profit Margin (%)	Gross Profit Margin is an indicator of the profitability on sale of products manufactured sold by the Company.
EBITDA (₹ in Lakhs)	EBITDA provides information regarding the operational efficiency of the business.
EBITDA Margin (%)	EBITDA Margin is an indicator of the operational profitability of the business before interest, depreciation, amortisation, and taxes and financial performance of the business.
Adjusted EBITDA (₹in Lakhs)	Adjusted EBITDA provides information regarding the operational efficiency of the business after adjusting for other income, which is non-core income
Adjusted EBITDA Margin (%)	Adjusted EBITDA Margin is a further indicator of the operational profitability and financial performance of the business after negating the impact of non-operating income
Restated Profit after Tax (PAT) (₹ in Lakhs)	Restated Profit after Tax is an indicator of the overall profitability and financial performance of the business.
PAT Margin (%)	PAT Margin is an indicator of the overall profitability and financial

KPI	Explanations
	performance of the business as a % to revenue from operations.
Return on Equity ("**RoE**") (%)	RoE provides how efficiently our Company generates profits from the shareholders' funds.
Return on Capital Employed ("**RoCE**") (%)(12)	ROCE provides how efficiently our Company generates earnings from the capital employed in the business.
Net Debt / EBITDA Ratio	It represents how many years it would take for our Company to pay back its debt if net debt and EBITDA are held constant.
Debt Equity ratio	This gearing ratio compares shareholders' equity to company debt to assess the company's amount of leverage and financial stability.
Working Capital Days	Working capital days indicates the working capital requirements of our Company in relation to revenue generated from operations, it defines the number of days taken by the company for converting the purchase to collection.
Inventory Days	Inventory Days provides number of days in which inventory turnaround in particular period / year.
Trade Receivable Days	Trade Receivable Days is the number of days that a customer invoice is outstanding before it is collected.
Trade Payable Days	Trade Payable Days is the number of days that a company takes to pay its bills and invoices to its trade creditors.

As certified by our Statutory Auditor- Kanu Doshi Associates LLP, Chartered Accountants pursuant to their certificate dated March 29, 2024. This certificate has been designated a material document for inspection in connection with the Offer. Please see "Material Contracts and Documents for Inspection**" on page 534.*

Description on the historic use of the KPIs by us to analyze, track or monitor our operational and/or financial performance

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

Comparison of KPIs with Listed Industry Peers

Our Company is engaged in the business of manufacturing of retail sales through supermarkets in the Thane and Raigad district of Maharashtra, manufacturing / processingof Whole Spices, Pulses, Powder Spices, Wheat Flour, Peanuts, sesame etc. and trading of food and non food products. We sell our products in domestic markets and also in international markets.

While there are listed companies which are engaged in the business of manufacturing of, they are not directly comparable with our Company since they are our consumers and our product is one of ingredients that they use in the manufacturing of. Considering the nature and size of the business of our Company the peers are not strictly comparable. However, such companies are included for broad comparison:

Particulars	Avenue Supermarts Limited				Spencers Retail Limited				Osia Hyper Retail Limited				Aditya Consumer Marketing Limited			
	September 30, 2023	**March 31, 2023**	**March 31, 2022**	**March 31, 2021**	**September 30, 2023**	**March 31, 2023**	**March 31, 2022**	**March 31, 2021**	**September 30, 2023**	**March 31, 2023**	**March 31, 2022**	**March 31, 2021**	**September 30, 2023**	**March 31, 2023**	**March 31, 2022**	**March 31, 2021**
Revenue from operations (1)	244898.1	428395.6	309762.7	241430.6	1,142.18	24,525.82	22,996.86	24,280.70	4,768.25	7,388.17	5,896.43	3,158.16	UA	968.639	874.621	1,042.93
Growth in Revenue from Operations (2)	NA	38.30%	28.30%	NA	NA	6.65%	-5.29%	NA		25.30%	86.70%	NA	UA	10.75%	-16.14%	NA
EBITDA (3)	21159	37663.7	26159.9	19392.6	36.86	361.55	1,007.71	613.48	322.51	437.61	269.05	477.04	UA	46.131	30.053	22.84
EBITDA Margin% (4)	8.64%	8.79%	8.45%	8.03%	3.23%	1.47%	4.38%	2.53%	6.76%	5.92%	4.56%	15.11%	UA	4.76%	3.44%	2.19%
PAT	12820.6	23783.4	14924	10994.3	-1,342.60	-21,039.68	-1,214.60	-1,638.52	85.07	95.02	90.40	54.22	UA	12.23	1.46	0.16
PAT Margin %(5)	5.24%	5.55%	4.82%	4.55%	-117.55%	-85.79%	-5.28%	-6.75%	1.78%	1.29%	1.53%	1.72%	UA	1.26%	0.17%	0.02%
Net Worth (6)	1,74,311.00	160787.8	136778.9	1,21,841.10	-2,857.37	-1,504.69	618.57	1,863.32	1,645.33	1,129.01	913.49	823.09	UA	276.16	264.05	262.58
Capital Employed (7)	1,58,007.00	1,44,724.50	1,21,973.60	1,11,233.80	-6,293.26	-5,841.80	-4,614.10	-4,365.00	2,835.38	2,290.51	1,626.29	1,302.63	UA	373.51	348.73	380.41

Particulars	Avenue Supermarts Limited				Spencers Retail Limited				Osia Hyper Retail Limited				Aditya Consumer Marketing Limited			
	September 30, 2023	March 31, 2023	March 31, 2022	March 31, 2021	September 30, 2023	March 31, 2023	March 31, 2022	March 31, 2021	September 30, 2023	March 31, 2023	March 31, 2022	March 31, 2021	September 30, 2023	March 31, 2023	March 31, 2022	March 31, 2021
RoE% (8)	7.36%	14.79%	10.91%	9.02%	-46.99%	-1398.28%	-196.36%	-87.94%	5.17%	8.42%	0.10%	0.07%	UA	4.43%	0.55%	0.06%
RoCE % (9)	15.52%	30.44%	25.53%	21.16%	-11.04%	-28.74%	-49.09%	-44.80%	13.04%	22.71%	20.08%	64.20%	UA	18.44%	14.17%	10.97%

Source: The financial information for listed industry peers mentioned above is sourced from the audited financial statements of the relevant companies for Financial Year ended March 31, 2023 and unaudited financial results of the relevant companies for the six months ended September 30, 2023, as available on the websites of the Stock Exchanges. The comparison is not a recommendation to invest/ disinvest in any entity, including our Company, and should not be construed as investment advice within the meaning of any law or regulation, or used as a basis for any investment decision.

Particulars	Sheetal Universal Limited				Kovilpatti Lakshmi Roller Flour Mills Limited				KN Agri Resources Limited				Madhusudhan Masala Limited			
	September 30, 2023	March 31, 2023	March 31, 2022	March 31, 2021	September 30, 2023	March 31, 2023	March 31, 2022	March 31, 2021	September 30, 2023	March 31, 2023	March 31, 2022	March 31, 2021	September 30, 2023	March 31, 2023	March 31, 2022	March 31, 2021
Revenue from operations (1)	UA	1288.122	386.877	376.364	1702.59	3321.354	2733.463	2239.214	6369.2	22361.5	18810.2	12989.549	542.829	1272.16	654.081	686.803
Growth in Revenue from Operations (2)	UA	232.95%	2.79%		NA	21.51%	22.07%	NA	NA	18.88%	44.81%	NA	NA	94.50%	-4.76%	NA
EBITDA (3)	UA	14.92	1.60	0.41	139.07	244.033	184.075	139.011	210.3	532.4	696.8	439.184	59.454	110.123	21.462	27.703
EBITDA Margin% (4)	UA	1.16%	0.41%	0.11%	8.17%	7.35%	6.73%	6.21%	3.30%	2.38%	3.70%	3.38%	10.95%	8.66%	3.28%	4.03%
PAT	UA	19.89	1.60	0.41	63.74	102.98	75.30	44.99	126.60	293.7	471.9	258.446	33.111	57.589	8.129	4.498
PAT Margin %(5)	UA	1.54%	0.41%	0.11%	3.74%	3.10%	2.75%	2.01%	1.99%	1.31%	2.51%	1.99%	6.10%	4.53%	1.24%	0.65%
Net Worth (6)	UA	64.92	45.04	42.21	647.07	583.22	483.15	417.54	2971.5	2822	2548.1	1581.841	404.85	109.91	3.11	109.41
Capital Employed (7)	UA	64.92	45.04	42.21	1,215.18	981.55	932.68	648.72	2,972.00	3,614.80	2,710.50	1,806.99	809.70	531.63	285.06	206.05

Particulars	Sheetal Universal Limited				Kovilpatti Lakshmi Roller Flour Mills Limited				KN Agri Resources Limited				Madhusudhan Masala Limited			
	September 30, 2023	March 31, 2023	March 31, 2022	March 31, 2021	September 30, 2023	March 31, 2023	March 31, 2022	March 31, 2021	September 30, 2023	March 31, 2023	March 31, 2022	March 31, 2021	September 30, 2023	March 31, 2023	March 31, 2022	March 31, 2021
RoE% (8)	UA	30.63%	3.55%	0.98%	9.85%	17.66%	15.59%	10.77%	4.26%	10.41%	18.52%	16.34%	8.18%	52.40%	261.64%	4.11%
RoCE % (9)	UA	21.59%	6.99%	7.28%	13.53%	30.03%	24.04%	26.68%	7.73%	15.80%	27.20%	26.60%	7.72%	21.89%	9.87%	16.16%

Notes:
(1)UA –Unvailable.
(2)Not annualized
(1) Revenue from Operations means the Revenue from Operations as appearing in the Restated Financial Statements.
(2) Growth in Revenue from Operations (%) is calculated as Revenue from Operations of the relevant period minus Revenue from Operations of the preceding period, divided by Revenue from Operations of the preceding period.
(3) EBITDA is calculated as Profit before tax + Depreciation & amortisation + Finance Cost - Other Income.
(4) EBITDA Margin (%) is calculated as EBITDA divided by Revenue from Operations.
(5) PAT Margin (%) is calculated as PAT for the period/year divided by revenue from operations.
(6) Net worth is aggregate value of the paid-up equity share capital of the Company and all reserves created out of the profits, securities premium account and debit or credit balance of profit and loss account, excluding revaluation reserves if any, as per Restated Financial Information.
(7) -Capital Employed is calculated as total equity plus total borrowings minus intangible assets.
(8) Return on Equity (%) refers to restated profit for the year/period attributable to equity shareholders of our Company divided by Net worth attributable to the equity shareholders of the company.
(9) Return on Capital Employed is calculated as earnings before interest and taxes divided by Capital Employed.
-Earnings before interest and tax is calculated as restated profit / (loss) for the period / year plus total tax expense / (credit) plus finance costs.

Comparison of KPIs based on additions or dispositions to our business

Dispositions

Our Company has not made any dispositions to its business in the last three Fiscals and the six-month period ended September 30, 2023:

Acquisition

Our Company has not acquired / made any in investment in the last three Fiscals and the six months period ended September 30, 2023:

Our Company has not undertaken material acquisition or disposition of assets / business for the periods that are covered by the KPIs and accordingly, no comparison of KPIs over time based on additions or dispositions to the business, have been provided.

7. Weighted average cost of acquisition

(a) The price per share of our Company (as adjusted for corporate actions, including split, bonus issuances) based on the primary/ new issue of Equity Shares or convertible securities (excluding Equity Shares issued under the ESOP Scheme and issuance of equity shares pursuant to a bonus issue) during the 18 months preceding the date of this Draft Red Herring Prospectus, where such issuance is equal to or more than 5% of the fully diluted paid up share capital of our Company in a single transaction or multiple transactions combined together over a span of rolling 30 days.

Except bonus issue of Equity Shares, there has been no issuance of Equity Shares or convertible securities, excluding issuance of bonus shares, during the 18 months preceding the date of this Draft Red Herring Prospectus, where such issuance is equal to or more than 5% of the fully diluted paid-up share capital of the Company (calculated based on the pre-Issue capital before such transaction(s) and excluding ESOPs granted but not vested), in a single transaction or multiple transactions combined together over a span of rolling 30 days.

(b) The price per share of our Company (as adjusted for corporate actions, including split, bonus issuances) based on the secondary sale / acquisition of Equity Shares or convertible securities involving Promoter, Promoter Group during the 18 months preceding the date of filing of this Draft Red Herring Prospectus, where the acquisition or sale is equal to or more than 5% of the fully diluted paid-up share capital of our Company, in a single transaction or multiple transactions combined together over a span of rolling 30 days.

Our Company has not entered in to any agreement for transfer / acquisition of Equity Shares which is equal to or more than 5% of the fully diluted paid-up share capital of our Company.

(c) Since there are no eligible transaction of our Company reported in (a) and (b) above in accordance with paragraph (9)(K)(4)(a) of the SEBI ICDR Regulations, the price per Equity Share of our Company based on the last five primary or secondary transactions in Equity Shares (secondary transactions where the Promoter/ Promoter Group entities or Shareholders having the right to nominate director on the Board are a party to the transaction) not older than 3 years prior to the date of filing of this Draft Red Herring Prospectus has been computed as under:

Date of Transfer	Name of Transferor	Name of Transferee	No. Equity Shares Allotted / Transferred	Face value per Equity Share (₹)	Price per Specified Security (₹)	Nature of transaction*	Nature of consideration	Total consideration (in ₹) (B)*
Primary Issuances								
December 30, 2023	Allotment of 13,741,758 Equity Shares to Dhanji Raghavji Patel; 3,942,000 Equity Shares to Bechar Raghavji Patel; 1,053,000 Equity Shares to Bharat Haribhai Patel; 540,000 Equity Shares to Hiren Bechar Patel; 540,000 Equity Shares to Rahul Dhanji Patel; 270,000 Equity Shares to Ankit Beacher Patel; 270,000 Equity Shares to Mahesh Haribhai Patel; 54,000 Equity Shares to Asmita Dhanji Patel; 54,000 Equity Shares to Vaishali Panvelkar; 54,000 Equity Shares to Komal Rahul Waghela; and 54,000 Equity Shares to Preeti Pankaj Patel		**2,05,72,758**	**10**	**Nil**	Bonus Issue in the in the ratio of 54 Equity Share for every 10 Equity Share held.	**NA**	**NA**
Weighted Average Cost of Acquisition (primary transactions)								**Nil**
Secondary Issuances								
July 31, 2023	Dhanji Raghavji Patel	Rahul Dhanji Patel	1,00,000	10.00	NIL	Transfer of Equity Shares by way of Gift	NA	NA
June 19, 2023	Punji Beacher Patel	Bharat Haribhai Patel	1,45,000	10.00	NIL	Transfer of Equity Shares by way of Gift	NA	NA
June 19, 2023	Ananthibhain S Patel	Mahesh Haribhai Patel	30,000	10.00	NIL	Transfer of Equity Shares by way of Gift	NA	NA
May 30, 2023	Shavji Jesha Patel	Bharat Haribhai Patel	10,000	10.00	NIL	Transfer of Equity Shares by way of Gift	NA	NA

Date of Transfer	Name of Transferor	Name of Transferee	No. Equity Shares Allotted / Transferred	Face value per Equity Share (₹)	Price per Specified Security (₹)	Nature of transaction*	Nature of consideration	Total consideration (in ₹) (B)*
May 30, 2023	Smita Dhanji Patel	Asmita Dhanji Patel	10,000	10.00	NIL	Transfer of Equity Shares by way of Gift	NA	NA
May 30, 2023	Ashwin Shavji Patel	Ananthibhain S Patel	10,000	10.00	NIL	Transfer of Equity Shares by way of Gift	NA	NA
May 30, 2023	Geeta Mahesh Patel	Mahesh Haribhai Patel	10,000	10.00	NIL	Transfer of Equity Shares by way of Gift	NA	NA
May 30, 2023	Jaishri Bharatbai Patel	Bharat Haribhai Patel	20,000	10.00	NIL	Transfer of Equity Shares by way of Gift	NA	NA
May 30, 2023	Komal Rahul Waghela	Preeti Pankaj Patel	10,000	10.00	NIL	Transfer of Equity Shares by way of Gift	NA	NA
May 30, 2023	Komal Rahul Waghela	Punji Beacher Patel	20,000	10.00	NIL	Transfer of Equity Shares by way of Gift	NA	NA
May 30, 2023	Leelavati Hiren Patel	Punji Beacher Patel	50,000	10.00	NIL	Transfer of Equity Shares by way of Gift	NA	NA
May 30, 2023	Latabhain Ashwin Patel	Ananthibhain S Patel	10,000	10.00	NIL	Transfer of Equity Shares by way of Gift		
Weighted Average Cost of Acquisition (secondary transactions)								**Nil**

** As certified by our Statutory Auditor- Kanu Doshi Associates LLP, Chartered Accountants, pursuant to their certificate dated March 29, 2024.*

The shares acquired are pursuant to the gift received and through bonus issuance. For details, please see *"**Capital Structure**"* on page 96

(d) Weighted average cost of acquisition, floor price and cap price

Based on the transaction described in (a), (b) and (c) above, the weighted average cost of acquisition, as compared with the Floor Price and Cap Price is set forth below:

Date of transfer	Weighted average cost of acquisition (₹ per Equity Share)#	Floor price (i.e. ₹ [●])*	Cap price (i.e. ₹ [●])*
Weighted average cost of acquisition of primary / new issue as per paragraph 7(a) above.	NA^	[●] times	[●] times
Weighted average cost of acquisition for secondary sale / acquisition as per paragraph 7(b) above.	NA^^	[●] times	[●] times
Since there are no such transactions to report to under 7 (a) and (b.) above, therefore information based on last five primary or secondary transactions (secondary transactions where our Promoters / members of our Promoter Group or Selling Shareholders or Shareholder(s) having the right to nominate director(s) in the Board of our Company, are a party to the transaction), during the three years prior to the date of this Draft Red Herring Prospectus irrespective of the size of transactions, is as below			
Weighted average cost of acquisition of Equity Shares on primary issuances undertaken during the three immediately preceding years as per paragraph 7 (c) above	NIL	[●] times	[●] times
Weighted average cost of acquisition of Equity Shares on secondary issuances undertaken during the three immediately preceding years secondary transactions as per paragraph 7 (c) above	NIL	[●] times	[●] times

#As certified by M/s. by Kanu Doshi Associates LLP, Chartered Accountants, pursuant to their certificate dated March 29, 2024.

** To be updated at the Prospectus stage.*

Explanation for Offer Price/Cap Price being [●] price of weighted average cost of acquisition of primary issuance price/secondary transaction price of Equity Shares (set out in VIII above) along with our Company's key performance indicators and financial ratios for the six months period ended September 30, 2023 and the Fiscals 2023, 2022 and 2021 and in view of the external factors which may have influenced the pricing of the Offer.

[●]*

Note: To be included upon finalisation of Offer Price.

8. The Offer Price is [●] times of the face value of the Equity Shares.

The Offer Price of ₹ [●] has been determined by our Company in consultation with the BRLM, on the basis of assessment of market demand from Bidders for Equity Shares through the Book Building Process and is justified in view of the above qualitative and quantitative parameters.

The trading price of Equity Shares could decline due to factors mentioned in *"**Risk Factors**"* on page 35 and you may lose all or part of your investments, Investors should read the abovementioned information along with *"**Our Business**"*,*"**Restated Financial Statement**"*, *"**Management's Discussion and Analysis of Financial Position and Results of Operations**"* and on pages, 251, 376 and 378, respectively, to have a more informed view before making an investment decision.

STATEMENT OF TAX BENEFITS

To,
The Board of Directors,
Patel Retail Limited
Plot no. M-2, Anand Nagar,
Additional MIDC,
Ambernath (East) - 421506,
Maharashtra, India

Subject: Proposed Initial Public Offering of equity shares ("Equity Shares") of face value of Rs. 10/- each of Patel Retail Limited ("Company") and an Offer for Sale of Equity Shares (the Offer for Sale, together with the Fresh Issue "Offer")

We, Kanu Doshi Associates LLP., Chartered Accountants, statutory auditors of the Company, hereby confirm that the 'Statement of Special Tax Benefits', enclosed herewith as Annexure A, prepared by the Company and initialled by us and the Company (the "Statement"), provides the special tax benefits (under direct and indirect tax laws) available to the Company, to its shareholders pursuant to (i) the Income-tax Act, 1961, as amended and read with the rules, circulars and notifications issued in relation thereto; and (ii) applicable indirect taxation laws, as amended and read with the rules, circulars and notifications issued in connection thereto.("**Taxation Laws**"),as applicable to the assessment year 2024-25 relevant to the financial year 2023-24, available to the Company and its shareholders. 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 and applicable State Goods and Services Tax Act, 2017 ("GST Acts"), as amended by the Finance Act 2023 read with relevant rules, circular and notifications issued from time to time, applicable for the Financial Year 2023-24, presently in force in India, Customs Act, 1962 and the Customs Tariff Act, 1975 including the rules, regulations, circulars and notifications issued in connection with the Taxation Laws and the Foreign Trade Policy 2015-2020 (as extended till March 31, 2023 vide Notification dated September 29, 2022) and Foreign Trade Policy 2023 notified vide Notification No 01/2023 and shall come into force from April 01, 2023 (unless otherwise specified) ("FTP"), presently in force in India for inclusion in the Draft Red Herring Prospectus ("**DRHP**"), the Red Herring Prospectus ("**RHP**") and the Prospectus (such DRHP, RHP and Prospectus being referred to as "**Offer Documents**").

There is no material subsidiary of the Company identified as per the Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015. Several of such possible special tax benefits forming part of the Statement are dependent on the Company and/or its shareholders fulfilling applicable conditions prescribed within the relevant statutory provisions and accordingly, the ability of the Company and/or its shareholders to derive such possible special tax benefits is entirely dependent upon the lawful fulfilment of such conditions by the Company and/or its shareholders, as applicable.

This Statement of Special Tax Benefits is required as per paragraph (9)(L) of Part A of Schedule VI of the Securities and Exchange Board of India (Issue of Capital and Disclosure Requirements) Regulations, 2018 as amended ('SEBI ICDR Regulations'). While the term 'tax benefits' has not been defined under the SEBI ICDR Regulations, it is assumed that with respect to tax benefits available to the Company, the same would include those benefits as enumerated in the statement. Any benefits under the Taxation Laws other than those specified in the statement are considered to be general tax benefits and therefore not covered within the ambit of this statement. Further, any benefits available under any other laws within or outside India, except for those specifically mentioned in the statement, have not been examined and covered by this statement.

The special tax benefits discussed within the Statement are not exhaustive and are intended to provide an illustrative understanding to prospective investors with respect to the special tax benefits available to the Company and/or its shareholders 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 changing tax laws, each prospective investor is advised to consult their own tax consultant with respect to the specific tax implications arising out of their participation in the Offer.

The benefits outlined in the enclosed statement based on the information and particulars provided by the Company are neither exhaustive nor conclusive.

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;
(b) The conditions prescribed for availing the benefits have been/would be met with; and
(c) The revenue authorities/courts will concur with the views expressed herein.

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 of the Company.

We have conducted our review in accordance with the 'Guidance Note on Reports or Certificates for Special Purposes' issued by the Institute of Chartered Accountants of India ("ICAI") which requires that we comply with ethical requirements of the Code of Ethics issued by the ICAI. We hereby confirm that while providing this statement we have complied with the Code of Ethics issued by the ICAI.

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

We shall in no way be liable or responsible to any shareholder or subscriber for placing reliance upon the contents of this statement. Also, any tax information included in this written communication was not intended or written to be used, and it cannot be used by the Company or the investor, for the purpose of avoiding any penalties that may be imposed by any regulatory, governmental taxing authority or agency

We further confirm that we are not and have not been engaged or interested in the formation or promotion or management of the Company.

We hereby give our consent to aforementioned details being included in full or in part, as required, to be disclosed in the Offer Documents, which the Company intends to file with the Securities and Exchange Board of India ("**SEBI**"), the BSE Limited ("**BSE**") and the National Stock Exchange of India Limited ("**NSE**") (BSE and NSE are collectively referred to as "**Stock Exchanges**"), Registrar of Companies ("**RoC**") and/or other regulatory authorities, as may be required, pursuant to the Securities and Exchange Board of India (Issue of Capital and Disclosure Requirements) Regulations, 2018 ("**SEBI ICDR Regulations**") and other applicable laws, as amended from time to time and/or and in such other advertisements / any other material documents to be issued or submitted in relation to the Offer by or on behalf of the Company. Accordingly, we do not accept or assume any liability or any duty of care for any other purpose or to any other person to whom this certificate is shown or into whose hands it may come without our prior consent in writing. We hereby consent to this certificate being disclosed by the Book Running Lead Manager, if required (i) by reason of any law, regulation or order of a court or by any governmental or competent regulatory authority, or (ii) in seeking to establish a defence in connection with, or to avoid, any actual, potential or threatened legal, arbitral or regulatory proceeding or investigation. Any subsequent amendment / modification to provisions of the applicable laws may have an impact on the views contained in our statement. While reasonable care has been taken in the preparation of this certificate, we accept no responsibility for any errors or omissions therein or for any loss sustained by any person who relies on it.

Yours faithfully,

For Kanu Doshi Associates LLP
Chartered Accountants
Firm Registration No. 104746W/W100096

SD/-
Kunal Vakharia
Partner
Membership No. 148916
UDIN: 24148916BKCQLH4818
Date: March 20, 2024
Place: Mumbai

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ANNEXURE I

STATEMENT OF POSSIBLE SPECIAL TAX BENEFITS (DIRECT TAXES) AVAILABLE TO PATEL RETAIL LIMITED ("COMPANY") AND TO ITS SHAREHOLDERS UNDER THE APPLICABLE TAXATION LAWS IN INDIA:

Outlined below are the special tax benefits available to Patel Retail Limited (the "Company") and its Shareholders under the Income Tax Act, 1961 (the "Act") as amended by the Finance Act, 2023 read with relevant rules, circular and notifications issued from time to time, applicable for the Financial Year 2023-24 relevant to the Assessment Year 2024-25, presently in force in India.

Under the Income Tax Act, 1961:

A. Special tax benefits available to the Company

- Section 115BAA of the Act, as inserted vide the Taxation Laws (Amendment) Act, 2019, provides that domestic company can opt for a corporate tax rate of 22% (plus applicable surcharge and education cess) for the financial year 2019-20 onwards, provided the total income of the company is computed without claiming certain specified incentives/deductions or set-off of losses, depreciation etc. and claiming depreciation determined in the prescribed manner. In case a company opts for section 115BAA, provisions of Minimum Alternate Tax ('MAT') would not be applicable and unutilized MAT credit will not be available for set-off. The option needs to be exercised on or before the due date of filing the tax return. Option once exercised, cannot be subsequently withdrawn for the same or any other tax year. The Company may claim such beneficial tax rate in future years subject to giving away any other income-tax benefits under the Act (other than the deduction available under section 80JJAA and 80M of the Act) and fulfilling the then prevailing provisions under the Act.

- Subject to the fulfilment of prescribed conditions, the Company is entitled to claim deduction under section 80JJAA of the Act with respect to an amount equal to 30% of additional employee cost (relating to specified category of employees) incurred in the course of business, for three assessment years including the assessment year relevant in which such employment is provided. Further, where the Company wishes to claim such possible tax benefit, it shall obtain necessary certification from Chartered Accountant on fulfilment of the conditions under the extant provisions of the Act.

B. Special tax benefits available to the shareholders of the Company

There is no special tax benefit available to the shareholders of Company for investing in the shares of the Company. However, such shareholders shall be liable to concessional tax rates on certain incomes under the extant provisions of the Act.

- Section 112A of the Act provides for concessional rate of tax on long term capital gain arising on transfer of equity shares with effect from April 1, 2019 (i.e., Assessment Year 2019-20) subject to conditions. Any long term capital gain, exceeding INR 1,00,000 arising from the transfer of a long term capital asset (i.e., capital asset held for the period of 12 months or more) being an Equity Share in a company wherein Securities Transaction Tax ('STT') is paid on both acquisition and transfer, income tax is charged at a rate of 10% without giving effect to indexation.

- Section 111A of the Act provides for concessional rate of tax @ 15% in respect of short-term capital gains (provided the short-term capital gains exceed the basic threshold limit of income exemption, where applicable) arising from the transfer of a short-term capital asset (i.e., capital asset held for the period of less than 12 months) being an Equity Share in a company or wherein STT is paid on both acquisition and transfer.

In respect of non-residents, the tax rates and the consequent taxation shall be further subject to any benefits available under the applicable Double Taxation Avoidance Agreement, if any, between India and the country in which the non-resident shareholder has fiscal domicile.

Notes:

1. The above statement sets out the provisions of law in a summary manner only and is not a complete analysis or listing of all potential tax consequences of the purchase, ownership and disposal of shares.

2. The above statement covers only certain relevant direct tax law benefits and does not cover any indirect tax law benefit(s) under any other law.

3. The above statement of possible direct tax benefits is as per the current Income Tax Act, 1961, applicable for the Financial Year 2023-24, relevant to the Assessment Year 2024-25, presently in force in India.

4. 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 tax consequences and the changing tax laws, each investor is advised to consult his / her own tax advisor with respect to the specific tax consequences of his / her investment in the shares of the Company.

5. In respect of non-residents, the tax rates and consequent taxation will be further subject to any benefits available under the relevant double tax avoidance agreement(s), if any, between India and the country in which the non-resident has a fiscal domicile.

6. 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.

STATEMENT OF SPECIAL POSSIBLE INDIRECT TAX BENEFITS AVAILABLE TO THE COMPANY, AND THE SHAREHOLDERS OF THE COMPANY

The Company is primarily engaged in the business of retail sale through its supermarkets in the district of Thane and Raigad in Maharashtra, manufacturing / processing of whole spices, pulses, powder spices, wheat flour, peanuts, sesame etc. and trading of food and non-food products. The Company sells its products in domestic markets as well as in international markets. The Company has active GST registered under 02 States.

A. Special tax benefits available to the Company

- Given that the Company is engaged in exports of agricultural products and FMCG products, the Company avails benefit under the Remission of Duties and Taxes on Exported Products (RoDTEP) Scheme under Foreign Trade Policy.
- The Company also avails duty drawback benefits on Export of agricultural products and FMCG products.
- The Company exports goods with payment of IGST and claims the refund of the same and in case of sugar the company exports without payment of GST under a Letter of Undertaking and no Customs duty is applicable on such exports.
- The said goods are also supplied by the Company in domestic market which attract GST at the prescribed rates.

- The Company has availed benefit under the Pradhan Mantri Kisan SAMPADA Yojana scheme of the Ministry of Food Processing Industries, Government of India for setting up an agri-cluster and manufacturing units of the agricultural products in Dudhai, Kutch, Gujarat.

B. Special tax benefits available to the shareholders of the Company

There are no special tax benefits available to the shareholders under the indirect taxes.

Notes:

1. The above statement is based upon the provisions of specified Indirect tax laws and judicial interpretation thereof prevailing in the Country, as on the date of this Annexure.

2. This statement is 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 tax consequences and the changing tax laws, each investor is advised to consult his / her own tax advisor with respect to the specific tax consequences of his / her investment in the shares of the Company.

3. The statement covers only indirect tax laws benefits and does not cover any income tax law benefits or benefit under any other law.

4. 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.

Yours faithfully,

For Kanu Doshi Associates LLP
Chartered Accountants
Firm Registration No.

SD/-

Kunal Vakharia
Partner
Membership No. 148916
UDIN: 24148916BKCQLH4818
Date: March 20, 2024
Place: Mumbai

SECTION IV – ABOUT OUR COMPANY

INDUSTRY OVERVIEW

*Unless otherwise indicated, the information in this section is derived from the industry report titled 'Food & Grocery Retailing and Food Processsing' released in March 27, 2024 ("**D&B Report**") prepared by Dun & Bradstreet Information Services Private Limited, appointed by our Company pursuant to an engagement letter dated February 12, 2024 and such D&B Report has been commissioned by and paid for by our Company, exclusively in connection with the Offer. We have commissioned and paid for the D&B Report for the purposes of confirming our understanding of the industry exclusively in connection with the Offer. The D&B Report will be available on the website of our Company from the date of this Draft Red Herring Prospectus till the Bid/Offer Closing Date, and has also been included in "**Material Contracts and Documents for Inspection- Material Documents**" on page 534. The data included in this section includes excerpts from the D&B Report and may have been re-ordered by us for the purposes of presentation. There are no parts, data or information (which may be relevant for the Offer), that have been left out or changed in any manner. For further details, please see "**Risk Factors- Industry information included in this Draft Red Herring Prospectus has been derived from an industry report prepared by Dun & Bradstreet, exclusively commissioned and paid for by us for such purpose**"* on page 51.

Global Macroeconomic Scenario

The global economy, estimated at 3.1% in 2023, is expected to show resilience at 3.1% in 2024 before rising modestly to 3.2% in 2025. Between 2021-2022, global banks were carrying a historically high debt burden after COVID-19. Central banks took tight monetary measures to control inflation and spike in commodity prices. Russia's war with Ukraine further affected the global supply chains and inflated the prices of energy and other food items. These factors coupled with war-related economic sanctions impacted the economic activities in Europe. Any further escalation in the war may further affect the rebound of the economy in Europe.

While China, the largest manufacturing hub of world, was facing a crisis in the real estate sector and prices of properties were declining between 2020-2023, with the reopening of the economy, consumer demand is picking up again. The Chinese authorities have taken a variety of measures, including additional monetary easing, tax relief for corporates, and new vaccination targets for the elderly. The Chinese Government took several steps to help the real estate sector including cracking down on debt-ridden developers, announcing stimulus for the sector and measures to encourage the completion and delivery of unfinished real estate projects. The sector is now witnessing investments from developers and demand from buyers.

Global headline inflation is set to fall from an estimated 6.8% in CY 2023 to 5.8% in CY 2024 and to 4.4% in CY 2025. This fall is swifter than anticipated across various areas, amid the resolution of supply-related problems and tight monetary policies. Reduced inflation mirrors the diminishing impact of price shocks, particularly in energy, and their subsequent influence on core inflation. This decrease also stems from a relaxation in labour market pressure, characterized by fewer job openings, a slight uptick in unemployment, and increased labour availability, occasionally due to a significant influx of immigrants.

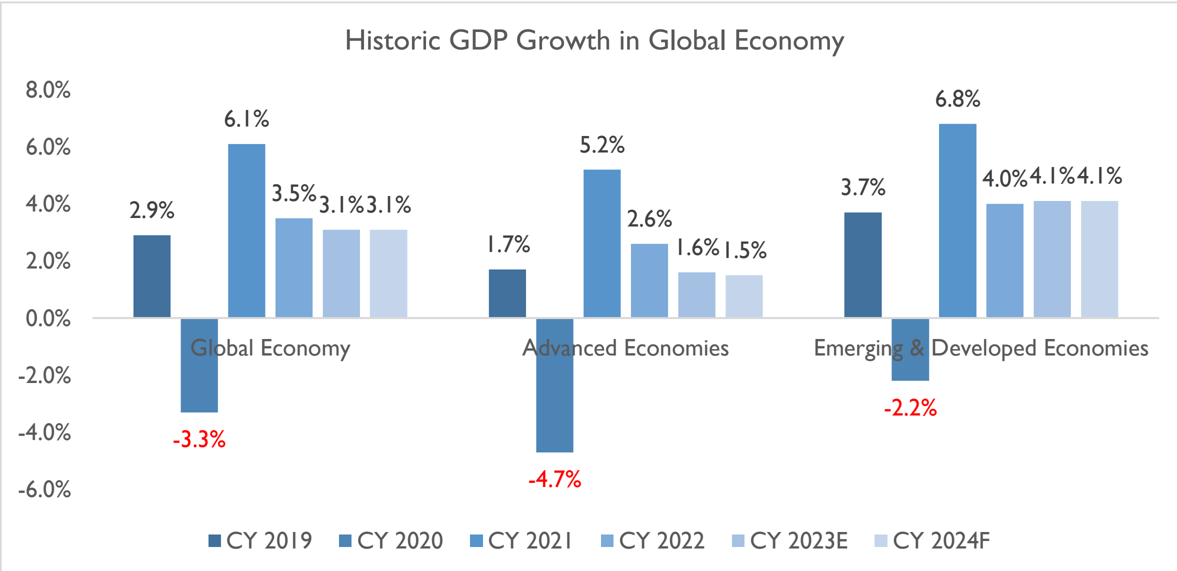
Global GDP Growth Scenario

The global economy started to rise from its lowest levels after countries started to lift the lockdown in 2020 and 2021. The pandemic lockdown was a key factor as it affected economic activities resulting in a recession in the year CY 2020, as the GDP growth touched -3.3%.

In CY 2021 disruption in the supply chain affected most of the advanced economies as well as low-income developing economies. The rapid spread of Delta and the threat of new variants in mid of CY 2021 further increased uncertainty in the global economic environment.

Global economic activities experienced a sharper-than-expected slowdown in CY 2022. One of the highest inflations in decades, seen in 2022, forced most of the central banks to tighten their fiscal policies. Russia's invasion of Ukraine affected the global food supply resulting in a further increment in the cost of living.

Further, despite initial resilience earlier in 2023, marked by a rebound in reopening and progress in curbing inflation from the previous year's highs, the situation remained precarious. Economic activity lagged behind its pre-pandemic trajectory, particularly in emerging markets and developing economies, leading to widening disparities among regions. Numerous factors are impeding the recovery, including the lasting impacts of the pandemic and geopolitical tensions, as well as cyclically driven factors such as tightening monetary policies to combat inflation, the reduction of fiscal support amidst high debt levels, and the occurrence of extreme weather events. As a result, global growth declined from 3.5% in CY 2022 to 3.1% in CY 2023.

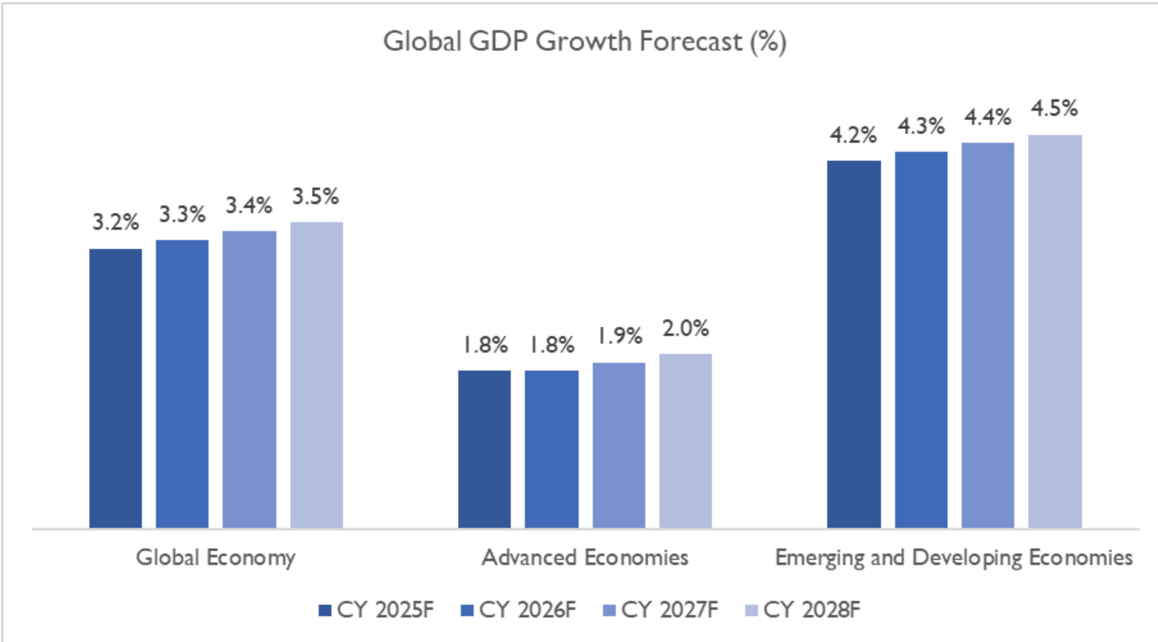


Source – IMF Global GDP Forecast Release 2024, E – Estimates, F - Forecast

Note: Advanced Economies and Emerging & Developing Economies are as per the classification of the World Economic Outlook (WEO). This classification is not based on strict criteria, economic or otherwise, and it has evolved over time. It comprises of 40 countries under the Advanced Economies including the G7 (the United States, Japan, Germany, France, Italy, the United Kingdom, and Canada) and selected countries from the Euro Zone (Germany, Italy, France etc.). The group of emerging market and developing economies (156) includes all those that are not classified as Advanced Economies (India, China, Brazil, Malaysia etc.)

In the current scenario, global GDP growth is estimated to have recorded a moderate growth of 3.1% in CY 2023 as compared to 3.5% growth in CY 2022. While high inflation and rising borrowing costs are affecting private consumption, on the other hand, fiscal consolidation is affecting government consumption.

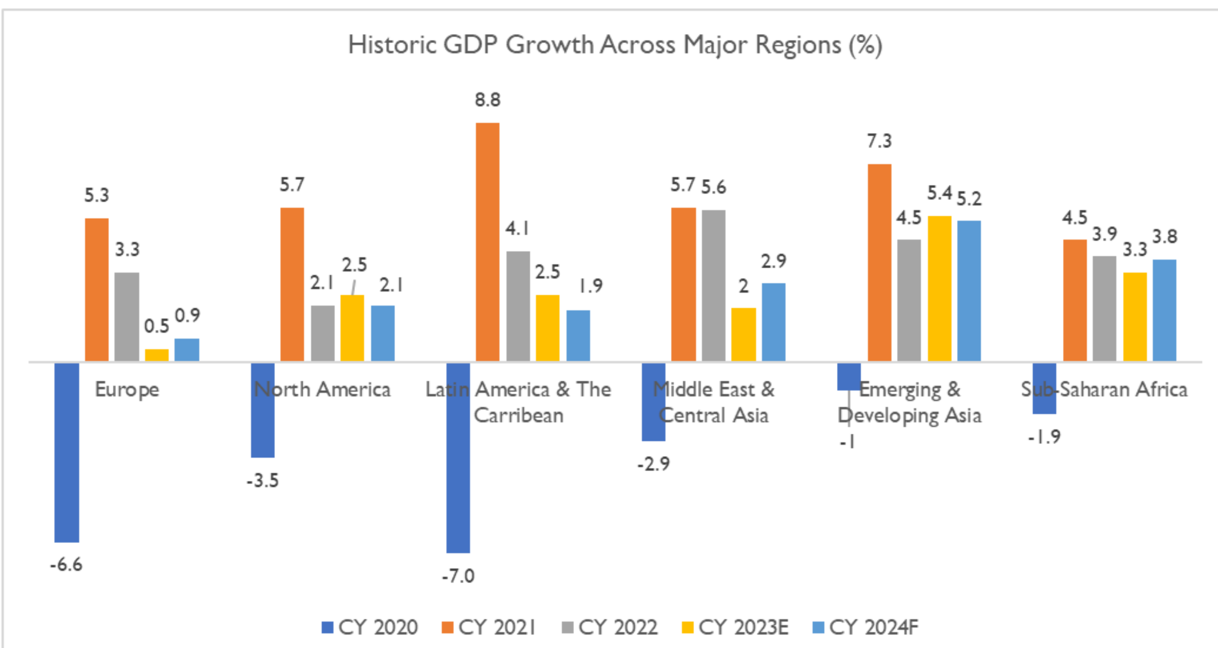
Slowed growth in developed economies will affect the GDP growth in CY 2024 and global GDP is expected to record a flat growth of 3.1% in CY 2024. The crisis in the housing sector, bank lending, and industrial sectors are affecting the growth of global GDP. Inflation forced central banks to adopt tight monetary policies. After touching the peak in 2022, inflationary pressures slowly eased out in 2023. This environment weighs in for interest rate cuts by many monetary authorities.



Source – IMF Global GDP Forecast Release 2024, D&B Estimates, E- Estimates, F - Forecast

GDP Growth Across Major Regions

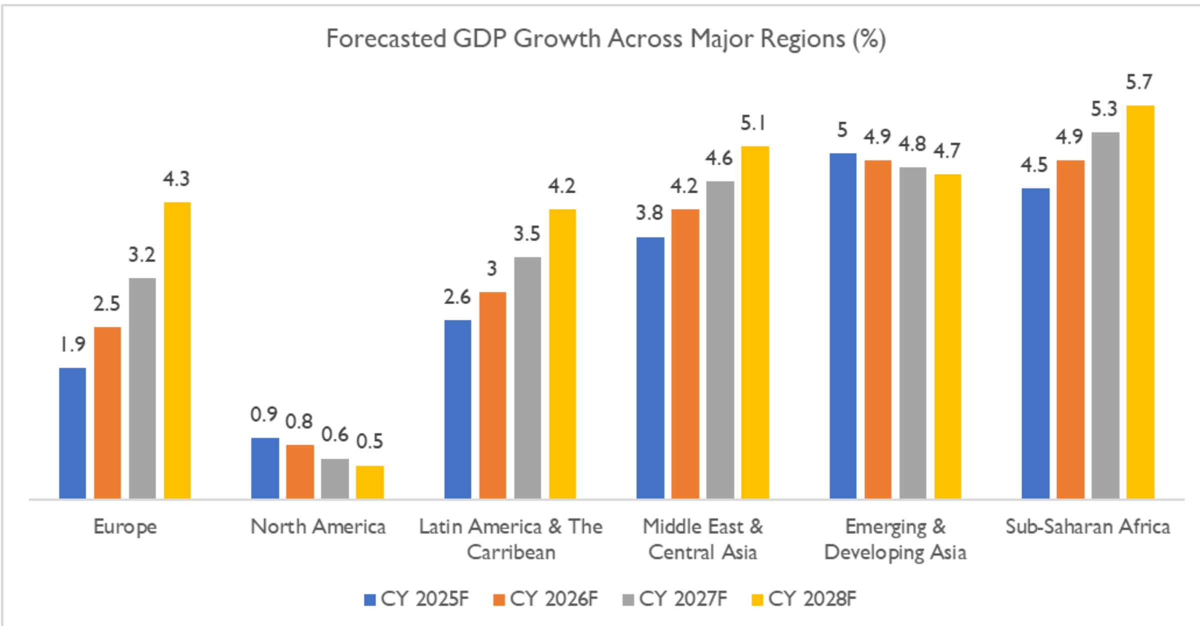
GDP growth of major regions including Europe, Latin America & The Caribbean, Middle East & Central Asia, and Sub-Saharan Africa, were showing signs of slow growth and recession between 2020 – 2023, but leaving Latin America & The Caribbean, 2024 is expected to show resilience and growth. Meanwhile, GDP growth in Emerging and Developing Asia (India, China, Indonesia, Malaysia etc.) is expected to decrease from 5.4% in CY 2023 to 5.2% in CY 2024, while in the United States, it is expected to decrease from 2.5% in CY 2023 to 2.1% in CY 2024.



Source-IMF World Economic Outlook January 2024 update, E- Estimates, F - Forecast

Except for Emerging and Developing Asia, Latin America & The Caribbean and the United States, all other regions are expected to record an increase in GDP growth rate in CY 2024 as compared to CY 2023. GDP growth in Latin America & The Caribbean is expected to decline due to negative growth in Argentina. Further, growth in the United States is expected to come down at 2.1% in CY 2024 due to lagged effects of monetary policy tightening, gradual fiscal tightening, and a softening in labour markets slowing aggregate demand.

Although Europe experienced a less robust performance in 2023, the recovery in 2024 is expected to be driven by increased household consumption as the impact of energy price shocks diminishes and inflation decreases, thereby bolstering real income growth. Meanwhile, India and China saw greater-than-anticipated growth in 2023 due to heightened government spending and robust domestic demand, respectively. Sub-Saharan Africa's expected growth in 2024 is attributed to the diminishing negative impacts of previous weather shocks and gradual improvements in supply issues.



Source-IMF, OECD, and World Bank, D&B Estimates, E- Estimates, F - Forecast

Global Economic Outlook

The global economy avoided a widely anticipated recession in 2023 and will likely not see one in 2024. Looking at the current inflation trajectory, no one is guessing how much higher interest rates will go from here, which is a good outcome for both businesses and policymakers. Instead, financial markets are now betting on the timing and magnitude of rate cuts – and this is where we recommend caution for businesses. There are a few things to consider; first, rate cuts will likely follow an evident deterioration in economic conditions, i.e., after the economic damage is visible in data, which usually comes with a lag. By that logic, rate cuts by themselves may not be a positive outcome but only a means to offer relief from economic pain. Second, for most central banks that have been grappling with high inflation, higher expectations of rate cuts from financial markets will make them harder and riskier to deliver. Loosening too soon risks reversing the inflation trajectory and if key central banks get their inflation projections wrong for a second time, it will only spell more trouble.

The violence that began in the Middle East on October 7 continues to escalate. Apart from Israel and the Palestinian territories, Yemen, Syria, Iraq, Jordan, Iran, and Pakistan have all become embroiled in some form of violence over the past four months, including cross-border fire. This can be largely attributed to the heavy presence of militias and terrorist groups in these countries. Consequently, security threat levels are elevated across the region and business operations are difficult. The most obvious impact on commercial activity has been on shipments passing through the Red Sea, which have been forced to re-route under attacks from Houthi rebel groups, elevating shipping costs and stretching delivery timelines. It has also added to volatility in the global energy markets. More importantly, the escalating conflict has reversed the gains made on global supply-side normalization and remains the biggest risk to hard-earned global disinflation – the two big economic accomplishments of 2023. Dun & Bradstreet's Global Supply

Chain Continuity Index captured this dynamic as it fell 6.3% for Q1 2024, with suppliers' delivery time and delivery cost indices both deteriorating. In this context, for the global economy, a lot is riding on the ceasefire discussions that are currently underway between Israel and Hamas.

February marked the second anniversary of the start of the Russia-Ukraine conflict, which, at present, seems to be at a stalemate. From a business impact standpoint, events outside the zone of action, particularly in the EU, have gained more prominence than the conflict itself. These impacts range from immediate concerns about manufacturing performance, the cost of living, and energy security in the largest European economies, and go on to cover longer-term themes such as the bloc's first serious attempt at expansion in years, which includes Ukraine's bid for membership.

Geopolitical rumblings are also on the rise in the Asia-Pacific region, with North Korea issuing fresh threats, in words and in actions. Incessant sabre-rattling may not necessarily lead to a conflict, but such posturing is unhelpful for the business and investment climates. In summary, geopolitics remains the biggest risk to the global economy today, dampening investments, disrupting supplies, and weakening the fight against inflation. There is one silver lining in all of this. High geopolitical temperatures around the world seem to have raised the stakes of stability for the U.S. and Mainland China. This was evidenced in their willingness to diffuse the Middle East, in keeping North Korea in check, and in Beijing's relatively muted reaction to a Democratic Progressive Party (DPP) victory in Taiwan Region's January 2024 polls. Mainland China may be keen to hold on to this new equilibrium until its economy fully stabilizes. As for the U.S., the outcome of the nomination races and the presidential election in November 2024 will be the key determinant of its foreign policy direction.

India Macroeconomic Analysis

GDP Growth Scenario

India's economy is showing signs of resilience with GDP growing to estimated 7.3% in FY 2024. Although this translates into only a slight uptick in demand (compared to FY 2023- 7.2%), the GDP growth in FY 2023 represents a return to pre pandemic era growth path. Despite this moderation in growth, India continues to remain one of the fastest growing economies in the world.

Country	Real GDP Growth (2023)
India	6.3%
United Kingdom	0.5%
Italy	0.7%
Canada	1.3%
China	5.0%
Brazil	3.1%
France	1.3%
United States	2.1%
South Africa	0.9%
Germany	-0.5%
Japan	2.0%
Russia	2.2%

Source: The International Monetary Fund

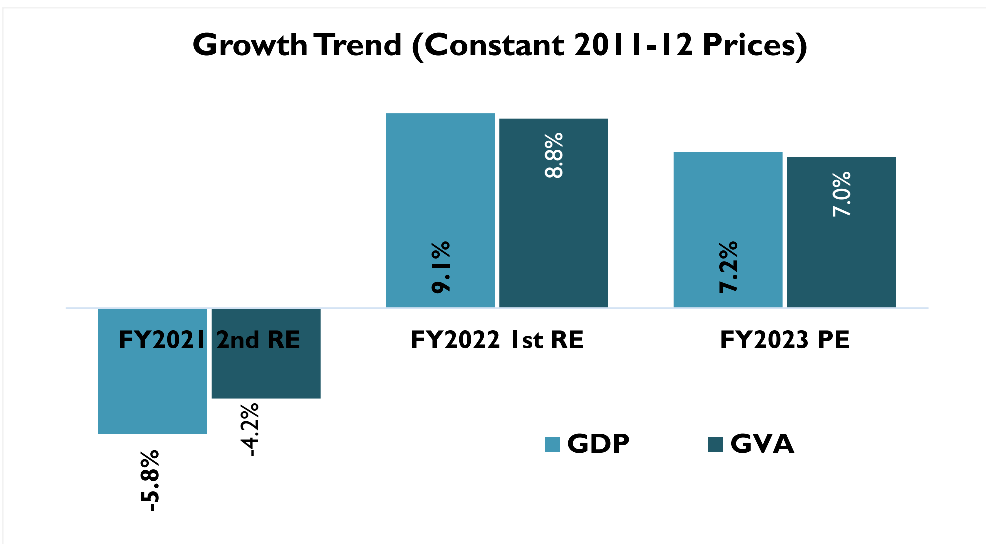
Countries considered include - Largest Developed Economies and BRICS (Brazil, Russia, India, China, and South)
Countries have been arranged in descending order of GDP growth.

There are quite a few factors aiding India's economic recovery – notably its resilience to external shocks (Russia – Ukraine conflict) and rebound in private consumption. This rebound in private consumption is bringing back the focus on improvements in domestic demand, which together with revival in export demand is a precursor to higher industrial activity. Already the capacity utilization rates in Indian manufacturing sector are recovering as industries have stepped up their production volumes. As this momentum sustains, the country may enter a new capex cycle. The universal vaccination program by the Government has played a big part in reinstating confidence among the population, in turn helped to revive private consumption.

Realizing the need to impart external stimuli, the Government stepped up its spending on infrastructure projects which in turn had a positive impact on economic growth. The capital expenditure of central government increased by nearly 24.5% during FY 2023 as compared to the previous fiscal. The improvement was accentuated further as the Union Budget 2023-2024 announced 37.4% increase in capital expenditure (budget estimates), to the tune of Rs 10 trillion. The announcement also included 30% increase in financial assistance to states at Rs 1.3 trillion for capex. This has provided the much-needed confidence to private sector, and in turn attracted private investment.

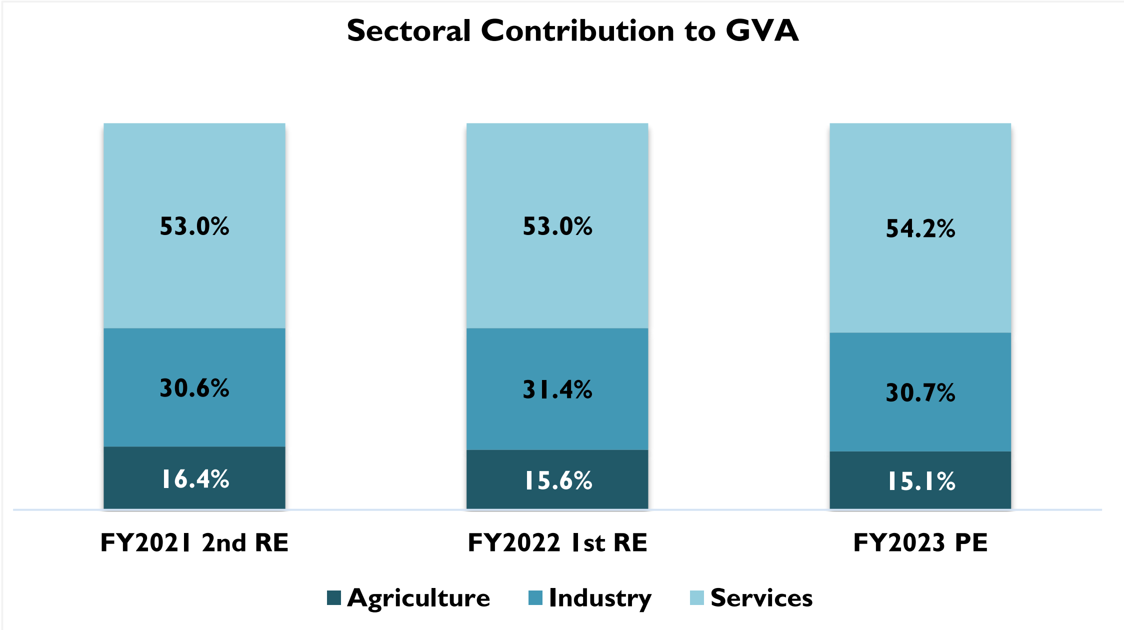
On the lending side, the financial health of major banks has witnessed an improvement which has helped in improving the credit supply. With capacity utilization improving, there would be demand for credit from corporate sector to fund the next round of expansion plans. Banking industry is well poised to address that demand. Underlining the improving credit scenario is the credit growth to micro, small and medium enterprise (MSME) sector as the credit outstanding to the MSME sector by scheduled commercial banks in the financial year FY 2023 grew by 12.3% to Rs 22.6 trillion compared to FY 2022. The extended Emergency Credit Linked Guarantee Scheme (ECLGS) by the Union Government has played a major role in improving this credit supply.

India's GDP in FY 2023 grew as per provision data grew by 7.2% compared to 9.1% in the previous fiscal on the back of slowing domestic as well as external demand owing to series of interest rate hikes globally to tackle high inflation. The year-on-year moderation in growth rate is also partly due to a fading impact of pandemic-induced base effects which had contributed towards higher growth in FY 2022.

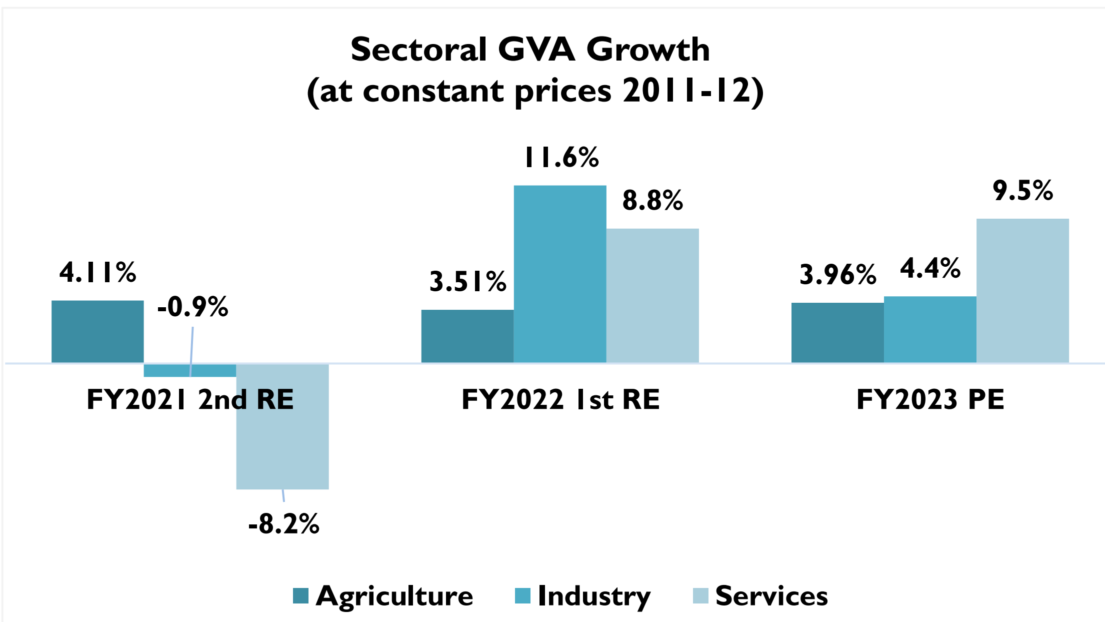


Source: Ministry of Statistics & Programme Implementation (MOSPI), National Account Statistics, 2023
RE stands for Revised Estimates, PE stands for Provisional Estimates

Sectoral Contribution to GVA and annual growth trend



Source: Ministry of Statistics & Programme Implementation (MOSPI),
RE stands for Revised Estimates, PE stands for Provisional Estimates



Source: Ministry of Statistics & Programme Implementation (MOSPI),
RE stands for Revised Estimates, PE stands for Provisional Estimates

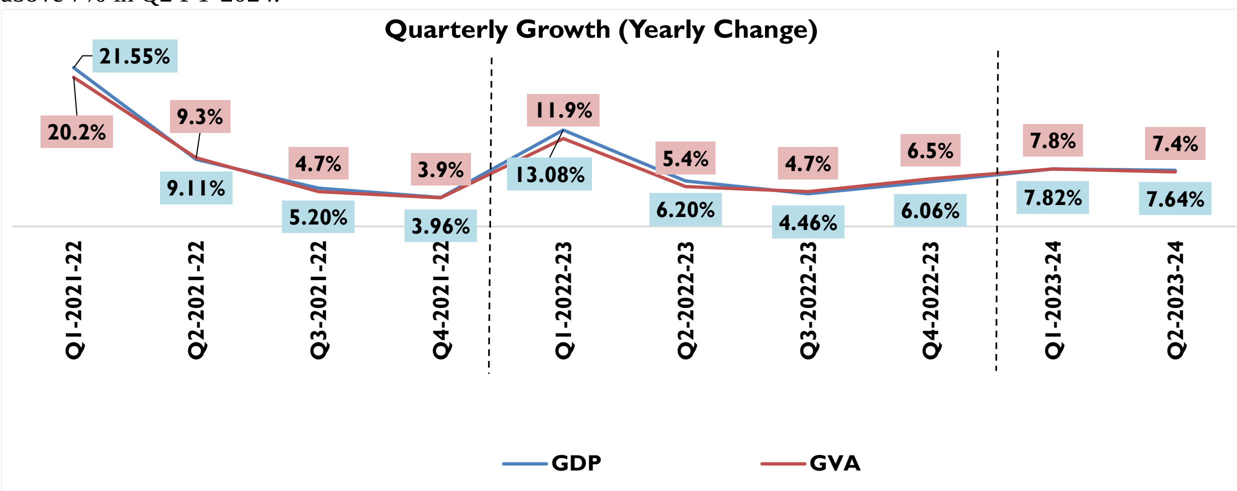
Sectoral analysis of GVA reveals growth tapered sharply in industrial sector which is estimated to have grown by just 4.4% against 11.6% in the previous fiscal. In the industrial sector, growth across major economic activity such as mining, manufacturing, construction sector slowed and it registered a growth of 4.6%, 1.3% and 10% in FY 2023 against a growth of 7.1%, 11.1% and 14.8% in FY 2022, respectively. Utilities sector too observed a marginal moderation in y-o-y growth to 9% against a 9.9% in the previous years.

Talking about the services sectors performance, with major relaxation in covid restriction, progress on covid vaccination and living with virus attitude, business in service sector gradually returned to normalcy in FY 2023.

Economic recovery was supported by the service sector as individual mobility returned to pre-pandemic level. The trade, hotel, transport, communication, and broadcasting segment continued to strengthen and grow by 14 % in FY 2023 against 13.8% in the previous year and financial services, real estate and professional services sector recorded 7.1% y-o-y growth against 4.7% y-o-y growth in the previous year. However, overall service sector growth was curbed by moderation in public administration and defence services sector which recorded 7.2% yearly increase against 9.7% increase in the previous year.

Quarterly Sectoral Growth Trend

On quarterly basis, the country growth moderated in Q2 and Q3 of FY 2023 which highlights impact of slowing economy on the back of monetary tightening. During Q3 FY 2023, the country's GDP grew by 4.7% against 5.4%% y-o-y increase in the previous quarter. However, the fourth quarter of FY 2023 saw a rebound in growth rate, indicating an optimistic scenario. GDP growth strengthened further in Q1 FY 2024 to 7.8%, and it managed to growth above 7% in Q2 FY 2024.

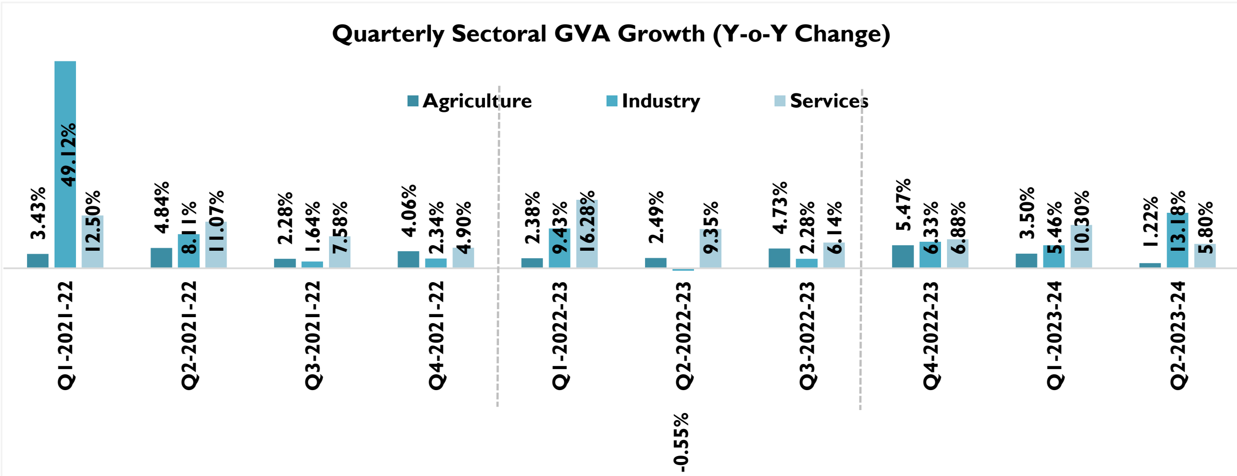


Source: Ministry of Statistics & Programme Implementation (MOSPI)

Q2 FY 2024 Quarterly GVA number indicated revival as it registered 7.4% growth compared to 5.4% in Q2 FY 2023. Industrial sector emerged as a bright spot which supported overall GVA to grow above 7%. The industrial sector GVA grew by 13.18% in Q2 FY 2024 against a decline of 0.55% in corresponding quarter previous year. Within industrial sector, India's manufacturing sector exhibited sharp improvement by registering 13.9% y-o-y growth against a decline 3.8% in the same quarter previous year. Construction sector too exhibited 13.3% y-o-y growth in Q2 of FY 2024 against 5.7% y-o-y growth in the previous quarter, mining and quarrying sector, and Electricity, gas, water supply & other utility services sector registered 10% and 10.1% y-o-y growth respectively. In Q2 FY 2023, yearly growth stood as -0.1% and 6% in mining and quarrying and Electricity, gas, water supply & other utility services sector, respectively.

While quarterly growth in industrial sector exhibited improvement, both agriculture and services sector indicated moderation during Q2 FY 2024. Agriculture sector GVA moderated to 1.22% in Q2 FY 2024 from 2.49% in the same quarter previous year.

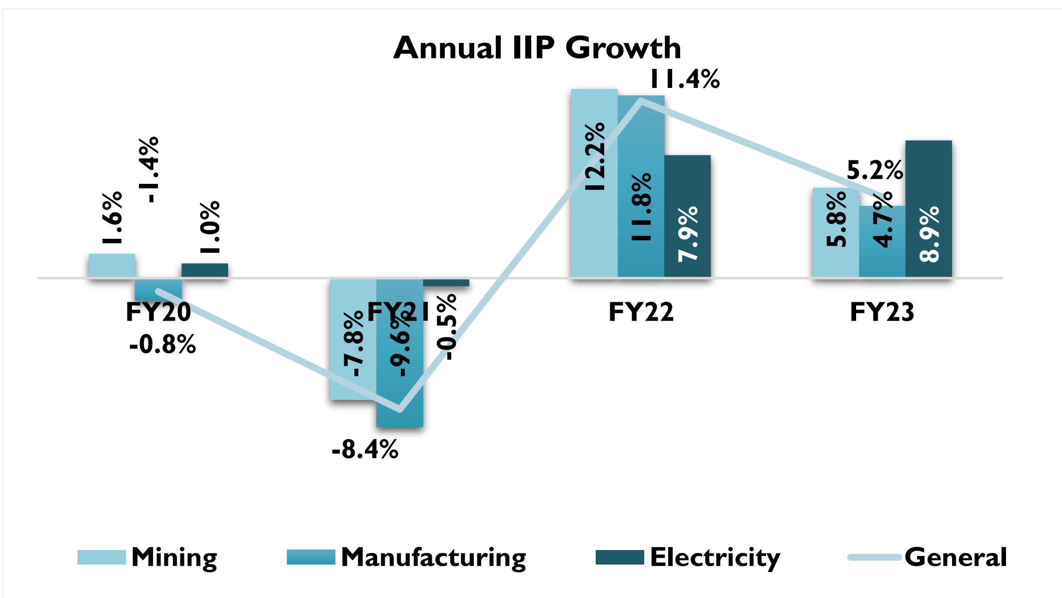
Within service sector, quarterly growth moderated to 5.8% in Q2 FY 2024 from 9.43% in Q2 FY 2023. Trade, hotel, transport, communication, and broadcasting segment observed sharp moderation in growth which registered merely 4.3% y-o-y growth in Q2 FY 2024 as compared to 15.6% growth in the Q2 FY 2023. Other services sector broadly classified as Financial, Real Estate & Professional Services too reported moderation and observed 6% y-o-y growth in Q2 FY 2024 against 7.1% (Q2 FY 2023) while Public Admin, Defence & Other Services registered 7.4% y-o-y growth against 5.4% during the previous period, respectively.



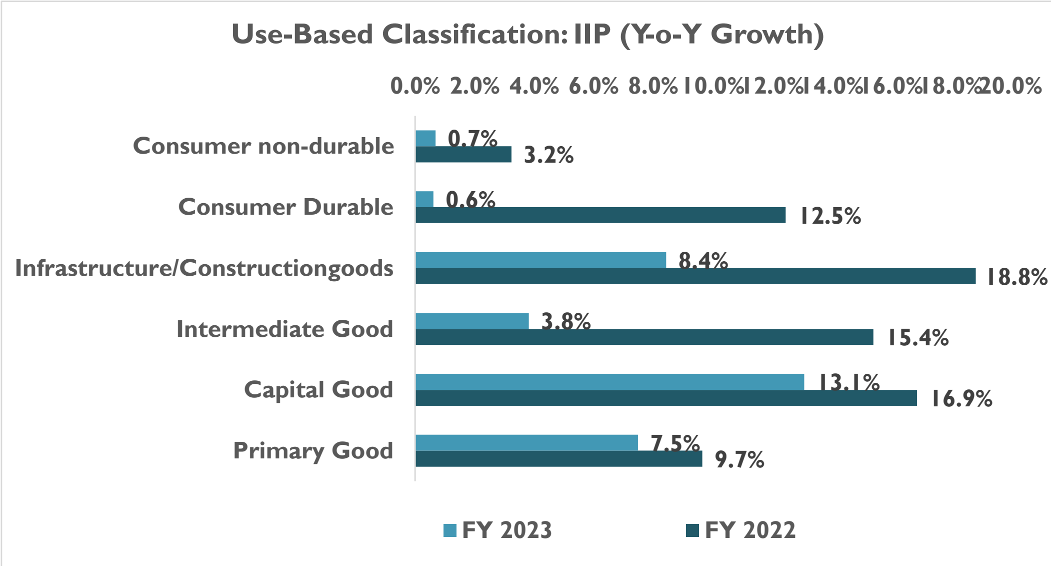
Source: Ministry of Statistics & Programme Implementation (MOSPI)

Index of Industrial Production

Industrial sector performance as measured by IIP index exhibited moderation in FY 2023 by growing at 5.3% (against 11.4% in FY 2022) as series of rate hike to tame inflation impacted the industrial sector performance. Previously IIP index exhibited temporary recovery in FY 2022 from the low of Covid induced slowdown in industrial growth during FY 2020 and FY 2021. Manufacturing index, with 77.6% weightage in overall index, grew by just 4.7% in FY 2023 against 11.8% y-o-y growth in FY 2022 while mining sector index too grew by just 5.8% against 12.2% in the previous years. Electricity sector Index witnessed improvement of 1% over the previous year and registered 8.9% y-o-y increase in FY 2023



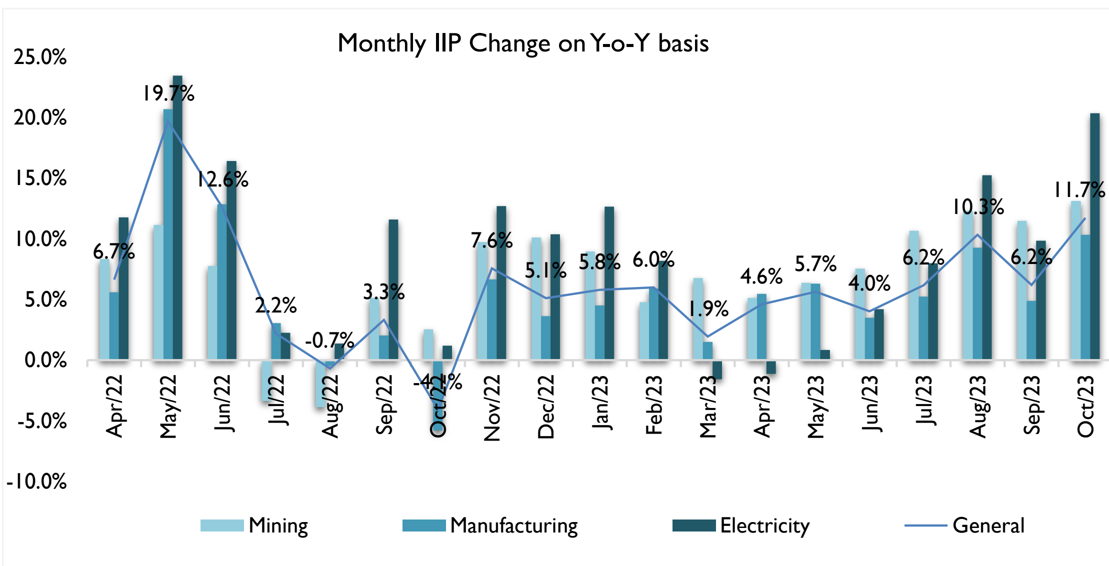
Source: Ministry of Statistics & Programme Implementation (MOSPI)



Sources: MOSPI

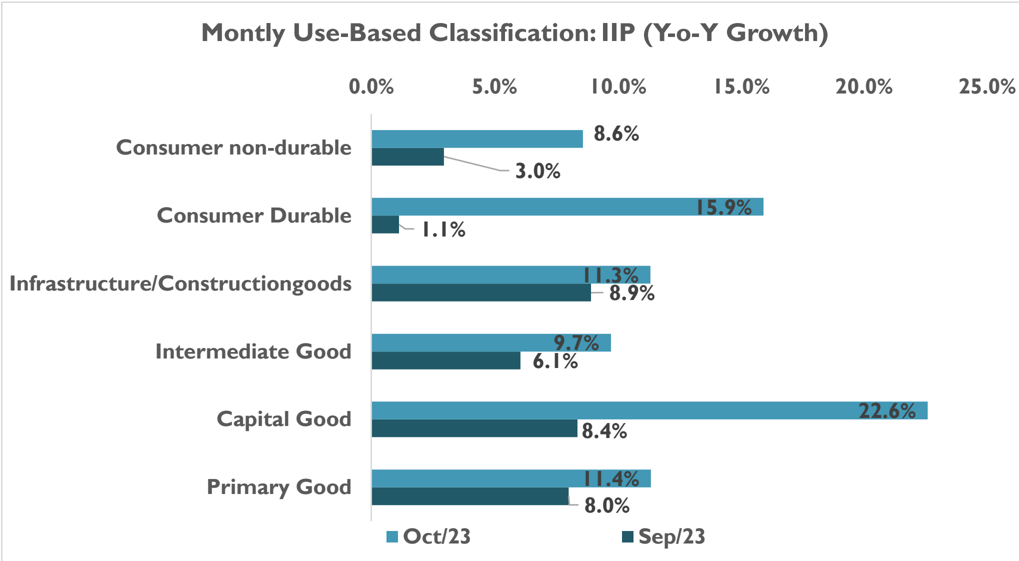
As per the use-based classification, growth in all segments deteriorated for FY 2023 as compared to FY 2022. Consumer good and intermediate goods were worst hit segments followed by infrastructure / construction Goods. The contracting IIP data points towards adverse operating business climate as global headwinds, high inflation, and monetary tightening cumulatively impacted the broader industrial sector performance.

Monthly IIP Growth Trend



Source: Ministry of Statistics & Programme Implementation (MOSPI)

In FY23, IIP index improved steadily during April and May but moderated sharply in the subsequent three month and it measured lowest in October 2022 while it showed uneven movement in the subsequent month too. IIP again moderated to register 1.9 % y-o-y growth in March 2023. In current fiscal FY 2024, the index has reported steady improvement over the last fiscal. Average of Monthly IIP data from April to October indicated 6.9% y-o-y growth against 5.3% y-o-y increase in the previous year. Manufacturing and Mining index both exhibited improvement in growth between April -October 2023 and registered 6.4% and 9.4% y-o-y growth against 4.9% and 4% y-o-y growth between April to October 2022. Electricity sector index exhibited moderation in growth, and it grew by 7.9% against 9.4% during the above period.

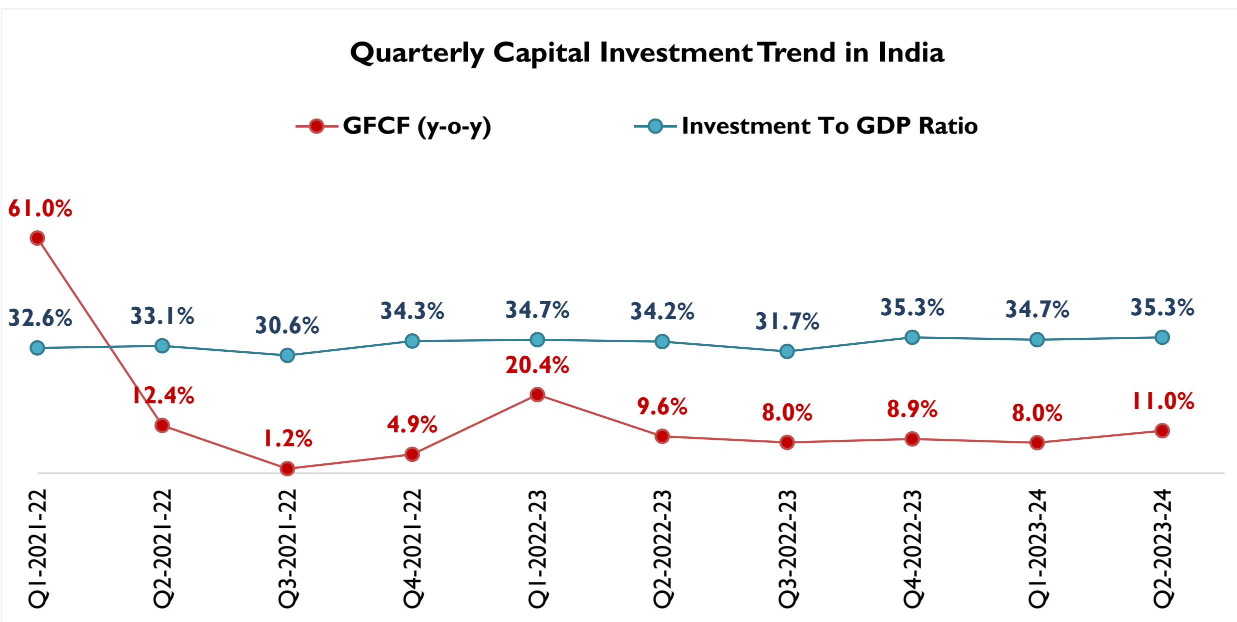


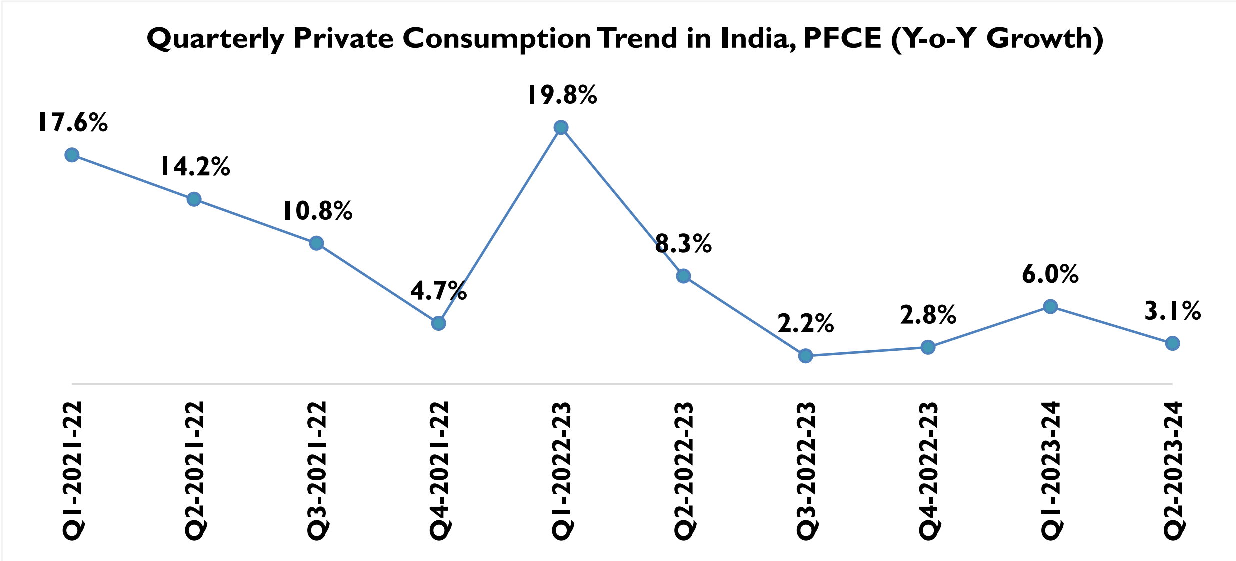
Sources: MOSPI

As per the use-based classification, growth in all segments exhibited improvement in October 2023 as compared to previous month. The improving IIP data points towards India's resilience amidst challenging operating business climate as global headwinds, high inflation and monetary tightening is likely to have adverse impact on the overall global economic performance.

Investment & Consumption Scenario

Other major indicators such as Gross fixed capital formation (GFCF), a measure of investments, gained strength during Q2 FY 2024 as it grew to 5 quarter high and registered 11% y-o-y growth against 9.6% yearly growth in Q2 FY 2023 while GFCF to GDP ratio measured all time high since Q3 FY 2012 to 35.3%.



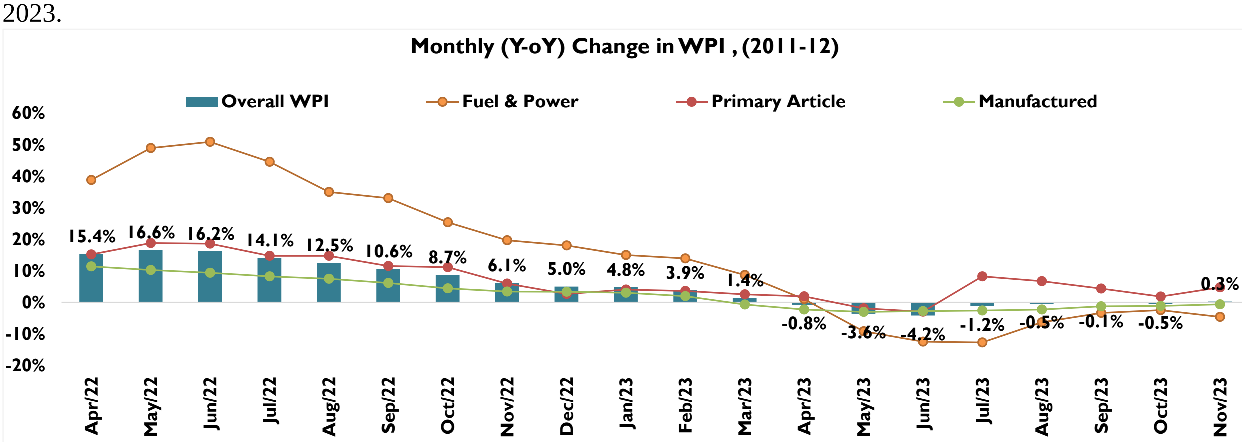


Sources: MOSPI

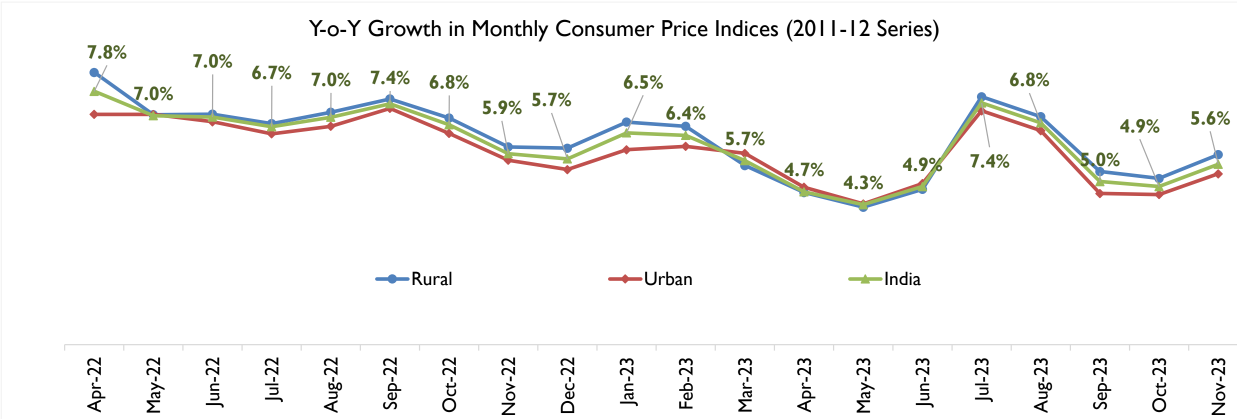
Private Final Expenditure (PFCE) a realistic proxy to gauge household spending, observed decelerated and registered 3.1% y-o-y growth in Q2 FY 2024 which is almost half of the previous quarter indicating sustained weakness in mass demand.

Inflation Scenario

Wholesale Price Index (WPI) which exhibited decline in the previous seven month rose sharply in November 2023 to 0.26% on the back of increasing prices of food inflation which grew by 8.18% in November 2023, up from 2.53% in October 2023. Increasing prices of minerals, machinery & equipment, computer, motor vehicles, electronics & optical products, other transport equipment and other manufacturing too translated in increasing WPI inflation in November 2023.



Source: MOSPI, Office of Economic Advisor, November data is provisional.



Source: CMIE Economic Outlook

Retail inflation rate (as measured by Consumer Price Index) again grew to 5.6% in November 2023 as compared to 4.8% in October 2023. The CPI inflation for rural and urban for the month of October 2023 was 5.12% and 4.62% which increased to 5.85% and 5.26% respectively in November 2023. Long term inflation rate since April 2021 peaked in April 2022 when it measured 7.8% while it moderated in subsequent month thereafter reaching 7.4% in July 2023 and the value of CPI inflation in August 2023 was 6.8%.

CPI measured below 6% tolerance limit of the central bank during November 2023. As a part of anti-inflationary measure, the RBI has hiked the repo rate by 250 bps since May 2022 to current 6.5% while it has been holding the rate at 6.5% since 8 Feb 2023.

India's Economic Growth Outlook

The second advance estimates project a 7.6% growth in real GDP for FY24. Looking ahead to FY25, we anticipate GDP to maintain a robust above 7% growth trajectory, which will mark the fourth consecutive year of 7%+ growth. This growth momentum is accompanied by a slowdown in inflation, as well as various other factors in the medium to long term that will support the economy. These include enhancements in physical infrastructure, advancements in digital and payment technology, improvements in the ease of doing business and a higher quality of fiscal expenditure to foster sustained growth.

On the demand side, improving employment conditions and moderating inflation are expected to stimulate household consumption. Further, the investment cycle is gaining traction, propelled by sustained government capital expenditure, increased capacity utilisation and rising credit flow. Additionally, there are positive signs of improvement in net external demand, as reflected in the narrowing merchandise trade deficit. Despite the supply disruptions, exports clocked positive y-o-y growth in December 2023 and January 2024.

From uplifting the underprivileged to energizing the nation's infrastructure development, the Government has outlined its vision to propel India's advancement and achieve a 'Viksit Bharat' by 2047 in the interim budget announced on1st Feb 2024. Noteworthy positives in the budget include achieving a lower-than-targeted fiscal deficit for FY24 and setting a lower-than expected fiscal deficit target for FY25, proposing dedicated commodity corridors and port connectivity corridors, providing long-term financing at low or nil interest rates to the private sector to step up R&D in the sunrise sectors.

Achieving a reduced fiscal deficit of 5.8% in FY24 and projecting a lower than-anticipated fiscal deficit of 5.1% are positive credit outcomes for India. This showcases the country's capability to pursue a high-growth trajectory while adhering to the fiscal glide path. There has been a significant boost to capital expenditure for two consecutive years; capital expenditure – which is budgeted at 3.4% of GDP (INR 11.1 trillion/USD 134 bn) for 2024/25 – is at a 21-year high (3.3% of GDP in 2023/24). The enhancement of port connectivity, coupled with the establishment of dedicated commodity corridors (energy, mineral and cement), is poised to enhance manufacturing competitiveness. This strategic move aims to fulfil India's export targets and substantially reduce logistics costs.

However, headwinds to external demand emanate from recession in key exporting partners - the UK and Germany (which collectively account for over 5% of India's export portfolio) - and the spiralling effect it will have on other

European countries. Supply disruptions posed by the conflict in the Red Sea, leading to rerouting of shipments through Africa, are impacting sectors exposed to exports to Europe, running on thin margins, especially small businesses. Although headline inflation moderated to 5.1% in January 2024, a three-month low, volatility in crude prices and uncertainties about food inflation are likely to keep the central bank cautious in the near term.

Some of the key factors that would propel India's economic growth in the coming year.

Government focus on infrastructure development

Infrastructure development has remained recurring theme in India's economic development. The launch of flagship policies like National Infrastructure Pipeline (NIP), and PM Gati Shakti plan have provided the coordination & collaboration that was lacking earlier. Both NIP and PM Gati Shakti are ambitious billion-dollar plans that aim to transform India's infrastructure, elevating it to the next level. These projects are expected to improve freight movement, debottleneck the logistics sector, and improve the industrial production landscape, which would provide the incremental growth in GDP. In its Union Budget FY 2023, the Government has increased the capital expenditure by 35% to nearly INR 7.5 lakh crore – which indicates the strong Government focus on improving the overall infrastructure landscape in India.

Development of Domestic Manufacturing Capability

The Government launched Production Linked Incentive (PLI) scheme in early 2020, initially aimed at improving domestic manufacturing capability in large scale electronic manufacturing and gradually extended to other sectors. At present it covers 14 sectors, ranging from medical devices to solar PV modules. The PLI scheme provides incentives to companies on incremental sales of products manufactured in India. This incentive structure is aimed to attracting private investment into setting up manufacturing units and thereby beef up the domestic production capabilities. The overall incentives earmarked for PLI scheme is estimated to be INR 2 lakh crore. If fully realizing the PLI scheme would have the ability to add nearly 4% to annual GDP growth, by way of incremental revenue generated from the newly formed manufacturing units.

Strong Domestic Demand

Domestic demand has traditionally been one of the strong drivers of Indian economy. After a brief lull caused by Covid-19 pandemic, the domestic demand is recovering. Consumer confidence surveys by Reserve Bank / other institutions are points to an improvement in consumer confidence index, which is a precursor of improving demand. India has a strong middle-class segment which has been the major driver of domestic demand. Factors like fast paced urbanization and improving income scenario in rural markets are expected to accelerate domestic demand further. This revival is perfectly captured by the private final consumption expenditure (PFCE) metric. PFCE as a percentage of GDP increased to nearly 59.2% during the first half of FY 2023[1], which is the highest level it has achieved during the past few years. Although pent-up demand has played a part in this surge, this is an indication of normalization of demand.

There are two factors that are driving this domestic demand: One the large pool of consumers and second the improvement in purchasing power.

- The share of middle class increased from nearly 14% in 2005 to nearly 30% in 2021 and is expected to cross 60% by 2047. This expanding middle class household segment is fuelling India's growth story and would continue to play a key role in propelling India's economic growth.
- As per National Statistics Office (NSO) India's per capita income (in current prices) stood at INR 1.72 lakhs in FY 2023 which is nearly double of what it was in FY 2015. This increase in per capita income has impacted the purchasing pattern as well as disposable spending pattern in the country. Consumer driven domestic demand is majorly fuelled by this growth in per capita income.

Digitization Reforms

Ongoing digitization reforms and the resultant efficiency gains accrued would be a key economic growth driver in India in the medium to long term. Development of digital platforms has helped in the seamless roll out of initiatives

[1] India Economic Survey FY 2023, Full year data is yet to be released.

like UPI, Aadhaar based benefit transfer programs, and streamlining of GST collections. All of these have contributed to improving the economic output in the country. Some of the key factors that have supported the digitization reforms include – the growth in internet penetration in India together with drop in data tariffs, growth in smartphone penetration, favourable demographic pattern (with higher percentage of tech savvy youth population) and India's strong IT sector which was leveraged to put in place the digital ecosystem. All these factors are expected to remain supportive and continue to propel the digitization reforms in India.

Retail Industry in Inda

The Indian retail sector is experiencing a significant transformation owing to a range of shifting socio-economic factors, increasing digital and new age technology influence along with a rapidly transforming consumer landscape. Over the year, India has evolved as a thriving consumer-driven economy, making it the 4th largest retail market globally after US, China, and Japan and has thus become one of the most attractive markets for global retailer to expand their footprints in India. The country ranked 1st in Kearney's Global Retail Development Index (GRDI) in 2023 which features 44 key retail markets while in Kearney FDI Confidence Index 2023, it ranked 162 and 2nd amongst the emerging countries after China.

Retail Sector Contribution and Major Highlight3F[2]**:**

- At present the retail sector in India accounts for over 10% of the country's GDP[3].
- The sector contributes 8% of the workforce (35+ Mn). The sector is expected to create 25 Mn new jobs by 2030.
- The market size of the Indian retail sector was estimated at USD 750 Bn in the year 2022 and it is expected to reach USD 1.1 Tn by 2027 and USD 2 Tn by 2032 growing at 25% CAGR.
- Food & Grocery, Apparel & footwear, and consumer electronics are the largest retail segments, constituting 63%, 9% and 7% respectively of the retail market.
- The share of organized retail in the total retail industry is currently estimated 12%-15%.
- The Indian e-commerce industry was estimated to be worth over USD 70 Bn in Gross Merchandise Value in 2022 and is expected to cross USD 350 Bn mark by 2030, growing at a CAGR of 32% between 2022-30.

For analysis purpose, the Indian retail industry is primarily segmented in *organized* and *unorganized*; based on key product segment it is segmented into *consumer non-durable goods* such as food & grocery and *consumer durable goods* such as Clothing & Footwear, Personal Care product, and Consumer Electronics etc. The industry is also segment based on distribution channel that include *brick and mortar* (B&M) and online (e-commerce). The B&M segment include many formats such as independent convenience store, drug stores, and health & beauty stores, in the unorganized segment as well as hypermarkets, supermarkets etc. and specialized independent store that operate in shopping Centre or mall space under the modern retail format in the organized retail.

Current Scenario

The Indian retail industry is a key driver of the Indian economy, and its contribution is significant in terms of value and its share in country's total workforce. It contributed around 10% to the country's total GDP and employs around 8% of the total workforce5F[4]. The sector is growing at a brisk pace fuelled by the rapid urbanization, a growing middle class, steady increase in national wages and disposable incomes, and expanding consumer spending. Furthermore, the government steady efforts to improve India's ease of doing business and to strengthen the overall digital ecosystem have facilitated the entry of foreign investors in India which today have better access to the connected rural consumers than before. The sector is thus poised to grow at projected rate of 8% between 2022-2027 to USD 1.100 Bn by 2027 and further at 13% CAGR between 2027-2032 to USD 2000 Bn, from estimated market size of USD 750 Bn in 2022.

[2] Invest India

[3] This data is sourced from multiple industry reports, articles such as Retailers Association of India, Invest India as retail segment has contributed around 10% to country's total GDP consistently over past 2-3 years.

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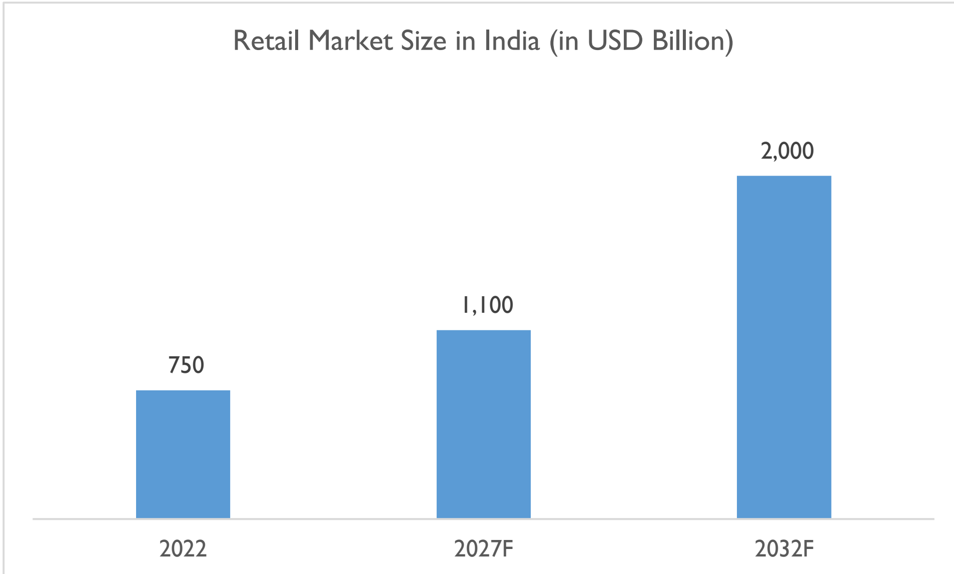


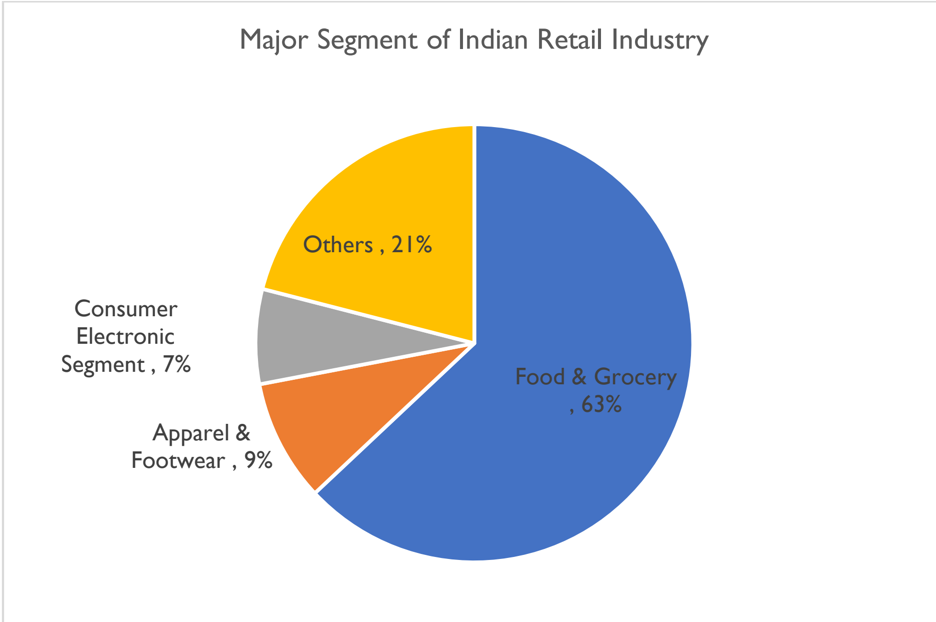
Sources: Invest India, National Investment Promotion & Facilitation Agency, F- Forecast

However, India experienced a serious setback in 2020 as spread of Covid-19 pandemic impacted normal life and resulted in 10% y-o-y growth between 2020-22. The retail sector was severely impacted as consumer demand shifted away from discretionary spending. Even demand for essential goods remained constrained as consumer footfalls decreased during the lockdown period in April 2020. The lower disposable income, subdued sentiment and economic uncertainty led to a constrained consumption expenditure, both for essential and non-essential goods.

But later, revival of e-commerce activities since Unlock Phase -1 since June 2020 contributed some pick up in the pent-up demand for both essential and non-essential goods facilitated by digital payments. Also, the swift government action including widespread vaccination and other containment measures helped in restoring economy back to normalcy in the subsequent years. As per Retailers Association of India (RAI), the organized retail sector witnessed a significant growth of 34% in FY 2022-23, surpassing pre-pandemic sales figures of FY2020.

Market Segmentation

The retail industry comprises of various segments like - Food & Grocery, Jewellery, Apparel, Furniture, Pharmacy, Consumer Electronics and Durables, Beauty & Personal care, Footwear, and others. Amongst all, the food & Grocery is the largest segment of retail sector comprising of 63% share in the total retail industry followed by apparel and footwear, and consumer electronics segments that accounts for 9%, and 7% share, respectively.



Sources: Invest India Presentation

Food & Grocery Retailing in India

The total size of India's food & grocery retail segment is estimated to be nearly USD 473 billion in 20226F[5], making it the largest segment in Indian retail industry. Approximately 80% of spending in food & grocery retailing is accounted by staples and fresh produce. However, recent years have witness strong growth in demand for packaged snacks, confectionary and beverage which are growing at a compounded rate of nearly 15% per annum7F[6].

The country's demographic dividend coupled with the higher investment and the favourable regulatory framework are expected to continue fuelling the food and grocery growth in India which is projected to grow 10% CAGR between 2022-2030. The increasing consumption of processed foods, rising demand of quality goods and services, premiumization trends and wider access to rural market will continue to push the Indian food and grocery retail market.

Over the past decade, this sector has undergone rapid expansion and modernization, driven by various factors such as technological advancements, changing consumer preferences, and increasing disposable incomes. In terms of retail formats, India boasts a diverse ecosystem that includes supermarkets, hypermarkets, grocery shops, convenience stores, and specialty shops. These formats cater to a wide range of consumer needs and preferences, offering both convenience and variety. While some retail outlets are part of larger networks, others operate independently, showcasing the *coexistence of traditional kirana shops alongside modern organized retail* chains.

This blend of traditional and modern retail formats reflects the dynamic nature of India's retail sector, where innovation and tradition converge to meet the evolving demands of consumers. The emergence of organized retail complements the longstanding presence of kirana shops, creating a competitive retail landscape that continues to drive growth and innovation across the industry.

Food & Grocery sector falls under the broader FMCG sector, which also include personal care as well as household care products.

[5] Invest India, D&B Research
[6] Invest India

Food & Grocery Sector in India: Classifications	
Segments	**Products**
Food and Beverages	Carbonated and Non-carbonated Drinks, Alcoholic Beverages, Dairy products, Confectionery, Meat, Poultry and Seafood, food additives, salts, edible oils, fats, and all processed and packaged foods.
Personal Care	**Soap, Cosmetics, Female hygiene products etc.**
Household Care	Disinfectants, Toiletries etc.

Food & Grocery sector falls under the broader FMCG sector which is often segmented based on the pricing of the products. These products are divided into low priced, medium priced and premium/ high priced segments. Low priced segment is driven by volume and price sensitive nature while high / premium priced segment is characterized by a price insensitive and brand conscious nature.

The FMCG sector is characterized by strong presence of global MNCs, intense competition between organized players, well established supply chain & distribution networks. During the last decade the FMCG players increased and improved their distribution channels and improved supply chain to enhance the availability of products across the country, especially to the rural region. This contributed to the growth of FMCG sector in India. The sector is primarily fragmented in nature with the presence of global players such as Nestle, Palmolive-Colgate Company, Johnson & Johnson, and P&G; and domestic players such as Hindustan Unilever Limited, Patanjali Ayurveda, Dabur, ITC, and Britannia, amongst others. Overall, the availability of raw materials, cheaper labour costs, and huge consumer base gives India a competitive advantage.

Historical Growth Trend

The Indian retail industry has undergone a remarkable evolution since the liberalization of the economy in 1991, marked by significant developments in organized retail. While various retail models have emerged, "value retail" continues to hold allure for consumers, especially in the grocery segment, which constitutes nearly 63% of the country's retail consumption8F[7].

Initially all supermarkets were concentrated in metropolitan areas due to higher population density, greater purchasing power, and the presence of infrastructure and amenities conducive to large-scale retail operations. However, supermarkets recognized the potential for growth beyond metros and leveraged their strengths in offering a modern shopping experience, diverse product range, and competitive pricing to attract consumers. Thus, supermarkets successfully expanded their footprint to smaller towns and cities, reflecting a strategic response to market dynamics and consumer demand.

The growth of supermarkets into tier 2 and tier 3 cities was facilitated by several factors. Firstly, improving infrastructure and connectivity made it feasible for supermarkets to establish a presence in these locations. Secondly, the rising purchasing power and aspirations of consumers in smaller cities drove demand for a modern retail experience, including well-stocked shelves, organized layouts, and a variety of products.

The impact of the COVID-19 pandemic further accelerated the growth of supermarkets and organized retail, with consumers prioritizing hygiene, safety, and convenience. This shift in consumer behaviour led to increased footfall and sales in supermarkets, particularly in smaller towns and cities where organized retail was gaining traction.

Within India's organized grocery retail landscape, intense competition prevails, as major players vie for consumer attention through enticing offers and promotions. These market leaders are focused on delivering a distinctive shopping experience characterized by well-stocked shelves, meticulously organized spaces with ample lighting, and a diverse array of products strategically displayed to entice and encourage consumer purchases.

The number of Organised Food & Grocery Retailers in India increased at a CAGR of 4.6% between FY 2017 – FY 2023. During 2020, some retailers shut down due to the severe impact of Covid-19 on businesses. However, since

[7] This refers to 63% of the current retail market size.

then, there have been continuous increases in number of retailed in the F&G segment in India, with 2022 observing an increase of nearly 10% over the previous year. This growth continued in 2023 with a further increase of 4.6%.

Policy support, such as the 100% FDI allowance in food retail for domestically produced products, also encouraged investment and expansion in the retail sector, including supermarkets. This policy framework facilitated market entry and growth opportunities in tier 2 and tier 3 cities, contributing to the overall expansion of supermarkets across India.

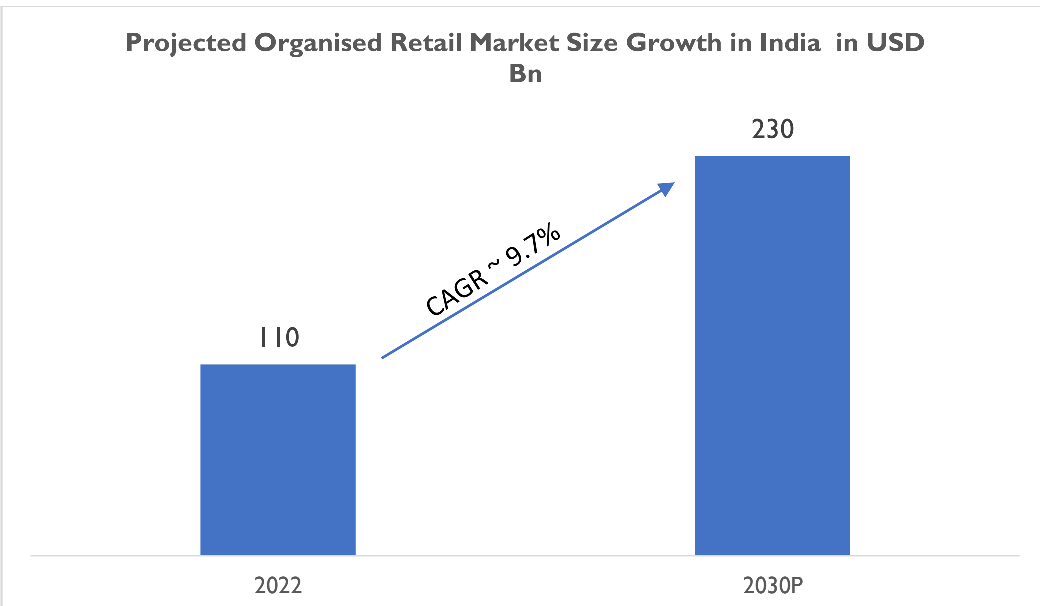
Further, as employment opportunities improve, agricultural advancements occur, and the rural workforce returns, rural areas are projected to see an increase in consumption levels, referred to as volume growth, presenting significant untapped potential for growth in the Indian retail sector, prompting major retail players to invest heavily in this burgeoning market.

Growth in Organized Retail Segment

Currently[8],the traditional and unorganized retail segment is still the dominant one in the country accounting for nearly 85-88% share while organized retail account for the balance share. The unorganized retail sector includes local kirana stores, owner-operated general stores, convenience stores etc. The unorganized retailing is a highly fragmented segment with per unit space relatively low. However, this segment is too experiencing a significant transformation after the digitization push.

On the other hand, the organized retailers includes corporate backed hyper markets / super markets and privately owned large retail businesses which operate with modern retailing format both in offline and online mode. The major factors supporting and accelerating the growth of the organized sector are increasing levels of internet penetration, digital maturity, and developing infrastructure to back online transactions.

The organized retail is gaining ground at a brisk pace in India where a balance is emerging across shopping format that include hypermarkets, supermarket, and other large retail format like specialty store. Major retail chains are expanding their presence beyond metros and Tier-1 cities to tier-2, tier-3 cities and even in tier-4 cities owing to lower rental rates and operating costs. This is translating in to overall increase in nation's consumer power and benefitting the growth of organised retail in India. As per AT Kearney report, the organised retailing segment was estimated to value at USD 110 Bn in 2022 and is projected to grow to USD 230 Bn by 2030,



Source:10F[9] Dun & Bradstreet Desk Research , P - Projected

[8] Referring to FY24
[9] Market Size number based on report published by AT Kearney a global competitive intelligence company tracking retail sector.

Malls are the largest format of organized retail available today. Since it is equipped with presence of dedicated multi-level parking, multi-brand retail outlet and exclusive retail outlet, hypermarket/supermarket, large food courts, restaurants, entertainment zone and many more, it precisely offers multiple convenience to consumer all under common roof. Beyond their retail offerings, malls and high streets provide safe and secure environments for social interaction and quality time with loved ones.

On demand side, today's consumers seek a more engaging retail experience, prioritizing personalized service, interactive displays, and innovative approaches that go beyond the simple product transaction. Thus, the evolving customer preferences for a safe, contactless, and sophisticated technology enable shopping experience is driving the growth of experiential retail, where the shopping experience is equally important to product sale. Beside above, underlying factor such as rapid urbanization, increasing disposable income, transforming lifestyle, increasing consumerism and supportive regulatory environment are few additional prominent factors that are propelling the growth of organized retail in India. As per, Deloitte India and the Shopping Centre Association of India (SCAI), malls and shopping centres play is projected to grow at17% CAGR from 2022 to 2028, outpacing the overall growth of the retail industry.

On supply side, the retailers are paying greater attention to this noticeable shift in consumer preferences and thus making increasing investment to offer a wide range of services and improved shopping experiences to them. Owning or renting a space in a shopping mall may help retailer with better positioning and reach amongst a diversified consumer segment. Access to Hi-tech surveillance and security; elevators, parking, and other common areas; and lesser maintenance fees, are other added advantage that may help businesses with reduced operational cost and improved operational efficiency.

Organized Retail Leasing Space Growth in India

India ranks among one of the best countries to invest in the retail space. Since 2020, retail demand has increased regularly across investment grade malls, well-known high streets, and independent developments. With 275 to 300 million square feet already operational in the country, the retail sector witnessed all time high leasing activity taking total leased space to 7.1 million square feet11F[10] during 2023, registering a year-on-year rise of 47%12F[11]. The report further highlighted that recently completed mall contributed towards 30% share in total lease space absorption in 2023. On supply side, the sector witnessed a peak retail supply of 6 Mn sq. feet, witnessing 316% y-o-y growth on the back of commencement of supply of 12 investment grade mall across the 8 cities.

Fashion and retail segment with 36% share in total leasing space during 2023 accounted for the highest share followed by Food & beverage, luxury retail and consumer electronic which accounted for 12%, 9% and 6% share in 2023, respectively.

As per industry sources, India is projected to witness the opening of approximately 60 shopping malls, totalling 23.25 million square feet during FY 2023-24.

E-Commerce Sector in India

E-commerce industry has exhibited significant transformation in terms of scope of products/service delivered over the just a click of button. Indian e-Commerce industry has steadily grown riding on a booming internet subscriber base and smartphone users complimented by better connectivity and availability of cheap data services apart from the country's favourable demographics. Access to large population base particularly having young aspirational population age between 15-34 years, income growth, rising urbanization and increasing in working women segment, are few of the favourable demographic factors that have propelled the e-commerce industry growth in India.

Major Advantages of E-commerce

Disintermediation: E-commerce has reduced the role of intermediaries. Using online platforms, manufacturers can now directly sell their product to end users, bypassing the traditional retail chain. Disintermediation has brought several benefits to buyers & sellers. It helps sellers in eliminating operation & infrastructure cost of selling through channels while buyers can make hassle-free purchases at comparatively lesser prices due to disintermediation.

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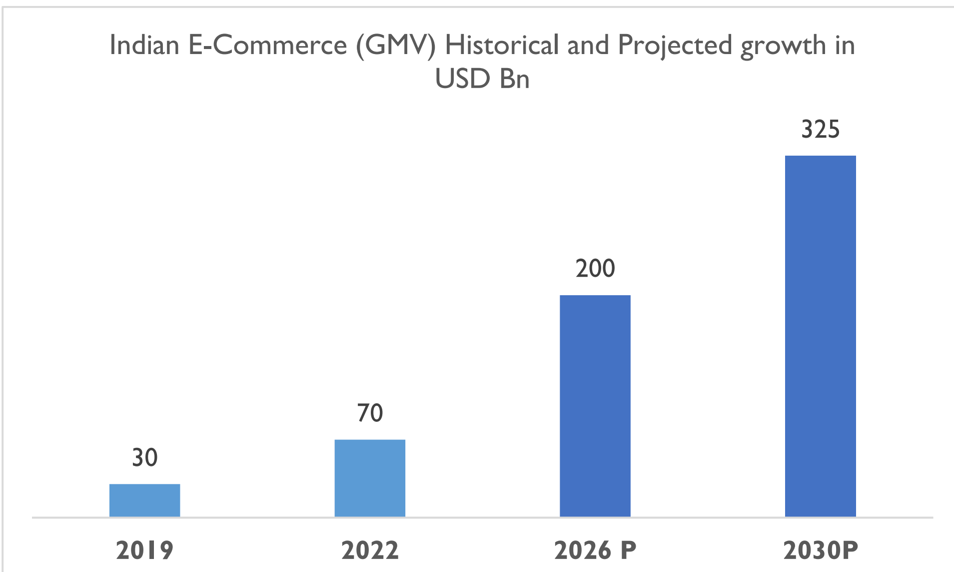
[10] Based CBRE India Market Monitor Q4 2023 report assessment in top 8 cities that include Bangalore, Mumbai, Pune, Delhi-NCR, Chennai, Kolkata, Hyderabad and Ahmedabad

Greater Convenience & Wider Reach: Convenience is one of the most important advantages of e-commerce industry. Millennial population's changing perspective towards "Anytime / Anywhere" is pushing the e-commerce sales in India. E-commerce's round-the-clock accessibility broadens the customer base to encompass a vast majority of internet users, geographically transcending traditional limitations. Furthermore, advertisement & promotions on online platform allows e-commerce portal to have better & wider reach from even global customers.

Access to diverse inventory & Easy Product Comparison: A wider range of choices in all categories such as electronics, apparels, footwear, books, food & groceries, etc. is available at a single website. Moreover, better inventory management and cataloguing of product on online portal attract customer's attention and even leads to impulsive buying too. Use of e-commerce platform is not just restricted to buying or selling activities, but it also has unique business offering that provides for information gathering, product/services comparison in terms of pricing, product review, customer rating, availability etc. All these factors have transformed customer's preferences towards e-commerce industry.

Improved Efficiency: As the orders are processed digitally, buying efficiency is improved for stakeholder in the value chain including manufacturers, distributors, wholesalers, and retailers. Large scale procurement/ sale, information sharing is possible just at a click of button which is time saving and more transparent in nature as comparatively less human interaction is involved. Furthermore, technology advancement (e.g., mobile apps), varied facilities (i.e., payment platforms, transport options, etc.), paperless & cashless transactions, artificial intelligence and a host of other new innovations are being brought about to deal with rapidly changing business needs.

Driven by above discussed benefits, the Indian e-commerce industry growth measured in GMV terms have grown from USD 30 Bn in 2019-USD 70 Bn in 2022, registering 32% CAGR between 2019-2022.



Sources: Dun & Bradstreet Desk Research, P - Projected

Innovation and customization to align with changing customers expectation and dynamic operating environment has supported the growth of e-commerce in diversified business segment including *retail*. The Indian retail sector has been evolving steadily, both in terms of *format* and *platform*, paving the way for modern retail format which gives unique shopping experience to the customer. The noticeable surge in internet users, conducive ICT infrastructure, increasing time poverty13F[12], convenience of online purchase and exciting discounts running throughout the year, have pushed the e-commerce penetration in the retail sector. Furthermore, efficient customer servicing policies offered by retailers such as cash on delivery, good replacement policy, etc are other factors that have boosted the trust and comfort of

[12] Increasing Time poverty refers to the shortage of time amongst the working group segment which holds significant share in total potential customer segment.

customers opting for online shopping. Further, the growth of logistics & reverse logistic to ensure speedy & safe delivery even for precious and delicate items is aiding growth of online retail in India.

The Covid-19 pandemic brought some long-lasting changes in consumer landscape to which retail sector is still adjusting. It has altered their preferences and transformed the purchasing behaviour of consumers such as how they consume, shop, use technology etc. Major emerging changes that have accelerated after Covid are listed below:

Omni-channel strategies	Experiential shopping	Micro-retailing-	Technology and Digital Adoptition
• Retailers must be present at all touchpoint (both offline and online) where customer want to be served	• Despite growing e-retailing, the Indian customer's in-store experience plays a decisive role in the final product purchase. For this reason, retailers are must keep quality of service tailored in the physical store.	• During pandemic, the need for "convenience retail" grew substantially encouraging the concept of micro retailing with hyper local store so that retailers are as close to the customer as possible	• Retail sector has been a major proponent digital push in India. It is pushing innovative technology tools right from inventory planning and supply chain to POS, delivery and digital payment app,

Before covid-19, only 3% of the overall retail sector was related to e-commerce. But its share increased significantly to 9% during 2022 and is likely to accelerate further to 17% by 2030 as most business is embracing digitization to reach out and service their customers. The total e-commerce market (GMV) is projected to grow to USD 350 Bn by 2030. The retail brands are putting conscious effort on increasing their online presence and direct sales as customers continue to shop online. Now, corporates are harnessing digital platforms not only to sell but also to promote their brand and engage with consumers.

Acknowledging, e-commerce as a major growth driver of the Indian Retail sector, today all leading brands have tied up with leading online marketplaces such as Amazon, Flipkart, Snapdeal, Myntra, amongst others to sell their product on online platforms. These marketplaces have also launched their mobile apps to increase their customer reach which is pushing M-commerce sale. Even retailers operating with store format in (Exclusive Brand outlet and multiband brand out (MBO) have launch their online shopping platforms.

To cope up with the changing market dynamics, even traditional Kirana shops are getting modernized where industry is witnessing transformation to omni-channel retailing format. The e-commerce industry is experiencing a surge in start-ups, exploring innovative business models in e-commerce retailing. Retailers in both organized and unorganized segment are collaborating up with online grocery platform such as Blinkit, BBdaily, BB now, Swiggy's Instamart, Instacart, and Dunzo etc., making their products easily available to consumer at the doorstep. Industry sources suggest that ***the Indian e-grocery market was estimated at USD2-3 Bn in 2020 and is projected to grow to USD 10-12 Bn by 2025, witnessing annual average growth of about 50%.***

Key Demand Drivers

Below mentioned are the major underling factor that are likely to propel the growth of Organized and e-retailing and overall Retail Sector in India:

Urbanization

India, boasting a staggering population exceeding 1.428 billion in 2023, represents about 17.2% of the world's total inhabitants, with a consistent 1.39% annual growth rate over the past 25 years. Furthermore, according to the Handbook of Urban Statistics 2022, India's urban population has been steadily rising, reaching over 469 million in 2021 and projected to exceed 558 million by 2031, with estimates soaring to over 600 million by 2036.

As the country experiences rapid urban growth, with more people migrating from rural to urban areas, there is a fundamental shift in consumer behaviour and preferences. Urban dwellers typically lead fast-paced lifestyles characterized by hectic work schedules and limited time for traditional shopping practices. This demographic segment values convenience, efficiency, and a seamless shopping experience.

Economic Growth	• Excluding the Pandemic years (FY2020-21), India's GDP is growing at 7-7.5% rate annually since FY 2014 favouring growth in consumption and investment demand.
Income Growth	• The country's Per capita income has increased from INR 68,572 in FY 2014 to INR 86,668 in FY 2023, registering a CAGR of 4.1% in the last 10 years.
Access To Large Market	• With over 1.42 Bn population, India emerged as the world most populous country in April' 23. India's population is projected to reach 1.54 Bn by 2032.
Demographics Advantage	• More than two-thirds of its population or 68% comprises people between the ages of 15 and 64 while with a median age of 31 by 2030, India will remain one of the youngest nations in the world.
Urbanisation	• The share of Urban population to total population in India grew from 27.8% to 31% between 2001-2011 and is further estimated to grow to 41.7% by 2030.
Per Capita Consumption	• Rural per capita consumption to grow 4.3 times by 2030, compared to 3.5 times in urban India
Rising Consumerisim	• India's consumption expenditure to grow from USD 1.5 trillion in 2021 to USD 6 Trillion by 2030 backed by the 370 Mn aspirational consumer age between 0-25 who will have grown up in India which have relatively better digital reach than before.
Increasing Millennial Population	• By 2030, India will have nearly 90 Mn new households headed by millennials
Affluent and Elite to drive spending	• India's affluent population and elite population is expected to grow by 2.1 X and 2.3X between 2019-2030
Digital Economy Growth	• India's digital economy is expected to reach USD 1 Tn by 2030 from USD 90 Bn
Internet User Growth	• India has second largest Internet users base which reached 881.25 Mn as on 31st Dec 2023, growing at CAGR of 8% between 2018-23.
Increase in Digital Payment	• Digital payments gross transaction value is expected to grow from USD 0.6 Tn in 2022 to USD 3.1 Tn (2030)
Government Inititiatives	• Digital India, Demonetization, GST reform, FDI relaxation, Aadhaar, UPI and changes in MSME definition to include wholesale and retail trader favour the retail sector growth

Organized retail stores cater precisely to these urban consumer needs by offering a modern and structured shopping environment. These stores are strategically located in urban centres, making them easily accessible to a large population base. Additionally, organized retail outlets leverage their scale and operational efficiencies to stock a wide range of products, from daily essentials to specialty items, thereby providing consumers with a one-stop destination for their shopping needs.

Changing consumer preferences

Changing consumer preferences play a crucial role in driving the demand for organized food and grocery retail stores in India. One of the key aspects of these changing preferences is the shift towards cleanliness, hygiene, and well-organized shopping environments. Organized retail stores excel in this aspect by maintaining high standards of cleanliness, ensuring neat and tidy aisles, and providing a pleasant ambiance for shopping. This focus on cleanliness is particularly important in the current global context, where health and safety considerations have become paramount.

Additionally, Organized retail stores are designed to optimize space, display products attractively, and provide clear signage for easy navigation. This organized layout enhances the overall shopping experience, making it more convenient and enjoyable for consumers. Moreover, organized stores often categorize products logically, making it easier for shoppers to find what they need quickly.

Furthermore, the availability of a wide range of products under one roof is another aspect of changing consumer preferences driving demand for organized retail. Consumers today value convenience and efficiency in their shopping trips. Organized stores fulfil this need by offering a diverse selection of products, including branded and premium options, thus saving consumers time and effort in visiting multiple stores for their shopping needs.

Increase in disposable income.

Higher disposable incomes among consumers in India have a significant impact on the demand for organized retail shops and supermarkets. As people's incomes rise, they have more money available for discretionary spending, including on groceries and other retail items. This increase in disposable income enables consumers to afford the convenience and premium offerings often found in organized retail outlets.

With higher incomes, consumers place greater value on time-saving benefits and convenience. Organized retail shops and supermarkets offer a wide range of products under one roof, saving customers the time and effort of visiting multiple stores. Additionally, these outlets often provide services like home delivery, online ordering, and loyalty programs, further enhancing convenience for busy consumers.

Quality Assurance

Quality assurance is a crucial factor that drives demand for organized retail shops and supermarkets in India. Consumers are increasingly concerned about the authenticity, safety, and overall quality of products they purchase. Organized retail outlets play an important role in meeting these expectations by implementing robust quality control measures throughout their supply chains.

One key aspect of quality assurance is the sourcing of products from reputable suppliers and brands. Organized retail shops and supermarkets often have partnerships with well-known manufacturers and distributors, ensuring that the products they offer are genuine, of high quality, and compliant with industry standards and regulations. This gives consumers confidence in the products they buy and reduces the risk of purchasing counterfeit or substandard items.

Furthermore, organized retailers invest in maintaining the freshness and integrity of perishable goods such as fruits, vegetables, dairy products, and meats. They adhere to strict storage, handling, and refrigeration standards to preserve the quality and nutritional value of these items. This focus on freshness and quality sets organized retail apart from traditional unorganized stores, attracting discerning consumers who prioritize product quality.

In addition to product quality, organized retail outlets also prioritize customer service and satisfaction. They often have well-trained staff who can provide information about products, assist with inquiries or issues, and ensure a pleasant shopping experience. This emphasis on customer-centric services enhances the overall perceived quality of the retail outlet and encourages repeat business from satisfied customers.

Growing demand from Tier 2 and Tier 3 cities

The growing demand from tier 2 and tier 3 cities is a significant driver of the increased popularity and demand for organized retail shops and supermarkets in India. Tier 2 and tier 3 cities are experiencing rapid urbanization, economic growth, and improvements in infrastructure, leading to changes in consumer behaviour and preferences.

One key factor contributing to the demand from these cities is the rising middle-class population with increasing disposable incomes. As incomes rise in tier 2 and tier 3 cities, consumers have more purchasing power and a growing appetite for branded products, convenience, and a modern shopping experience. Organized retail outlets are well-positioned to meet these evolving consumer needs by offering a wide range of branded products, superior quality, and convenient services under one roof.

Moreover, the expansion of organized retail chains into tier 2 and tier 3 cities has bridged the gap between urban and rural shopping experiences. Consumers in these cities now have access to a diverse range of products, including FMCG goods, electronics, apparel, and household items, which were previously limited to larger cities or urban areas. This accessibility and availability of products contribute significantly to the growing demand for organized retail in tier 2 and tier 3 cities.

Additionally, the presence of organized retail outlets brings modern retail practices, such as digital payments, loyalty programs, and online shopping options, to tier 2 and tier 3 cities, enhancing the overall shopping experience for consumers. This adoption of modern retail practices aligns with the preferences of younger demographics in these cities, who are tech-savvy and value convenience and efficiency in their shopping journeys.

Regulatory Scenario

Key Initiatives & Policy Changes

- **Reforms to attract Foreign Direct Investment (FDI):** The Government of India has introduced reforms to attract Foreign Direct Investment (FDI) in the retail industry. Recent policy changes allow.
    - 100% FDI under the automatic route for:
        - Cash & carry wholesale trading.
        - E-commerce (B2B & marketplace for B2C)
- **Cashless Payments:** Government’s efforts to promote cashless payments are expected to facilitate modern/online retail.
- **Priority Sector Status**: Retail has been accorded status of a priority sector by the government in the National Skill Development Mission. Retailers Association of India is the nodal agency for training the manpower. This would make available the required trained manpower for the growth of the sector.
- **Model Shops and Establishments Bill 2016:** Introduced by the Centre, one of the provisions of this bill allows retailers to operate 24-hour which is expected to provide a boost to the retail market, especially in the metros.
- **Abolishment of the Foreign Investment Promotion Board:** Following the abolishment of the Foreign Investment Promotion Board in 2017, the FDI clearance process has become convenient for investors. The move removes an extra layer of procedures, making the overall process more efficient. FDI proposals are now transferred to concerned individual ministries, which decide on their clearance.
- **Open Network for Digital Commerce (ONDC):** This government initiative aims to create an open e-commerce ecosystem, promoting a level playing field for all sellers and reducing dependence on large online marketplaces. The ONDC is expected to empower small and medium businesses (SMBs) to participate effectively in online retail, fostering greater competition and consumer choice.
- **Government Initiatives:** Schemes like "Pradhan Mantri Gramin Digital Stores" are being launched to establish rural e-commerce points facilitated by local kirana shops. These initiatives aim to bridge the digital divide and provide rural consumers with access to a wider range of products and services.

Regulatory Landscape in Maharashtra

The Maharashtra Retail Trade Policy, 2016: aimed to bolster the state's position as a retail leader within India.

<u>Objectives:</u>

- ***Strengthen Leadership*:** The policy aimed to solidify Maharashtra's position as a frontrunner in the national retail sector.
- ***Attract Investment*:** It intended to incentivize investments in the retail sector, particularly in underdeveloped regions of the state.
- ***Boost Employment*:** Job creation across the retail sector was a primary focus.
- ***Empowerment & Skill Development***: The policy envisioned skilling and empowering youth to participate effectively in retail trade.
- ***Support for Unorganized Sector*:** The policy aimed to strengthen existing unorganized small retailers to help them compete with the organized sector.

Key Initiatives:

- ***Relaxations under Shops and Establishment Act***: The policy proposed simplified registration processes and reduced regulatory burdens for small and medium retailers with less than nine employees.
- ***Online Registration***: It aimed to introduce online registration facilities for various licenses and approvals, streamlining the process for businesses.
- ***Relaxation from APMC regulations***: This provision (potentially repealed) exempted retailers from certain regulations of the Agricultural Produce Market Committee (APMC), allowing them to potentially source produce directly from farmers, reducing costs and inefficiencies.
- ***Single Window Clearance*:** The policy advocated for a centralized system for obtaining clearances and permits, potentially saving time and resources for retailers.
- ***Focus on Training & Skill Development***: Initiatives to equip the workforce with relevant retail skills were envisioned.

Potential Impact:

- ***Increased Investment & Growth*:** The policy could have spurred investments in retail infrastructure and expansion, particularly in underdeveloped areas.
- ***Job Creation*:** Streamlined regulations and a more vibrant retail sector could have led to more job opportunities.
- ***Empowering Small Retailers*:** Reduced compliance burdens and potential benefits like direct sourcing from farmers could have strengthened the position of unorganized small retailers.
- ***Improved Consumer Choice & Convenience*:** A more robust retail sector could have benefited consumers with a wider range of options and potentially lower prices.

Competitive Landscape

The Indian retailing space particularly FMCG is a captivating blend of tradition and transformation, where established giants like kirana stores face off against the rising tide of modern trade and innovative e-commerce players. Currently, traditional stores like kirana shops, with over 11.5 million outlets account for a whopping 80-85% of FMCG sales. These small, family-run businesses offer a convenient and familiar shopping experience for many consumers. They are known for their local presence, credit facilities, and personalized customer service. However, limitations in product variety, space constraints, and outdated inventory management remain challenges.

While traditional retail holds a strong position, modern retail formats like supermarkets, hypermarkets, and e-commerce platforms are rapidly growing. They offer a wider product range, a more organized shopping experience, and attractive promotions. Major players include Reliance Fresh, More Retail, Avenue Supermarkets (DMart), Max Hypermarket (Spar), Spenser's retail, and Star Bazaar, to name a few. This segment is expected to capture 30-35% of the market share within the next 3-5 years. This growth is driven by:

- <u>Focus on Pricing</u>: Modern retailers leverage economies of scale to offer competitive pricing, attracting budget-conscious customers.
- <u>Wider Selection:</u> They provide a wider range of brands and merchandise, catering to diverse consumer preferences.
- <u>Convenience:</u> Strategic locations and online shopping options offer greater convenience for customers.

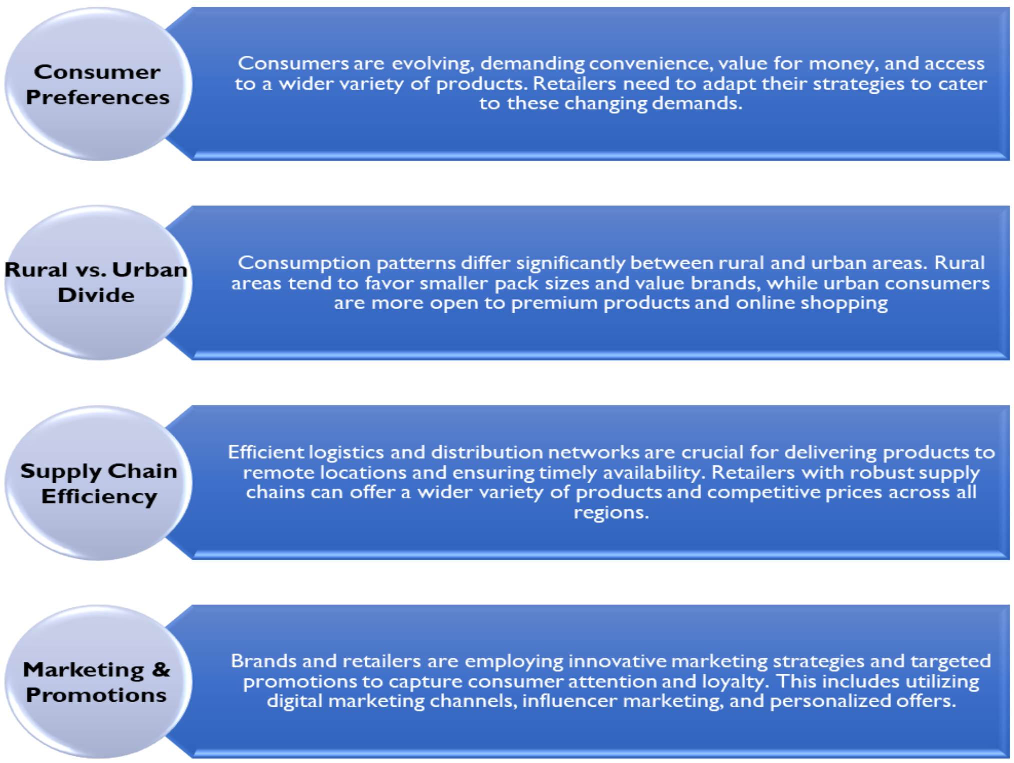
E-commerce while still a smaller player, online retail is witnessing significant growth, especially in urban areas. Players like Amazon, Flipkart, and BigBasket are offering convenience, competitive pricing, and faster deliveries. E-commerce disrupts the landscape by offering a wider product variety than both traditional and modern trade, often at lower prices. However, challenges like logistics costs and the inability to cater to the immediate needs of consumers remain.

Direct-to-Consumer (D2C) Brands are bypassing traditional channels and selling directly to consumers through their websites and social media platforms. This trend is driven by the growing preference for niche and personalized products. D2C brands can offer more competitive pricing by eliminating middlemen, but building brand awareness and reaching a wider customer base can be a challenge.

The Indian FMCG retail space has undergone a significant transformation:

- Rise of Modern Trade: Modern retailers are offering a compelling alternative, attracting consumers with a wider variety of products and a more pleasant shopping experience.
- Tech Integration: Both traditional and modern players are embracing technology. This includes digital payments, loyalty programs, and data analytics to improve inventory management and customer targeting.
- E-commerce Boom: Increasing internet penetration and smartphone usage are fueling the growth of online FMCG sales.

Several factors are shaping the competitive landscape in the Indian FMCG retail space:



The Indian FMCG retail space promises continued growth. Retailers who can successfully adapt to the evolving needs of consumers, leverage technology effectively, and build robust supply chains will emerge as leaders. The future is likely to be dominated by an omnichannel approach, where consumers seamlessly switch between online and offline channels for their FMCG purchases. Retailers who can offer a unified and convenient shopping experience across all channels will be best positioned to thrive in this dynamic market.

Profiling of key players

D-Mart

DMart

Company Profile

- DMart, operated by Avenue Supermarts Limited, is a prominent supermarket chain in India, recognized for its focus on value pricing and private label brands.
- Founded in 2002 by Radhakishan Damani
- Headquarters: Mumbai, Maharashtra
- Publicly Traded: Listed on the National Stock Exchange and Bombay Stock Exchange in March 2017

Business Model

- DMart thrives on a value-driven strategy. They offer everyday essentials at competitive prices through a combination of:

✓ Negotiating bulk deals: This allows them to offer lower prices to customers.

✓ Private label brands: DMart offers its own brands alongside national ones, providing a budget-friendly alternative with good quality.

✓ Focusing on essentials: By stocking essential household items, they ensure consistent customer demand.

Store Presence

- Nationally: As of December 2023, DMart boasts a vast network of 341 stores across 12 states and union territories in India, catering to a diverse customer base
- E-commerce: DMart Ready launched in December 2016, allowing customers to order groceries and household products online in select locations

Strengths

- Strong brand recognition and reputation for value pricing
- Efficient supply chain management
- Large customer base
- Focus on private label brands

Reliance Retail

Company Profile

- Reliance Retail, a subsidiary of Reliance Industries Limited, is the undisputed leader in the Indian retail landscape.
- Founded in 2006
- Headquarters: Mumbai, Maharashtra
- Publicly Unlisted: Currently a subsidiary of Reliance Industries, a publicly traded company.

Business Model

- Reliance Retail thrives on a multi-pronged strategy to dominate the Indian retail market:

✓ Widespread Reach: They offer value and convenience through a massive network of stores with different formats catering to various needs.
✓ Strong Foundation: Reliance leverages its parent company's resources for efficient supply chain management and product availability.
✓ Budget-Friendly Options: Private label brands alongside national ones provide customers with a variety of choices at competitive prices.
✓ Digital Integration: JioMart complements their physical stores by offering online shopping options.

Store Presence

- Widespread Network: As of 2023, Reliance Retail boasts a massive network of over 18,000 stores across 7,000 towns and cities in India.
- Multiple Formats: Reliance Retail operates a variety of retail formats to cater to different needs, including:

✓ Neighborhood stores (Reliance Fresh)
✓ Supermarkets (Reliance Smart)
✓ Hypermarkets (Reliance Hypermarket)
✓ Wholesale cash-and-carry stores (Reliance Market)
✓ Electronics stores (Reliance Digital)
✓ Fashion and lifestyle stores (Reliance Trends, Reliance JioMart)

Strengths

- Widespread presence across various formats
- Strong brand recognition
- Efficient supply chain
- Integration with Reliance ecosystem (including Jio)

Spencer Retail

Company Profile

- Spencer's Retail Limited is a prominent player in India's retail sector, operating across various formats.
- Founded in 1899
- Headquarters: Kolkata, West Bengal
- Publicly Traded: Listed on the National Stock Exchange and Bombay Stock Exchange

Business Model

✓ Focus on Value: Spencer's strives to offer competitive prices on a range of products, attracting budget-conscious customers.

✓ Private Label Brands: They offer their own private label brands alongside national and international brands, providing customers with more affordable options.

✓ Online Presence: Spencer's operates an online grocery shopping platform (Spencer's Online) in select locations, allowing customers to order groceries for home delivery.

Store Formats

- Multi-format Approach: Spencer's operates a variety of retail formats to cater to different customer needs and spending capacities. These formats include:

✓ Department Stores: Large stores offering a wide selection of products, including groceries, apparel, homeware, electronics, and personal care items.

✓ Supermarkets: Smaller stores focusing primarily on groceries, fresh produce, and household essentials.

✓ Hypermarkets: Large-format stores combining supermarket offerings with a wider variety of non-food items like clothing, electronics, and furniture. (Limited Presence)

- Geographic Reach: Spencer's has a presence in over 35 cities across India, with a concentration in major metros and Tier-1 cities.

Strengths

- Established brand presence in India
- Multi-format approach catering to diverse customer segments
- Strong focus on food and FMCG products
- Private label brands for budget-conscious shoppers

More Retail

Company Profile

- More Retail Private Limited, formerly known as Aditya Birla Retail Limited, is a prominent player in India's food and grocery retail sector.
- Founded in 2007 with the acquisition of Trinethra Super Retail
- Headquarters: Mumbai, Maharashtra
- Parent Company: RKN Retail Private Limited
- Acquisition: Acquired by Samara Capital and Amazon in 2019

Business Model

- Predominantly Food & Grocery: More Retail focuses primarily on groceries, fresh produce, and daily essentials.
- Multiple Formats: Operates supermarkets and hypermarkets catering to different customer needs:

✓More Supermarkets: Smaller stores located in residential areas, offering a convenient selection of daily necessities.

✓More Hypermarkets: Larger stores in commercial areas, providing a wider variety of groceries, household items, and personal care products.

- Private Labels: Offers private label brands alongside national and international brands, catering to budget-conscious customers.

Store Presence

- More Retail has a network of 878 Supermarkets in 30 cities and 42 Hypermarkets in 12 cities across India, for a total of over 900 stores as of 2022, with a concentration in South India.
- Omnichannel Strategy: Launched an online grocery shopping platform (More Online) to complement their physical stores.

Strengths

- Strong Brand Recognition: Especially in South India, where it has established a loyal customer base.
- Multiple Formats: Caters to diverse customer needs through supermarkets and hypermarkets.
- Focus on Quality & Service: Strives to provide high-quality products and a pleasant shopping experience

Big Bazaar, once a dominant player in India's hypermarket space, has undergone significant changes in recent years. Founded in 2001 by the Future Group, Big Bazaar became synonymous with the hypermarket format in India. At its peak, Big Bazaar boasted over 300 stores across the country, offering a wide variety of groceries, apparel, consumer durables, and electronics under one roof catering to budget-conscious and value-seeking customers, Big Bazaar offered competitive prices and loyalty programs.

Future Group faced financial difficulties in recent years. In February 2022, Reliance Retail acquired the majority of Future Group's retail assets, including Big Bazaar. The future of Big Bazaar stores remains uncertain. Some stores have been rebranded as Reliance's "Smart Bazaar" format, while others continue to operate under the Big Bazaar name for now. Reliance Retail hasn't officially confirmed the future of all Big Bazaar stores.

While Reliance Retail and DMart, are the undisputed big two in India's organized FMCG retail sector, several other players contribute to the diverse retail landscape. Supermarkets like More Retail, Spencers, Star Bazaar, Hypercity are prominent contenders, offering a one-stop-shop experience for groceries, household items, and more. These retailers focus on a curated product selection, often including well-known national and international brands, alongside private label options to cater to budget-conscious customers.

Competitive Landscape in Food & Grocery Retail Sector

In India's organized grocery retail landscape, intense competition prevails among major players, each striving to capture consumer attention and loyalty through enticing offers and promotions. The market is divided between modern grocery retailers and traditional grocery retailers, each with its unique strategies and market positioning.

Unorganised / Traditional Grocery Retailers: While traditional grocery retailers still hold a substantial market share, their growth rate has been more modest, with a CAGR of 0.5% between 2017 and 2023. These retailers include neighbourhood kirana stores, small grocery shops, and local markets. While they cater to specific consumer segments seeking proximity and personalized service, they face challenges in competing with modern retailers' extensive product offerings and enhanced shopping experiences.

Organised / Modern Grocery Retailers: These retailers, including supermarket chains and hypermarkets, have seen significant growth in recent years. They focus on providing a distinctive shopping experience characterized by well-stocked shelves, organized layouts with ample lighting, and a diverse array of products strategically displayed to attract and encourage consumer purchases. The modern grocery retail segment has experienced a CAGR of 4.6% between 2017 and 2023, showcasing strong market expansion and consumer preference for the convenience and variety offered by these outlets.

Competition within the organised segment

- Modern retailers differentiate themselves by offering a wide range of products, including fresh produce, packaged goods, gourmet items, and household essentials. They constantly update their product mix to align with changing consumer preferences and market trends.
- Price competitiveness is fierce, with retailers employing promotional strategies, discounts, loyalty programs, and bundle offers to attract price-conscious consumers. Modern retailers often leverage economies of scale and supply chain efficiencies to offer competitive pricing while maintaining quality standards.
- Additionally, retailers focus on providing a seamless omnichannel experience, integrating online platforms with physical stores for convenient shopping options such as click-and-collect or home delivery services. Personalization plays a crucial role, with retailers leveraging data analytics to understand customer behaviour and offer personalized promotions, recommendations, and loyalty programs.
- Store ambiance and layout are also significant, with a focus on creating inviting and well-organized spaces that enhance the overall shopping experience. Furthermore, sustainability initiatives, ethical sourcing practices, and community engagement efforts contribute to building a positive brand image and attracting environmentally conscious and socially responsible consumers.

Key players presence in the organised F&G retail segment

Store Name	No. of Stores in MMR	No. of Stores PAN India
D-Mart	33	347
Reliance SMART	15	NA
Reliance Fresh	10	2700
Reliance SMART Bazaar, previously Big Bazaar	14	244
Star Bazaar	10	48
Hypercity	4	17
Nature’s Basket	19	34
Spencer’s Retail	NA	120
More Retail Supermarket	2	900+
Patel Retail	31	31

Source: D&B Research, Industry Source.

Note: The store count of supermarkets (both pan India and region – MMR) was compiled basis information available in the public domain. D&B have relied on website of respective companies, as well as other public information to compile this. However D&B has not conducted any primary survey / physical checks to verify the store presence. The data captured here is basis information on public domain.

Growth Outlook in Retail Sector

The resumption in retail activity – as the spread of pandemic was brought under control – have helped in reviving the sale of various consumer product. With restrictions being lifting, demand for all consumer products witnessed revival as pent-up demand kicked. However, inflationary pressures impacted post-pandemic spending recovery in FY 2023 but the same is expected to bounce back as inflation exhibited some moderation in FY 2024 and support the overall retail industry growth in FY 2024.

In long term, harnessing the advantage of a large and diverse population base, India is steadily evolving as a consumer driven economy where such large population base of 1.43 Bn is hard to ignore by global and domestic retailers. As the country socio-economic transformation continues, India is witnessing an expanding presence of leading international and consumer retail brand making their way in organized retail segment These brands are continuously striving for innovations, supported by data-driven insights of consumer preference analysis.

Traditionally, the Indian retail basket has been dominated by essentials like food and groceries. Future growth in this segment growth hinges on personalization, with retailers leveraging data analytics and prescriptive algorithms to enhance customer experiences. Tailored services such as personalized cart preparation, streamlined checkout processes, and direct delivery of out-of-stock items are crucial for customer retention. Moreover, agility, adaptability, and investment in omnichannel capabilities are imperative for success in the rapidly evolving grocery retail landscape. Retailers must prioritize upskilling, digital infrastructure development, and building robust supply chain networks to thrive, remain competitive, and ensure long-term profitability in the dynamic retail environment.

Additionally, supportive regulatory landscape and several schemes launched by the government to enhance the farm income have made consumer retail product especially FMCG products more affordable and finding increasing penetration in rural sector. In FMCG sector, Government's initiatives to improve supply chain for transportation of perishable commodities, reduce wastages and increase processing level of food products will also help the Food and retail sector to grow.

Going forward, a study by Deloitte indicates a shift towards discretionary spending on categories like apparel, electronics, and personal care products. The retail basket will see an increase in discretionary spending categories. This presents an opportunity for retailers to cater to evolving consumer preferences and introduce new product lines. India's young population (over 65% under 35) is driving a rise in disposable incomes. According to industry report, household spending in India is expected to reach USD 3.6 trillion by 2025.This growing disposable income will translate into increased consumer spending, creating a larger market for the retail sector. Additionally, the expanding middle class will fuel demand for a wider variety of products beyond basic necessities.

In the light of abovementioned factor, India's retail market overall retail industry is expected to grow to USD 2 trillion by 2032, growing at 10.3% CAGR between 2022-32.

Product Segment: Spices

Overview

India is the largest producer of spices and is home to 109 different varieties of spices making it one of the key spice hubs in the world, contributing nearly 42%7F14F[13] of the global production. This wide base of spices has helped the country become the largest exporter, exporting close to 225 types of spices and spice products to more than 180 destinations globally. Spices are primarily used for food flavouring and preservation however, medicinal, and aromatic properties of spices also make them useful in perfumes, cosmetics, and pharmaceutical industries.

Spice production is concentrated in ten states with the state of Madhya Pradesh topping the list with 3.5 million tons in FY 2023. The top seven states together account for 76% of total volume of spices produced in the country. Chilli, garlic, ginger and turmeric are the four largest produced spices in India. Together they account for nearly 80% of the volume of spice produced in the country,

[13] FAOSTAT

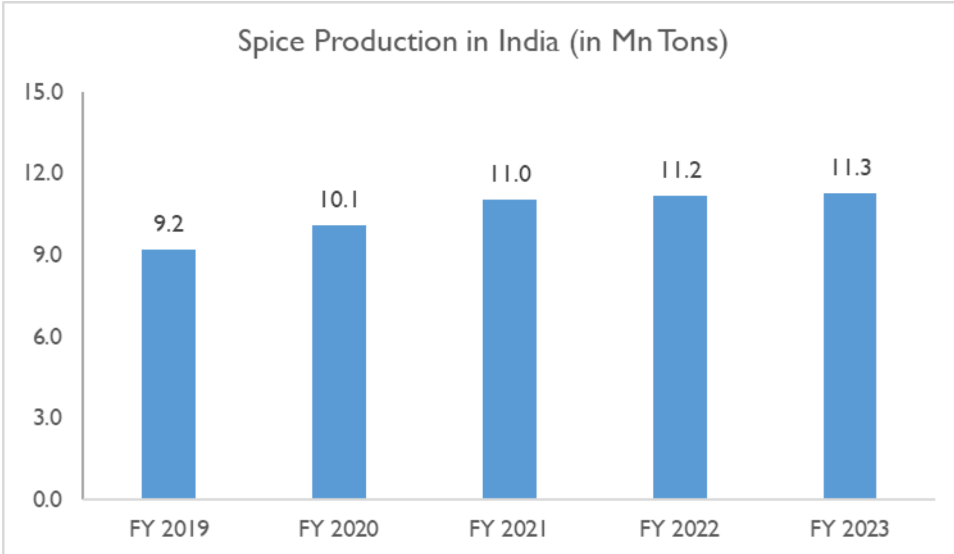
Spices are made up of some simplest natural ingredients like flowers, leaves, seeds, roots and bark. It is used in multiple forms - in its raw form (Whole spices), powdered form (grounded spices) as well as extracts that include essential oils and oleoresins.

Spice Production in India (FY 2023)		
State	**Production (000 tonnes)**	**Major Spices Produced**
Madhya Pradesh	3,532	Ginger, Turmeric, Coriander seeds, Fennel Seeds, Chilli, Fenugreek seeds, Garlic
Andhra Pradesh	1,132	Chilli, Turmeric, Tamarind, Coriander Seed
Gujarat	1,125	Cumin Seeds, Fennel Seeds, Fenugreek Seed, Garlic, Chilli, Ginger, Turmeric
Rajasthan	828	Coriander Seed, Cumin seed, Fennel seed, Fenugreek Seed, Garlic, Chilli
Telangana	693	Chilli, Tamarind, Ginger, Turmeric
Karnataka	742	Pepper, Cardamom, Chilli, Ginger, Nutmeg, Turmeric, Cloves, Tamarind
Maharashtra	518	Chilli, Ginger, Turmeric, Garlic, Tamarind
Odisha	440	Ginger, Chilli, Turmeric, Garlic, Coriander Seed
Uttar Pradesh	277	Chilli, Coriander Seed, Fennel Seed, Garlic
West Bengal	262	Cardamom, Ginger, Chilli, Turmeric, Garlic
Tamil Nadu	208	Pepper, Cardamom, Chilli, Turmeric, Tamarind, Cloves
Kerala	149	Pepper, Cardamom, Ginger, Tamarind, Nutmeg

Source: Spices Board of India

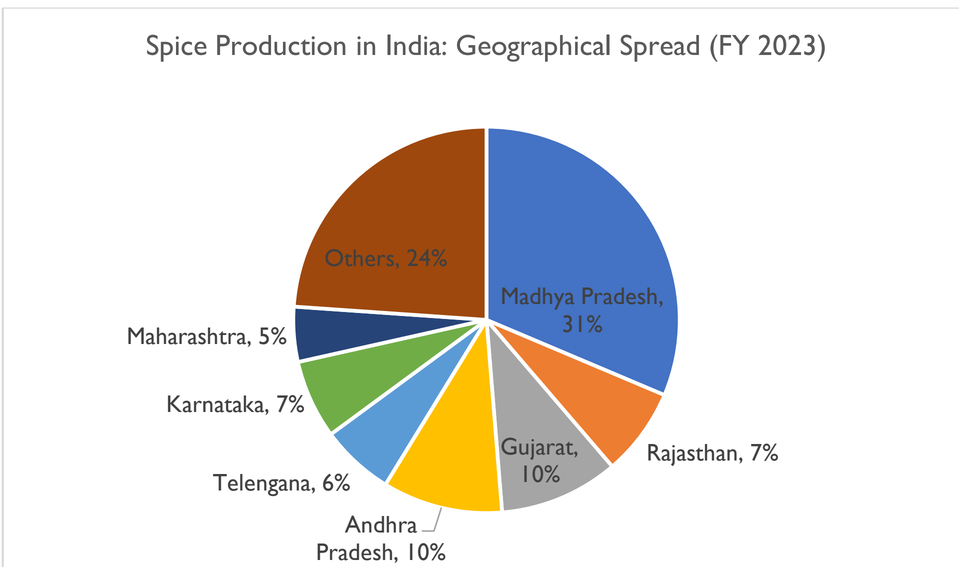
Whole Spice Production in India

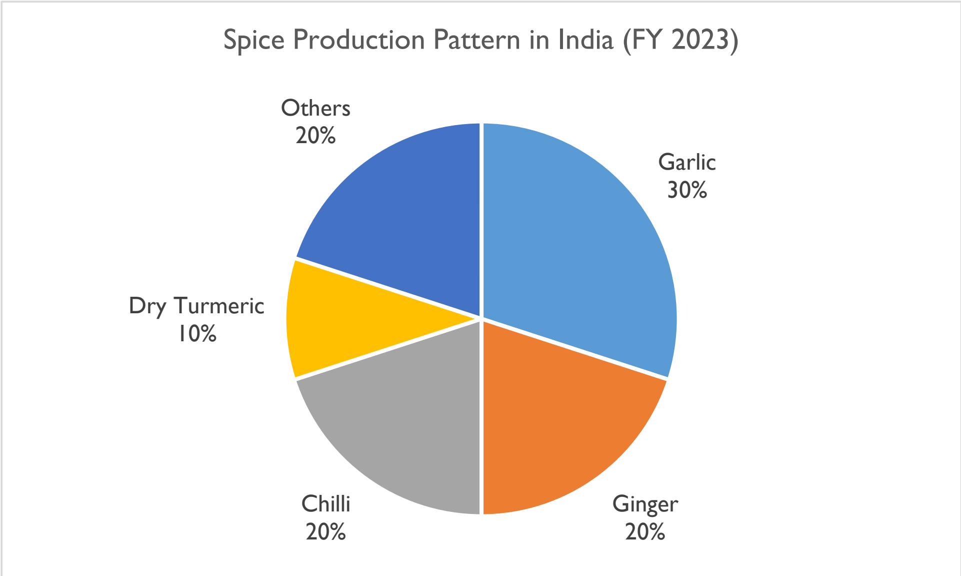
India produced nearly 11.3 million tons of spices in FY 2023, marginally increasing compared to previous year. Garlic, Ginger, Chilli and Turmeric are the four major spices grown in India. These four accounted for nearly 80% of the total volume of spices produced in the country. Since FY 2019, the volume of spice grown in India has been growing by a CAGR of 5%. During the same period, the area under spice cultivation increased by a CAGR of 2% to reach 4.3 million hectares.



Source: Spices Board of India

Production is majorly concentrated among 6 to 7 states, which accounts for 75 to 80% of total annual production. In FY 2023, Madhya Pradesh, followed by Andhra Pradesh and Gujarat were the three major producers of spice. Production in these three states accounted for nearly 50% of total production.





Source: Spices Board of India

Bulk of the spice harvested in India is consumed domestically, given the spice rich cuisine. As per FAOSTAT, per capita spice consumption in India has reached 3.83 Kg in 2021. Per capital consumption volume has been steadily increasing.

Branded Spice Market in India

Branded spice comprises of both packed whole ground spice as well as spice blends (combination of different spices & herbs). Today, branded & packaged spice segment is estimated to account for 30 – 40% of the total spice market in India15F[14]. **According to World Spice Organization (WSO)**16F[15]**, the branded spice market in India is estimated to be worth INR 35,000 Crore.**

Although the branded segment comprises of the less than 40% of total spice industry in India, the prominence of the sector is expected to growth in the coming years. The Indian spice industry is undergoing a transition in favour of the organized segment and is estimated to account for nearly half of the total spice market in the next three to four years.

The increasing demand for readymade spice mix, primarily from urban home makers is providing the much-needed push towards the growth of branded spice segment. This growth in branded spices is a positive for the industry, due to the higher profit margins when compared to loosely sold spices. This higher demand for packaged & branded spices is expected to demand the share of organized segment by the end of this decade.

Recent Developments in Branded Spice Market in India

Blended spices, which is made by a combination of different spices & herbs has become an integral part of Indian cuisine. Although a small part of the overall spice market the packaged blended spice is fast becoming a key ingredient in Indian kitchens. The higher demand is fuelled by factors ranging from convenience, superior packaging (that promises retention of aroma & taste), and expanding consumer palate for different cuisines.

The consumption pattern of blended spice is not uniform, but varies with rural and urban markets. Unbranded and loose spice blends accounts for bulk of consumption in rural markets and smaller towns while the penetration of branded & packaged spice blends is comparatively higher in urban markets. Higher receptiveness of urban consumers, together with the trend to switch to packaged food products in urban market is playing a key role in the increasing preference for branded & packaged spice blend in urban markets. In addition, higher awareness level (ability to retain

[14] As per multiple industry sources / insights by industry stakeholders & industry associations

[15] WSO is a not-for-profit organization and technical partner of All India Spice Exporters Forum. WSO is involved in various initiatives to promote sustainable development of spice sector, and works with national & international organizations like Spice Board of India, Indian Institute of Spice Research, Rainforest Alliance, GIZ (Germany), and IDH (The Sustainable Trade Initiative – Netherlands), among others.

aroma & taste for longer period), ease of access and convenient packaging have also helped increase the popularity of branded & packaged spice blend in urban markets.

The branded spice blend market in India is comprised of a large number of regional players, with the preference of brands shifting from one region to next. Although few national players have entered into the market, the industry is yet to see the emergence of a pan India spice brand. This dominance of regional brand, and shifting preference with region could be attributed to the wide variation in taste preferences. Despite the urbanization that has prompted widespread movement of people and intermingling of cultures, there are distinct food preferences that varies from region to region. Regional brands initially emerged offering a single / limited spice blends that are native to that region and build up a leadership position. However soon these brands became association strongly with their native blends and were unable to replicate the same success in spice blends which were not native to the region.

Due to this peculiar market structure, the strategy of national players has been to expand to region markets though acquisition of regional brands. Last couple of years have seen this trend with few pan India brands, and few global brands acquiring regional players to gain foothold in the packaged spice blend market in India. Some of the major deals that has happened in this space include

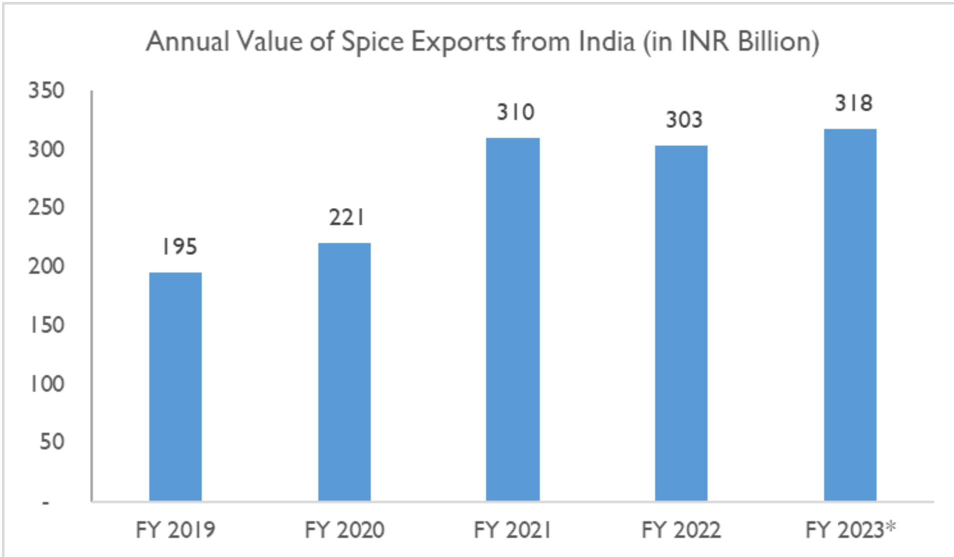
- Acquisition of Badshah Masala by Dabur India Limited in 2022. Dabur acquired 51% stake in Badshah Masala for INR 587.5 Crore. Badshah Masala has a strong brand recall in Western market, especially Gujarat, Maharashtra and Rajasthan. This acquisition gives Dabur an automatic entry into the lucrative blended spice market in Western India.
- Kerala based spice brand Eastern Condiments was acquired by Norwegian company Orkla in 2021. Orkla acquired approximately 68% stake in Eastern condiments for INR 1,356. The Norwegian company executed the deal through its Indian subsidiary MTR Foods. Orkla had acquired MTR in 2007 for approximately INR 450 crore.
- FMCG conglomerate ITC limited acquired Kolkata based Sunrise food in 2020 for INR 2,150 crore.

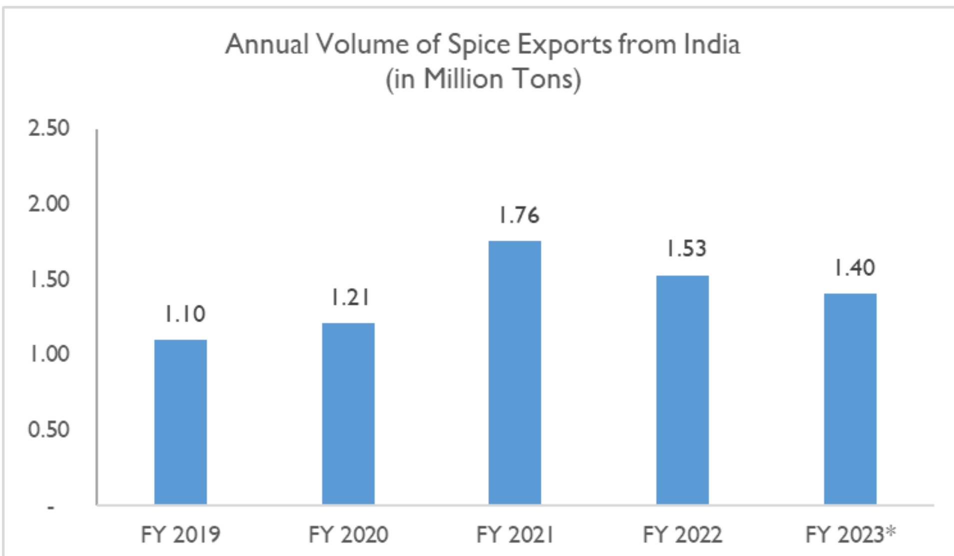
The above three major acquisition points to the strategy adopted by large players to enter the fast growing branded spices segment. Given the nature of the branded spice blend industry, inorganic expansion would continue to remain a key strategy.

Spice Exports from India

India is the largest exporter of spices in the world, exporting INR 318 bn worth of spices in FY 2023. Chilli, pepper, turmeric, coriander, cumin, spice oils & oleoresins, and nutmeg are some of the major spices exported from India. During the last three to four decades the value of spice exported from India has increased by nearly 15 times. In volume terms, annual exports have grown from nearly 47,000 tons in 1960-61 to 1.4 lakh tons in FY 2022-23.

FY 2022 saw a decline in exports of key spices due to declined quantity of spices, which pulled down total spice exports by nearly 13% by volume and 2% by value. Following suit, FY 2023 also saw a decline by an additional 8% in volume terms. In contrast, the exports had increased by 5% in terms of value. This phenomenon was due to an increase in domestic prices of spices like chilli and cumin and a deferred demand observed due to the economic stress in some of the importing countries.





Source: Spice Board of India *Provisional for FY 2023

Chilli, Cumin, Turmeric and Nutmeg are the four largest class of spices exported from India. In FY 2023, the volume of these four spices accounted for nearly 65% of the total volume of spices exported from the country.

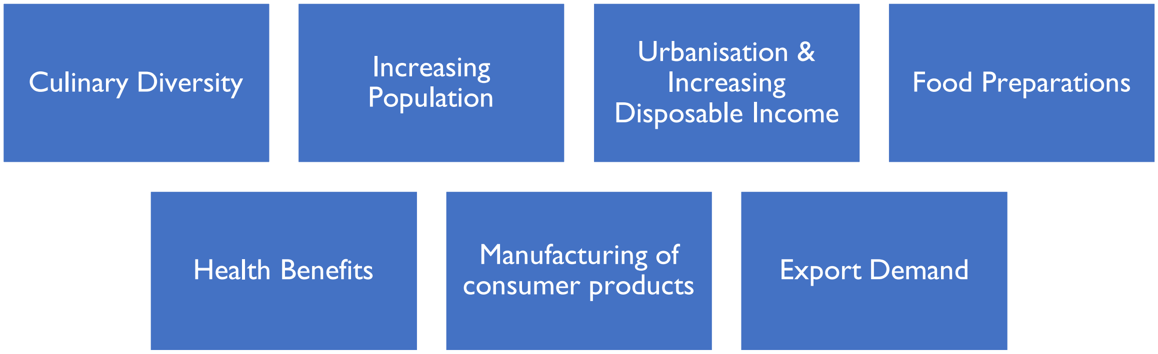
Increasing popularity of traditional Indian cuisine, and wider acceptance of varied flavour in foods have increased the demand for spices across the world. In addition, medicinal properties of spices are gaining mainstream adoption which have also increased the demand for spices. Western markets, especially North America and Europe are two major export destination for Indian spice industry. Middle East region, because of its high concentration of Indian expatriates is another major export market.

The Government has set a target of reaching USD 10 Billion of spice exports by FY 2027, from the current level of approximately USD 4 Bn (in FY 2023). To achieve this target, India has to increase its exports by a compounded rate of 19.5%. At present, between FY 2019 to FY 2023, the CAGR stands at only 13% in terms of value.

Demand Drivers

Spices are an integral part of human diet as it enhances flavour, taste and possess medicinal values. Usage as a seasoning in food production is the largest end use of spices in the country. Apart from direct human consumption, spices demand is also increase in non-food application such as nutraceuticals, cosmetics, perfumery, and dyeing application. Demand from medical / healthcare sector could be attributed to its antimicrobial properties. In addition to domestic demand, export demand too supports the overall spice industry growth.

Key factors driving demand for spices are:



Culinary Diversity

As global cuisine continues to evolve, people are increasingly exploring and incorporating diverse flavours and cooking techniques into their meals. This culinary diversity has been facilitated by factors such as travel, migration, and the sharing of recipes through various media platforms. As a result, there is a growing demand for spices that can enhance the authenticity and richness of these global dishes.

Individuals experimenting with Indian, Thai, or Middle Eastern cuisine at home often seek out specific spices like turmeric, cumin, coriander, or sumac to replicate traditional flavours. Similarly, restaurants and food manufacturers are constantly innovating to offer unique flavour profiles that appeal to a broad audience, incorporating spices from around the world into their recipes.

This demand for spices is not limited to specific regions or demographics but is rather a global phenomenon driven by a shared interest in exploring new culinary experiences and embracing cultural diversity. As a result, the spice industry continues to thrive, with producers, distributors, and retailers meeting the growing demand by offering an extensive array of spices from various origins and flavour profiles.

Increasing Population

In India, the demand for spices is strongly tied to its cultural heritage, population growth, and culinary preferences. With its population exceeding 1.428 billion individuals in 2023, India is home to the largest populace, constituting approximately 17.2% of the world's total inhabitants.

As populations increase, so does the need for food, and spices play a crucial role in making meals more flavourful, appealing, and culturally relevant. In India, spices are deeply intertwined with culinary traditions, religious practices, and social gatherings. As a result, the demand for spices tends to rise in parallel with population growth, as people continue to incorporate them into their daily cooking routines.

Spices like cumin, coriander, turmeric, and cardamom are essential ingredients in Indian cooking, adding flavour and authenticity to dishes across the country. This demand is fuelled by a desire to maintain culinary traditions and create delicious meals that reflect regional tastes.

Further, as incomes rise and lifestyles change, there's a shift towards convenient food options, leading to increased demand for spice blends and ready-to-use mixes, especially in urban areas. Additionally, the younger generation's curiosity for global flavours and fusion cuisine contributes to the demand for a diverse range of spices.

Urbanisation & Increasing Disposable Income

India is the third largest economy in the world in terms of purchasing power, next to China and USA. As more people move to urban areas and experience lifestyle changes, there is a notable shift in dietary preferences and culinary habits.

With urbanization comes greater exposure to diverse cuisines and culinary influences. As a result, urban consumers are increasingly seeking out spices to recreate authentic flavours at home, driving up the demand for a variety of spices.

Moreover, the rise in disposable income among urban households further fuels this demand. As people have more money to spend, there is a greater willingness to invest in high-quality ingredients to enhance the taste and appeal of their meals. This propensity to spend on food and beverages is directly correlated with the increase in personal disposable income.

Food Preparations

In Indian cuisine, spices are widely used for seasoning and as flavouring agent in food preparations. Compared to other cuisines the usage of spices in Indian cuisine is relatively high which has made food sector as the largest consumer of spices in the country. Spending on food and beverages in the country is increasing rapidly as per capita income and population base increase. This has benefitted all products and services related to food sector.

Changes in consumption pattern in the country, especially in urban markets too have benefitted food sector. Consequently, demand for spices from households as well as restaurants have gone. With spices being an integral part of Indian cuisines, large population base and income growth will continue to drive food consumption translating in higher demand for spices in food preparation.

Apart from food, preparation spices and extracts from spices (Essential Oils & Oleoresins) are used in the preparation of processed and packaged foods like canned meat, sauces, bakery and confectionary products, as well as flavouring agent in beverages. Demand for processed and packaged food has increased steadily, driven by changing consumption and consumer profile in urban markets. Higher demand for processed and packaged food has increased the demand for spices and extracts from food product manufacturers.

Health Benefits

The increasing awareness of health benefits associated with spices is a significant factor driving their demand. Spices do not act as only flavour enhancers; they are also valued for their potential positive impact on health and well-being.

Many spices, such as turmeric, ginger, cinnamon, and cloves, contain bioactive compounds with antioxidant properties. These compounds help combat oxidative stress in the body, which is linked to various chronic diseases like heart disease, cancer, and diabetes, thereby being increasingly incorporated into regular diets.

Other spices such as ginger and turmeric are well-known for their anti-inflammatory effects, which can help alleviate symptoms of inflammation-related conditions. These spices are used in both traditional medicine and modern dietary practices.

Additionally, spices are often praised for their role in promoting digestive health. Many spices, such as fennel, coriander, and peppermint, have been traditionally used to aid digestion, alleviate bloating, and relieve gastrointestinal discomfort. This aspect is particularly appealing to consumers seeking natural remedies for digestive issues and looking to improve their gut health.

As the demand for natural and holistic approaches to health and wellness continues to grow, so does the popularity of spices as functional foods. Consumers are increasingly turning to spices not only for their culinary value but also for their potential health-promoting properties. This trend is driving the incorporation of spices into various food and beverage products, including teas, functional beverages, snacks, and supplements, further fuelling the demand for these flavourful and healthful ingredients.

Manufacturing of consumer products

The infusion of spices into a myriad of consumer products, ranging from soap and toothpaste to perfumes, is triggering a surge in the demand for spices in India. The incorporation of spice extracts into personal care items, like soap and toothpaste, is gaining popularity due to the perceived health and wellness benefits associated with certain spices. Consumers are drawn to products that not only offer traditional fragrances but also boast natural and therapeutic qualities, leading to an uptick in the demand for spice-infused formulations.

Similarly, the fragrance industry has witnessed a growing inclination towards incorporating spice extracts in perfumes and scented items. Spices contribute unique and exotic notes, adding depth and character to various fragrances, thereby amplifying their appeal in the market.

As per capita incomes increase, there is a parallel rise in the demand for FMCG products, driving manufacturers to explore innovative formulations that leverage the aromatic and therapeutic properties of spices. This synergy between consumer preferences for diverse, spice-infused products and the expanding FMCG market is playing a pivotal role in propelling the demand for spices and spice extracts in India.

Export Demand

India is the largest producer as well as exporter of spices. Value of spices exported from the country has increased by a CAGR of ~13% during the period FY 2019 – FY 2022 to reach INR 318 billion. Large variety of spices (~225 types of spices and spice products are exported in FY 2023), and a wide production base ensures that Indian would continue its dominance in international spices trade. As international markets increasingly seek out diverse and authentic flavours, Indian spices have emerged as sought-after commodities.

The demand for Indian spices abroad is fuelled by several factors. Firstly, the rich and varied culinary heritage of India, with its aromatic and flavourful spices, has garnered global appreciation. This has led to a consistent demand for spices such as cardamom, cumin, turmeric, and black pepper in kitchens worldwide.

Secondly, the perceived health benefits associated with many Indian spices have amplified their appeal on the international stage. Spices like turmeric, known for its anti-inflammatory properties, and cumin, valued for its digestive benefits, have become staples in health-conscious markets, contributing to sustained export demand.

Additionally, the globalization of food habits has led to a growing interest in international cuisines, further boosting the demand for Indian spices. As chefs and home cooks around the world experiment with diverse flavours, Indian spices play a crucial role in creating authentic dishes.

Growth Forecast

Spices being an integral seasoning and flavoring agent would continue to see constant demand growth from food and beverage sector. With shift in consumption pattern towards processed and packaged foods, consumption of spices from food & beverage sector would continue to increase. India is already a production hub for pharmaceutical products and production volume is only going to strengthen as domestic and export demand for pharmaceutical product increase. In industrial sector, demand from pharmaceutical sector is expected to play a vital role in increasing industrial consumption of spices.

On the export front, India is evidently expected to maintain its dominance as the leading spice exporter in the world. The Indian spices industry envisions to become an international processing hub for supply of high-quality spices to meet the global consumption demand for spices. Various steps have been initiated by Spices Board to enhance India's share in global spice trade. The Government has set a target of increasing its spice export revenue to USD 10 Billion by FY 2027. Given the prominence of exports in Indian spice industry, achieving this target would ensure strong growth in industry revenue.

In addition, the share of branded & packaged spices (mostly ready to use spice mix) is expected to witness strong demand in the coming years, on the back of changing consumption pattern. **As per WSO, the branded spice market in India is expected to growth from the current size of INR 35,000 Crore, to nearly INR 50,000 crore over the next three years (by 2027)**

Product Segment: Milled Products (Wheat)

Overview

Wheat, a vital grain, and dietary staple for much of the world's population, plays a crucial role in global agriculture. Being extensively cultivated and consumed, wheat serves as a key source of nutrition for billions of individuals, contributing significantly to diverse diets worldwide. Its ability to thrive in various climates and its versatility make it an essential component of the agricultural sector.

Traditionally, wheat cultivation in India has been concentrated in the northern region, particularly in the states of Punjab and Haryana Plains. These areas have been highly productive in wheat farming, with India accounting for

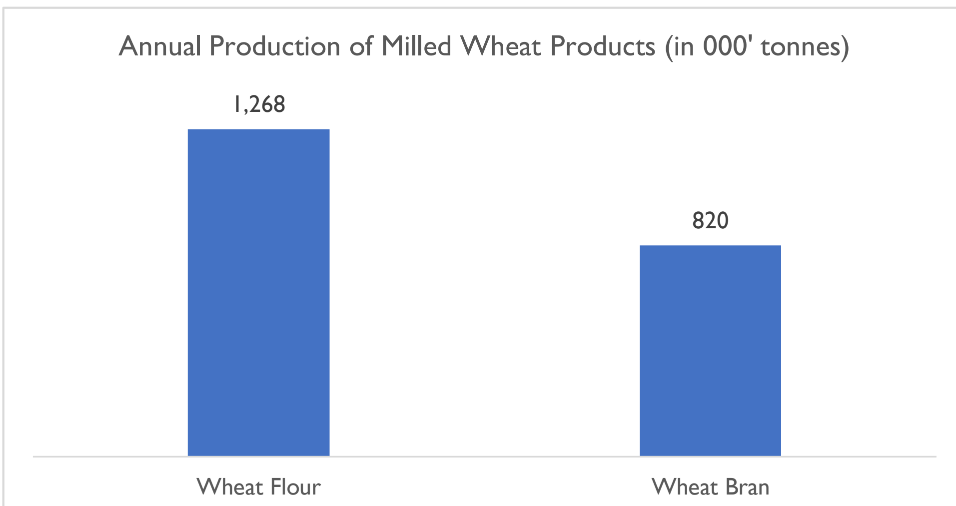
12.5% of the world's total wheat production over the past two decades, making it the second-largest wheat producing country globally.3F17F[16]

India consumes a substantial amount of wheat primarily due to its integral role in traditional diets and culinary customs across the country. As a staple food, wheat is deeply embedded in Indian cuisine, forming the basis of various dishes. Its affordability, widespread availability, and extensive cultivation ensures consistent access to this grain for a large portion of the population. Additionally, wheat serves as a vital source of carbohydrates and essential nutrients, particularly in rural areas where it constitutes a significant part of daily meals. Its nutritional value and cultural importance contribute to its widespread consumption throughout India. Wheat is further processed to create Wheat Flour and Wheat Bran.

Production Scenario

India's agricultural output is susceptible to fluctuations in climate patterns. The unusual rise in both maximum and minimum temperatures throughout 2022 adversely affected various crops, fruits, vegetables, and livestock in several states including Punjab, Haryana, Rajasthan, Jammu & Kashmir, Himachal Pradesh, Uttar Pradesh, Madhya Pradesh, Bihar, and Maharashtra. This heatwave coincided with the critical grain filling and development phase of wheat, leading to symptoms such as grain yellowing and shrivelling, and premature maturation, ultimately causing yield reductions ranging from 15% to 25%.

The production of Wheat in 2022-23 season reached 111 million tonnes. The by-products of wheat processing, namely Wheat Flour and Wheat Bran, recorded production at 1,269 thousand tonnes and 820 thousand tonnes respectively.



Source: CMIE

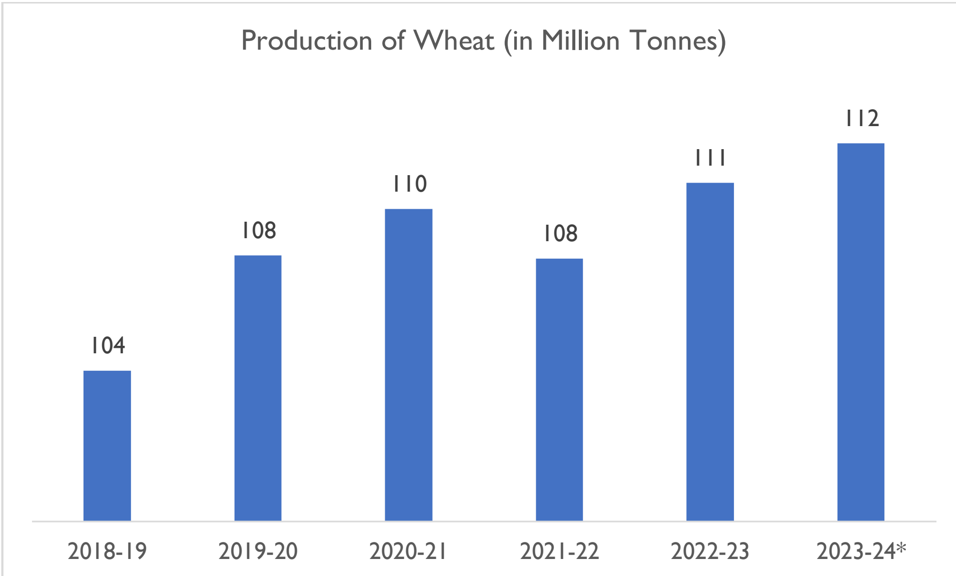
Historical Trend

Wheat Production

Over the span of five years, from 2018-19 to 2022-23, there has been a notable increase from 104 million tonnes to 111 million tonnes, indicating a commendable CAGR of 2.05%. During the years of 2018-19 to 2020-21, the production of wheat was growing at a rapid place. However, the subsequent season, 2021-22, posed challenges as a result of a heatwave that afflicted the northern states of Punjab and Haryana. This adverse weather condition led to a 1.7% decline in production, attributed to the phenomenon of shrivelled grains.

Despite the increased heat conditions, the agricultural community rallied back in the 2022-23 season with renewed strategies and the adoption of heat-tolerant varieties. This proactive approach yielded fruitful results, evident in the production surge to 111 million tonnes of wheat.

[16] World Economic Forum



Source: Department of Agriculture, Cooperation & Farmers Welfare

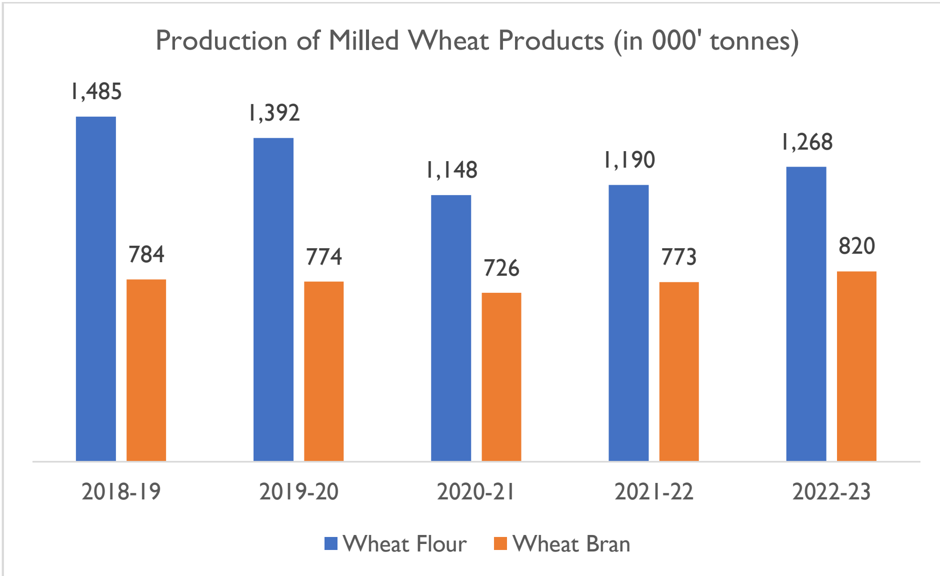
**Data for the year 2023-24 is of 2nd Advance Estimates. Crop production estimates covers only Kharif and Rabi season. Summer season is not included in Second AE 2023-24.*

Following two consecutive years of below-par wheat production in 2021-22 and 2022-23, primarily due to unforeseen climate disruptions, the government has initiated measures to mitigate future risks. The government aims to cultivate heat-tolerant varieties across 60% of the total wheat cultivation area, spanning nearly 32 million hectares. This strategic intervention paves the way for cautious optimism regarding the upcoming agricultural season. The second advance estimates for 2023-24 project wheat production to reach 112.02 million tonnes, signalling a potential improvement compared to the recent years' performance.

Production of Milled Wheat Products

Wheat flour, rich in essential minerals such as iron, magnesium, and zinc, as well as dietary fibre, is commonly used in various culinary applications. The production of Wheat flour, between 2018-19 to 2022-23, has declined at a CAGR of 3.86%.

In 2022-23, the production of wheat flour stood at 1,268 million tonnes, down from 1,485 million tonnes in 2018-19. This downfall is attributed to the overall decrease in the production of wheat due to severe weather conditions. Wheat production in 2020-21 declined by 17.58% and has been slow to recover since. While 2021-22 and 2022-23 showed signs of growth with 3.70% and 6.57% increase in production, the below-par wheat flour production caused by climate disruptions has still not reached 2019-20 levels.



Source: CMIE

A similar trend was observed in production of Wheat Bran. This commodity, too, observed a decline of 6.17% in 2020-21 season. The consecutive years of 2021-22 and 2022-23 showed increases in production by growing at 6.37% and 6.06% annually. However, the overall production of Wheat Bran showed healthy growth between 2018-19 to 2022-23, with production at 820 thousand tonnes in 2022-23, up from 784 thousand tonnes in 2018-19, growing at a CAGR of 1.13% in the given period.

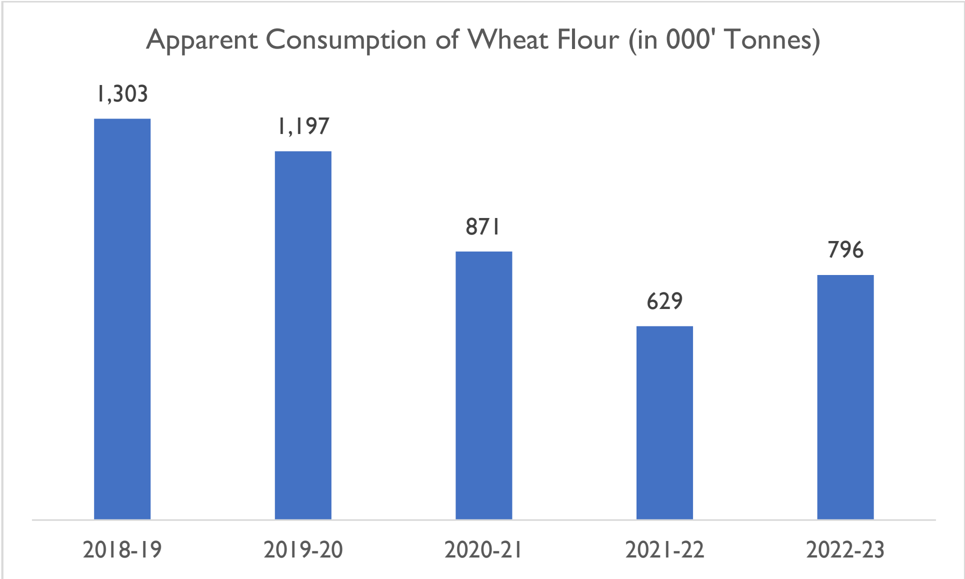
Government measures to mitigate future risk from climate disruptions is likely to support production of Wheat Flour and Wheat bran in the coming years. Efforts to reduce crop failure are underway. This is likely to enable a better yield in the coming years, thereby supporting production of Wheat and Milled Wheat Products.

Apparent Consumption

Apparent Consumption4F18F[17] of Wheat Flour declined from 1,303 thousand tonnes in 2018-19 to 796 thousand tonnes in 2022-23. The major decline was observed in 2020-21 & 2021-22 on the back of increasing exports, by approximately 40% and 103% respectively in the given period, and declined production by nearly 18% in 2020-21, which marginally increased in 2021-22.

The consumption increased in 2022-23, with a decline in exports by approximately 16% due to government-imposed ban and an increase in production close to 6% in the same period.

[17] Apparent Consumption = Production + Imports - Exports



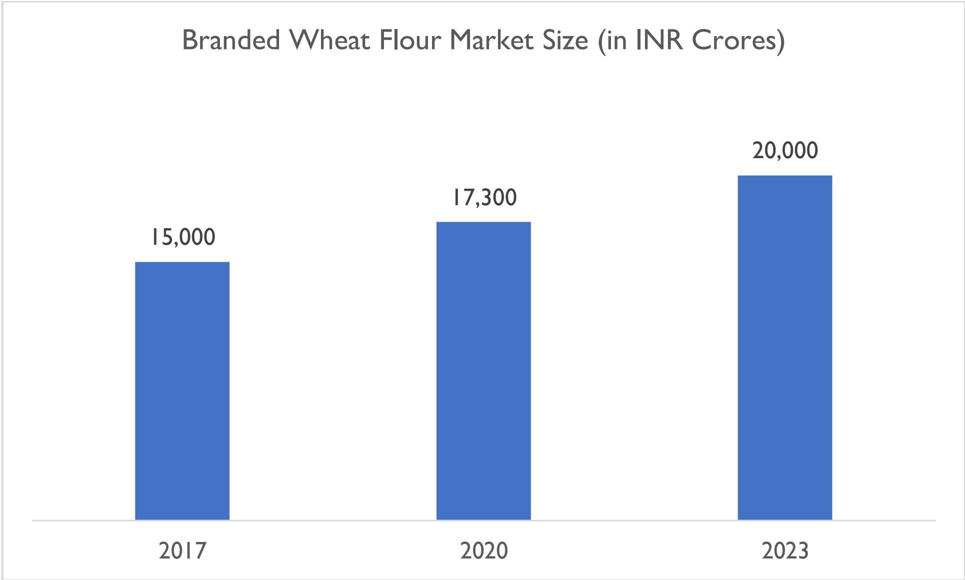
Source: CMIE, D&B Estimates

Packaged wheat flour market in India.

Estimated market size of packaged wheat flour market in India

Traditionally, India has been a market where consumers predominantly purchased open wheat flour from local mills rather than opting for packaged and branded varieties. However, in recent years, there has been a notable shift in consumer preferences towards packaged wheat flour. With a large population and a growing middle class, there is a rising demand for packaged wheat flour as it offers convenience, consistency, and longer shelf life compared to traditional flour milling. Moreover, the penetration of organized retail chains and e-commerce platforms has further fuelled the market's expansion by enhancing distribution channels and reaching consumers in remote areas.

As per the Foreign Agricultural Service (FAS) of the USDA, India's organized milling sector encompasses around 1,300 medium-to-large flour mills, collectively capable of processing approximately 25 million to 28 million tonnes of wheat annually. These mills generally operate at a capacity utilization rate of 55% to 60%, milling about 15 million to 16 million tonnes of wheat per year. Further, the majority of wheat milling activities are conducted in small-scale neighbourhood flour mills across the country.



Source: D&B Research and Estimates

Between 2017 and 2023, the branded wheat flour market in India witnessed a CAGR of 4.9%, with its market size expanding from roughly INR 15,000 crores to INR 20,000 crores within the given time period.

This transition is attributed to several factors including urbanization, changing lifestyles, and increasing awareness about food safety and hygiene. Consumers are now gravitating towards packaged wheat flour due to its convenience, consistent quality, and longer shelf life compared to the open variety. Furthermore, the growing penetration of organized retail chains and e-commerce platforms has facilitated easier access to branded flour products, thereby catalysing the shift away from traditional milling.

As a result, the packaged wheat flour market in India is experiencing robust growth, with both domestic and international players vying to capture a larger share of this evolving market landscape through innovation and strategic marketing initiatives.

Changing wheat flour consumption trend in India

Wheat flour consumption in India has long been a staple of the Indian diet, deeply ingrained in cultural and culinary traditions. However, in recent years, there has been a noticeable shift in consumption patterns, with an increasing preference for packaged flour over the traditional loose or unpackaged variants. This trend reflects is due to:

- Changing Consumer Preferences
- Changing Dietary Habits and Health Consciousness
- The influence of Urbanization and Modern Retail Formats
- Branding and Marketing Strategies

Key factors driving demand for wheat flour.

Population Growth

Population growth is a significant driver of demand for wheat flour. Wheat flour, being a staple ingredient in many diets around the world, experiences a proportional increase in demand to meet the dietary needs of growing populations. This demand is particularly pronounced in regions where wheat-based foods are dietary staples, such as in countries across Europe, North America, and parts of Asia.

India, with its staggering population exceeding 1.428 billion individuals in 2023, represents a significant fraction of the global populace, constituting approximately 17.2% of the world's total inhabitants.

This rapid population growth directly impacts the demand for wheat flour, as India is one of the largest consumers of wheat-based products globally. With more mouths to feed, the demand for staple foods like wheat flour rises correspondingly to meet the dietary needs of the expanding Indian population.

Urbanization

Urbanization is a key factor driving the demand for wheat flour.

In urban areas, convenience and accessibility play a significant role in food choices. Wheat-based products like bread, pasta, pastries, and snacks are readily available in supermarkets, bakeries, and fast-food outlets, catering to the fast-paced lifestyles of urban dwellers. The convenience of purchasing these ready-made foods saves time and effort compared to preparing meals from scratch, making them a preferred choice for many urban consumers.

According to the Handbook of Urban Statistics 2022, India's urban population has been steadily rising, with over 469 million urban dwellers in 2021. This number is projected to soar to over 558 million by 2031 and surpass 600 million by 2036, showcasing the significant transformation occurring within Indian cities.

As more people migrate from rural areas to urban centres in search of opportunities and a higher standard of living, the demand for convenient and processed foods, including those made with wheat flour, escalates. In Indian cities, the proliferation of supermarkets, bakeries, and fast-food outlets offers a wide array of wheat-based products to cater to the preferences of urban consumers.

Moreover, urbanization often leads to changes in dietary habits and cultural preferences. As people from diverse backgrounds converge in cities, culinary traditions blend, leading to the adoption of new food preferences and consumption patterns. In many urban centres, Western-style diets, which prominently feature wheat-based foods, become increasingly popular due to their perceived status and influence from global food trends.

Furthermore, the proliferation of fast-food chains and restaurants in urban areas further drives the demand for wheat flour-based products. Burgers, pizzas, sandwiches, and other fast-food items rely heavily on wheat flour for their doughs, batters, and crusts, contributing to the overall consumption of wheat flour.

Increasing consumer awareness of the health benefits

As people become more informed about the nutritional advantages of wheat flour, they are actively choosing it over other flour options for their dietary needs.

The perception of wheat flour as a healthier choice stem from its inherent qualities, such as its high fibre content, complex carbohydrates, and essential nutrients. Consumers recognize that opting for wheat flour can contribute to better digestive health, improved blood sugar regulation, and reduced risk of chronic diseases like heart disease and diabetes.

Furthermore, the rise in health-conscious consumer trends has led individuals to seek out products that align with their wellness goals. With increased access to information through various media channels, consumers are learning about the importance of incorporating whole grains like wheat into their diets for overall health and well-being.

Food manufacturers and retailers are responding to this demand by offering a wider range of wheat flour-based products, from whole wheat bread and pasta to cereals and snacks. Marketing efforts highlighting the health benefits of wheat flour, such as labels indicating "whole grain" or "high fibre," further reinforce consumer preferences and drive purchasing decisions.

Demand from Food Processing Industry

The demand for wheat flour in the food processing industry has experienced a notable surge due to its widespread use in the manufacturing of various products such as bread, biscuits, and other bakery items. This heightened demand is largely driven by the increasing consumer preference for processed foods, which has led to a greater reliance on wheat-based ingredients by food and beverage manufacturers.

Additionally, India's evolving consumer landscape, characterized by a growing middle-class population, a younger demographic, and higher disposable incomes, has significantly influenced consumption patterns in the country. This demographic shift has resulted in an increased demand for packaged and processed foods among consumers, further bolstering the need for input materials like wheat flour. Consequently, this has contributed to the growth of the wheat milling sector as suppliers strive to meet the rising demand for wheat-based products in the market.

Growing demand for bakery and confectionery companies

The global consumption of bakery products has been steadily increasing in recent years, driven by factors such as population growth, changing lifestyles, rising disposable incomes, and the increasing popularity of convenience foods. Another key driver of growth in the bakery industry is the increasing demand for healthy and natural products. Increasing awareness about healthy consumption among consumers has driven the demand for bakery products made with whole grains, organic ingredients, and natural sweeteners. The surge in online marketing and mobile app-based delivery services globally, especially in the wake of COVID-induced lockdowns, has also improved distribution channels to consumers. The global bakery products market reached a value of USD 480.95 billion in the year 2022 and is further expected to grow at a CAGR of 6.7% between 2023 and 2028.5F19F[18]

In 2021, India’s bakery products industry grew by 13.3% and was the fourth largest regionally in terms of production value. Additionally, in 2022, the Indian bakery market size reached USD 11.3 Billion, which is expected to reach USD 321.2 Billion by 2028, exhibiting a growth rate of 10.8% during 2023-2028.6F20F[19]

This growth in demand for bakery products, both internationally and in India, directly contributes to the increased demand for wheat flour. Wheat flour is a fundamental ingredient in the production of various bakery items such as bread, cakes, pastries, and cookies. As the bakery industry expands to meet the growing consumer demand for these products, the demand for wheat flour as a primary ingredient rises in tandem.

The nutritional benefits and versatility of wheat flour, demanded by conscious consumers, make it an essential component in producing a wide range of baked goods, further driving its consumption. Consequently, the growth in

[18] Ministry of Food Processing Industries

[19] Ministry of Food Processing Industries

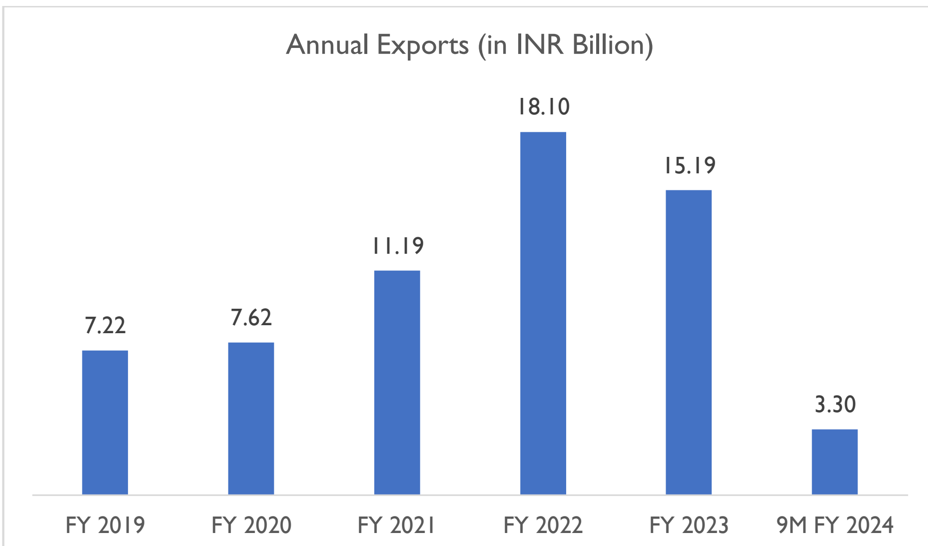
demand for bakery products acts as a catalyst for the increased utilization of wheat flour by bakery and confectionery companies in both domestic and international markets, fuelling growth in the wheat flour industry.

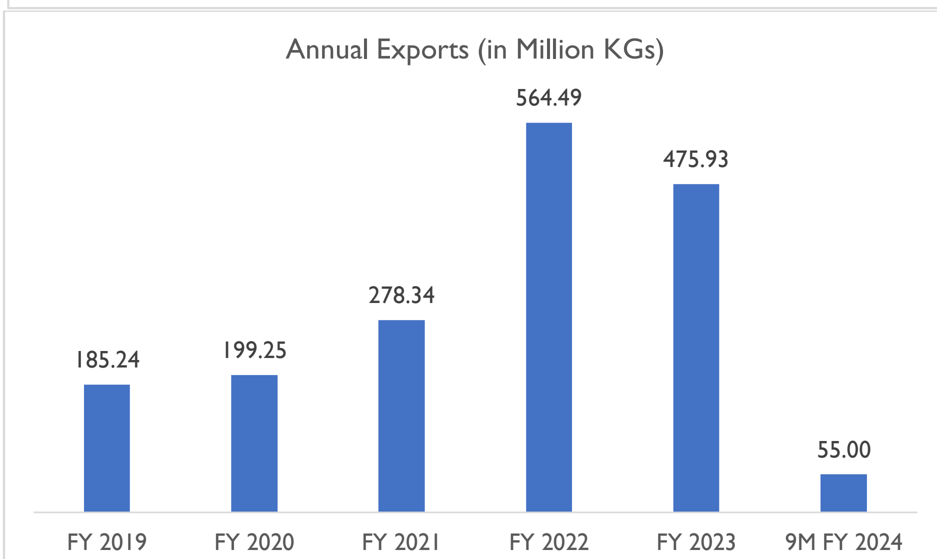
Export Scenario

Annual Exports of Wheat or Meslin Flour from India increased from INR 7.22 billion in FY 2019 to INR 15.19 billion in FY 2023, registering a CAGR of 20.44% between the given period. FY 2021 and FY 2022 recorded high annual growth of exports, of 46.80% and 61.82% respectively.

However, FY 2023 recorded a decline of 16.09%. This decline comes on the back of export ban implemented in India on wheat in May 2022, and on wheat flour in August 2022 as part of measures to control rising domestic prices, thus affecting the overall exports. Some relief was provided when the government amended the ban to allow export of Wheat Flour against Advance Authorization, and by Export Oriented Units (EOUs) and units in SEZs, to be produced from imported wheat and without procurement of domestic wheat and subject to conditions as specified.

With no proposal to lift the ban yet, 9M FY 2024 recorded a new low of INR 3.30 billion for exports of wheat flour after over a decade.

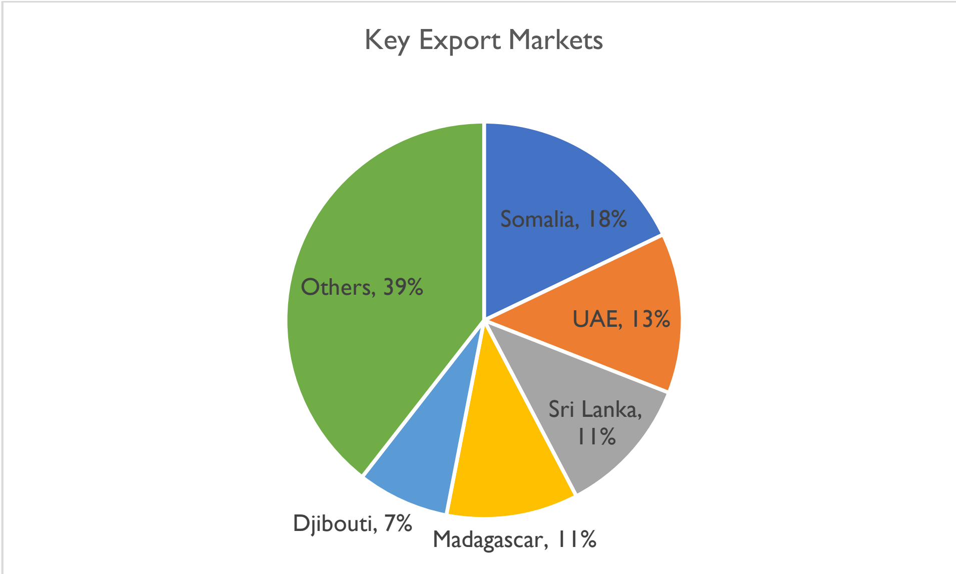




Source: DGCI&S

In terms of quantity, export of Wheat or Meslin Flour from India increased from 185.24 million KGs in FY 2019 to 475.93 million KGs in FY 2023, registering a CAGR of 26.61% between the given period. FY 2021 and FY 2022 recorded high annual growth of exports, of 39.69% and 102.81% respectively.

The overall export ban announced in August 2022 led to the decline in exports, as observed in FY 2023 and 9M FY 2024. Thus, the exports fell by 15.69% in FY 2023 and remained at an all-time low of 55 million KGs in 9M FY 2024.



Source: DGCI&S

In FY 2023, Somalia became the key export market for Wheat or Meslin Flour exports from India, accounting for 18% share of the total exports. This was followed by UAE (13%), Sri Lanka (11%), Madagascar (11%), and Djibouti (7%).

The export ban of wheat flour affected exports to USA, a key market with 19% share in FY 2022, with exports to the country declining by 77% annually.

Competitive Landscape

The wheat flour market in India is driven by intense competition from numerous small and large players. In India, traditional local chakki mills still dominate the wheat flour market, but there's a rising trend towards branded and packaged options. This shift is evidenced by the increasing popularity of products like multigrain atta and fortified atta. Companies are tapping into consumer demands for nutrition, hygiene, and convenience, particularly in urban areas. With numerous brands offering distinct quality and varieties, competition in the market is fierce. Key factors that are shaping the competition are:

Market Players and Brand Presence

Numerous players operate in the wheat flour market, ranging from large multinational corporations to small-scale regional mills. Established brands such as Aashirvaad, and Patanjali dominate the market with their strong brand presence and extensive distribution networks. Regional brands also play a significant role, catering to local preferences and tastes. The presence of multiple players contributes to competitive pricing strategies and innovative product offerings to capture market share.

Quality and Product Differentiation

In a highly commoditized market like wheat flour, quality and product differentiation are critical factors driving competition. Manufacturers differentiate their products through various means such as grain quality, nutritional value, milling processes, and packaging innovations. Brands focusing on premium quality, organic, or specialty flour variants command higher prices and attract discerning consumers. Additionally, value-added products such as fortified flour with added vitamins and minerals appeal to health-conscious consumers, providing a competitive edge to manufacturers.

Distribution Channels and Market Reach

Efficient distribution networks and market reach are essential for gaining a competitive advantage in the wheat flour market. Brands with extensive distribution channels, including supermarkets, hypermarkets, convenience stores, and online platforms, can effectively reach consumers across urban and rural areas. Additionally, partnerships with wholesalers, retailers, and institutional buyers contribute to expanding market penetration and increasing sales volumes. Companies invest in strengthening their distribution infrastructure and logistics capabilities to enhance market access and visibility.

Price Competitiveness and Promotional Strategies

Price competitiveness is a key determinant influencing consumer purchasing decisions in the wheat flour market. Manufacturers adopt competitive pricing strategies to attract price-sensitive consumers while maintaining profitability. Discounts, promotional offers, and bundled deals are commonly employed tactics to stimulate sales and gain market share. Furthermore, advertising and promotional campaigns, including television commercials, print media, and digital marketing, play a crucial role in brand visibility and consumer engagement, influencing brand preference and loyalty.

Regulatory Environment and Compliance

Compliance with regulatory standards and food safety regulations is non-negotiable in the wheat flour industry. Manufacturers must adhere to stringent quality control measures, hygiene standards, and labelling requirements set by regulatory authorities such as the Food Safety and Standards Authority of India (FSSAI). Ensuring product safety, purity, and nutritional integrity builds consumer trust and credibility, contributing to competitive advantage and market leadership.

Key Players

Company Names	Brief
ITC Ltd - Aashirvaad	Aashirvaad, owned by ITC Ltd., has been a household name since its launch in 2002, offering staple foods and kitchen essentials like atta flour, spices, and dairy products. Aashirvaad Atta, introduced in Bengal and Chandigarh in 2002, has become the country's leading branded packaged atta. Backed by ITC Limited, a leading multi-business Indian enterprise, Aashirvaad benefits from the conglomerate's diverse portfolio spanning FMCG, Paper, Packaging, Agribusiness, Hotels, and IT sectors. Over the years, ITC has cultivated a vibrant portfolio of 25+ world-class Indian brands, including Aashirvaad, Sunfeast, Yippee!, Bingo!, and B Natural, among others.
Adani Wilmar Limited (Fortune Foods)	Fortune Foods by Adani Wilmer is a leading food brand recognized for its commitment to quality and innovation. Offering a diverse range of products, including cooking oils, rice, flour, meals, snacks, sauces, and condiments, Fortune Foods serves customers globally. Their dedication to superior quality, innovation, and customer satisfaction drives them to continually improve and innovate. Fortune Foods prioritizes responsible sourcing and sustainability initiatives, aiming to make a positive impact on society and the environment.
Patanjali Ayurved Limited	Patanjali Ayurved Limited, founded in 2006, is an Indian multinational conglomerate holding company headquartered in Haridwar. Spearheaded by Ramdev and Balkrishna, the company has a presence in Delhi and manufacturing units in Haridwar. Patanjali Ayurved Limited has received accolades for its commitment to food safety, including the Certificate for Significant Achievement in Food Safety and the Certificate for Strong Commitment to Food Safety at the 14th CII Food Safety, Quality, and Regulatory Summit in December 2019. With a consumer reach of 50 million and products available in over 300,000 stores, Patanjali offers a diverse portfolio of over 1,000 items. In addition to Ayurvedic Medicine, Foods, Nutraceuticals, Personal Care, and Health Care products, Patanjali is also recognized for its packaged wheat flour, catering to the dietary needs and preferences of consumers across India.
Radha Soami Food	Established in 1986 in Jaipur, Radha Soami Food Products has been a trusted name

Company Names	Brief
Products Pvt. Ltd	in the Rajasthan market, offering the finest quality Atta, Besan, Suji, Dalia, and Maida under the renowned brand name Laxmi Bhog. As pioneers in the field of Packaged Atta in Rajasthan, they have built a strong retail-marketing network, becoming a household name in the region. With a significant presence in the capital city, they dominate the branded staple food category in Jaipur, boasting a majority market share. Their extensive retail channel comprises approximately 7,000 kirana shops, ensuring widespread accessibility and availability to their valued consumers across the city.
Ahaar Consumer Products Pvt. Ltd.	Ahaar Consumer Products Pvt. Ltd. is a prominent player in the food industry, offering a diverse range of high-quality products. With a manufacturing capacity of 300 metric tonnes per day for wheat flour, the company emphasizes hygiene and quality throughout the production process. Stringent quality control measures are implemented, supported by state-of-the-art laboratories at all production plants. Ahaar Consumer Products Pvt. Ltd. holds ISO, HACCP, and FSSAI certifications, highlighting its commitment to international standards.

Product Segment: Indian Food Processing Industry

Industry Overview

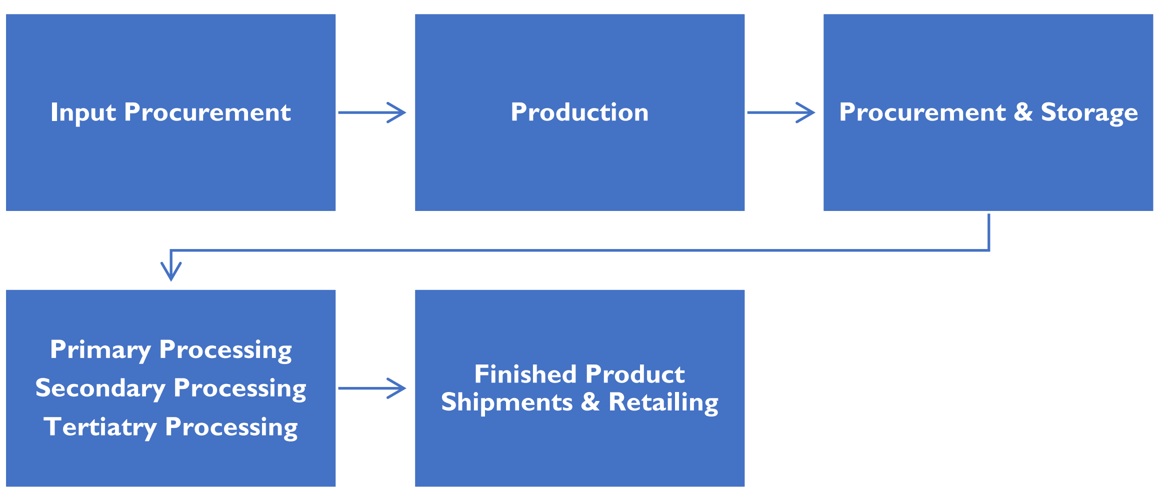
Food processing involves any value addition activities applied to produces right from harvesting stage to making it available as a usable food product to either to the end user or as an industrial raw material (intermediary product) to manufacturing industries. Transformation of raw food ingredients into food or various forms of food is refered as Food Processing. It helps in increasing the shelf life of the products. Processed foods can be classified into three types viz. Primary, Secondary and Tertiary.

Primary Processing: Primary processing refers to conversion of raw agricultural produce, milk, meat and fish into a commodity that is fit for human consumption and it includes basic cleaning, grading and packaging as in case of fruits and vegetables.

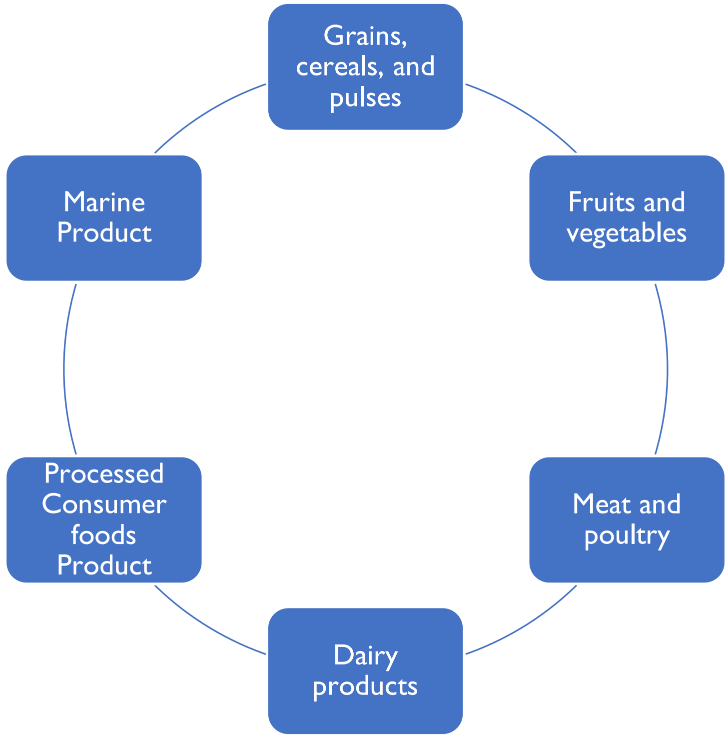
Secondary processing: This involves alteration of the basic product to a stage just before the final preparation as in case of milling of paddy to rice.

Tertiary processing: This include processing activity that leads to a high value-added ready-to eat food like bakery products, instant foods, health drinks, etc.

Value Chain of food processing industry involves following key processes as illustrated below:



The food processing industry has undergone a sea of change over a period. The food product we consume passes through several processes before reaching our plate. The raw products from agriculture, dairy, plant based/poultry meat, etc. undergo processing such as harvesting, cleaning, packaging, grading, preserving, storage, and transportation. They are processed using cutting-edge technology that enhances shelf life of food products.
India's food processing sector covers fruit and vegetables; spices; meat and poultry; milk and milk products, alcoholic beverages, fisheries, plantation, grain processing and other processed consumer product groups like confectionery, chocolates and cocoa products soya-based products, mineral water, high protein foods, etc.



Grains, cereals, and pulses

India stands as the world's largest producer of rice, wheat, and various grains like corn, sorghum, and millets. The country boasts a significant grain processing sector, wherein a substantial portion of the produced grains is directed towards processing. This industry encompasses the transformation of cereals and pulses into diverse forms, including flakes, puffed cereals, and ready-to-eat snacks. Additionally, the milling of grains is integral to the sector, resulting in the production of flour, rice, and various other products.

Fruits and vegetables

India plays a crucial role as a substantial producer of diverse fruits and vegetables, ranking as a 2^{nd} largest producer of fruit and vegetable globally. Given the perishable nature and limited shelf life of these items, the food processing industry assumes a vital role in their processing and preservation. Within this sector, activities range from the preparation of fruit and vegetable juices, jams, and pickles to the processing of both fresh and frozen fruits and vegetables.

Dairy products

India holds the title of the world's largest producer of milk, and the dairy sector plays a crucial role in the nation's food processing landscape. This industry encompasses the conversion of milk into a diverse array of dairy products, such as butter, cheese, yoghurt, and various others.

Processed foods.

The Indian processed food sector is prolific, generating an extensive array of food products, ranging from convenience foods to ready-to-eat meals and snacks. This industry benefits from a resilient supply chain, encompassing primary processors and food processing companies.

Different Techniques of the Food Processing Industry

Techniques	Details
Preservation	This food processing technique, encompassing methods like canning, freezing, drying, and fermenting, is employed to extend the shelf life of food products. These approaches effectively inhibit the growth of bacteria and other microorganisms that could potentially spoil the food.
Preparation	Methods involved in readying food products for consumption, such as cooking, baking, and grilling, fall under this category of food processing. These techniques play a role in enhancing the flavor, texture, and overall presentation of the food.
Packaging	Processes for preparing food products for consumption, such as cooking, baking, and grilling, are part of this food processing type. These approaches contribute to improving the taste, texture, and presentation of the food products.
Enrichment	Within this food processing method, nutrients such as vitamins and minerals are added to food products to enhance their nutritional content. It is commonly applied to foods that may lack certain nutrients naturally, such as bread and cereals.
Fortification	This form of food processing involves the addition of nutrients to meet specific dietary requirements, like fortifying flour with folic acid or breakfast cereals with iron. Fortification is often used to address public health concerns or fulfill the dietary needs of specific populations, such as children or pregnant women.
Extraction	This technique in food processing involves isolating a component or ingredient from a food product, such as extracting oil from seeds or protein from milk.
Concentration	This food processing method entails reducing the water content or other ingredients in a food product. Examples include concentrating fruit juice or producing tomato paste.
Processing aids	In this food processing category, chemicals or other substances are utilized to enhance the processing or preservation of food products. This can involve the use of acids or enzymes to improve fermentation or preservatives to extend shelf life.

Government Initiatives

The food processing sector plays an important role in increasing farm income and creating off-farm jobs, reducing post-harvest losses in agriculture and allied sector production through on- and off-farm investments in preservation and processing infrastructure. Accordingly, Ministry of Food Processing Industries has undertaken several initiatives to give impetus to development of food processing sector in the country. To push the processing level, the government has approved proposals for joint ventures and encouraged foreign collaboration in the sector and exempted all the processed food items from the purview of licensing under the industries (Development and Regulation) Act, 1951. Government of India has given a priority sector status to food processing sector and the government aims to increase the level of food processing to 25% by 2025 under the National Food Processing Policy.

Mega Food Park Scheme

The Government implemented Mega Food Park flagship policy in 2008-09 to provides the supportive infrastructure in the form of all the necessary supply chain required for the functioning of food processing units. The support infrastructure provided includes collection centres, primary processing centres, central processing centres, cold chain infrastructure together with industrial plots for setting up food processing unit. 41 projects were approved under the Mega Food Park Scheme of which 24 Mega food parks are operational in the country as of December 2023. With effect from 1st April 2021, the Government has discontinued the Mega Food Park scheme. However, provisions that are earmarked for ongoing projects would continue to be disbursed.

Integrated Cold Chain Scheme: The Cold Chain, Value Addition and Preservation Infrastructure Scheme aims to provide integrated cold chain and preservation infrastructure facilities without any break from the farm gate to the consumer. The scheme aims to seamlessly connect pre-cooling facilities at production sites, reefer vans, mobile cooling units as well as value addition centers/infrastructural facilities like Processing / Collection Centers, etc.

Creation/Expansion of Food Processing and Preservation Capacities (CEFPPC) Scheme: The main objective of the Scheme is creation of processing and preservation capacities and modernization/ expansion of existing food processing units with a view to increase the level of processing, value addition leading to reduction of wastage.

Pradhan Mantri Kisan SAMPADA Yojana (PMKSY)

In May 2017, the government launched a PMKSY scheme with an approved allocation of INR 60 Bn for the period 2016-20 (extended to 2020-21) for 14th Finance Commission cycle and has been continuing after restructuring during 15th Finance Commission Cycle with approved allocation of INR 46 Bn. PMKSY is an all-inclusive scheme formed by merger of various schemes such as Mega Food Parks; Integrated Cold Chain and Value Addition Infrastructure; Modernization / Setting up of Abattoirs; Food Safety and Quality Assurance Infrastructure; Human Resources & Institutions and new schemes for Infrastructure for Agro-processing Clusters; Creation of Backward and Forward Linkages and Creation / Expansion of Food Processing & Preservation Capacities.

The scheme serves as a comprehensive package of component schemes, focusing on establishing modern infrastructure with efficient supply chain management from the farm gate to retail outlets. This initiative significantly propels the growth of the food processing sector, contributes to better prices for farmers, generates substantial employment opportunities, particularly in rural areas, reduces agricultural produce wastage, elevates the processing level, and amplifies the export of processed foods.

Financial support, in the form of grants-in-aid, is provided for setting up food processing projects across the country under the various component schemes:

- Mega Food Parks scheme (MFP) (discontinued w.e.f. 01.04.2021)
- Integrated Cold Chain and Value Addition infrastructure (Cold Chain)
- Creation of Infrastructure for Agro Processing Cluster (APC)
- Creation/ Expansion of Food Processing and Preservation Capacities (CEFPPC)
- Creation of Backward and Forward Linkages (CBFL) (discontinued w.e.f. 01.04.2021)
- Operation Greens (OG): Long Term Interventions
- Food Safety and Quality Assurance Infrastructure – Setting up / Up gradation of quality control/ food testing laboratories (FTL)
- Human Resource & Institutions (HRI)

Until December 2023, a total of 1401 projects has been approved under various component scheme of PMKSY (since their respective launch date). Of these 832 projects have been completed resulting in processing & preservation capacity of 21.84 million metric tonnes (MMT). The approved projects, on their completion, are expected to leverage investment of INR 212.17 Bn benefiting about 57 lakh farmers and generating over 8.28 lakh direct/indirect employment. The scheme has also contributed to improving the farm gate prices and reducing the food wastage. As per NABCON21F[20]'s evaluation study report on cold chain projects, reveals that completion of 70% of the approved projects has resulted into waste reduction up to 70% in case of fisheries and 85% in case of dairy products.

The details of physical targets proposed by the Ministry for the 15th Finance Commission Cycle period (2021 - 26) and achievements made as on date under various component schemes of PMKSY are as under:

Component scheme of PMKSY	Project in numbers	
	Proposed	Achievement
Mega Food Parks scheme	Discontinued w.e.f. 01.04.2021	
Cold Chain scheme	30	42
APC scheme	30	29
CEFPPC scheme	162	242

[20] A wholly owned subsidiary of NABARD. NABARD Consultancy Services

CBFL scheme	Discontinued w.e.f. 01.04.2021	
OG scheme	80	47
FTL scheme	25	22
HRI – R&D scheme	100	-

Source: PIB

Production Linked Incentive Scheme for Food Processing Industry (PLISFPI)

In order to support creation of global food manufacturing and boost Indian brands of food products in the international markets, the government launched production-linked incentive (PLI) schemes. With a total budget of INR 10,900 crore, the government has already invested INR 4,900 crore in the sector through the PLI plan. The scheme will be implemented for six years, from 20212-22 to 2026-27. To qualify for the incentive, the selected applicant will be required to undertake investment22F[21] in Plant & Machinery in the first two years i.e., in 2021-22 & 2022-23. Also, the entire manufacturing process, including the initial processing of food items, must take place within India, which is expected to provide a much-needed boost to the local industry.

PLI Scheme for the Food Processing Industry comprises of three components listed as below:

Category 1- Incentivising manufacturing of four major food product segments viz. namely Ready-to-cook and ready-to-eat products foods including Millets based products, Processed fruits and vegetables: Marine products and Mozzarella cheese.

Category II- Endorse Innovative and Organic products of SMEs.

Category III- Support for branding and marketing initiatives to promote Indian brands in global market.

Additionally, with 2023 being declared as the International Year of Millets, the Ministry of Food Processing Industries (MoFPI) is committed to promoting post-harvest value addition, increasing domestic consumption, and branding millet products both nationally and internationally through various PLI schemes. In 2022-23, MoFPI announced an outlay of INR1000 crores to expand the PLI Scheme and added a new component specifically for millet-based products. A total of 30 projects for millet-based products with incentive worth INR 8 bn spread across 8 large entities and 22 MSMEs, have been approved under PLISFPI.

A total of 176 proposals under different categories of Product Linked Incentive scheme for Food Processing sector (PLISFPI) have been approved till December 2023. An incentive of INR 5.84 Bn has been released till December 2023 under the scheme with has resulted in processed food sales turnover of about INR 2.01 trillion, investment of INR 70.99 Bn and employment generation of 0.24Mn people.

Make In India Scheme: A portion of the Make in India campaign, the food processing sector was recognized as one of the concentrated areas. Therefore, the policy, ecosystem has been refurbished to draw financial, technological, and human resources into the zone. Allowing 100% FDI via automatic route into this sector is also an important footstep in this direction.

Technology Upgradation Scheme: Under this Scheme, Ministry extends financial assistance for setting up of food processing units including fruits and vegetables units, in the form of grants-in-aid to the implementing agencies/ entrepreneurs at 25% of the cost of plant & machinery and technical civil works subject to maximum of INR 5 Mn in general areas and 33.33% up to a maximum of INR 7.5 Mn in difficult areas.

FDI in Food Processing Sector: 100% FDI is permitted under the automatic route in the food processing sector and 100% FDI under Government approval route is allowed for retail trading, including through e-commerce, in respect of food products manufactured and/or produced in India. Allowing 100% FDI through automatic route helps to attract more FDI as under the automatic route, the investment does not require the prior approval. Automatic Government approval is also provided for projects which involve technology transfer to the local partner. The foreign direct investment in food processing sector in 2022-23 is estimated to be 895.34 USD Mn and USD 6.185 Bn between April 2014-March 2023.

Agro Processing Cluster scheme: The Agro Processing Cluster scheme was approved in May 2017 as part of the (Pradhan Mantri Krishi Sinchayee Yojana (PMKSY) to encourage the establishment of APCs which are equipped

[21] as quoted in their Application (Subject to the prescribed minimum)

with modern infrastructure and common facilities to encourage entrepreneurs to set up food processing units based on cluster approach. It aims to link stakeholder across value chain like producers/ farmers to the processors and markets through well-equipped supply. The scheme has two basic components i.e., Basic Enabling Infrastructure (roads, water supply, power supply, drainage, ETP etc.) and Core Infrastructure/ Common facilities (warehouses, cold storages, IQF, tetra pack, sorting, grading etc). For setting up of Agro Processing Cluster.at least 10 acres of land is required to be arranged either by purchase or on lease for at least 50 years and at least 5 food processing units with a minimum investment of INR 25 crore is needed.

State-wise Break-up of Projects Approved so far under Agro Processing Clusters (APC) Scheme

State/UT	No. of Approved Agro Processing Cluster Projects *	Project Cost (Rs. in Crores)	Grant Approved (Rs. in Crores)
Maharashtra	12	372.9	107.0
Tamil Nadu	11	291.0	71.7
Assam	6	127.6	52.5
Gujarat	5	129.5	37.4
Karnataka	4	100.3	29.3
Madhya Pradesh	4	143.5	39.4
Rajasthan	4	119.6	31.7
Uttar Pradesh	4	114.7	33.9
Punjab	3	70.5	20.5
Chhattisgarh	2	63.8	12.0
Haryana	2	43.2	13.0
Kerala	2	71.7	19.0
Telangana	2	62.0	15.4
Andhra Pradesh	1	28.7	5.9
Bihar	1	30.4	7.9
Himachal Pradesh	1	24.5	10.0
Jammu and Kashmir	1	24.4	10.0
Uttarakhand	1	23.3	10.0
Arunachal Pradesh	1	23.4	5.3
Meghalaya	1	21.7	8.8
Total	68	1886.9	540.6

Source: Answers Data of Rajya Sabha Questions for Session 257 (Reply to Unstarred Question on 5 August, 2022) |
*The states are indexed on the basis of number of APC projects approved per state

These cluster set up by Project Execution Agency (PEA)/ Organisation such as Govt./ PSUs/ Joint Ventures/ NGOs/ Cooperatives/ SHGs/ FPOs/ Private Sector/ individuals etc. and are eligible for financial assistance subject to terms and conditions of the scheme guidelines.

- The Scheme envisages grants-in-aid @ 35% of eligible project cost in general areas and @50% of eligible project cost in the Northeast States including Sikkim and difficult areas namely Himalayan States (i.e., Himachal Pradesh, Jammu & Kashmir and Uttarakhand), State notified ITDP areas, Islands and SC/ST entrepreneurs subject to max. of INR 10.00 crore per project.

Other Incentives & Initiative to promote Food Processing Industries

- Income tax Incentives:
    - Eligibility for 100 % profit exemption for the initial five years, followed by 25 % deduction for the subsequent 5 years.
    - Full deduction equivalent to 100 % allowed for capital expenditure related to cold chain or warehouse investment.
- Credit Facilities
    - Loans to food & agro-based processing units and Cold Chain have been classified under Agriculture activities for Priority Sector Lending (PSL).
    - Cold chain and post-harvest storage have been recognized as an infrastructure sub-sector and Capex toward the creation of modern storage capacity is eligible for Viability Gap Funding scheme of the Finance Ministry.
    - A special food processing Fund of USD 263 Mn was created by NABARD for providing affordable credit to Mega Food Parks and units to be set up under MFPs & designated food parks.
- INR 32.88 Bn (B.E.) was allocated to Ministry for development of Food Processing Sector in year 2023-24 which is 73% higher against the revised estimate of INR 19.02 Bn in 2022-23.
- In November in 2023, the MOFPI organized the Second edition of World Food India which saw extensive participation more than 1200 national and international exhibitors, representatives from 90 countries, 91 Global CXOs and 15 overseas ministerial. As a part of event, the country hosted several knowledge sessions on best practices, discussing financial empowerment, quality assurance, innovations in machinery and technology, e-commerce, and logistics in the food processing sector. Also, MoUs worth INR 331.29 Bn were signed with various companies during the event.

Goods and Services Tax (GST) Rate

- Lower GST for raw and processed products. More than 71.7% of food products are in lower tax slab rate 0% & 5%.
- Exempted GST on Services of pre-conditioning, pre-cooling, ripening, waxing, retail packing, labeling of fruits and vegetables which do not change or alter the essential characteristics of fruits & vegetables.
- 18% GST on refrigeration machineries and parts used in the installation of cold storage, refrigerated vehicle for the preservation, transportation, storage and processing of various agro based product.
- Machinery used in dairy sector attract 12% GST while 18% GST is applicable on machinery use for the preparation of meat, poultry, fruits, nuts or vegetables and on presses, crushers and similar machinery used in the manufacture of wine, cider, fruit juices or similar beverages.

Export Restriction in Sugar

Indian Government imposed restrictions on Sugar exports beginning June 1, 2022. Initially the restriction on exports was imposed till 31 October 2022 when the Government placed a quote on the exports. However, later on the Government imposed a ban on exports till October 2023 leading a half in sugar shipment after a time period of nearly seven years. Although the restrictions and bans were supposed to be in place only till end of October 2023, the Government during mid-October 2023 notified the continuation of export ban till further notice. This restriction is imposed on various categories of sugar, including raw sugar, white sugar, refined sugar and organic sugar.

India, which became the largest global producer of sugar, and second largest exporter (after Brazil) during sugar season 2021-22 (October 2021 - September 2022) has resorted to this restriction due to the anticipated drop in production.

A deficit monsoon season (due to the offset of El Nino weather condition) have impacted sugar production, which prompted the Government to restrict sugar export. The export curb is to arrest any hike in domestic prices. Domestic demand for sugar has been increasing steadily - both from traditional consumer segments as well as increasing demand from ethanol industry. Given the aggressive focus on ethanol blending, the demand for fuel grade ethanol has been increasing steadily. This was not a challenge as long as sugar production was growing. However, the adverse weather condition which impact the production is expected to complicate the demand - supply dynamics, resulting in a hike in domestic prices.

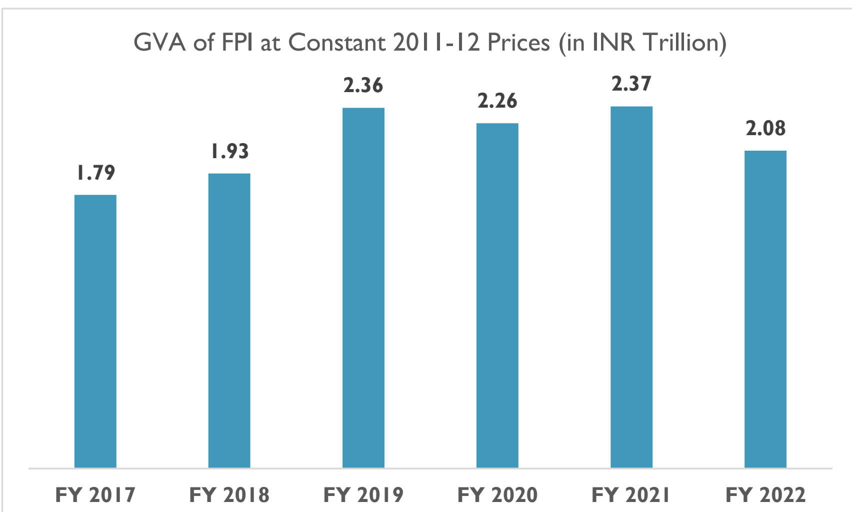
Given the essential nature of the commodity, a price hike would seriously impact the inflationary scenario. Given 2024 being an election year, such an inflationary scenario could impact the outcome of elections.

Although the restrictions in exports could prevent domestic price hike, the drop in exports from the world's second largest sugar exported would have a significant impact on global sugar market. Benchmark sugar prices in markets like New York and London are expected to witness an upward movement, and this would in turn trigger food inflation in global markets.

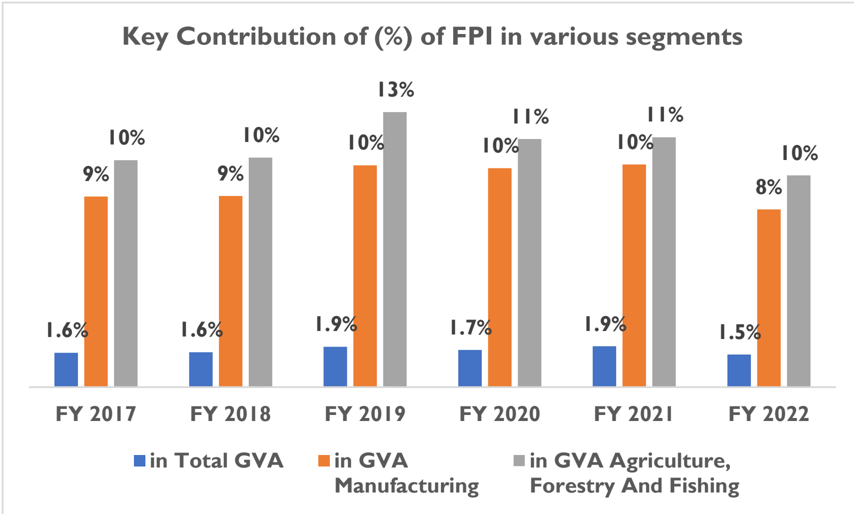
Current Market Scenario

With 60% of total land area being identified as agricultural land by World Bank, India has the seventh largest agricultural land in the world.2F23F[22] India has over 154.45 Mn hectare of arable land (51.9% of land Area). The country is the one of the largest producers of food-grains, fruits and vegetables, and the largest producer of milk in the world. The country also has one of the largest livestock populations in the world. India's vast coastline has also benefitted in availability of fish and other sea creatures. All these resources have resulted in the development of the Indian food processing sector.

The food processing sector is one of the largest sectors in India in terms of production, growth, consumption, and export. Helped by the higher level of agriculture production and government support, the sector has witnessed growth. Output of the food processing industry is estimated to have grown at a CAGR of 7% between FY 2017-21 to reach INR 2.37 trillion before dropping to INR 2.08 trillion in FY 2022 which reduced the CAGR to 3% for the period FY 2017-22. The sector's average contribution to GVA stood at 1.7%, ~9% to GVA of manufacturing and ~11% to GVA of Agriculture, forestry, and fishing.



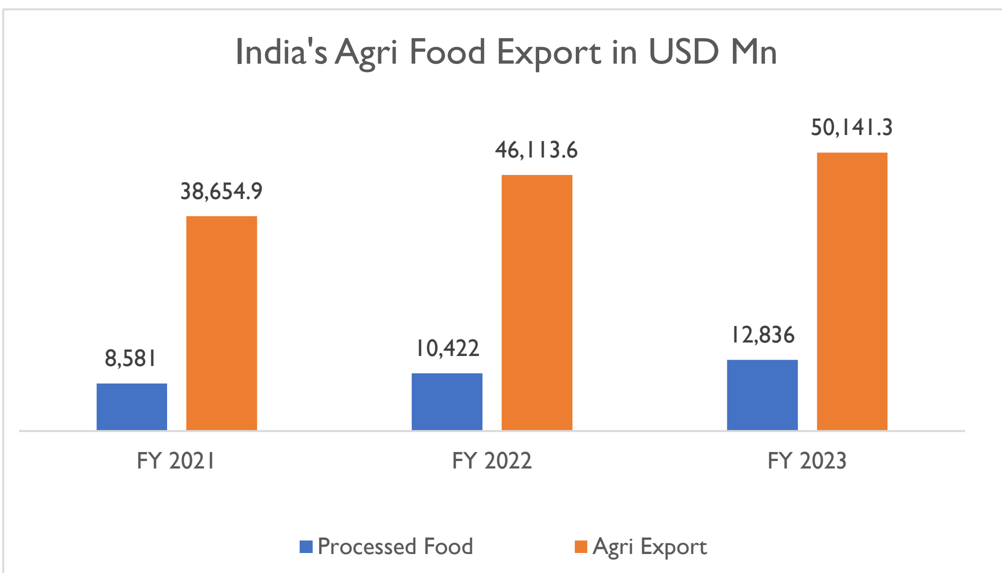
[22] World Bank Data for the year 2021.



Source: MOFP, Dun and Bradstreet Research

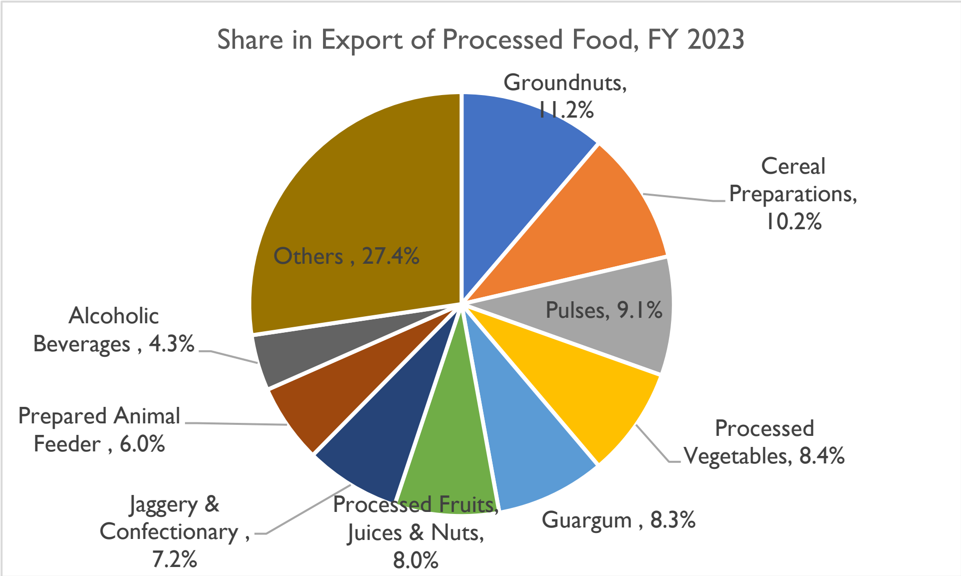
Exports

The Indian food processing industry is primarily export oriented. The country ranked 7th in the world in agricultural and processed food exports in FY 2023. Over the period FY 2021-23, India's agri food exports have CAGR of ~14% while processed food export have increased at 22.3% CAGR. In FY 2023, agri food export observed 9% y-o-y growth against 19% y-o-y growth in the previous fiscal while processed food export continue to growth at healthy rate of over 20% in both the year. Consequently, India's processed food export share in total agri-product exports have increased steadily from 22% in FY 2022 to 25.6% in FY 2023 while in FY 2018 it stood at 15%.



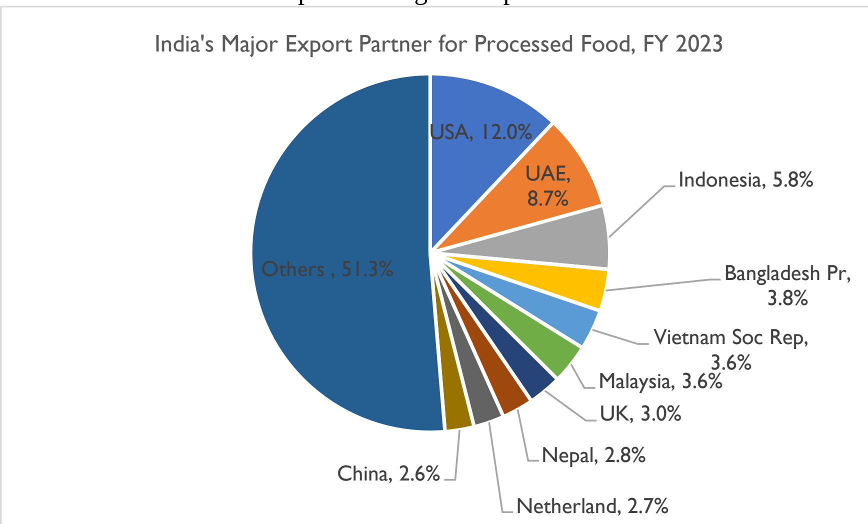
Source: MOFPI, Department of Commerce Trade Statistics

Groundnut, Cereals preparation, Pulses, Processed Vegetable and Guargum altogether account for nearly 47% of FPI exports.



Source: Breakup of USD 7,409 Mn of processed food sourced from APEDA,

India's export market for processed food is fairly diversified as country export its product in over 200 countries. USA continued to remain India's largest export partner for processed food in FY 2023 with 12.0% followed by UAE (8.7%), Indonesia (5.8%), Bangaladesh (3.8%) and Vietnam (3.6%) which together accounted for nearly 34% share while top 10 countries contributed 48.7% in the total export earnings from processed foods.



Source: Breakup of USD 7,409 Mn of processed food sourced from APEDA,

Key Success Factors for Expansion of Food Processing Industry in India

Availability of raw material or primary product: India's diverse climate ensures availability of varieties of crops, fruits, vegetables, and livestock. Production across major product categories is indicated in below table:

Product	2018-19	2019-20	2020-21	2021-22	2022-23	CAGR
Food Grain	285.2	297.5	310.7	315.6	329.7	4%
Milk	187.8	198.4	210.0	221.1	230.6	5%
Fruits	98.0	102.1	102.5	107.2	108.3	3%
Vegetables	183.2	188.3	200.4	204.8	212.9	4%
Fish	13.6	14.2	14.73	16.2	17.4	6%
Poultry: Eggs	103.8	114.4	122.1	129.6	138.4	7%

Source: MOFPI, PIB

Note: Production of all products except eggs are in Mn tonnes. For eggs production is given in Mn units

India leads the global production in following products:

- Largest producer of milk and milk products accounting for about 24% of global milk production.
- India is also the second largest producer of fruits and vegetables in the world after China. The country ranks first in the production of number of crops like Banana, Lime & Lemon, Papaya, Okra.
- Second largest producer of food grain (e.g., Rice, wheat, sugar and cotton etc.)
- Lucrative crops like coconuts, cashew nuts, ginger, turmeric, and black pepper are grown in abundance in the nation.
- Largest livestock population in the world. There are about 303.76 million bovines (cattle, buffalo, mithun and yak), 74.26 million sheep, 148.88 million goats, 9.06 million pigs and about 851.81 million poultry as per 20th Livestock Census in the country.
- India is 3rd largest fish producing country with around 8% share in global fish production.

Product	Share in World Production	Global Rank	Next to
Cereals			
Wheat	13.54%	2	China
Rice	23.7%	2	China
Oil Seeds			
Groundnut (in shell)	**13.58%**	**2**	**China**
Rapeseed	12.88%	3	Canada, China
Fruit & Vegetables			
Fruit excluding melon	**11.79%**	**2**	**China**
Vegetables Primary & Melons	12.16%	2	China
Oranges	10%	3	China
Potatoes	14.15	2	China
Onions	22.93%	2	China
Commercial Crops			
Sugarcane	20.73%	2	Brazil
Tea	20.56%	2	China
Animal Products			

Product	Share in World Production	Global Rank	Next to
Milk	21.4%	1	
Egg	21.4%	3	China, USA

Source: MOFPI AR 2023, Position is mentioned as of 2019

Domestic availability of various food products as a raw material offers vast business opportunities in food-based industries like canning, processed dairy products, frozen food / refrigeration, and thermo-processing.

Low Processing Level: Currently, the level of food processing is low in India at around 10%. The processing penetration level in various segments in India is mentioned below:

Segment	% of Processing Level in 2015-16	% of Processing Level 2018-19
Milk	20.1%	21.1%
Fruits	2.9%	4.5%
Vegetables	2.22%	2.7%
Meat	22.7%	34.2%
Fisheries	8.3%	15.4%
Coarse Cereals	28.6%	29.4%

Source: MOFPI, ** Deloitte Study 2020-21

Importance of Food Processing Sector

The Food Processing Industry (FPI) plays a pivotal role by establishing crucial connections and synergies between two fundamental pillars of the economy: agriculture and industry.

- **Employment Generation**: Acting as a bridge between agriculture and manufacturing, FPI serves as a significant source of both direct and indirect employment opportunities. This contributes to overall economic growth and stability. The sector also generates the highest level of employment and account for about 12.22% share in in the total employment in the registered/organized sector. The sector employs ~2 million people in registered units and about 5.1 million people in unregistered units across the country. Considering the employment potential and its benefits to the agriculture sector, the government has launched various schemes/programs to help spur the growth in the sector.
- **Doubling Farmers' Income:** The increasing demand for agricultural products translates into higher prices for farmers, thereby elevating their income levels. This aligns with the national goal of doubling farmers' income.
- **Malnutrition Reduction:** Processed foods, when fortified with essential vitamins and minerals, have the potential to address nutritional deficiencies in the population, playing a crucial role in reducing malnutrition.
- **Reducing Food Wastage**: FPI can be instrumental in mitigating the pervasive issue of food wastage. With a focus on efficient sorting and grading near the farm gate and redirecting surplus produce to the food processing industry, substantial reductions in wastage can be achieved, leading to better returns for farmers. A nation-wide study on post-harvest losses for 54 agricultural produces in 292 districts of 15 Agro Climatic Zones (ACZs) was carried out by NABARD Consultancy Services Pvt. Ltd (NABCONS) from which loss of major Agricultural produce is listed below:

Category-wise wastage in the country*	
Category	**Cumulative wastage as a percentage of total produce**
Cereals	3.89-5.92
Pulses	5.65-6.74
Oil Seeds	2.87-7.51
Fruits	6.02-15.05
Vegetables	4.87-11.61
Plantation Crops & Spices	1.29-7.33

Milk	0.87
Fisheries (Inland)	4.86
Fisheries (Marine)	8.76
Meat	2.34
Poultry	5.63
Egg	6.03

Source: MOFPI AR 2023,

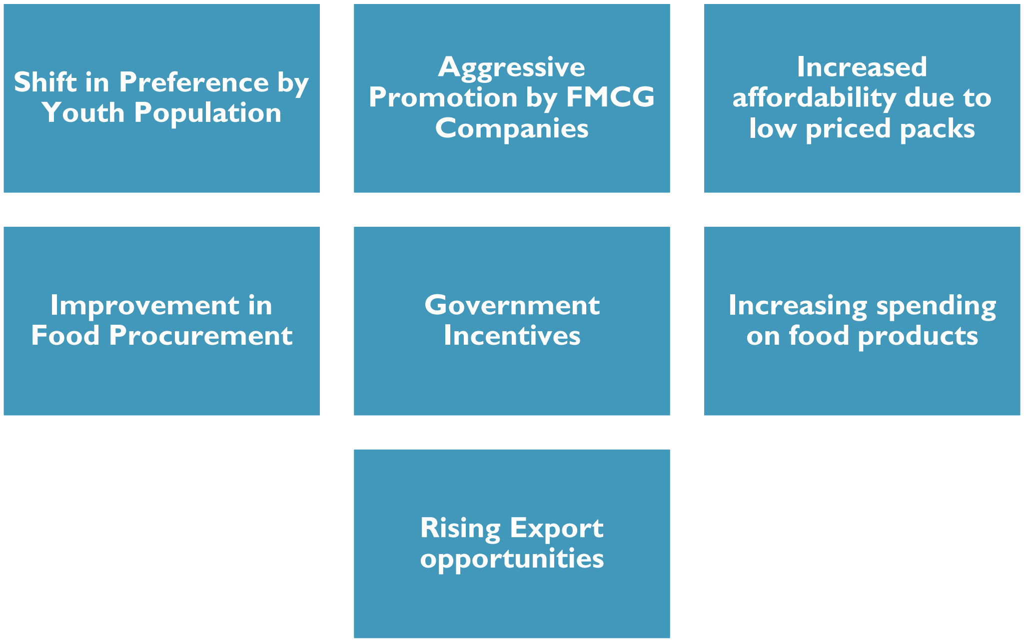
*Data is indicative in nature as it pertains to determine Post Harvest Losses of Agri Produce in India 2022.

Thus, high production of perishable commodities requires an efficient supply chain infrastructure in the country. Developing the food processing sector to enable containment of food inflation and food wastage is one of the key objectives of government.

- **Boosting Trade and Foreign Exchange Earnings:** The FPI serves as a significant contributor to foreign exchange earnings. For instance, commodities like Indian Basmati rice enjoy high demand in Middle Eastern countries, enhancing India's trade position and foreign exchange reserves.
- **Curbing Migration:** The labor-intensive nature of the Food Processing Industry presents an opportunity to generate localized employment, acting as a deterrent to migration from source regions.
- **Curbing Food Inflation**: Processing contributes to increased shelf life, ensuring a consistent supply that aligns with demand, ultimately helping to control food inflation. For instance, products like Frozen Safal peas remain available throughout the year.
- **Crop Diversification:** The diverse requirements of food processing encourage farmers to grow a variety of crops, promoting crop diversification and reducing dependency on a single type of produce.
- **Preserving Nutritive Quality and Prolonging Shelf Life:** Food processing methods act as a safeguard against spoilage caused by microbes and other agents, preserving the nutritive quality of food and extending its shelf life.
- **Enhancing Quality and Taste**: Food processing not only prevents spoilage but also enhances the overall quality and taste of food, offering a broader spectrum of choices in the food basket.
- **Enhancing Consumer Choices**: In the contemporary landscape, food processing facilitates the transportation of food from different parts of the world to local markets and vice versa. This globalization of food options expands consumer choices and enriches the diversity of available products.

Key Demand Drivers

The food processing sector is a sunrise sector and has been witnessing a robust growth on back of following key factors.



Shift in Preference by Youth Population

The changing landscape of consumption habits in India is markedly influenced by a shift in the population mix, particularly among the youth demographic. With approximately 35% of the population falling within the 15 to 35 age brackets, this segment exhibits a distinct preference for value-added processed foods over their unprocessed counterparts. This shift reflects evolving dietary choices and contributes significantly to the rising demand for processed food products in the country.

Aggressive Promotion by FMCG Companies

The processed food industry is experiencing robust growth due to the concerted efforts of FMCG companies. These companies have embraced extensive advertising endeavours and promotional activities, including product sampling and price promotions. Such aggressive marketing strategies are meticulously crafted to captivate the consumer, resulting in a consistent and steady expansion of the processed food market.

Increased affordability due to low priced packs

The increased affordability of processed foods has become a cornerstone of industry growth. Major players in the food processing sector have astutely introduced low-priced, small-sized packs to specifically cater to the needs of low-income consumers. This strategic initiative has proven particularly impactful in smaller cities where affordability constraints are more pronounced. By making processed foods more accessible through cost-effective options, the industry has successfully broadened its consumer base and fostered substantial growth, particularly in regions where economic constraints might otherwise impede market penetration.

Increase in Distribution Network

The expanding reach of the distribution network is a pivotal factor driving the increased demand for the food processing industry in India. The current generation of consumers benefits from an enhanced distribution reach, affording them better access to a diverse range of processed foods compared to previous generations. This improved accessibility has played a crucial role in amplifying the consumption and demand for processed food products across the country.

Improvement in Food Procurement

Advancements in food procurement practices contribute significantly to the growth of the food processing sector. The adoption and spread of practices like contract farming, coupled with special initiatives ensuring fair prices for farmers by eliminating intermediaries in the procurement process, have led to a reduction in the wastage of food products available for processing. This streamlined procurement process has effectively increased the availability of raw materials for the food processing industry, contributing to a more sustainable and efficient supply chain.

Government Incentives

Government incentives play a key role in fostering the growth of food processing units. Various tax incentives and policy initiatives implemented by the government to boost its share in global food trade have provided entrepreneurs with the necessary encouragement to establish and expand food processing units. These supportive measures have not only facilitated the establishment of new ventures but have also contributed to the overall development and competitiveness of the food processing industry in India.

Increasing Shift on healthy processed food products

The increasing shift towards healthy processed food products is a significant trend driven by the changing lifestyle and working habits of the younger population in India. This demographic change has resulted in a rise in lifestyle diseases, including diabetes, blood pressure, cardiac problems, and muscular pains. Consequently, heightened health concerns, coupled with growing disposable income levels and increased awareness, have prompted consumers to prioritize spending on healthy and nutritional food. This shift is notably reflected in the rising demand for health-conscious breakfast items such as low-calorie oats-based products, muesli, fruits, dry-fruits, cornflakes, and various organic food products.

Rising Export Opportunities

The food processing industry in India is capitalizing on rising export opportunities. The demand for processed food is particularly high in developed economies, where the pace of life is faster compared to emerging markets. India's increased integration with the global economy and its proximity to key export markets have positioned it as a strong link between trading countries. This geographical advantage, combined with the growing global interest in diverse and authentic food products, presents significant export opportunities for the Indian processed food industry. The alignment of consumer preferences for healthy options and the strategic positioning in global markets further augments the growth prospects for the industry.

Status of Food Processing Industry in India

India is the second largest producer of food-grains, leading producer of fruits and vegetables and the largest producer of milk in the world. The country also has one of the largest livestock populations in the world. India’s vast coastline has also benefitted in availability of fish and other sea creatures. All these resources have resulted in the development of the Indian food processing sector.

However, as per various industry estimates, significant amount of agriculture produce produced domestically go waste due to lack of well-developed cold storage chain and other infrastructure facility which further contribute towards the rising prices of these food products.

The high production of perishable commodities necessities the development of food processing infrastructure in the country. Thus, the government has initiated several initiatives like setting up of agro based and food processing infrastructure like Special Economic Zone, Agri Exports Zone and Mega food parks which aim to develop the food processing sector and helps in reducing food wastage and containment of food inflation.

Consequently, India’s domestic processing capacity has grown over 15 times (since 2014) to reach 21.84 million metric tonnes currently. There are reportedly 24 operational mega food parks, 371 cold chain projects, and 68 agro-processing clusters present in India currently.

As per India’s Investment Facilitation Agency, Invest India, 474 proposals under the Creation/Expansion of Food Processing & Preservation Capacities, 61 backward and forward linkage projects, 46 Operation Green projects, and 186 food testing Laboratory projects have been approved by the ministry until 30 Sep 2023 under PMKSY.

The food processing industry in India is primarily concentrated in the northern and western regions of the country. The states of Maharashtra, Uttar Pradesh, Andhra Pradesh, Tamil Nadu, and Gujarat are the key contributors to the sector.

As of April 10, 2023, there are around 3,319 startups acknowledged by DPIIT in the Food Processing Sector. These recognized startups are distributed across 425 districts in the country, providing employment to approximately 33,000 individuals. Among these startups, roughly 32% received recognition in the year 2022. Maharashtra leads with the highest number of recognized startups, standing at around 620. Notably, about 58% of the startups in this sector originate from Tier 2 and Tier 3 cities.

Advancements in Technologies in the Food Processing Sector

Minimal Processing	This method, as named, employs approaches that have minimal impact on the quality of the product. The objective is to provide consumers with processed foods that retain a healthy "fresh-like" quality.
Innovative Thermal Processing	Emerging thermal processing techniques like ohmic heating and the utilization of electromagnetic waves (microwave, radiofrequency, and infrared) represent novel approaches in food processing, contributing to product innovation.
Nanotechnology-Based Applications	Leveraging nanotechnology, these applications harness the advantages of enhanced surface area to volume ratios, showcasing a cutting-edge dimension in food processing.
Information Technology (ICT) Applications	The integration of computers and information technology into food processing involves interdisciplinary fields such as artificial intelligence, machine learning, robotics, digitalization of conventional processes, and remote process controls, ushering in a new era of efficiency and precision.
Nutraceuticals and Functional Foods	This category encompasses the selection, delivery, and health benefits of nutraceuticals and functional foods. The focus extends to areas like anti-ageing, immune boosting, and gut health, reflecting an evolving paradigm in meeting consumer health and wellness demands.
Sustainable Food Processing	Encompassing all levels of the food supply chain, this approach integrates principles of 'zero discards,' 'resource recovery,' 'low carbon footprint,' and 'waste utilization.' These concepts can be applied to entire foods or individual ingredients, emphasizing a three-fold focus on consumer engagement, universal accessibility, and sustainability.
Nonthermal Processing	Innovations such as high-pressure processing, pulsed light treatment, pulsed electric field processing, ultrasound treatment, cold plasma treatment, ozone treatment, and irradiation represent nonthermal processing methods, contributing to enhanced food safety and quality.
Food 3D Printing	This cutting-edge technique allows for extensive customization and personalization in food production, revolutionizing the way food is created and consumed.
Biodegradable Packaging and Intelligent Food Packaging	The shift towards biodegradable packaging and the rise of smart and intelligent food packaging emphasize product quality, traceability, and consumer information, aligning with evolving preferences for sustainable and transparent choices.
Alternative Proteins	This category focuses on replacing traditional protein sources with alternatives like plant-based ingredients, mushrooms, insects, seaweeds, aiming to minimize environmental impacts and cater to diverse dietary preferences.
Rapid Sensing Techniques	The development of rapid and robust sensing techniques for food analysis and quality evaluation addresses the need for real-time monitoring, ensuring food safety and meeting quality standards in an efficient manner.

Growth Forecast of Overall Food Processing Industry

In the long term, the country's vast population base, growing preference for value added products, increasing awareness, increasing income as well as affordability of processed food augur well for the sector. Growth will be also fueled by change in the dietary habit and the demand for healthy and nutritional products. India's annual household consumption is believed to quadruple by 2030, making it the fifth-largest consumer in the world which is expected to boost the demand for processed food and present a favourable business opportunity for FPI to expand its footprint further.

As growth of the industry helps in mitigating some of the critical issues such as food security and food inflation, the government has set a vision of doubling its contribution to the GDP by 2030. The Government is encouraging investment in the sector as higher level of processing helps in the reduction of wastage, improve value addition, promote crop diversification, ensure better return to the farmers, promote employment as well as increases export earnings. Beside above, the industry continues to innovate in terms of adopting modern technologies, developing new products, and improving infrastructure and supply chain efficiency. The focus will be on high value processing of horticulture, meat, poultry, dairy, and other gourmet food sector. Considering the above discussed factors, the size of the Indian Food Processing industry is expected to grow to USD 535 Bn by FY 2026.

Groundnut / Peanut

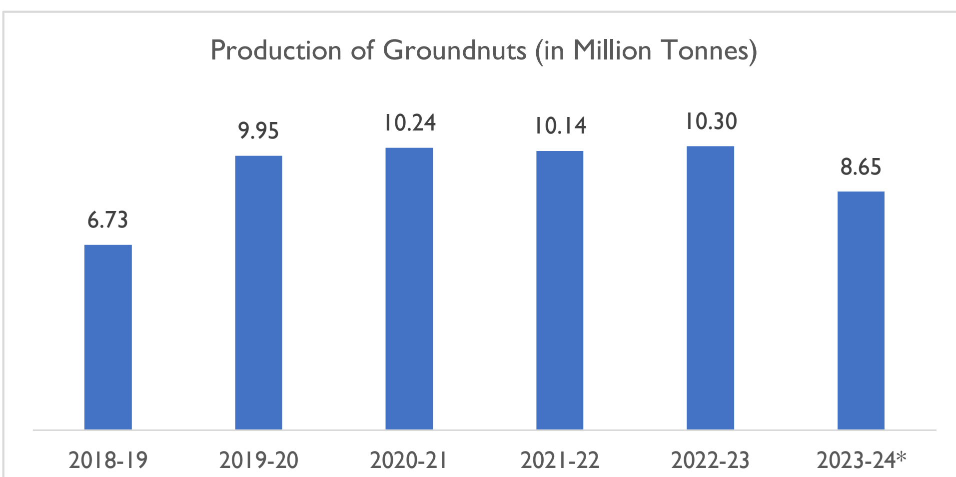
Overview

India is the second largest producer of groundnut after China, with a production of 10.14 million tonnes in 2022, accounting for 19% of the total world production. Groundnut, also known as peanut, holds a significant position in India's agricultural landscape and economy. Renowned for its versatility and nutritional value, groundnut cultivation is widespread across various regions of the country. India is one of the largest producers and consumers of groundnuts globally, with its cultivation deeply intertwined with the livelihoods of millions of farmers.

The crop's importance extends beyond its role as a staple food item; groundnuts play a crucial role in various industries, including oil extraction, animal feed, and snack manufacturing. Moreover, groundnut cultivation contributes to soil fertility and crop rotation practices, making it an integral component of sustainable agricultural systems in India.

Production Scenario

The production of groundnut in India increased at a CAGR of 11.23% between 2019 – 2023, growing from 6.73 million tonnes in 2018-19 to 10.30 million tonnes in 2022-23. Further, according to second advance estimates for 2023-24, the production is estimated at 8.65 million tonnes. However, this number only includes estimated production in Kharif and Rabi seasons and does not include the summer production. Additionally, a decline in groundnut sowing may have also contributed to this fall in production.



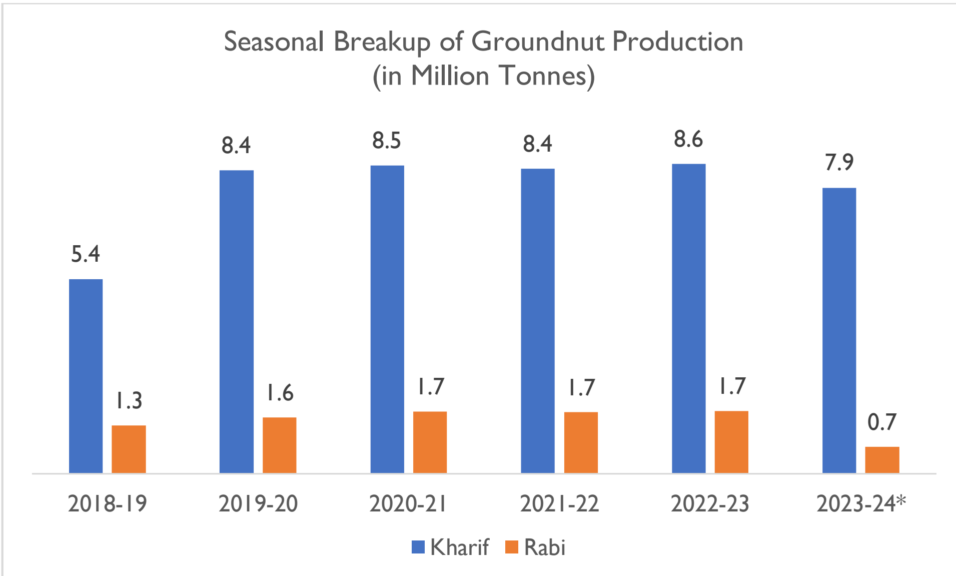
Source: Ministry of Agriculture & Farmers Welfare

*Data for the year 2023-24 is of 2nd Advance Estimates. Crop production estimates covers only Kharif and Rabi season. Summer season is not included in Second AE 2023-24.

Seasonal Breakup

In India, groundnut cultivation follows distinct seasonal patterns, primarily occurring during the Kharif (June-July to September-October) and Rabi (October-November to January-February) seasons, although feasible year-round. The crop thrives in hot and humid conditions, with harvesting typically aligning with the dry season. Kharif season witnesses approximately 85% of groundnut cultivation in India, relying on rainfed conditions.

In 2019-20, the production of groundnut in both Kharif and Rabi seasons recorded the highest growth, of 56% and 17% respectively. This growth moderated in the consecutive years, with 2022-23 recording annual growth of 2% in production for both the seasons.

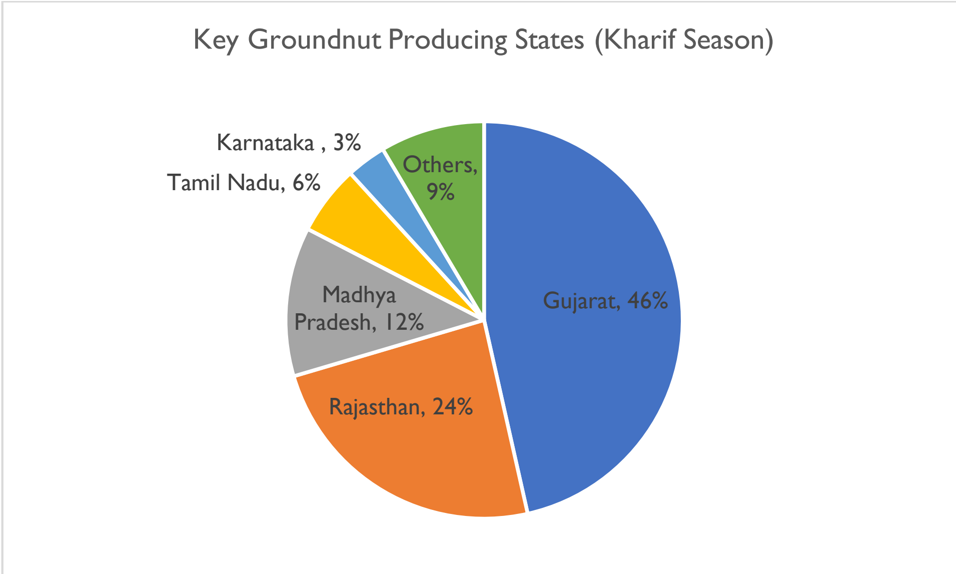


Source: Ministry of Agriculture & Farmers Welfare
FY 2019 – FY 2023 include summer production in Rabi.
*Data for the year 2023-24 is of 2nd Advance Estimates. Crop production estimates covers only Kharif and Rabi season. Summer season is not included in Second AE 2023-24.

According to second advance estimates for 2023-24, the kharif season is estimated to show a decline of 8% in production. This can be attributed to a lower sowing acreage as compared to the previous year. Furthermore, the production of groundnut in Rabi also shows a decline. This is due to the standalone nature as production between 2018-19 to 2022-23 also includes summer production in Rabi season.

Key Production Hubs

The first advance estimates for the 2023-24 Kharif season by the Government of India indicate a projected groundnut crop of 78.29 lakh tonnes, showcasing a decrease from the previous year's production of 85.62 lakh tonnes in 2022-23.



Source: Ministry of Agriculture & Farmers Welfare

Among the states, Gujarat emerges as the leading producer of groundnuts, contributing significantly with a production estimate of 36.76 lakh tonnes. Following Gujarat, Rajasthan stands as the second-largest producer with 18.95 lakh tonnes, while Madhya Pradesh is the third with an estimated production of 9.61 lakh tonnes. Tamil Nadu, and Karnataka, also contribute to the groundnut production landscape, with production estimates of 4.47 lakh tonnes, and 2.57 lakh tonnes, respectively.

State-wise Area under Groundnut

State wise area under groundnut in India	2022-23			2023-24		
	Area (lakh ha)	Area (lakh acres)	% to total area	Area (lakh ha)	Area (lakh acres)	% to total area
Karnataka	1.65	4.08	29.05	1.11	2.74	22.75
Odisha	1.10	2.72	19.37	1	2.47	20.49
Tamil Nadu\	0.95	2.35	16.73	0.96	2.37	19.67
Telangana	0.93	2.30	16.37	0.81	2	16.6
Andhra Pradesh	0.81	2.00	14.26	0.72	1.78	14.75
Others	0.24	0.59	4.23	0.28	0.69	5.74
All India	5.68	14.04	100.00	4.88	12.06	100.00

Source: Agricultural Market Intelligence Centre, PJTSAU: Groundnut Outlook - February 2024

The All-India area under groundnut has decreased from 5.68 lakh ha (14.04 lakh acres) in 2022-23 to 4.88 lakh ha (12.06 lakh acres) in 2023-24. This can be attributed to a preferred sowing of cotton over groundnuts in the year.

Groundnut Processing Industry

Groundnut, also known as peanut, traces its origins to South America, where it likely first appeared. Today, groundnut cultivation spans across more than 100 countries, reflecting its significance in global agriculture and economies. Moreover, groundnuts are enjoyed in diverse forms across different cultures. Whether consumed as roasted snacks, transformed into butter, or incorporated into confectioneries like brittle and candies, groundnuts offer a spectrum of culinary delights.

In the context of India, groundnut holds particular significance. As the world's second-largest producer, it plays a pivotal role in the country's agricultural landscape and economy. Groundnut cultivation accounts for a substantial portion of the oilseed sector, encompassing approximately 58% of the area dedicated to oilseeds and contributing 25% to overall production in 2023.

Major commercial varieties Grown.

In groundnut cultivation, several major commercial varieties are grown, each falling into one of three distinct growth habits: bunch, semi-spreading, and spreading.

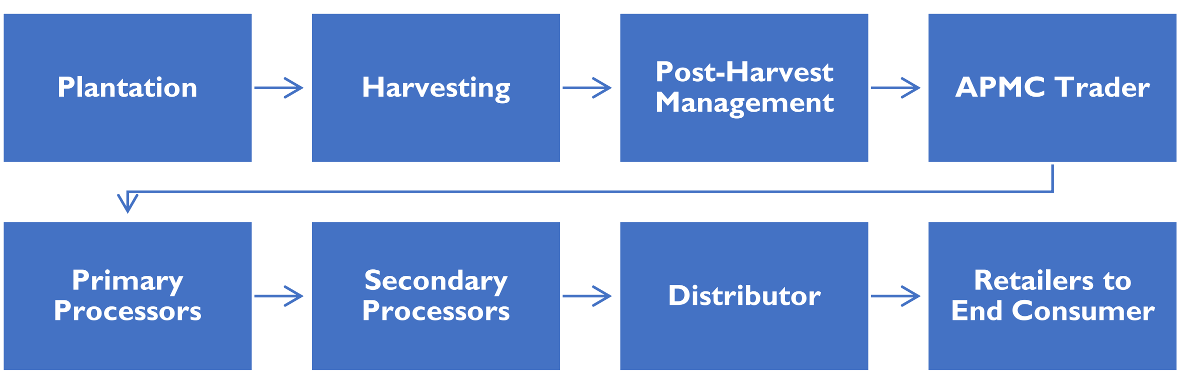
Variety of Ground Nuts		
Bunch	Semi-Spreading	Spreading

Bunch varieties, also known as pish or Valencia types, are characterized by their erect growth habit, light-green foliage, and pods clustered at the base of the plant. These varieties produce round, plump non-dormant seeds with a light-rose testa. Bunch types are typically favoured in areas with short rainy seasons or for irrigated crops during the rabi and summer seasons. Additionally, they are preferred in regions with high clay content soils where harvesting poses challenges.

On the other hand, semi-spreading and spreading varieties exhibit trailing branches that partially or completely touch the soil surface. These varieties produce pods along their branches, possess dark-green foliage, and yield oblong, dormant brownish seeds. Semi-spreading and spreading types are known for their heavier yields and later maturation compared to bunch varieties. They are often favoured in rainfed regions with longer rainy seasons.

Selecting the most suitable variety for a specific area involves considering various factors such as soil type, rainfall distribution, seasonal cultivation preferences, market demands, and resistance to prevalent pests and diseases. Spreading types are typically preferred in regions with extended rainy seasons and rainfed conditions, while bunch types are favoured in areas with shorter rainy seasons or for irrigated crops. Additionally, soil characteristics and harvesting considerations play a crucial role in determining the most appropriate variety for a particular location. Overall, the selection process aims to maximize productivity and optimize crop performance in diverse agricultural settings.

Industry value chain: from farm to packaging / end consumer.



Plantation

Seasonal patterns play a crucial role in the cultivation and harvesting of groundnuts, with the majority of production concentrated during the Kharif season, which accounts for about 85% of total production. Groundnuts are predominantly grown under rainfed conditions, with more than 90% of cultivation relying on rainfall. During the Kharif season, groundnut crops are typically sown between June and July and harvested between October and

November. However, in areas where irrigation is available, some farmers opt for summer crops, extending the cultivation period from January to May.

Harvesting

Harvesting of groundnuts is a critical stage that requires careful observation of plant maturity. Farmers typically wait until the plant foliage starts to yellow, indicating maturity, and the pods become hard and tough. Inside the shell, a dark tan discoloration appears, and the kernels become unwrinkled, signalling readiness for harvest.

Post-Harvest Management

Post-harvest management in agriculture is a critical stage that begins immediately after harvest and encompasses various activities such as cooling, cleaning, sorting, and packing. As soon as crops are removed from the ground or separated from their parent plants, they start to deteriorate, emphasizing the importance of efficient post-harvest handling.

In the case of groundnuts, harvested crops are typically left in small heaps for two to three days for curing. This process allows the groundnuts to dry to an average moisture content of 10-15%. Once cured, the pods are detached by hand to separate them from the plants. However, significant losses can occur during the harvesting operation, ranging from 20-30%.

Storage of groundnuts, whether as pods or kernels, presents its own set of challenges. Post-harvest losses during processing and storage typically range from 10 to 25% and are influenced by factors such as the level of maturity, moisture content, storage conditions, and sanitation practices. Transportation also contributes to losses, often due to pilferage, bag leakage, and rough handling. In storage facilities, drying, and damage by rodents and pests are major causes of losses.

APMC Trader

APMC traders are pivotal intermediaries within the groundnut value chain, operating within regulated Agricultural Produce Market Committees. They negotiate prices with groundnut farmers, taking into account factors like market demand, supply, and quality. These traders provide farmers with essential market access, offering a centralized platform for selling their produce and saving them the effort of seeking individual buyers.

Conducting basic quality assessments, APMC traders ensure that groundnuts meet minimum standards and reject inferior-quality produce or negotiate prices accordingly. Additionally, they serve as valuable sources of market information, providing insights into trends, prices, and consumer preferences, empowering farmers to make informed decisions. Facilitating trade, offering financial services, and ensuring regulatory compliance are also part of their responsibilities.

Primary Processors

Primary processors are key players in the groundnut value chain, responsible for the initial processing of raw groundnuts into various products such as peanut oil, peanut butter, and roasted peanuts. Operating processing facilities, they undertake essential tasks such as cleaning, sorting, shelling, and crushing the groundnuts to extract oil or produce other value-added products. These processors also conduct basic quality checks to ensure that the groundnuts meet industry standards before further processing or distribution.

By adding value to the raw material, primary processors contribute to diversifying groundnut products and meeting consumer demands. Additionally, they play a crucial role in supporting groundnut farmers by creating market opportunities for their produce and enhancing the overall value chain.

Secondary processors

Secondary processors play a vital role in the groundnut value chain by further refining products obtained from primary processing to meet specific market demands and consumer preferences. Building on the work of primary processors, they engage in more intricate processes such as refining peanut oil to enhance quality, flavour, or shelf life. Additionally, secondary processors specialize in creating unique and innovative groundnut-based products like snacks, confectioneries, or cooking ingredients.

Their focus on product differentiation and customization allows for a diverse range of groundnut offerings in the market. Through these efforts, secondary processors contribute significantly to the value addition of groundnut products, meeting the evolving tastes and preferences of consumers. This stage in the value chain reflects a commitment to innovation and quality, ensuring that groundnut products remain versatile and appealing to a wide consumer base.

Further, Secondary processors implement stringent quality control measures to ensure that finished products meet regulatory standards and consumer expectations. This involves monitoring product consistency, safety, and compliance with labelling and packaging requirements.

Distribution

In the groundnut value chain, the role of distribution is to facilitate the movement of processed groundnut products from manufacturers to retailers or end consumers. Distributors act as intermediaries between producers and retailers, managing logistics, warehousing, and transportation to ensure efficient product distribution across different regions or markets. They collaborate closely with manufacturers to coordinate product deliveries, manage inventory levels, and address supply chain challenges to meet customer demands effectively.

Distributors also play a key role in market expansion by identifying new sales channels, establishing relationships with retailers, and promoting groundnut products to target consumer segments. Additionally, they monitor market trends, competitor activities, and consumer preferences to adapt distribution strategies and optimize market penetration. By providing timely and reliable access to groundnut products, distributors contribute to the accessibility, availability, and affordability of nutritious food options for consumers.

Retailers to End Consumers

The retail sector serves as the final link between groundnut products and end consumers. Retailers encompass various outlets such as supermarkets, grocery stores, specialty food stores, and online platforms, offering a wide range of groundnut products to customers. They are responsible for marketing, promoting, and selling groundnut products to consumers, providing them with convenient access to high-quality and nutritious food options.

Retailers employ various strategies to attract and retain customers, including product displays, promotions, discounts, and advertising campaigns. They also ensure product availability, freshness, and quality by managing inventory levels, monitoring expiration dates, and adhering to food safety standards. Furthermore, retailers contribute to consumer education by providing information about product attributes, nutritional benefits, and usage ideas, helping consumers make informed purchasing decisions. By catering to diverse consumer preferences and offering a range of groundnut products, retailers contribute to the popularity and consumption of groundnuts in various forms.

Key demand drivers:

The peanut processing industry is witnessing an increasing demand backed by packaged snacks, and other peanut based product sale such as peanut butter spread and groundnut edible oil.

Growing Preference for Packaged Snacks

The growing preference for packaged snacks can be attributed to the fast-paced nature of modern lifestyles, where consumers often find themselves juggling multiple responsibilities and time constraints. In this context, convenience becomes a key factor driving food choices, especially when it comes to snacks consumed on-the-go or during busy schedules. Packaged groundnuts address this demand by providing a hassle-free snack option that requires minimal preparation and can be conveniently consumed anytime, anywhere.

For urban populations and young professionals, in particular, who are constantly on the move and have limited time for meal preparation, packaged groundnuts offer a quick and easy solution to satisfy hunger pangs. Whether it's during workday, while commuting, or while running errands, packaged groundnuts provide a convenient snacking option that can be conveniently stored.

Moreover, packaged groundnuts come in various forms such as single-serve packs, resealable pouches, and portion-controlled containers, catering to different consumption needs and preferences. This versatility further enhances their appeal among consumers who value convenience and flexibility in their snack choices.

Diversification of Groundnut Products

The diversification of groundnut products represents a strategic response to the evolving preferences and demands of consumers in the food industry. As consumer tastes and dietary requirements continue to evolve, food manufacturers recognize the need to innovate and offer a wide range of groundnut-based products such as flavoured peanut for snacking, peanut butter and groundnut edible oil to cater to diverse preferences.

One aspect of this diversification involves introducing new flavours, textures, and formats to groundnut products. Manufacturers experiment with different flavour profiles, ranging from classic options like salted and roasted to more adventurous combinations such as spicy chili, tangy barbecue, or sweet and savoury blends. These variations appeal to different taste preferences and offer consumers a variety of options to choose from, enhancing their overall snacking experience.

In addition to flavour innovation, manufacturers also focus on diversifying the texture and format of groundnut products. For example, groundnut-based energy bars, trail mixes, and granola bars have gained popularity among consumers seeking nutritious, on-the-go snack options. These products combine groundnuts with other ingredients such as oats, seeds, and dried fruits to create convenient and satisfying snacks that provide sustained energy and nutrition.

Furthermore, flavoured groundnut snacks, such as coated or seasoned nuts, offer an element of variety to traditional offerings. Ranging from honey-roasted, barbecue-flavoured, or chocolate-coated groundnuts, these products appeal to consumers looking for indulgent yet flavourful snack options.

By diversifying groundnut products, manufacturers not only meet the changing preferences of consumers but also tap into new market segments. For instance, groundnut-based snacks targeting health-conscious consumers or those with specific dietary requirements can expand the reach of groundnut products beyond traditional markets. This diversification stimulates overall demand for groundnuts by offering consumers a wider range of choices and enhancing the versatility of the crop in various applications.

Covid Impact

The impact of the COVID-19 pandemic has been profound, reshaping various aspects of daily life, including eating habits and consumer behaviour in the snacking industry. As health and safety concerns took centre stage, consumers prioritized their well-being, leading to significant changes in snacking consumption and purchasing patterns.

With mobility restrictions in place and concerns about virus transmission, consumers increasingly turned to ready-to-eat and ready-to-cook food options during the pandemic. This accelerated the adoption of packaged food products, including snacks, as they offered convenience and reduced the need for extensive meal preparation. Groundnuts offer a nutritious and satisfying snacking option, rich in protein, fibre, and essential nutrients, making them an appealing choice for health-conscious consumers seeking convenient and wholesome snacks.

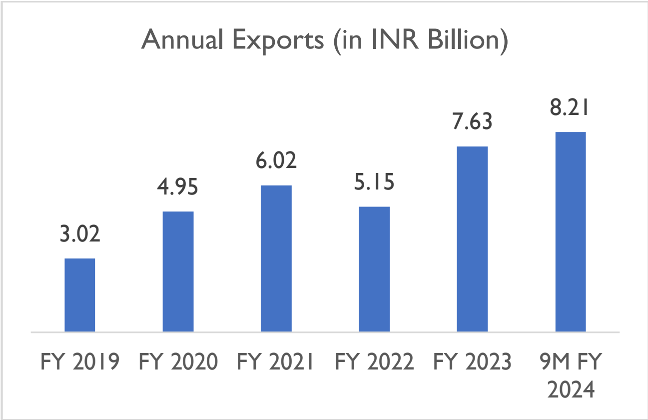
The convenience factor of packaged food became even more pronounced during the pandemic, as consumers sought quick and hassle-free meal solutions while juggling remote work, childcare, and other responsibilities at home. This led to an increase in the consumption of packaged snacks that could be conveniently stored, transported, and consumed without the need for extensive cooking or preparation. Packaged groundnut snacks, such as flavoured nuts, trail mixes, and granola bars, provided a convenient and nutritious alternative to traditional snack options.

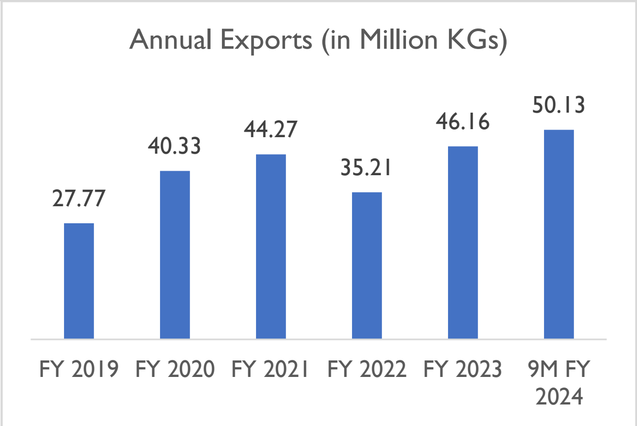
Moreover, the pandemic-induced shift in consumer behaviour also encouraged experimentation with flavours and food items. With more time spent at home and limited access to traditional dining experiences, consumers sought variety and novelty in their snacking choices. This led to increased interest in unique and exotic flavours, as well as a willingness to try new snack formats and ingredients.

Export Scenario

Export of Processed Ground Nuts

India is the second largest producer of ground nuts globally, accounting for 19% of the total groundnut production in 2022. Annual Exports of processed ground nut grew at a CAGR of 26.10% between FY 2019 – FY 2023, growing from INR 3.02 billion in FY 2019 to INR 7.63 billion in FY 2023. While exports in FY 2022 declined by 15%, FY 2023 recorded an annual growth of 48% over the previous fiscal.





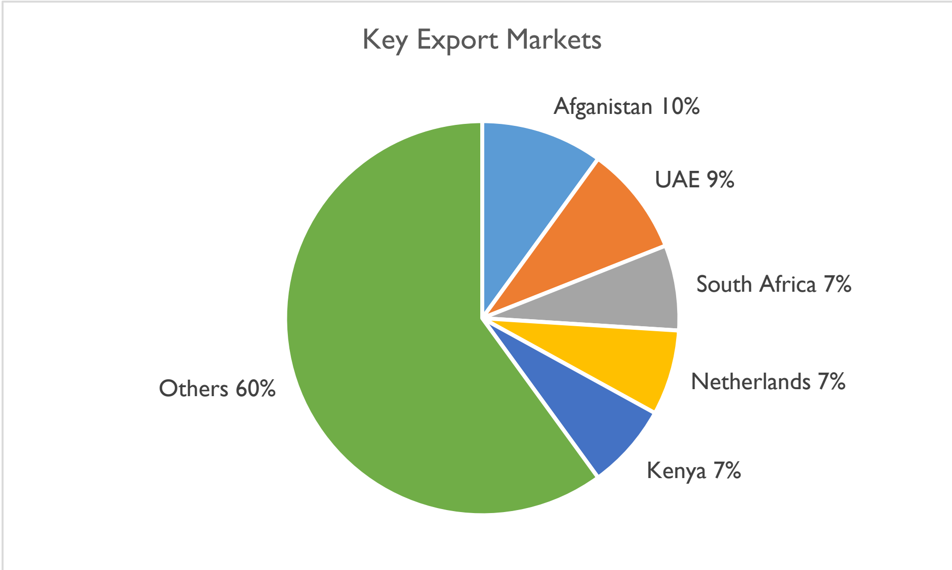
Source: DGCI&S

In terms of quantity, India's export of processed ground nuts grew at a CAGR of 13.54% between FY 2019 – FY 2023, with exports growing from 27.77 million KGs to 46.16 million KGs in FY 2023.

9M FY 2024 has already outperformed the total processed ground nuts exports, with exports worth INR 8.21 billion, accounting for 50.13 million KGs of exports. This indicates a growing export market for processed ground nuts.

Key Export Markets

Afghanistan was the leading export market for processed ground nut in FY 2023, accounting for 10% of total exports during the year. This was followed by UAE with 9%, South Africa (7%), Netherland (7%), and Kenya (7%).



Source: DGCI&S

B. Product Segment: Fruit Pulp

India, with diverse agro-climatic zones, boasts a rich variety of fruits, ranging from tropical to temperate, contributing to its status as one of the leading fruit-producing countries in the world. In fact, India is the second largest producer of fruits after China, with a production of 111.6 million tonnes in 2022, accounting for 9.3% of the total world production.

Country	Fruit Production (in Million Tonnes)	Percentage share in global fruit production
China	262.8	22.0%
India	111.6	9.3%
Brazil	41.7	3.5%
Turkey	25.7	2.1%
Indonesia	24.8	2.1%

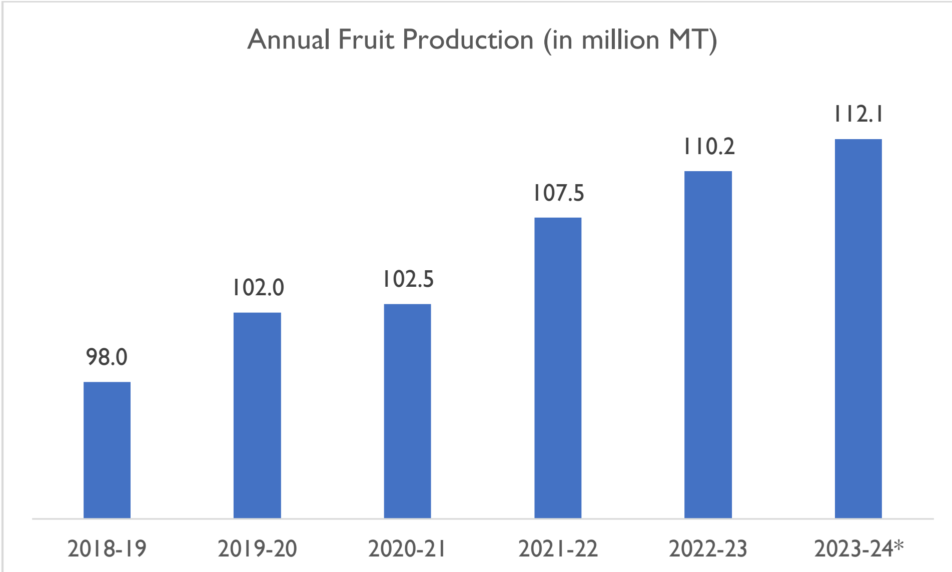
Some of the major fruits grown across the country include mangoes, bananas, citrus fruits (such as oranges, lemons, and limes), apples, grapes, guavas, papayas, and pomegranates. Each region specializes in the cultivation of specific fruits based on climatic conditions and soil suitability.

Fruit pulp, extracted from various fruits through processes like pulping and refining, plays a vital role in the food and beverage industry in India. Utilized in the production of juices, jams, jellies, ice creams, and other processed products, fruit pulp serves as a convenient and versatile ingredient. Mango pulp, in particular, holds a prominent position in the market due to its rich flavour and wide application.

Fruit Production in India

Production Scenario

The production of fruits in India increased at a CAGR of 3% between 2019 – 2023, growing from 98 million tonnes in 2018-19 to 110.2 million tonnes in 2022-23. Further, according to first advance estimates for 2023-24, the production is estimated at 112.1 million tonnes.

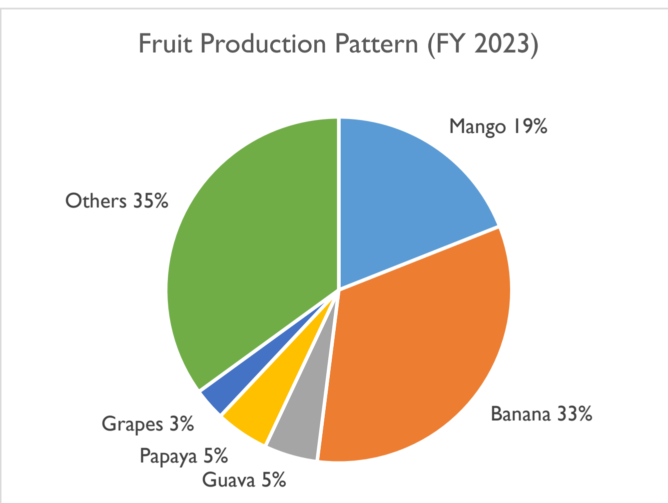


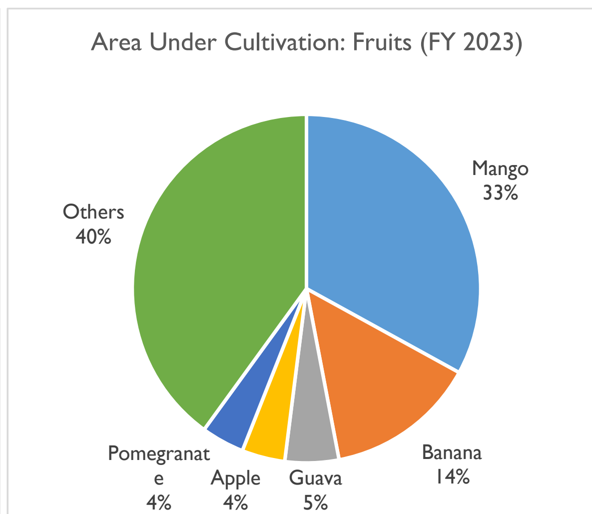
Source: Department of Agriculture & Farmers Welfare. *First Advance Estimates

<u>Key Fruit Statistics</u>

Banana was the most widely produced fruit in 2022-23, accounting for a share of 33% in total fruit production, resulting in production of 36.6 million tonnes of banana. This was followed by Mango, with a share of 19% in total production, Guava (5%), Papaya (5%), and Grapes (3%).

Bananas are the most grown fruit in India due to their adaptability to diverse climates, low-maintenance requirements, and high nutritional value, making them a staple food for many. Their quick gestation period, versatility in culinary applications, and steady market demand further contribute to their widespread cultivation across the country.





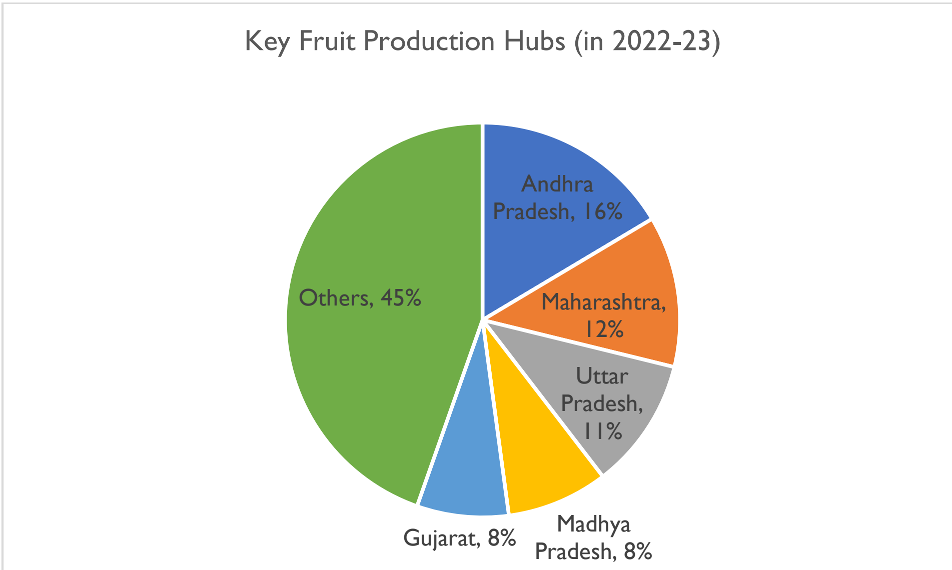
Source: Department of Agriculture & Farmers Welfare

In terms of segmentation by area under cultivation, Mango occupies the largest share. This is because mango trees require more space to grow, leading to a larger area allocated for mango cultivation. Additionally, mango trees have a longer lifespan and take several years to reach full productivity, which means that even though the area under cultivation is high, the production may take time to catch up.

Area under cultivation by mango stands at 33% of the total area, followed by banana (14%), Guava (5%), Apple (4%), and Pomegranate (4%).

Key Production Hubs

Among the states, Andhra Pradesh emerges as the leading producer of fruits, contributing significantly with a production estimate of 18.1 million tonnes, accounting for 16% share in total production. This is the largest producer of fruits in India due to its favourable agro-climatic conditions, including a diverse range of soil types and suitable weather patterns for fruit cultivation. Additionally, the state benefits from extensive irrigation infrastructure, enabling year-round cultivation and multiple cropping seasons.



Source: Ministry of Agriculture & Farmers Welfare

Following Andhra Pradesh, Maharashtra stands as the second-largest producer with 13.7 million tonnes (12% share), while Uttar Pradesh is the third with an estimated production of 11.8 million tonnes, accounting for 11% share. Madhya Pradesh, and Gujarat, also contribute to the fruit production landscape, with production estimates of 11.8 million tonnes, and 9.1 million tonnes, respectively, thereby contributing 8% each in total fruit production in India.

Together, the top 5 states, namely Andhra Pradesh, Maharashtra, Uttar Pradesh, Madhya Pradesh, and Gujarat contributed 55% of the total fruit production in India in 2022-23.

State-wise Area under Fruit Production

State	Area Under Cultivation (000' Ha)	State-wise share of Area under fruit production
Maharashtra	839.3	11.9%
Andhra Pradesh	780.3	11.1%
Uttar Pradesh	524.6	7.5%
Madhya Pradesh	450.1	6.4%
Gujarat	441.5	6.3%
Tamil Nadu	376.3	5.4%
Karnataka	371.2	5.3%
Kerala	368.0	5.2%
Bihar	313.7	4.5%
West Bengal	302.0	4.3%
Others	2257.8	4.1%

Source: Ministry of Agriculture & Farmers Welfare

Value Added Products: Fruit Pulp

Fruit pulp, a versatile and widely utilized product in the food and beverage industry. Extraction of fruit pulp involves the mechanical separation of the edible portion of fruits from their seeds, skins, and fibres, followed by refining processes to achieve desired texture and consistency. This pulp serves as a crucial ingredient in a wide range of food and beverage products, contributing to their flavour, texture, and nutritional profile.

The uses of fruit pulp are diverse and extensive, spanning both domestic and commercial applications. In the beverage industry, fruit pulp serves as a primary ingredient in the production of juices, nectars, smoothies, and fruit-based beverages, imparting natural flavour, colour, and nutritional value. Additionally, fruit pulp finds its way into the manufacturing of jams, jellies, syrups, yogurts, ice creams, and sorbets, enhancing their taste and visual appeal. The versatility of fruit pulp extends to culinary creations, where it is used in baking, cooking, and dessert making, adding a fruity twist to various dishes.

One of the key benefits of fruit pulp lies in its nutritional content, as it retains essential vitamins, minerals, antioxidants, and dietary fibres present in fresh fruits. Incorporating fruit pulp into processed foods and beverages provides consumers with a convenient and nutritious alternative to whole fruits, promoting health and wellness. Moreover, fruit pulp offers a solution for extending the shelf life of perishable fruits, reducing food waste, and enabling year-round availability of fruit flavours regardless of seasonal variations.

Key demand drivers

Convenience Factor

Convenience is a paramount factor driving the demand for fruit pulp in India, as it offers consumers a quick and hassle-free solution for incorporating fruit flavours into their culinary creations. At only a fraction of the time and effort required for washing, peeling, and cutting fresh fruits, fruit pulp provides instant accessibility. Whether it's for making juices, smoothies, ice creams, yogurts, or baked goods, consumers can simply scoop out the desired amount of fruit pulp and add it directly to their recipes, eliminating the need for tedious preparation. This convenience factor resonates particularly well with busy individuals and families who seek convenient yet nutritious options amidst their hectic schedules.

Additionally, the availability of fruit pulp in convenient packaging formats further enhances its appeal, making it a go-to ingredient for both home cooks and professional chefs alike. Thus, the convenience offered by fruit pulp plays a significant role in driving its demand across various consumer segments in India.

Diversification of fruit varieties

Fruit pulp offers manufacturers and consumers access to a wide range of fruit flavours and options due to lower costs. India boasts a rich diversity of fruit varieties, including mango, guava, papaya, pineapple, and many others, each with its unique taste and nutritional profile. Fruit pulp allows for the preservation and utilization of these diverse fruits, even beyond their seasonal availability, ensuring a continuous supply of fruit flavours throughout the year.

Moreover, the availability of various fruit pulp varieties enables manufacturers to cater to diverse consumer preferences and culinary applications. Whether used in juices, jams, desserts, sauces, or dairy products, fruit pulp adds flavour, texture, and nutritional value to a wide range of food and beverage products. Consumers also benefit from the versatility of fruit pulp, as they can experiment with different fruit flavours and combinations in their recipes.

Additionally, the diversification of fruit pulp varieties contributes to the development of new and innovative products in the food industry, such as yogurt, ice creams and beverages. This diversity and innovation in fruit pulp varieties drive consumer interest and demand, leading to sustained growth in the fruit pulp market in India. Thus, the availability of a wide range of fruit pulp varieties plays a crucial role in meeting consumer preferences, driving product innovation, and fuelling the growth of the fruit pulp industry in the country.

Demand from Food service sector

The food service sector is a significant driver of demand for fruit pulp in India, owing to its versatility and convenience in culinary applications. At a fraction of the cost and effort required to source, store, and process fresh fruits, fruit pulp provides restaurants, cafes, catering services, and other food establishments with a convenient solution for incorporating fruit flavours into their menu offerings. Whether used in beverages, desserts, sauces, dressings, or main dishes, fruit pulp adds natural sweetness, flavour, and colour to a wide range of culinary creations.

For restaurants and cafes, fruit pulp offers a convenient and consistent ingredient for preparing fruit-based beverages such as smoothies, shakes, cocktails, and mocktails. Instead of dealing with the seasonal availability and perishability of fresh fruits, establishments can rely on fruit pulp to maintain a steady supply of high-quality ingredients year-round. This not only streamlines operations but also ensures menu consistency and customer satisfaction.

Catering services also benefit from the convenience of fruit pulp, especially when catering events with large guest counts or limited kitchen facilities. By using pre-packaged fruit pulp, caterers can save time and labour while still offering flavourful and visually appealing fruit-based dishes and desserts to their clients.

Furthermore, fruit pulp allows food service establishments to experiment with new flavour combinations and menu offerings, thereby enhancing their culinary creativity and competitiveness in the market. Whether it's incorporating exotic fruit flavours or creating signature dishes with unique fruit pulp blends, food service operators can leverage fruit pulp to differentiate their offerings and attract customers.

Overall, the food service sector's reliance on fruit pulp as a convenient, versatile, and cost-effective ingredient underscores its importance in driving demand for fruit pulp in India. As the demand for diverse and innovative food experiences continues to grow, fruit pulp remains a staple ingredient for meeting the culinary needs and preferences of consumers in the food service industry.

Seasonality

Seasonality plays a crucial role in driving the demand for fruit pulp in India, particularly during periods when certain fruits are out of season or in limited supply. At a comparatively marginal of the cost of importing fresh fruits or dealing with price fluctuations due to scarcity, fruit pulp provides a reliable solution for maintaining supply continuity and meeting consumer demand year-round. During off-seasons or times of low fruit availability, consumers still desire the flavours and nutritional benefits of their favourite fruits. Fruit pulp serves as a convenient alternative, allowing manufacturers to produce a wide range of fruit-based products without being constrained by seasonal limitations.

This ensures that consumers can enjoy their favourite fruit-flavoured beverages, snacks, and desserts regardless of the time of year, thus driving sustained demand for fruit pulp in the Indian market. Moreover, the ability to preserve and store fruit pulp for extended periods without compromising quality makes it an indispensable ingredient for ensuring product availability and market competitiveness throughout the year.

Growing Food Processing Industry

The growth of the food processing industry in India significantly drives the demand for fruit pulp. The cost and effort required to source, store, and process fresh fruits is comparatively high, therefore fruit pulp serves as a convenient and cost-effective ingredient for a wide range of food and beverage applications. As the food processing industry continues to expand and diversify, manufacturers seek innovative ways to enhance the flavour, texture, and nutritional profile of their products. Fruit pulp offers a versatile solution, serving as a natural and flavourful ingredient for various food products such as jams, jellies, sauces, dairy products, bakery items, and confectionery.

Additionally, the availability of fruit pulp in different varieties and packaging formats allows food processors to cater to diverse consumer preferences and culinary trends. By incorporating fruit pulp into their formulations, food manufacturers can create value-added products that appeal to health-conscious consumers seeking natural and nutritious options. Moreover, fruit pulp enables manufacturers to extend the shelf life of their products, reduce production costs, and maintain product consistency, thereby driving the overall growth and competitiveness of the food processing industry in India.

Increasing health consciousness

Increasing health consciousness among consumers is another significant factor driving the demand for fruit pulp in India. At significantly lesser amount of the calories and sugar content found in fruit pulp than many processed foods and beverages, fruit pulp offers a natural and nutritious alternative for consumers seeking to make healthier dietary choices. As awareness of the health benefits of consuming fruits grows, more consumers are looking for convenient ways to incorporate fruits into their daily diets. Fruit pulp, rich in vitamins, minerals, and antioxidants, provides a convenient solution for meeting these nutritional needs. Whether added to smoothies, yogurts, or breakfast bowls, fruit pulp allows consumers to enjoy the goodness of fruits without the hassle of peeling, chopping, or juicing fresh produce.

Furthermore, the absence of artificial additives and preservatives in fruit pulp appeals to consumers who prioritize clean-label and minimally processed food products. By incorporating fruit pulp into their diets, consumers can enjoy the taste and nutritional benefits of fruits while supporting their overall health and well-being.

Urbanization and changing lifestyles.

Urbanization and changing lifestyles have led to a notable shift in consumer preferences towards convenient and ready-to-use food products, further driving the demand for fruit pulp in India. Amounting to lesser time and effort required to prepare fresh fruits, fruit pulp offers urban consumers a convenient solution for incorporating fruit flavours into their busy lifestyles. As more individuals and families adapt to fast-paced urban environments, they seek quick and easy meal solutions that do not compromise on taste or nutrition. Fruit pulp fits perfectly into this trend, allowing consumers to enjoy a variety of fruit-based dishes, beverages, and snacks without the need for extensive preparation or cooking skills.

Additionally, as urban consumers increasingly prioritize convenience and time-saving solutions, the availability of fruit pulp in pre-packaged formats further enhances its appeal. Whether used in home kitchens or consumed on-the-go, fruit pulp offers urban consumers a convenient and versatile ingredient for satisfying their cravings for delicious and nutritious fruit-based products. Thus, urbanization and changing lifestyles play a significant role in driving the demand for fruit pulp across urban centres in India.

Regulatory Landscape

The regulatory landscape governing fruit pulp in India is primarily overseen by the Food Safety and Standards Authority of India (FSSAI), established under the Food Safety and Standards Act, 2006. FSSAI plays a pivotal role in ensuring that fruit pulp products meet stringent safety and quality standards. These standards encompass various crucial aspects of production, including hygiene practices, permissible additives, acceptable levels of contaminants, and proper packaging and labelling requirements.

Under the regulatory framework, businesses engaged in fruit pulp manufacturing are required to obtain licenses and certifications from FSSAI, notably the Food Safety License (FSSAI License). These certifications necessitate adherence to strict protocols and periodic testing to verify compliance with safety and quality benchmarks. Through regular inspections and audits, FSSAI monitors and regulates the fruit pulp industry to uphold consumer protection and public health.

The regulations set forth by FSSAI not only aim to ensure the safety and quality of fruit pulp but also prioritize transparency and consumer awareness. Consequently, fruit pulp products must undergo thorough testing to ascertain their adherence to safety parameters before they reach consumers. Furthermore, stringent labelling requirements mandate the inclusion of essential information such as ingredients, nutritional content, manufacturing and expiry dates, and FSSAI license numbers. This ensures that consumers can make informed choices about the products they purchase and consume.

By enforcing strict standards and fostering compliance among manufacturers, FSSAI contributes to the production of safe, high-quality fruit pulp products that consumers can trust. Compliance with these regulations is not only a legal requirement but also a commitment to upholding consumer safety and confidence in the marketplace.

Mission for Integrated Development of Horticulture

The Mission for Integrated Development of Horticulture (MIDH) is introduced by the Government of India to comprehensively enhance horticulture development across the nation. Launched as a Centrally Sponsored Scheme in 2014-15, MIDH encompasses a wide spectrum of horticultural domains, including fruits, vegetables, root and tuber crops, mushrooms, spices, flowers, aromatic plants, coconut, cashew, and cocoa. The scheme extends its coverage to all States and Union Territories, thereby ensuring a pan-India approach towards horticultural development.

Under the ambit of MIDH, states and union territories receive financial and technical assistance to undertake various interventions and activities aimed at augmenting horticultural production and productivity. These interventions include the establishment of nurseries and tissue culture units for the production of quality seeds and planting material, expansion of horticultural areas through the establishment of new orchards and gardens, and rejuvenation of unproductive orchards.

Additionally, MIDH supports initiatives such as protected cultivation to improve productivity and cultivate off-season high-value vegetables and flowers, organic farming and certification, creation of water resources structures, watershed management, and beekeeping for pollination. The scheme also focuses on horticulture mechanization, creation of post-harvest management and marketing infrastructure, and the training of farmers to enhance their skills and knowledge.

MIDH operates as a Centrally Sponsored Scheme, with the subsidy shared between the Central Government and State Governments. The sharing pattern varies between states, with a ratio of 60:40 in most states and 90:10 in Northeastern and Himalayan states. Consequently, the active involvement and support of State Governments are paramount for the effective implementation and success of the Mission.

Pradhan Mantri Kisan Sampada Yojana (PMKSY)

The Pradhan Mantri Kisan Sampada Yojana (PMKSY), initiated by the Ministry of Food Processing Industries (MoFPI) since 2017-18, serves as a comprehensive framework comprising multiple component schemes aimed at modernizing infrastructure and optimizing supply chain management from farm to retail. By promoting efficient processing, PMKSY significantly boosts the growth of the food processing sector, offers better prices to farmers, generates substantial employment opportunities in rural areas, curbs agricultural produce wastage, increases processing levels, and enhances the export of processed foods.

Under PMKSY, financial assistance in the form of grants-in-aid is extended for the establishment of food processing projects across the country through various component schemes. These include the now discontinued Mega Food Parks scheme, Integrated Cold Chain and Value Addition infrastructure, Creation of Infrastructure for Agro Processing Cluster, Creation/Expansion of Food Processing and Preservation Capacities, Creation of Backward and Forward Linkages, Operation Greens for long-term interventions, Food Safety and Quality Assurance Infrastructure, and Human Resource & Institutions.

A total of 1,132 food processing projects have been approved across 36 states/UTs under PMKSY, with a cumulative project cost of ₹23,071.29 crores. The initiative aims to create processing capacity for 252.297 lakh MT/annum, preservation capacity for 42.908 lakh MT/annum, employ 602,070 individuals, and benefit 3,819,220 farmers.

Mega Food Park Scheme

The Mega Food Park Scheme, a flagship initiative of the Government of India, aims to revolutionize the agricultural and food processing sectors by bridging the gap between production and market demand. By fostering collaboration among farmers, processors, and retailers, the scheme maximizes value addition, minimizes wastage, boosts farmers' income, and creates employment opportunities, particularly in rural areas.

The scheme operates on a cluster-based approach, establishing state-of-the-art infrastructure within well-defined agri/horticultural zones. This infrastructure includes collection centres, processing facilities, cold chains, and fully developed plots for entrepreneurs to set up modern food processing units. Implementation is facilitated through Special Purpose Vehicles (SPVs), ensuring transparency and accountability in project execution.

For the fruit pulp sector, Mega Food Parks offer several advantages:

- Processing Infrastructure: Mega Food Parks provide modern processing infrastructure specifically designed for fruit processing, including facilities for pulping, pureeing, and concentrate production. These facilities enable fruit pulp manufacturers to streamline their production processes, increase output, and maintain high-quality standards.
- Cold Storage Facilities: Fruit pulp requires proper storage conditions to maintain its freshness, flavor, and nutritional content. Mega Food Parks typically include cold storage facilities equipped with temperature and humidity control systems, ensuring the preservation of fruit pulp throughout its shelf life.
- Logistics and Supply Chain Support: Mega Food Parks offer integrated logistics and supply chain support, facilitating the efficient transportation of raw materials and finished products. This ensures timely availability of fruits for pulp processing and enables manufacturers to reach markets across India and internationally.
- Value Addition and Market Access: By establishing fruit pulp processing units within Mega Food Parks, manufacturers can add value to raw fruits by converting them into high-demand products. Additionally, the centralized location of Mega Food Parks provides access to markets, distribution networks, and export facilities, enhancing market reach and profitability for fruit pulp producers.

While the scheme has been discontinued as of April 1, 2021, with provision for ongoing project liabilities, the existing 24 operational Mega Food Parks continue to drive economic growth and agricultural transformation nationwide.

Creation/ Expansion of Food Processing and Preservation Capacities

The CEFPPC Scheme aims to increase processing and preservation capacities, reduce wastage, and enhance value addition in the food processing industry. It covers post-harvest processes to improve product quality and shelf life through modern technology adoption. Both new unit setups and existing unit modernization are supported, with implementation involving various organizations such as PSUs, FPOs, NGOs, cooperatives, and private entities engaged in food processing activities.

One of the key objectives of the CEFPPC scheme is to encourage the establishment of modern food processing units equipped with state-of-the-art infrastructure and technology. For the fruit pulp industry, this translates to support for setting up or expanding processing facilities dedicated to fruit pulping, pureeing, and concentrate production. By providing financial assistance and incentives, the scheme facilitates the adoption of advanced processing techniques, improving the efficiency, quality, and value addition capabilities of fruit pulp manufacturers.

Furthermore, the CEFPPC scheme aims to enhance the competitiveness of the food processing sector by addressing infrastructure gaps and promoting investments in value chain infrastructure. This includes support for cold storage facilities, transportation infrastructure, and supply chain logistics, all of which are crucial for the storage, handling, and distribution of fruit pulp products.

Moreover, the scheme emphasizes the development of backward linkages with farmers and forward linkages with markets, thereby fostering integration along the entire value chain. By encouraging collaboration between fruit growers, processors, and retailers, the scheme enhances market access and promotes market-driven production of fruit pulp.

Mango Pulp

Mango pulp, made from ripe mangoes, is a popular value-added product known for its sweet taste and versatility. To make mango pulp, ripe mangoes are peeled, deseeded, and pureed until smooth. This versatile pulp serves as a cornerstone ingredient in a variety of culinary delights, offering tropical sweetness to various dishes and beverages.

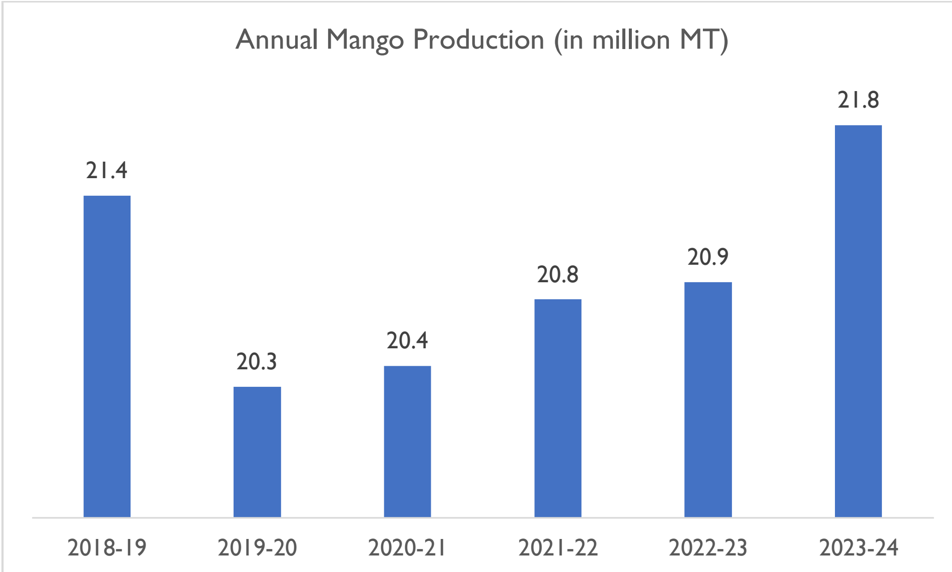
The uses of mango pulp span a wide spectrum of culinary creations, ranging from beverages to desserts and savoury dishes. Mango pulp serves as a primary ingredient in the production of mango juices, nectars, smoothies, and mocktails. Furthermore, mango pulp also finds its way into the making of mango-flavoured ice creams, sorbets, yogurts, and puddings. In savoury cuisines, mango pulp adds a delightful twist to sauces, chutneys, marinades, and salad dressings.

Beyond its culinary applications, mango pulp boasts an array of nutritional benefits, as it retains essential vitamins, minerals, antioxidants, and dietary fibres inherent in fresh mangoes. Moreover, mango pulp serves as a source of natural sweetness in food formulations, reducing the need for added sugars and enhancing the overall nutritional profile of products.

Mango production in India

India is the largest producer of mango in the world. In CY 2022, India accounted for 42% of the total mango production in the world24F[23]. As per the first estimates of 2023-24, Mango production in India reached 21.8 million MT, marking an annual increase of 4% over the previous years. Between FY 2019 – 2024, the production of Mango in India increased at a CAGR of 0.4%, growing from 21.4 million MT in 2018-19 to 21.8 million MT.

[23] FAOSTAT

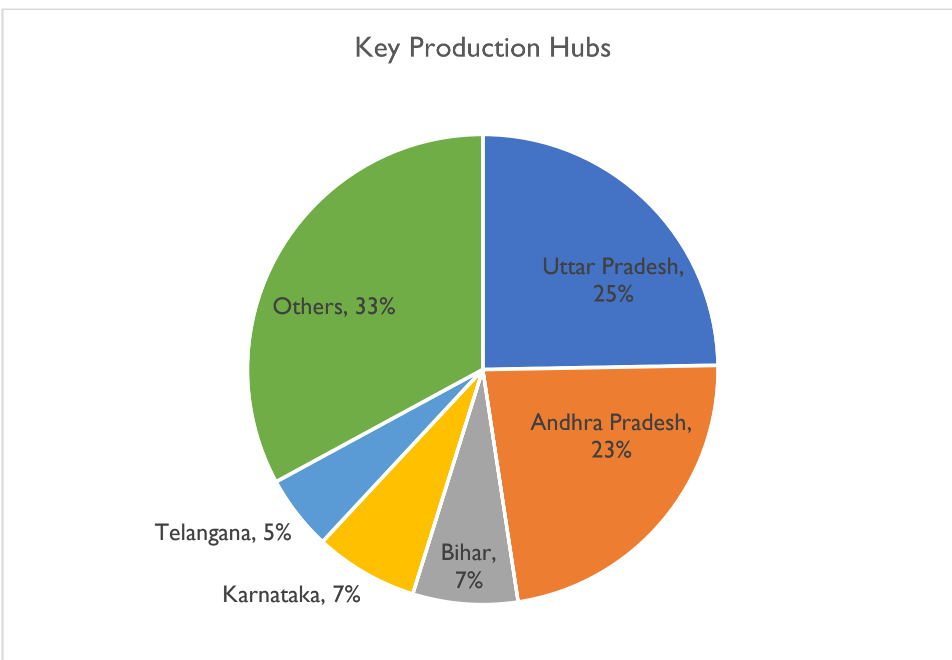


Source: Ministry of Agriculture & Farmers Welfare

Between 2018-19 to 2023-24, India observed a declined in mango production. The most significant fall was noted in 2019-20, with a 5% decrease in production over the previous year. The low production of mango is attributed to severe weather conditions during the flowering period and alternate bearing. Unusually high temperature during the flowering season in February and March and untimely rain have been the main reason for poor flowering.

Key Production Hubs

As per the first advance estimates of 2023-24, Uttar Pradesh is the largest mango producing state in India, accounting for a share of 25% in total mango production in 2023-24. This is due to the state's favourable climate conditions, extensive cultivation areas, advanced agricultural practices, and a variety of mango cultivators suited to the region's soil and climate. Additionally, the state government's initiatives to support mango cultivation and the presence of experienced farmers contribute to its prominence in mango production.



Source: Ministry of Agriculture & Farmers Welfare

Following Uttar Pradesh is Andhra Pradesh, accounting for a share of 23% in total mango production. This is followed by Bihar (7%), Karnataka (7%), and West Telangana (5%).

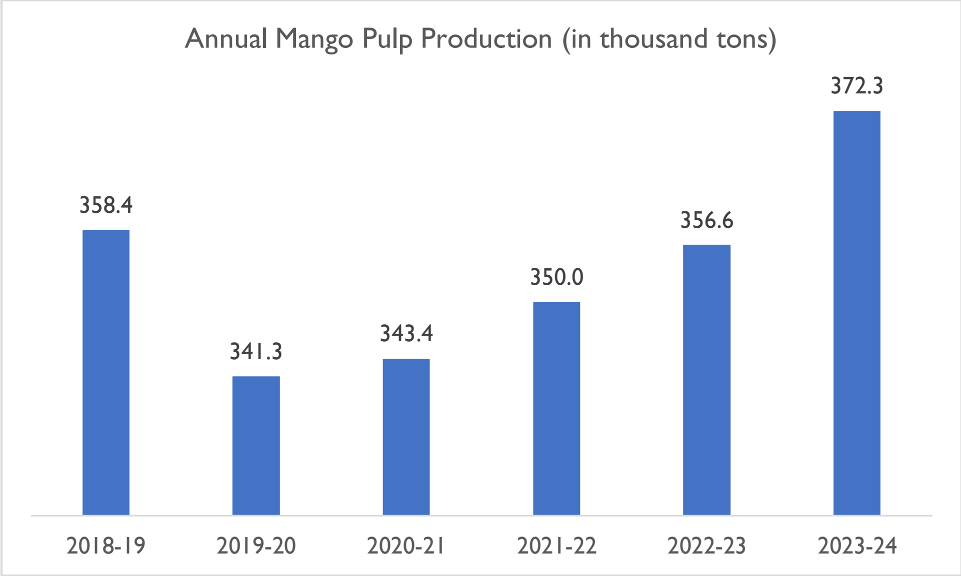
State-wise Key Mango Production Statics (2023-24)

State	Mango Production (in 000' MT)	Percentage share in total production	Area under Mango cultivation (000' ha)	Percentage share in total cultivation
Uttar Pradesh	5384.90	25%	322.59	13%
Andhra Pradesh	4985.28	23%	398.82	17%
Bihar	1572.51	7%	162.45	7%
Karnataka	1549.99	7%	157.28	7%
Telangana	1123.12	5%	131.79	5%
Gujarat	917.00	4.2%	166.00	6.9%

Uttar Pradesh and Andhra Pradesh also lead in the largest area under mango cultivation, with latter being the larger one. While Bihar is the third largest mango producing state in India, it does not possess the third largest area under cultivation. After Uttar Pradesh, the leading states with largest areas under mango cultivation are Odisha, Gujarat, and Maharashtra, while Bihar ranks 6th, Karnataka ranks 7th, and Telangana ranks 9th.

Annual production of mango pulp

Mango pulp production in India is a significant industry driven by the country's abundant mango cultivation. India is one of the world's largest producers of mango pulp, which is processed from ripe mangoes. In 2023-24, Mango pulp production in India is estimated to have reached 372.3 thousand tonnes, observing an annual increase of 4% over the previous year.

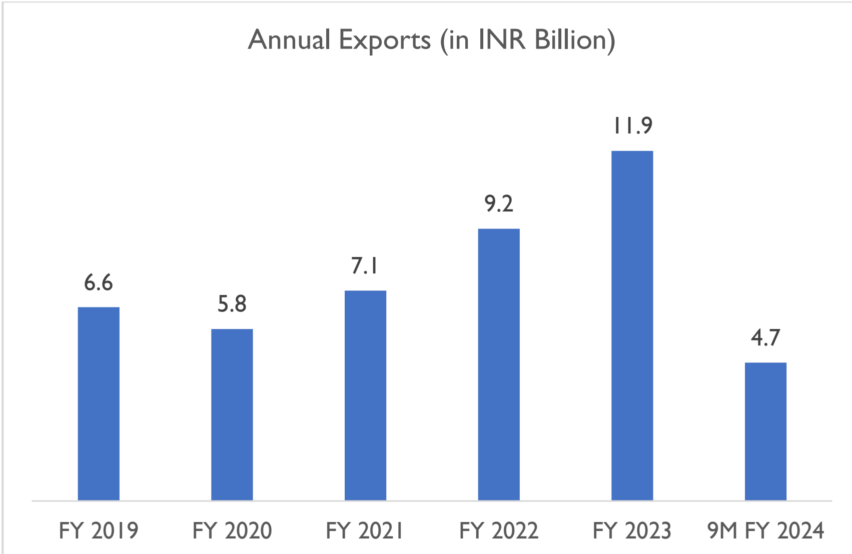


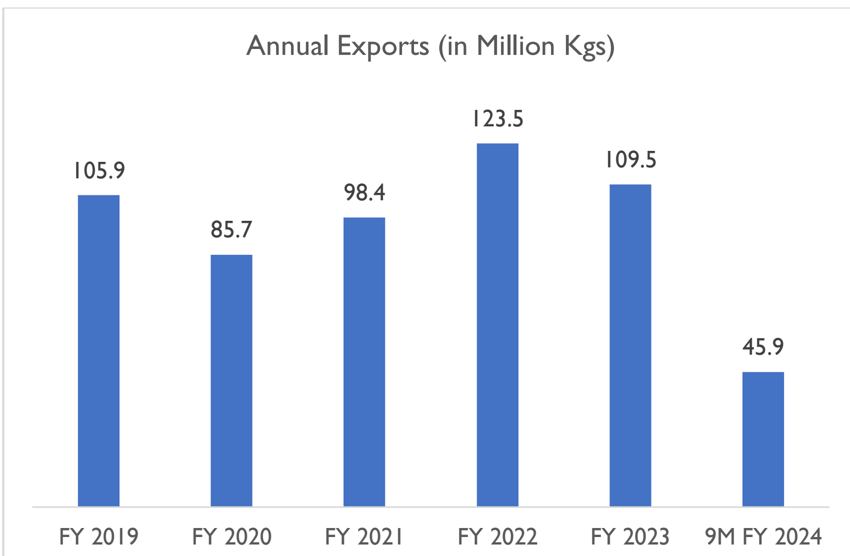
Source: D&B Research & Estimates

Adverse climatic conditions in the years preceding led to a decline in mango production, thus affecting the overall mango pulp production as well. However, with increased production in 2023-24, India offers diverse mango varieties with a wide range of flavours and textures, making Indian mango pulp highly sought after in both domestic and international markets.

Export potential: Mango Pulp

India is a leading exporter of Mango pulp. Annual Exports of Mango Pulp increased at a CAGR of 16% between FY 2019 – FY 2023, increasing from INR 6.6 billion in FY 2019 to INR 11.9 billion in FY 2023. As of 9M FY 2024, India exported Mango pulp worth INR 4.7 billion.



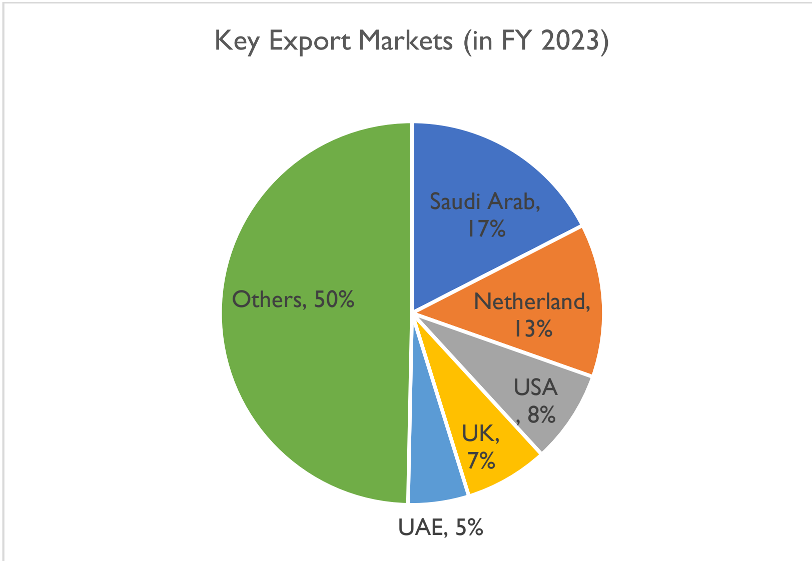


Source: DGCI&S

In volume terms, India exported 109.5 million Kgs of mango pulp in FY 2023, up from 105.9 million Kgs exported in FY 2019. FY 2022 encountered the highest surge in exports of nearly 26% by volume. A decline in production as well as covid-19 impacted exports in FY 2020 and FY 2021.

Key Export Markets

Saudi Arab was the key export market in FY 2023, accounting for 17% of total exports of mango pulp. This was followed by Netherlands (13%), USA (85), UK (7%) and UAE (5%). India has managed to penetrate key global markets like the USA and Middle East. The top 5 countries for exports together account for 50% of the total mango pulp exports.



Source: DGCI&S

Competitive Landscape

Company	Brief
ABC Fruits	ABC Fruits, an esteemed Indian manufacturer, supplier, and exporter of fruit pulps and concentrates, serves both domestic and international markets. Specializing in mango, papaya, guava, pineapple, and tomato processing, ABC Fruits initially started as a mango pulp manufacturing facility in Krishnagiri, later expanding to become one of India's leading fruit pulp processing companies. Established in 1997, ABC Fruits has grown exponentially, with state-of-the-art facilities and advanced manufacturing capabilities. With a capacity of 30 tons per hour and processing 50,000MT annually, ABC Fruits has garnered a diverse clientele across the Middle East, Europe, and North America. Continuously expanding into new markets, ABC Fruits is renowned for competitive prices and consistent quality, solidifying its reputation as a trusted player in the industry for over 15 years.
Jadli Foods (India) Pvt. Ltd	Established in 1999, Jadli Foods has emerged as a premier organization in the manufacturing and export of premium fruit pulp and concentrate, including mango, guava, banana, and tamarind products. With a track record of exporting to 55 countries and serving 450 international industrial customers across Europe, the Middle East, North America, and beyond, Jadli Foods prioritizes quality and consistency. Certified by ISO 22000 and ISO 9001, Jadli Foods' oversees multi-location HACCP-accredited manufacturing facilities, ensuring adherence to the highest standards. With a diverse product range under their leading brand "Mansa," Jadli Foods supplies fruit pulp, concentrates, processed foods, and more to international markets, maintaining a strong focus on quality, hygiene, and customer satisfaction.
TMN International (TMN)	TMN International, a division of the esteemed 'Home Life' Group in Chennai, specializes in exporting fruit pulp and processed foods, particularly renowned for its Mango Pulp and Concentrate. Situated in Chennai, India, TMN processes a wide array of fruits, including Totapuri & Alphonso mangoes, guava, papaya, and tomato, offering

	customized forms such as pulp, puree, paste, and concentrate, packaged in aseptic packaging or OTS cans. TMN has a daily manufacturing capacity of 120 M.T. With HACCP-accredited manufacturing facilities and a skilled workforce, TMN serves major markets globally, including the U.K., European nations, Middle East, and Far East, securing repeat orders through their commitment to excellence
Aditi Foods (India) Pvt. Ltd	Aditi Group, with 37 years of relentless dedication, encompasses a diverse range of industries including fruit and vegetable processing, agriculture trading, corrugated box manufacturing, gas and petroleum trading, banking, and various service sectors. Aditi Foods (India) Pvt. Ltd., a division of Aditi Group, has been a trusted name in the Indian food processing sector since 1994. Their state-of-the-art technology and rigorous quality control measures ensure the production of a variety of high-quality fruit and vegetable products. Situated in Maharashtra, their facility boasts a workforce of over 450 employees, with production capacity reaching 200 tons per day. Specializing in mango pulp and jams, other fruit pulps, jams, canned vegetables, sauces, and more, Aditi Foods (India) Pvt. Ltd. is renowned for its innovation and reliability.

Growth Outlook

Mango, hailed as the "King of Fruits," holds a prestigious position in India, the world's largest producer of this delectable fruit. With a vibrant mango cultivation industry, India not only satisfies domestic demand but also plays a pivotal role in the global mango pulp market.

Domestic Demand

In India, mango pulp is an integral ingredient in a plethora of culinary delights, ranging from traditional desserts like mango lassi to modern beverages and confectionaries. The country's rich cultural heritage, coupled with a diverse culinary landscape, ensures a steady and resilient demand for mango pulp. Furthermore, the rising popularity of packaged fruit products and the increasing disposable income of the burgeoning middle class contribute to the sustained growth of domestic consumption.

Trends Driving Domestic Demand:

- Health and Wellness: As consumers become more health-conscious, there is a growing preference for natural and nutritious food choices. Mango pulp, packed with essential vitamins and antioxidants, aligns with this health-conscious trend, driving its consumption among health-conscious individuals and families.
- Convenience and Versatility: Mango pulp offers convenience and versatility in culinary applications, catering to the fast-paced lifestyle of urban consumers. From instant smoothies to ready-to-use dessert mixes, the convenience factor associated with mango pulp enhances its appeal across diverse consumer segments.
- Cultural Significance: Mango holds immense cultural significance in India, symbolizing prosperity, fertility, and abundance. Traditional festivals and celebrations often feature mango-based dishes, sustaining the demand for mango pulp throughout the year.

Export Market Dynamics

India's prowess in mango pulp production extends beyond its borders, as it emerges as a leading exporter in the global market. The exotic flavour profile and superior quality of Indian mango pulp make it a coveted commodity in international markets, driving consistent export growth.

Factors Influencing Export Demand:

- Quality Assurance: Indian mango pulp adheres to stringent quality standards, ensuring consistency and excellence in taste and texture. This commitment to quality resonates with discerning consumers worldwide, fostering trust and loyalty towards Indian mango pulp brands.
- Market Penetration: India's strategic market penetration strategies, coupled with effective branding and promotional initiatives, have expanded the reach of mango pulp in key export destinations. Establishing strong distribution networks and engaging in trade partnerships further catalyzes the growth of export demand.

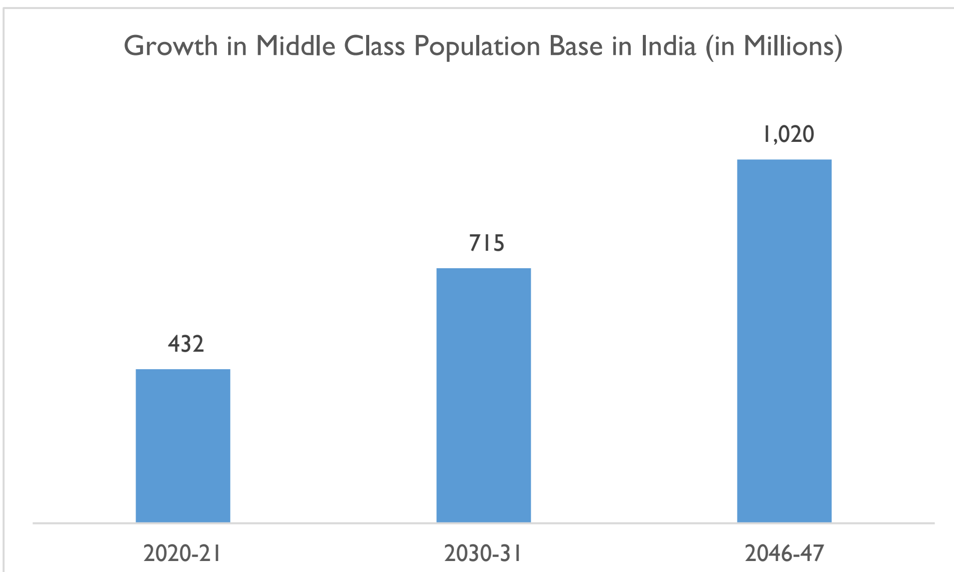
- Global Culinary Trends: The global culinary landscape is experiencing a paradigm shift towards ethnic and exotic flavors. Indian mango pulp, with its authentic taste and versatility, aligns perfectly with these evolving consumer preferences, driving demand across diverse culinary applications.

The growth prospects of mango pulp, both in domestic and export markets, remain robust and promising. With India's continued focus on enhancing production efficiency, ensuring quality standards, and exploring innovative marketing strategies, the demand for mango pulp is poised to soar. As consumers worldwide develop a penchant for natural, flavourful, and culturally rich food experiences, mango pulp stands poised to satiate their cravings and carve a niche as a quintessential culinary delight on the global stage.

Growth Prospects

The Indian economic growth is strongly rooted on elevated consumer demand and Government spending on infrastructure as well as social sector. Of this, the demand for consumer products is directly influenced by the trends in consumer spending, which is driven by the spending pattern of middle-class segment. Over the years, India's middle-class segment has emerged as a key demand driver for products ranging from packaged foods to big ticket items like automobiles and residential real estate.

According to a household survey conducted by PRICE25F[24] the middle-class segment in India – with an annual earning in the range of INR 5 – 30 lakhs – is expected to account for nearly 61% of total population by 2045-47. This particular population segment accounted for 31% of total population in 2020-21 and is set to rise to 47% in 2030-31 and further to 61% by 2046-47.



Source: PRICE ICE 360 Household Survey (Released in mid 2023)

According to a report by BMI Research (a Fitch Company), India is set to become the world's third largest consumer market by 2027. The country which is currently ranked as the fifth largest consumer market is expected to gain two spots over the next 4 – 5 years on the back of expected growth in number of middle class and high-income households. As per BMI Research, the growth in consumer households would elevate India's household spending to exceed USD 3 trillion.

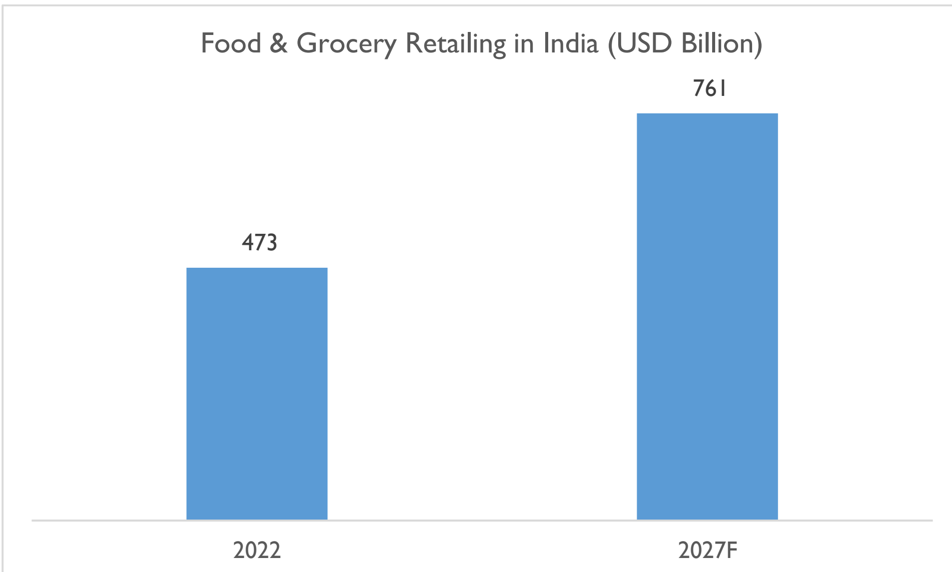
The above indicators – namely a growth in middle class consumer base as well as a commensurate increase in household spending augurs well for India's consumer product economy. Given the evolving spending patter among India's consumers, the biggest benefits of the growth in India's consumer base would be reaped by stakeholders in consumer products industry – ranging from FMCG players to retail sector.

[24] PRICE is an independent not-for-profit research centre. The survey referred to here is the ICE 360^0 household survey that provides a 360^0 view of households' progress on financial conditions, living conditions, access to public goods, welfare, among others.

Food & Grocery Retailing

It is estimated that stapes & fresh produce accounts for nearly 80% of food spending in India. However, the changes in consumption pattern and demographic profile are influencing the food spending trend in India, in favour of packaged snacks, confectionary and beverages. Two key trends that are emerging in Indian retail space is the increasing preference for packaged & branded food, as well as preference for organized retail. Although the trend is visible in urban markets, the wide pool of consumers in urban market together with their higher spending pattern has the potential to create a transition in retail spending pattern in India.

Going forward, the food & grocery retailing market in India is expected to grow by a CAGR of 10% in the coming years. By 2027 the Indian market for food & grocery retailing is expected to reach USD 760 billion.



Invest India, D&B Research

Preference for Branded & Packaged Foods

The growth in food & grocery retailing is accompanied by an increasing preference towards branded & packaged food products. Traditionally loose & unbranded food products used to be the preferred form by Indian consumers. However, a host of factors, including a growth in disposable income levels, shift in demographic profile, preference for value added products, and availability are all changing that preference.

This is most visible in urban markets, where branded & packaged food products have become the preferred choice among staples and grocery. Although their penetration in rural market is yet to become substantial, branded staples & grocery products have made considerable progress in capturing the wallet share of rural India. This transition has led to the rise of food & grocery brands, with several large FMCG conglomerate having multiple brands that clock annual turnover in excess of INR 1,000 crore.

Branded Wheat Flour Market

The branded & packaged wheat flour market in India is estimated to be worth INR 20,000 crore, with major national brands by conglomerates like ITC, Adani, and Patanjali cornering nearly half of the branded market. The branded wheat flour market in India has been growing by a CAGR of nearly 5% between 2020 and 2023. **Assuming the historical growth rate continues unabated, the domestic market for branded wheat flour would reach nearly INR 24,000 crore in the next five years.**

However, in reality, the expected growth in branded wheat flour would be higher than the historical trend. The strengthening shift among Indian consumers towards branded wheat (from loose wheat), together with the initiatives taken by FMCG companies (to increase their footprint, as well as introduce lower priced SKU's) would help in accelerating the future growth in branded flour market.

Branded Spices

According to World Spice Organization (WSO), the branded & packaged spice market in India (comprising of both ground and blended spice) was nearly INR 35,000 crore in 2023. The entry of national players (through inorganic route) together with increasing popularity of branded spice among consumers in India is accelerating the demand growth in branded spice market. As per WSO, the branded & packaged spice market in India is expected to clock a turnover of INR 50,000 crore per annum, by the end of next 3 – 4 years.

Patel Retail Limited[25]

Profile

Patel Retail Limited is a prominent retail supermarket chain established in 2008. They focus on providing value retail to families across Tier-III cities and suburban areas in Maharashtra, India. Their operations are concentrated in the central suburbs of the Mumbai Metropolitan Region (MMR), encompassing Thane and Raigad districts. As of December 31, 2023, they boast a network of 31 supermarkets with a total retail space of approximately 126,000 square feet.

Retail outlet network of key players in MMR region

Patel retails operates a network of 31 retail chains spread across the MMR (Mumbai Metropolitan Region)27F[26]. Other major retail chains operating multiple retail outlines in the same geography include D-Mart, Reliance (Reliance SMART, Reliance Fresh), Star Bazaar. In terms of number of stores, Patel retail currently has one of the largest networks of food & grocery stores in MMR region28[27].

Store Name	No. of Stores in MMR Region
Reliance (Including SMART, Fresh and SMART Bazaar)	39
D-Mart	33
Patel Retail	31
Nature's Basket	19
Star Bazaar	10
Hypercity	4
More Retail Supermarket	2

Source: D&B Research, Industry Sources,

[25] As per the information provided and stated by Patel Retail Limited.
[26] MMR Region comprises of 9 Municipal Corporations viz. Greater Mumbai, Thane, Kalyan-Dombivali, Navi Mumbai, Ulhasnagar, Bhiwandi- Nizamapur, Vasai-Virar, Mira-Bhayandar and Panvel; and 9 Municipal Councils viz. Ambarnath, Kulgaon-Badalapur, Matheran, Karjat, Khopoli, Pen, Uran, Alibaug and Palghar, along with more than 1,000 villages in Thane, Raigad and Palghar Districts.
[27] This is based purely on the count of operational stores of leading retail chains in MMR region. For comparison D&B has looked at only food & grocery / supermarket chains of national / regional brands. D&B has not considered city specific supermarkets / stores who might be operating more than one store in same / multiple locations in the given region (MMR)
D&B has not considered other attributes like average size of the store, number of product segments & SKUs sold per store, annual sales per store, and others. This ranking is subject to change if the comparison is done on other attributes including store size / store turnover / number of product sold per store.

Note: The store count of supermarkets (both pan India and region – MMR) was compiled basis information available in the public domain. D&B have relied on website of respective companies, as well as other public information to compile this. However, D&B has not conducted any primary survey / physical checks to verify the store presence. The data captured here is basis information on public domain. Independent supermarkets / department stores have not been considered for comparison

Value Retail with a Private Label Brand:

Patel Retail offers a wide range of products catering to household needs, including:

To enhance margins and brand recognition, they launched their own private label brand, "Patel's R Mart." This brand encompasses various categories like:

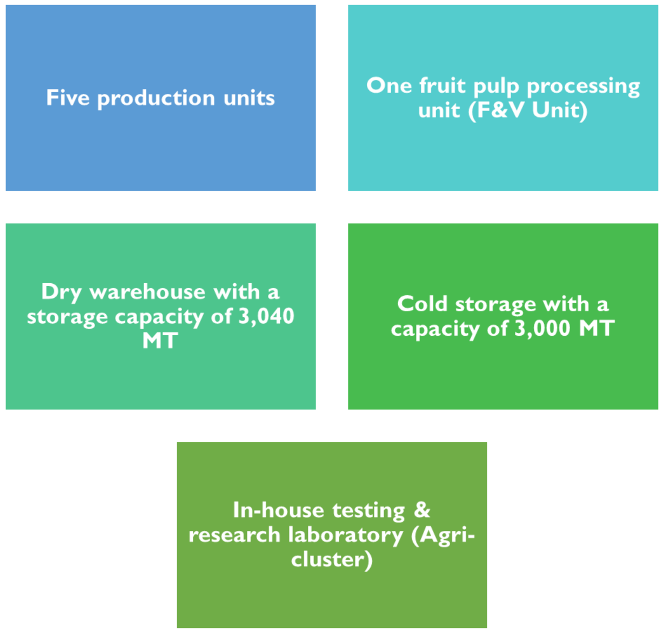
Blue Nation	Menswear
Patel Essentials	Home improvement products
Patel Fresh	Pulses, Ready-to-cook mixes
Indian Chaska	Ghee & Papad, Spices

These private label products are procured in bulk, then packaged and branded after undergoing stringent quality checks at their processing and packaging facility in Ambernath, Maharashtra (Facility 1).

Expansion Beyond Retail:

Patel Retail has strategically expanded its operations beyond retail supermarkets. They currently manage three key facilities:

- Facility 1 (Ambernath, Maharashtra): Processing and packaging unit for private label goods.
- Facility 2 (Kutch, Gujarat): Production facility for processing peanuts and whole spices.
- Facility 3 (Kutch, Gujarat): Agri processing cluster encompassing:

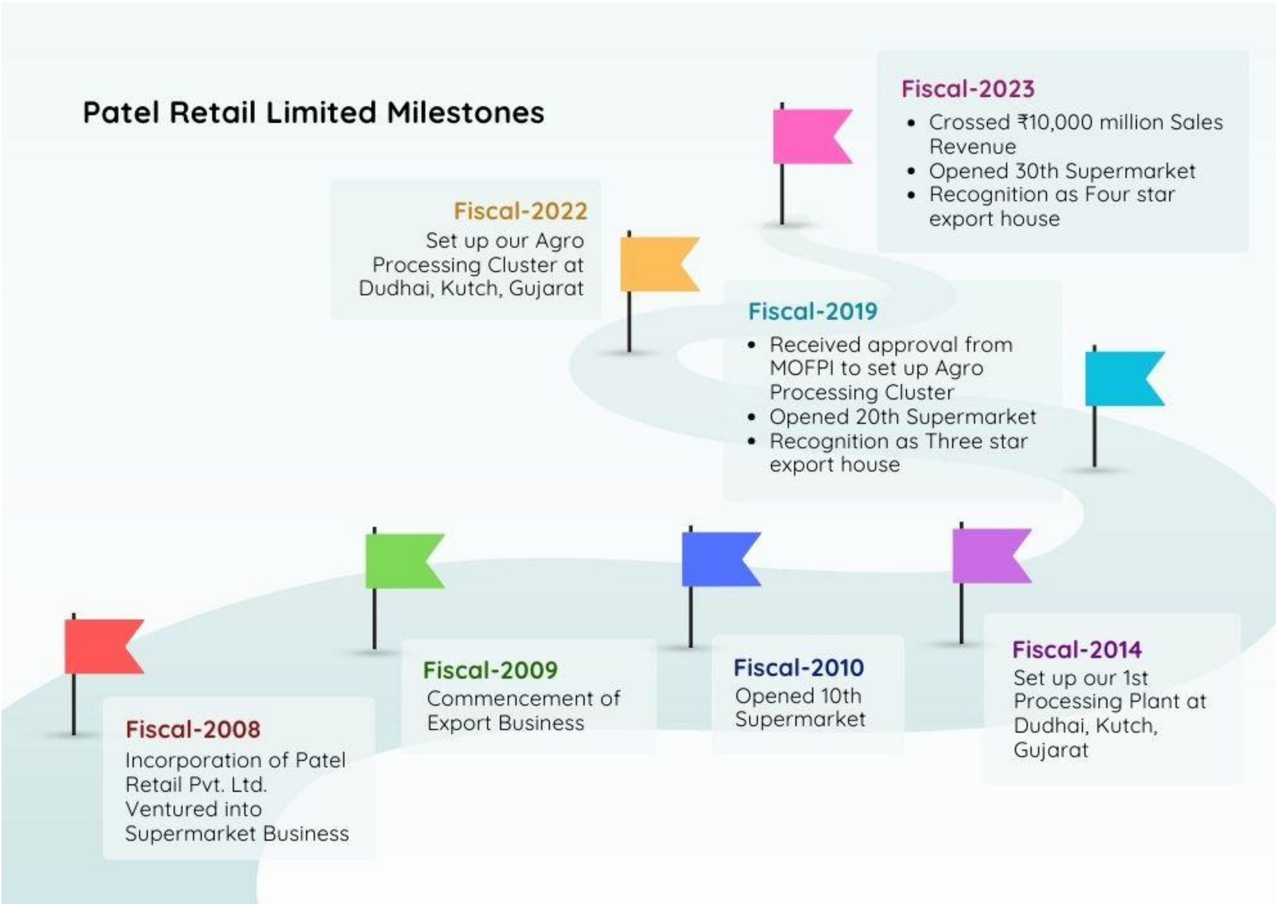


Going Global:

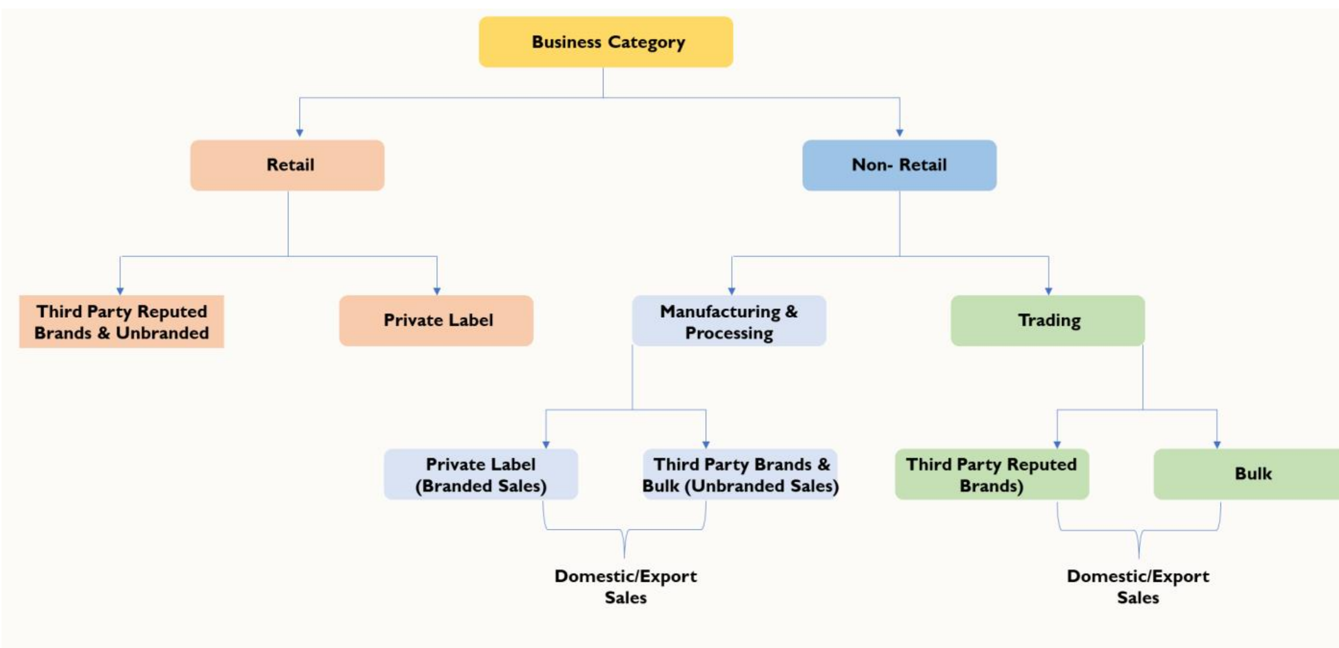
Patel Retail has ventured into exports, reaching over 40 countries by December 2023. Their export strategy includes:

- Exporting staples, groceries, pulses, spices, and pulps under their own brands ("Patel Fresh" & "Indian Chaska") and customer brands from their manufacturing facilities.
- Domestic and export trading of assorted food and non-food products from reputed third-party brands.
- Bulk trading of agricultural commodities like rice, sugar, pulses, and edible oils.

Key Milestones during company's journey since incorporation is summarized as herein below:



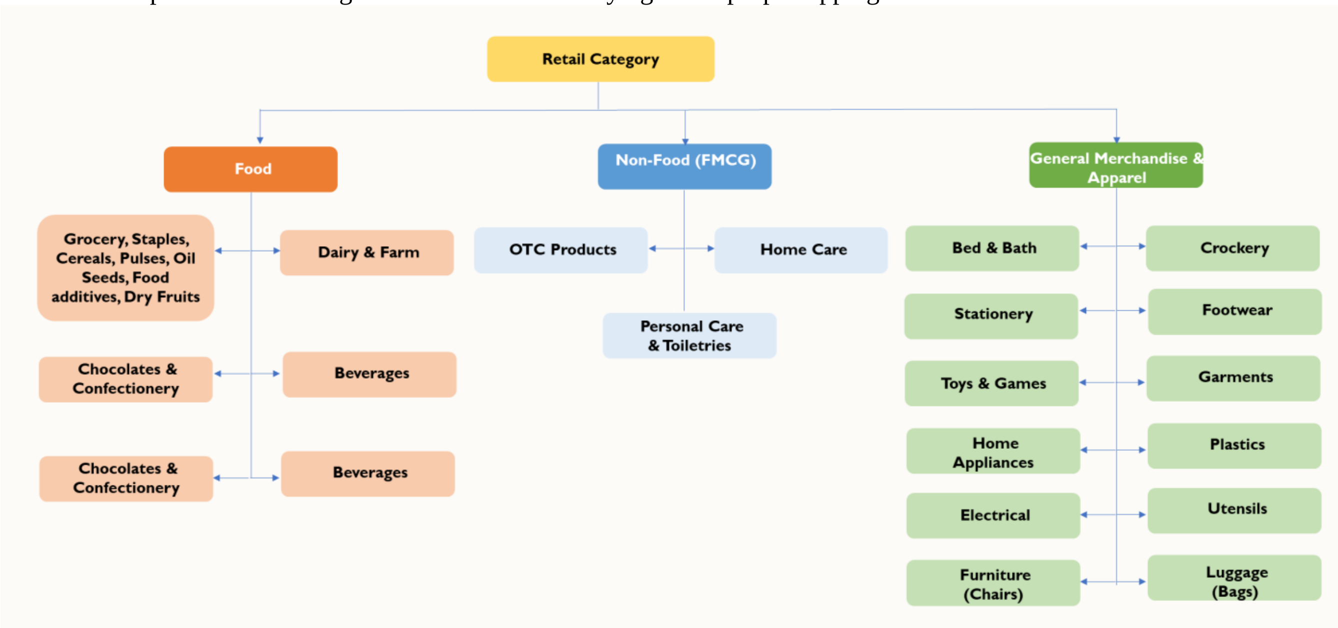
Their business can be categorized (Retail and Non-Retail) as detailed herein below:



Patel Retail Limited operates under two distinct business categories: Retail Business and Non-Retail Business.

Retail Business:

- Brand: "Patel's R Mart"
- Positioning: Dependable neighborhood supermarket offering value for money
- Location: Residential areas
- Target Market: Lower-middle class, middle class, and aspiring upper-middle class
- Concept: Value Retailing - caters to both bulk buying and top-up shopping needs



Non-Retail Business:

Processing:

Strategy: Backward integration to control supply chain

Facilities:

Facility 1 (Ambernath, Maharashtra):

- Processing and packaging unit for private label goods and customer brands.
- Products: Whole spices, pulses, staples & groceries
- Processes: Cleaning, drying, grading, sorting, and packaging
- Area: 7,678 sq. ft. (excluding Distribution Centre)
- Certifications: ISO 22000:2018, BRC, APEDA, Spice Board, FSSAI license

Facility 2 (Kutch, Gujarat):

- Processing peanuts and whole spices
- Area: 3.27 Acres with a constructed area of 7460.54 sq. mtr.
- Processes: Cleaning, drying, grading, sorting, and packaging
- Certifications: ISO 9001:2015, ISO 22000:2018, FSSAI license

Special Features:

- Dedicated areas for spices and peanuts to prevent cross-contamination
- Natural processing methods to retain properties of food
- Zero-waste processing (peanut shells and other waste materials sold)

Facility 3 (Kutch, Gujarat) - Agri Processing Cluster:

- Established under Pradhan Mantri Kisan SAMPADA Yojana scheme
- Area: 15.925 Acres
- Components:
    - Five production units
    - One fruit pulp processing unit (F&V Unit)
    - Dry warehouse with 3,040 MT storage capacity
    - Cold storage with 3,000 MT capacity
    - In-house testing & research laboratory (Agri-cluster)

The detail of their units in the Agri-cluster as of December 30, 2023 is as under:

Unit	Manufacture/Process	Products	Capacity	Status
Unit-1 (Manufacturing of Whole Spices and Oilseeds)	Cleaning, Grading, Sorting and Packaging	Mustard, Fennel, Fenugreek, Carom etc.	3 TPH	Operational since January 2022
Unit-2 (Manufacturing of Ground and Blended Spices)	Pulvurisation and Blending of Spices	(i) Ground spices which comprises of various varieties of Chilli Powder, Turmeric Powder, Coriander Powder and Cumin Powder*.	2 TPH	Operational since January 2022
Unit-3 (Manufacturing of Wheat Flour)	Cleaning, Grinding and Production	Chakki Atta, Maida, Suji, Rava, Tandoori Atta and Bran	8.5 TPH	Operational since July 2022
Unit-4 (Processing for Peanuts and Blanching)	Cleaning, Shelling, Sorting, Roasting, Blanching and Packaging	Regular Peanuts and Blanched Peanuts	10 TPH	Operational since May 2022
Unit-5 (Processing of Sesame Seed)	Sorting, Grading, Cleaning and Packaging	Sesame	4.5 TPH	Under Installation Phase
F&V Unit	Water Treatment, Sugar Syrup Preparation, Dilution of Pulp, Blending and Homogenization	Mango Pulp	1 TPH	Operational since June 2022
Dry Warehouse	-	-	3040 MT (Storage Capicity)	Operational since June 2022
Cold storage	-	-	3000 MT (Storage Capacity)	Operational since June 2022
Laboratory	-	-	NA	Operational since June 2022

*Unit 2 is equipped to manufacture Blended spices such as, Garam Masala, Tea Masala, Chhole Masala, Sambhar Masala, Pav Bhaji Masala, Pani Puri Masala, Sabji Masala, Kitchen King Masala, Chicken Masala, Meat Masala, Chatpata Chat Masala, Butter Milk Masala, Chewda Masala, Dry Ginger Powder (Sunth), Black Pepper Powder (Mari), Dry Mango Powder (Aamchur), etc.

Growth in presence of Patel Retail stores over the years across MMR region

Location	30th September 2023	31st March 2023	31st March 2022	31st March 2021
Ambernath	6	6	6	6
Ambernath (R Choice)*	-	2	2	2
Badlapur	6	5	5	4
Dombivli	7	7	5	5
Kalyan	5	5	4	4
Khopoli	1	1	-	-
Murbad	1	1	1	1
Shahapur	1	1	1	1
Shahad	1	1	1	1
Titwala	1	1	1	1
Ulhasnagar	2	2	2	2
Total	**31**	**32**	**28**	**27**

KPI Comparison

<u>Accounting Ratios</u>

Companies (As on March 31, 2023)	CMP*	CMP (cloing 26-Mar-2024)	EPS (Basic in ₹)	EPS (Diluted in ₹)	PE Ratio	RONW (%)	NAV (Per Share)	Face Value	Price on Dec 29, 2023
Patel Retail Limited	NA	NA	NA	NA	NA	NA	NA	NA	NA
Peer Group									
Avenue Supermarts Limited (Consolidated)	NA	4,486.20	39.46	39.22	104.10	14.79%	NA	10	4,082.65
Spencers Retail Limited (Consolidated)	NA	87.75	-17.00	-17.00	-6.34	139.83%	NA	5	107.75
Osia Hyper Retail Limited	NA	31.10	10.09	10.09	NA	8.42%	NA	10	NA
Aditya Consumer Marketing Limited	NA	91.15	0.84	0.84	78.87	4.43%	NA	10	66.25
Sheetal Universal Limited	NA	63.95	5.89	5.89	13.94	31.39%	NA	10	82.1
Kovilpatti Lakshmi Roller Flour Mills Limited	NA	202.5	18.58	18.58	10.55	17.66%	NA	10	196
KN Agri Resources Limited (Consolidated)	NA	127.15	11.75	11.75	11.40	10.41%	NA	10	134
Madhusudhan Masala Limited	NA	103.75	6.94	6.94	17.56	52.40%	NA	10	121.85

Company-wise Financials

Particulars	Avenue Supermarts Limited			
	September 30, 2023	March 31, 2023	March 31, 2022	March 31, 2021
Revenue from operations (in INR Lakhs) (1)	24,48,981.00	42,83,956.00	30,97,627.00	24,14,306.00
Growth in Revenue from Operations (2)	18.44%	38.30%	28.30%	-2.92%
EBITDA (in INR Lakhs) (3)	2,04,024.00	3,63,703.00	2,49,850.00	1,74,305.00
EBITDA Margin% (4)	8.33%	8.49%	8.07%	7.22%
PAT (in INR Lakhs)	1,28,206.00	2,37,834.00	1,49,240.00	1,09,943.00
PAT Margin %(5)	5.24%	5.55%	4.82%	4.55%
Net Worth (in INR Lakhs) (6)	17,43,110.00	16,07,878.00	13,67,789.00	12,18,411.00
Capital Employed (in INR Lakhs) (7)	19,64,118.00	18,16,138.00	15,53,730.00	13,71,202.00
RoE% (8)	7.31%	14.76%	10.88%	9.01%
RoCE % (9)	9.02%	17.19%	13.60%	11.11%

Particulars	Spencers Retail Limited			
	September 30, 2023	March 31, 2023	March 31, 2022	March 31, 2021
Revenue from operations (in INR Lakhs) (1)	1,14,421.77	2,45,258.17	2,29,968.62	2,42,807.04
Growth in Revenue from Operations (2)	-9.92%	6.65%	-5.29%	-8.20%
EBITDA (in INR Lakhs) (3)	-1,131.56	357.51	2,391.08	794.93
EBITDA Margin% (4)	-0.99%	0.15%	1.04%	0.33%
PAT (in INR Lakhs)	-13,425.98	-21,039.68	-12,146.04	-16,385.18
PAT Margin %(5)	-11.73%	-8.58%	-5.28%	-6.75%
Net Worth (in INR Lakhs) (6)	-28,573.73	-15,046.87	6,185.68	18,633.19
Capital Employed (in INR Lakhs) (7)	27,897.49	31,649.29	34,932.34	36,578.69
RoE% (8)	47.34%	141.15%	-201.47%	-88.29%

Particulars	Spencers Retail Limited			
	September 30, 2023	March 31, 2023	March 31, 2022	March 31, 2021
RoCE % (9)	-23.76%	-30.83%	-8.06%	-20.10%

Particulars	Osia Hyper Retail Limited			
	September 30, 2023	March 31, 2023	March 31, 2022	March 31, 2021
Revenue from operations (in INR Lakhs) (1)	47,682.53	73,881.67	58,964.31	31,581.58
Growth in Revenue from Operations (2)	38.51%	25.30%	86.70%	-7.47%
EBITDA (in INR Lakhs) (3)	3,022.35	3,891.65	2,459.95	1,577.95
EBITDA Margin% (4)	6.34%	5.27%	4.17%	5.00%
PAT (in INR Lakhs)	850.72	950.14	904.00	542.18
PAT Margin %(5)	1.78%	1.29%	1.53%	1.72%
Net Worth (in INR Lakhs) (6)	16,453.26	11,290.04	9,134.88	8,230.87
Capital Employed (in INR Lakhs) (7)	28,353.74	22,905.10	16,263.75	13,026.30
RoE% (8)	5.17%	8.42%	9.90%	6.59%
RoCE % (9)	9.71%	15.43%	12.87%	9.99%

Particulars	Aditya Consumer Marketing Limited			
	September 30, 2023	March 31, 2023	March 31, 2022	March 31, 2021
Revenue from operations (in INR Lakhs) (1)	NA	9,686.39	8,746.21	9,371.25
Growth in Revenue from Operations (2)	NA	10.75%	-6.67%	0.63%
EBITDA (in INR Lakhs) (3)	NA	377.04	285.14	221.50
EBITDA Margin% (4)	NA	3.89%	3.26%	2.36%
PAT (in INR Lakhs)	NA	122.25	14.64	1.57
PAT Margin %(5)	NA	1.26%	0.17%	0.02%
Net Worth (in INR Lakhs) (6)	NA	2,761.55	2,640.48	2,625.83
Capital Employed (in INR Lakhs) (7)	NA	3,735.14	3,487.27	3,804.12
RoE% (8)	NA	4.43%	0.55%	0.06%
RoCE % (9)	NA	6.26%	3.06%	1.04%

Particulars	Sheetal Universal Limited			
	September 30, 2023	March 31, 2023	March 31, 2022	March 31, 2021
Revenue from operations (in INR Lakhs) (1)	NA	12,881.23	3,868.76	3,763.63
Growth in Revenue from Operations (2)	NA	232.96%	2.79%	-31.54%
EBITDA (in INR Lakhs) (3)	NA	149.22	15.98	1.16
EBITDA Margin% (4)	NA	1.16%	0.41%	0.03%
PAT (in INR Lakhs)	NA	206.03	28.31	25.40
PAT Margin %(5)	NA	1.60%	0.73%	0.67%
Net Worth (in INR Lakhs) (6)	NA	656.41	450.38	422.06
Capital Employed (in INR Lakhs) (7)	NA	2012.65	1435.17	1047.12
RoE% (8)	NA	31.39%	6.29%	6.02%
RoCE % (9)	NA	18.40%	6.02%	7.33%

Particulars	Kovilpatti Lakshmi Roller Flour Mills Limited			
	September 30, 2023	March 31, 2023	March 31, 2022	March 31, 2021
Revenue from operations (in INR Lakhs) (1)	17,025.90	33,213.54	27,334.63	22,392.14
Growth in Revenue from Operations (2)	4.31%	21.51%	22.07%	-2.62%
EBITDA (in INR Lakhs) (3)	1,321.33	1,886.42	1,463.77	1,301.45
EBITDA Margin% (4)	0.08	0.06	0.05	0.06
PAT (in INR Lakhs)	637.39	1,029.80	753.02	449.89
PAT Margin %(5)	0.04	0.03	0.03	0.02
Net Worth (in INR Lakhs) (6)	6,470.74	5,832.19	4,831.48	4,175.43
Capital Employed (in INR Lakhs) (7)	12,151.78	9,815.54	9,326.78	6,487.24
RoE% (8)	9.87%	17.74%	15.22%	11.01%
RoCE % (9)	9.37%	19.74%	15.25%	16.33%

Particulars	KN Agri Resources Limited			
	September 30, 2023	March 31, 2023	March 31, 2022	March 31, 2021
Revenue from operations (in INR Lakhs) (1)	63,692.00	2,23,615.00	1,88,102.00	1,29,895.00
Growth in Revenue from Operations (2)	-40.31%	18.88%	44.81%	52.82%
EBITDA (in INR Lakhs) (3)	1,884.00	5,163.00	6,590.00	4,167.00
EBITDA Margin% (4)	2.96%	2.31%	3.50%	3.21%
PAT (in INR Lakhs)	1,266.00	2,937.00	4,719.00	2,584.00

PAT Margin %(5)	1.99%	1.31%	2.51%	1.99%
Net Worth (in INR Lakhs) (6)	29715.00	28220.00	25481.00	15818.00
Capital Employed (in INR Lakhs) (7)	29723.00	36151.00	27108.00	18068.00
RoE% (8)	4.26%	9.71%	18.54%	15.63%
RoCE % (9)	6.43%	13.11%	24.24%	21.39%

Particulars	**Madhusudhan Masala Limited**			
	September 30, 2023	**March 31, 2023**	**March 31, 2022**	**March 31, 2021**
Revenue from operations (in INR Lakhs) (1)	NA	12,721.60	6,540.81	6,868.03
Growth in Revenue from Operations (2)	NA	94%	-5%	NA
EBITDA (in INR Lakhs) (3)	NA	1,133.67	216.65	289.91
EBITDA Margin% (4)	NA	8.9%	3.3%	4.2%
PAT (in INR Lakhs)	NA	575.89	81.29	44.98
PAT Margin %(5)	NA	4.53%	1.24%	0.65%
Net Worth (in INR Lakhs) (6)	NA	1,099.10	31.07	1,094.09
Capital Employed (in INR Lakhs) (7)	NA	5,316.30	2,850.60	2,060.48
RoE% (8)	NA	52.40%	261.64%	4.11%
RoCE % (9)	NA	20.69%	9.15%	11.70%

Annexure for Abbreviation Used

GDP	Gross Domestic Product
GVA	Gross Value Added
IIP	Index of Industrial Production
PFCE	Private Final Consumption Expenditure
GFCF	Gross fixed capital formation
WPI	Wholesale Price Index
CPI	Consumer Price Index
y-o-y	Year on Year
m-o-m	Month on Month
IMF	International Monetary Fund
RBI	Reserve Bank of India
MOSPI	The Ministry of Statistics and Programme Implementation
Est., Adv. Est	Estimated, Advance Estimates
P, F	Projected, Forecast
USD	US Dollar
INR	Indian Rupee
Mn, Bn, Tn	Million, Billion, Trillion
CY	Calander Year
FY	Fiscal Year / Financial year
FDI	Foreign Direct Investment
B2B	Business to Business
B2C	Business to Consumer
D2C	Direct to Consumer

F&G Retail	Food & Grocery Retail
FSSAI	Food Safety and Standards Authority of India
ONDC	Open Network for Digital Commerce
MIDH	Mission for Integrated Development of Horticulture
PMKSY	Pradhan Mantri Kisan Sampada Yojana
CEFPPC Scheme	Creation / Expansion of Food Processing & Preservation Capacities Scheme
WSO	World Spice Organization
MMR	Mumbai Metropolitan Region

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OUR BUSINESS

*Some of the information contained in this section, including information with respect to our strategies, contain forward-looking statements that involve risks and uncertainties. You should read the section titled "**Forward-Looking Statements**" on page 24 of this Draft Red Herring Prospectus for a discussion of the risks and uncertainties related to those statements and also the section titled "**Risk Factors**" and "**Management's Discussion and Analysis of Financial Condition and Results of Operations**" on pages 35 and 378, respectively of this Draft Red Herring Prospectus for a discussion of certain factors that may affect our business, results of operations and financial condition. The actual results of the Company may differ materially from those expressed in or implied by these forward-looking statements*/.*

*This section should be read in conjunction with sections titled "**Risk Factors**", "**Financial Information**" "**Management's Discussion and Analysis of Financial Condition and Results of Operations**" and on pages 35, 376 and 378, respectively. Unless otherwise stated, all financial and other data regarding our business and operations presented in this section are derived from our Restated Financial Statement.*

*Certain information in this section is derived from the report titled "Industry Report on Food & Grocery Retailing and Food Processing"dated March 27, 2024 ("**D&B Report**") prepared and released by Dun & Bradstreet Information Services Private Limited ("**D&B**") and exclusively commissioned by and paid for by us pursuant to the vide the engagement letter dated February 12, 2024, in connection with the Offer. The data included herein includes excerpts from the D & B, which is available on the website of the Company at https://patelrpl.in/, and has also been included in "**Material Contracts and Documents for Inspection –Material Documents**" on page 534. For risks in relation to commissioned reports, please see **"Risk Factors- Industry information included in this Draft Red Herring Prospectus has been derived from an industry report prepared by Dun & Bradstreet, exclusively commissioned and paid for by us for such purpose** on page 51. In evaluating our business, we consider and use certain key performance indicators that are presented herein as supplemental measures to review and assess our operating performance. The presentation of these key performance indicators is not intended to be considered in isolation or as a substitute for our financial statements, and other financial and operational information included in this Draft Red Herring Prospectus. We present these key performance indicators because they are used by our management to evaluate our operating performance. These key performance indicators have limitations as analytical tools. Further, these key performance indicators, including the manner in which they are computed, may differ from similar information used by other companies, including peer companies, and hence their comparability may be limited. Therefore, these metrics should not be considered in isolation or construed as an alternative to our financial statements or as an indicator of our operating performance, liquidity, profitability or results of operations.*

Our fiscal year ends on March 31 of each year, so all references to a particular "fiscal year", "Fiscal" and "Fiscal Year" are to the 12 months period ended March 31 of that fiscal year. All references to a year are to that Fiscal Year, unless otherwise noted.

OVERVIEW

We are primarily engaged as a retail supermarket chain operating in tier-III cities and nearby suburban areas, with focus on "value retail", offering food, non-food (FMCG), general merchandise and apparel catering to the needs of the entire family. Incorporated in Fiscal 2008, our Company started its first store under the brand "Patel's R Mart" at Ambernath, Maharashtra and since, our operations are spread across the suburban area of Thane and Raigad district in Maharashtra. Over the years we have emerged as a player managing one of the largest network stores in the MMR region *(source: D&B Report)*. As on December 31, 2023 we operate and manage thirty-one (31) stores, with a Retail Business Area[28] of approx. 1,26,000 sq.fts.

With our objective to increase margin and to promote our brand "Patel's R Mart", we launched our private label goods comprising of Pulses ("**Patel Fresh**") and spices ("**Indian Chaska**"), which we buy in bulk quantities and package and brand after our quality checks and inspections at our processing and packing facility at Ambernath, Maharashtra ("**Facility 1**"), and mens wear ("**Blue Nation**"), home improving products ("**Patel Essentials**"), ready-to-cook /

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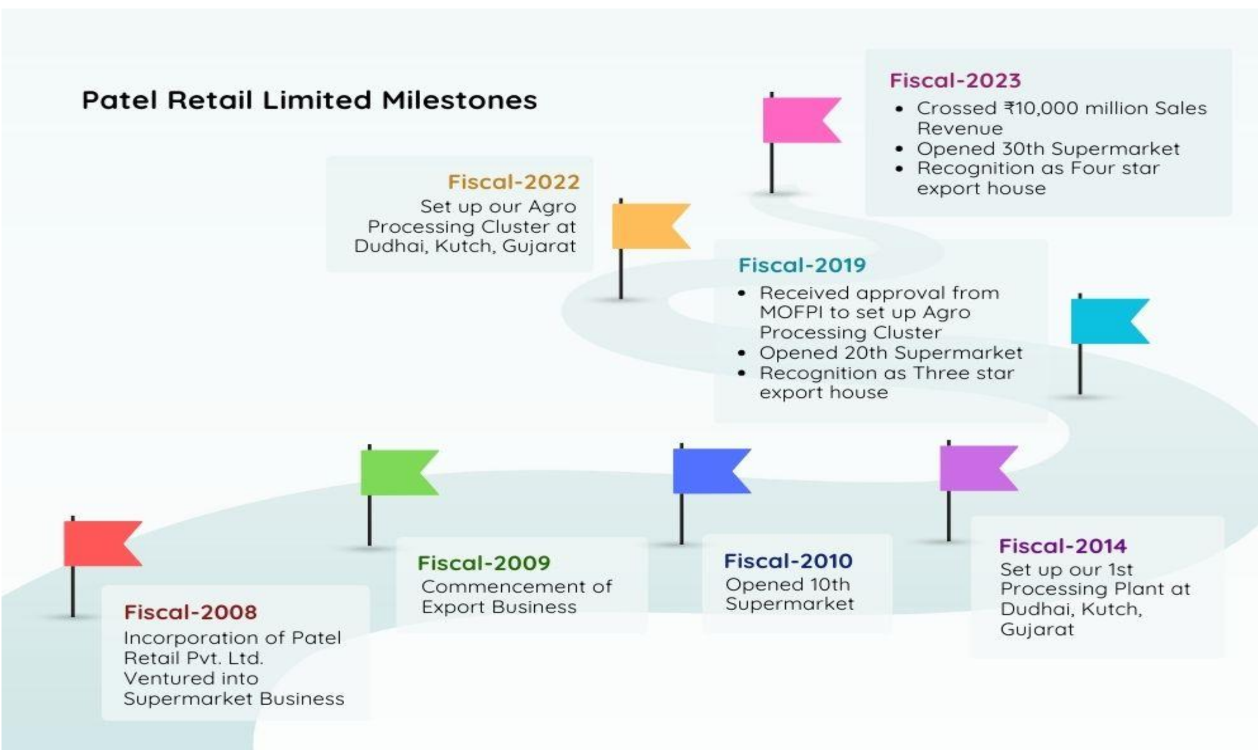
[28] *The total built-up area of a store as per the lease/leave and license/sale agreement, as the case maybe (carpert area * 1.64)*

instant mix ("**Patel Fresh**"), ghee and papad ("**Indian Chaska**") which we buy from third party vendors under our brands. Since incorporation in Fiscal 2008, we have increased our store offerings and as on December 31, 2023 we offer around 38 product categories with over 10,000 product SKUs in our stores.

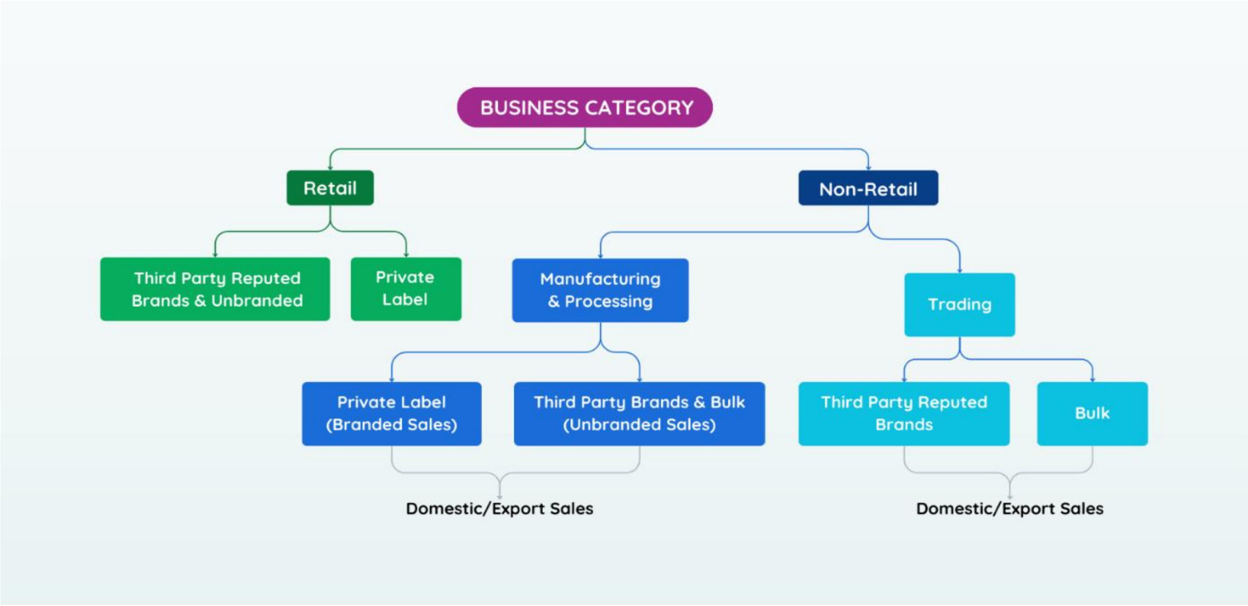
As our backward integration strategy and to control our supply chain, we started our production facility at Survey No. 145/1, Bhuj Bachau Highway, Village Dudhai, Taluka Anjar, District Kutch, Gujarat - 370115 ("**Facility 2**"), where we process peanuts and whole spices, such as coriander seed and cumin seeds. Further as a part of our strategy to broaden our product offering across the value chain, we built an agri processing cluster spread over 15.925 Acres of land area at Survey No. 170/2, Bhuj Bachau Highway, Village Dudhai, Taluka Anjar, District Kutch, Gujarat – 370115, comprising of 5 (five) production units collectively ("**Facility 3**"), 1 (one) fruit pulp processing unit ("**F&V Unit**"), dry warehouse of 2546.29 sq. mtr. with storage capacity of 3040 MT, cold storage with capacity of 3000 MT and also our inhouse testing & research laboratory (collectively referred to as "**Agri-cluster**"). Our Facility 1, Facility 2 and Facility 3 will be hereinafter collectively referred to as "**Facilities**", our Facility 1, Facility 2 and Agri-cluster will be hereinafter collectively referred to as "**Manufacturing Facilities**", and Facility 2 and Agri-cluster will be collectively referred to as "**Kutch Facilities**"

Further, by capitalizing our sourcing strenghth we ventured into export of staples, groceries, pulses, spices and pulps. We export these products under our brand Patel Fresh & Indian Chaska and also that of the brand of our customers from our Manufacturing Facilities. Furthermore, we also undertake domestic and export trading of assorted/ mix container of food and non-food products, such as FMCG goods, household items, kitchen appliances, etc. from reputed third party brands and also into bulk trading of agri commodities such as, rice, sugar, pulses, edible oil etc. We have exported to over forty (40) countries during the disclosed financial period.

Our journey since our incorporation can be summarized as herein below:



Our business can be categorized (Retail and Non-Retail) as detailed herein below:

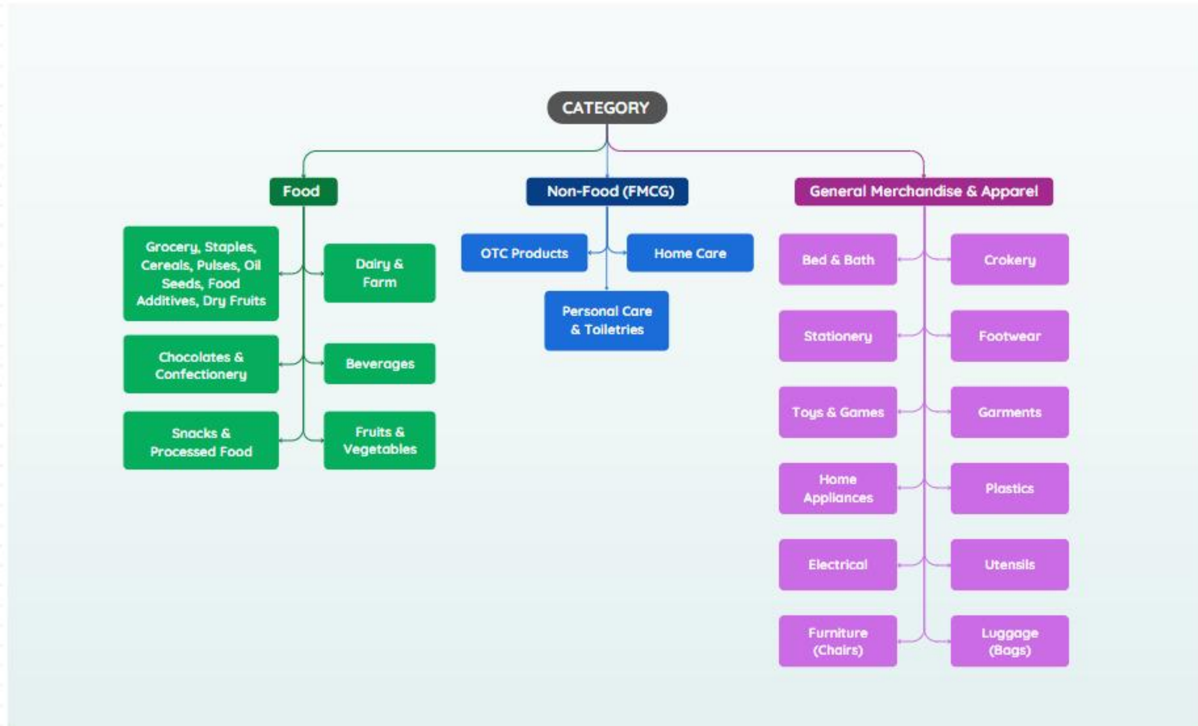


BUSINESS CATEGORIES

Retail Business

Positioned as a dependable neighborhood supermarket that offers value for money, our retail business runs under the "Patel's R Mart" brand. We offer convenience by being located in residential areas and cater to both bulk buying and top up requirements of our customers. Our Company follows the concept of value retailing to target the strata of the population belonging to the expanding 'lower-middle class', 'middle class' and 'aspiring upper-middle class', based on our customer's socio-economic conditions, purchasing power, demographic details and customer trends.

Our business approach is to make available quality goods at competitive prices. The majority of products stocked by us are everyday products forming part of basic rather than discretionary spending. Our store offerings provide our customers with a distinctive shopping experience, comprising of a wide range of everyday value retail products sold in a modern ambience and with the feel of a retail mall. We believe our endeavor to facilitate one-stop-shop convenience for our customers' everyday shopping needs, along with our competitive pricing due to our local market knowledge, careful product assortment and supply chain efficiencies, has helped us achieve growth and success. Our wide range of product offerings focus on foods, non-food (FMCG), general merchandise and apparel. Further, our Company was also operating two (2) exclusive ready made garment outlets under the brand "R Choice". We also earn rental income from our vendors as display and listing income, shop-in-shop arrangements such as, vegetable stall, sandwich, chat and ice cream stalls. Our store offerings can be summarized as herein below:



Our retail sales (i.e., revenue from our store sales) based on the product offerings for the six months period ended September 30, 2023, Fiscal 2023, Fiscal 2022 and Fiscal 2021 is as follows:

Category	Six months period ended September 30, 2023		Fiscal 2023		Fiscal 2022		Fiscal 2021	
	Retail sales (₹ in Lakhs)	As a % to revenue from operations	Revenue (₹ in Lakhs)	As a % to revenue from operations	Revenue (₹ in Lakhs)	As a % to revenue from operations	Revenue (₹ in Lakhs)	As a % to revenue from operations
Food	10,139.44	22.74%	19,630.03	19.27%	18,699.28	24.41%	18,011.73	21.88%
Non-Food (FMCG)	2,678.46	6.01%	5,041.37	4.95%	4,509.20	5.89%	4,291.36	5.21%
General Merchandise & Aparel	1,083.48	2.43%	1,770.08	1.74%	1,638.91	2.14%	1,292.17	1.57%
R Choice	-	-	214.18	0.21%	124.05	0.16%	64.17	0.08%
Total	**13,901.38**	**31.17%**	**26,655.66**	**26.17%**	**24,971.45**	**32.59%**	**23,659.43**	**28.73%**

**As certified by our Statutory Auditor-Kanu Doshi, Assocaites LLP, Chartered Accountants, pursuant to certificate dated March 29, 2024.*

Our retail stores sells third party reputed brand produts, unbraded products and also our private label products. Our revenue from sales of private label products constitutes 18.47%, 19.80%, 21.36% and 22.93% of our retail sales and 4.83%, 6.45%, 6.14%, and 7.15% of our revenue from operations, during the Fiscal 2023, Fiscal 2022 and Fiscal 2021 and for the six months period ended September 30, 2023, respectively. As on December 31, 2023 we offer around 38 product categories with over 10,000 product SKUs in our supermarkets.

We have established our stores in the central suburban area of the MMR i.e. in Thane district and Raigad district of Maharashtra, thus focusing on the growing tier-III cities and the suburban areas. Our stores are primarily located using a cluster approach on the basis of adjacencies and focusing on efficient supply chain, targeting densely-populated residential areas with a majority of lower-middle class, middle class and aspiring upper-middle class customer with an average store size of around 4000 sq. ft. As of December 31, 2023, we have thirty one (31) stores with aggregate retail business area of approx. 126000 sq. ft. At the end of Fiscal 2023, Fiscal 2022 and Fiscal 2021, we had 30, 28 and 27 stores with retail business area of approx. 122,500 sq. ft., 107,900 sq. ft. and 103,400 sq. ft., respectively. Our stores are located across 10 cities / suburbans area within the Thane and Raigad district of Maharashtra. We plan to deepen our store network in the central suburban area of the MMR such as Bhiwandi, Padgha, Diva, Vasind, Vangani and Neral and gradually expand our network in the western suburban area of the MMR such as Mira Road, Bhayander, Virar and Vasai following our cluster-focused expansion strategy. We believe that selection of suitable locations for our stores has been critical to our expansion plans. We aim to enter our target markets to take advantage of the opportunities offered by these under-served regions and actively search for suitable locations. We follow a cluster approach and target densely-populated neighbourhoods and residential areas with a majority of lower-middle, middle class and aspiring upper-middle class consumers.

Retail sales based on our store location is detailed as herein below:

Location	**Six months period ended September 30, 2023**		**Fiscal 2023**		**Fiscal 2022**		**Fiscal 2021**	
	No. of stores	**Retail sales (₹ in Lakhs)**	**No. of stores**	**Retail sales (₹ in Lakhs)**	**No. of stores**	**Retail sales (₹ in Lakhs)**	**No. of stores**	**Retail sales (₹ in Lakhs)**
Ambernath	6	2,626.73	6	5,311.45	6	5,211.03	6	5,172.73
Ambernath (R Choice)*	-	-	2	214.18	2	124.05	2	64.17
Badlapur	6	2,496.33	5	4,790.70	5	4,419.39	4	4,615.83
Dombivli	7	1,799.82	7	3,103.34	5	2,445.50	5	2,291.15
Kalyan	5	2,245.66	5	4,488.47	4	4,551.51	4	4,111.35
Khopoli	1	420.24	1	185.18	-	-	-	-
Murbad	1	461.73	1	848.27	1	802.56	1	614.66
Shahapur	1	890.54	1	1,687.67	1	1,660.28	1	1,395.45
Shahad	1	368.90	1	783.31	1	930.74	1	988.56
Titwala	1	1,490.44	1	2,854.30	1	2,545.94	1	2,065.19
Ulhasnagar	2	1,101.08	2	2,388.78	2	2,280.44	2	2,340.33
Total	**31**	**13,901.38**	**32**	**26,655.66**	**28**	**24,971.45**	**27**	**23,659.43**

**Our Company sold all the inventories of the 2 stores, being our exclusive garment outlets and thus terminating the lease for the 2 stores during Fiscal 2023. Till such termination the Company has accounted a revenue of ₹214.18 Lakhs during the Fiscal 2023.*

***As certified by our Statutory Auditor- Kanu Doshi, Associates LLP, Chartered Accountants, pursuant to their certificate dated March 29, 2024.*

We have witnessed steady growth in our total number of bill cuts. Our total number of bill cuts were, 33.73 Lakhs, 28.53 Lakhs and 26.29 Lakhs and 18.91 Lakhs for Fiscal 2023, Fiscal 2022 and Fiscal 2021 and for the six months period ended September 30, 2023, respectively. During the same period, our average annual revenue per store was ₹832.99 Lakhs, ₹891.84 Lakhs and ₹876.28 Lakhs and ₹896.87 Lakhs, respectively. Further for Fiscal 2023, Fiscal 2022 and Fiscal 2021 and for the six months period ended September 30, 2023, our average annual revenue per retail business area sq. ft. was ₹21,678.49, ₹23,130.49 and ₹22,873.06 and ₹11,024.43 (not annualized), respectively. Further revenue from our stores based on the year of existance for the six months period ended September 30, 2023, Fiscal 2023, Fiscal 2022 and Fiscal 2021 is as detailed hereunder:

Year since existence of stores	Six months period ended September 30, 2023		Fiscal 2023		Fiscal 2022		Fiscal 2021	
	No. of stores	Retail sales (₹ in Lakhs)	No. of stores	Retail sales (₹ in Lakhs)	No. of stores	Retail sales (₹ in Lakhs)	No. of stores	Retail sales (₹ in Lakhs)
0 – 5 years	13	4,438.75	12	6,930.23	8	5,118.82	7	4,108.53
5 – 10 years	6	4,536.47	6	9,294.63	6	9,518.30	6	8,837.01
10 + years	12	4,926.16	14*	10,430.80	14	10,334.33	14	10,713.90
Total	**31**	**13,901.38**	**32**	**26,655.66**	**28**	**24,971.45**	**27**	**23,659.43**

**Our Company sold all the inventories of the 2 stores, being our exclusive garment outlets and thus terminating the lease for the 2 stores during Fiscal 2023. Till such termination the Company has accounted a revenue of ₹214.18 Lakhs during the Fiscal 2023.*

***As certified by the Statutory Auditor of our Company, Kanu Doshi, Associates LLP, Chartered Accountants, pursuant to certificate dated March 29, 2024.*

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We operate and manage all our stores. We operate predominantly on lease model, where our average lease period is around 5 years. We open new stores using a cluster approach on the basis of adjacencies and focusing on an efficient supply chain, targeting densely-populated residential areas with a majority of lower-middle class, middle class and aspiring upper-middle class customer. Our Distribution Centre and Facility 1 situated at Ambernath, Maharashtra, forms the backbone of our supply chain to support our retail store network which is within a radius of 60 kms.

In addition to sale to our walk-in customers, we also serve our customers online through our mobile based application, where we connect our online customer to the nearest stores for order placement and free home delivery. Our mobile application is available both on IOS and android. We launched our mobile application "Patel's R Mart" during the Fiscal 2021. As on February 29, 2024 we have over 50,000+ downloads with over 5,000 active users. (*Sources: Shalvi*

Advision). Our revenue from e-tail sale is ₹104.04 Lakhs, ₹134.47 Lakhs and ₹47.05 Lakhs against an order of 5,253, 6,131 and 3,075 for the Fiscal 2023, Fiscal 2022 and for the six months period ended September 30, 2023, respectively.

Our stores are supported by IT and operational management systems specific to our business needs. These systems streamline many of our functions including procurement, sales, supply chain and inventory control processes and generate updated information on a real time basis. As a result, we are able to procure our merchandise from our Distribution Centre or directly from our suppliers thus managing our store inventory levels efficiently to better respond to our customers' changing preferences and needs.

Our business is based on the primary concept of 'value retailing' and guided by our principles 'Save Money, Be Smart' and 'Kharidari ki Aazadi, Bachat ka Adhikar', following which we aim to provide a complete family shop by offering a wide range of products at discount to MRP. Our leadership position in the MMR, based on the number of stores that we operate *(source: D&B Report)* and market penetration of our products has been possible due to the extensive store network that we have built over the years; the advertisement and promotion campaigns we have consistently spent on, to bring in the pull from the customer and the focus that we have placed on quality, both of the product and of the packaging of our private label and the product assorment. In Fiscal 2023, we spent ₹135.77 lakhs or 0.51% of our total retail sales on advertising, incentive and trade promotion expenses. We have been consistently increasing our advertisement and promotion expenditure over the years with a strong focus to grow our market share. For instance, our advertisement and promotion expenditure for Fiscal 2023, Fiscal 2022 and Fiscal 2021 were ₹135.77 Lakhs, ₹105.87 Lakhs and ₹85.45 Lakhs, respectively and for the six months period ended on September 30, 2023 were ₹144.31 Lakhs, which represented 0.51%, 0.42% and 0.36% and 1.04% respectively of our retail sales.

We source our products, including private labels, directly from the regions where such products are widely available or manufactured, to minimize our procurement costs and offer quality products at such costs. Product category under our private label category includes, pulses, spices, ghee, papad, apparels and home improving products. Private label products include mens wear, home improving products such as phenyl, detergent, dish wash liquid, mop and plastic bucket, ready-to-cook / instant mix such as basundi mix, falooda mix, ghee and papad which we procure from third party manufacturers under our brand, pulses staples and groceries and spices (whole and grounded), which we buy in bulk quantities and package and brand after our quality checks and inspections at our processing and packing facility at Ambernath, Maharashtra.

Our strong sourcing capability is backed by an efficient logistics network, which is supported by fifteen (15) vehicles of which two (2) vehicles are used for procurement of goods, thirteen (13) vehicles for supply of goods from distribution centre to our stores and a fleet of around fifty one (51) third party tempos for providing home delivery of order placed by our customers. We are also supported by strong IT infrastructure, systems and processes, thus enabling us in achieving our concept of 'value retailing'.

Non- Retail

Processing

As our backward integration strategy to control our supply chain, we started our processing and packaging facility and our product testing laboratory, to undertake essential quality check of our raw materials and finished goods at Facility 1 where we process whole spices, such as coriander seed, cumin seeds, pulses, staples and groceries. We undertake the process of cleaning, drying, grading, sorting and packaging under our own brand or that of our customers, as per their specification. Our Facility 1, including testing lab is spread over an area of 7,678 sq. ft. (excluding Distribution Centre area) and is equipped with modern semi-automated machines and manual machines. Our Facility 1 is accredited with ISO 22000:2018 for Food Safety Management System, BRC, Agricultural and Processed Food Products Export Development Authority (APEDA), Spice Board and with FSSAI license under Food Safety and Standards Act 2006.

Further, we expanded our manufacturing /processing capability by setting-up our Facility 2 where we process peanuts and whole spices, such as coriander seed and cumin seeds. Our Facility 2 is spread over an area of 3.27 acres of freehold land with a constructed area of 7460.54 sq. mtr. Our Facility 2 is equipped with modern plant and machineries, including imported machineries to facilitate efficient production process of cleaning, drying, grading, sorting and packaging. Our Facility 2 have dedicated and earmarked areas where we process spices and peanuts to avoid any cross contamination. The spices and peanuts are processed at our Facility 2 with utmost care and by way of natural process with scientific methods so as to retain the natural properties of the food, with intended shelf life. We also sell waste material, i.e., peanut shells and other waste materials generated during our production process, which makes our Facility 2 a zero waste processing unit. Our Facility 2 is accredited with ISO 9001:2015 for quality management system, ISO 22000:2018 for Food Safety Management System and with FSSAI license under Food Safety and Standards Act 2006.

Further as a part of our strategy to broaden our product offering across the value chain, we built an agro processing cluster spread over 15.925 acres at Survey No. 170/2, Bhuj Bachau Highway, Village Dudhai, Taluka Anjar, District Kutch, Gujarat - 370115 in Kutch, Gujarat under the Pradhan Mantri Kisan SAMPADA Yojana scheme of the Ministry of Food Processing Industries, Government of India comprising of five (5) production units collectively ("**Facility 3**"), 1 (one) fruit pulp processing unit ("**F&V Unit**"), dry warehouse of 2546.29 sq. mtr. with storage capacity of 3040 MT, cold storage with capacity of 3000 MT and our inhouse testing and research lab (collectively referred as "**Agri-cluster**") The detail of our units in the Agri-cluster as of December 30, 2023 is as under:

Unit	Manufacture/Process	Products	Capacity	Status
Unit-1 (Manufacturing of Whole Spices and Oilseeds)	Cleaning, Grading, Sorting and Packaging	Mustard, Fennel, Fenugreek, Carom etc.	3 TPH	Operational since January 2022
Unit-2 (Manufacturing of Ground and Blended Spices)	Pulvurisation and Blending of Spices	(i) Ground spices which comprises of various varieties of Chilli Powder, Turmeric Powder, Coriander Powder and Cumin Powder*.	2 TPH	Operational since January 2022
Unit-3	Cleaning, Grinding and Production	Chakki Atta, Maida, Suji,	8.5 TPH	Operational since July 2022

Unit	Manufacture/Process	Products	Capacity	Status
(Manufacturing of Wheat Flour)		Rava, Tandoori Atta and Bran		
Unit-4 (Processing for Peanuts and Blanching)	Cleaning, Shelling, Sorting, Roasting, Blanching and Packaging	Regular Peanuts and Blanched Peanuts	10 TPH	Operational since May 2022
Unit-5 (Processing of Sesame Seed)	Sorting, Grading, Cleaning and Packaging	Sesame	4.5 TPH	Under Installation Phase
F&V Unit	Water Treatment, Sugar Syrup Preparation, Dilution of Pulp, Blending and Homogenization	Mango Pulp	1 TPH	Operational since June 2022
Dry Warehouse	-	-	3040 MT (Storage Capacity)	Operational since June 2022
Cold storage	-	-	3000 MT (Storage Capacity)	Operational since June 2022
Laboratory	-	-	NA	Operational since June 2022

** Our Unit 2 is equipped to manufacture Blended spices such as, Garam Masala, Tea Masala, Chhole Masala, Sambhar Masala, Pav Bhaji Masala, Pani Puri Masala, Sabji Masala, Kitchen King Masala, Chicken Masala, Meat Masala, Chatpata Chat Masala, Butter Milk Masala, Chewda Masala, Dry Ginger Powder (Sunth), Black Pepper Powder (Mari), Dry Mango Powder (Aamchur), etc.*

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Layout of Agri-cluster

Our Agri-cluster is spread over an area of 15.925 acres of freehold land at Survey No. 170/2, Bhuj Bachau Highway, Village Dudhai, Taluka Anjar, District Kutch, Gujarat- 370115. Our Facility 3 and F&V Unit, within the Agri-cluster is equipped with modern plant and machineries, including imported machineries to facilitate efficient production process of cleaning, drying, grading, grinding and packaging. Our units within the Facility 3 and F&V Unit have dedicated and segregated factory premises for each and every abovementioned 5 units, where we process whole spices, powder spices, wheat flour, peanuts and sesame to avoid any cross contamination. All spices, wheat flour and other products are manufactured at our respective factory premises with utmost care and by way of natural process with scientific methods so as to retain the natural properties of the food like color and odor with intended shelf life. We also commercialise the by-product and waste material, i.e., wheat bran and other waste materials generated during our manufacturing process as cattle feed, which makes our Facility 3 and our F&V Unit a zero waste manufacturing unit. Our Agri-cluster is accredited with FSSAI license under Food Safety and Standards Act 2006. Further, our Unit IV of Facility 3 is also accredited with ISO 22000:2018 for Food Safety Management System and Agricultural and Processed Food Products Export Development Authority (APEDA). Furthermore, Unit I and Unit II of Facility 3 is registered with the Spices Board India. As on December 31, 2023, we have 42 permanent employees on the payroll of the Company in our Facilty 1, Facility 2 and Agri-cluster, collectively.

We manufacture, process and sell our products under our brands “Indian Chaska”, and “Patel Fresh”. We sell these products in retail and wholesale packs. Retail packs varies from 100 gms to 10 kgs, including packs of 25 kgs or 30 kgs subject to GST, while wholesale pack would vary from 10 kgs to 50 kgs and is available in HDPE Bags, Jute Bags and PP Bags. Further, we sell mango pulp in tin can of 850 ml to preserve the quality and shelf life. On packaging, we focus both on the design and the quality to make the products look attractive and user friendly for the customer. Further, we also manufacture these products as per the specification of our customers and under their brand name.

Our sale of manufactured and processed products can be broadly categorized as herein below:

Branded sales (Domestic)

In the branded sales, we manufacture and market spices, wheat flour and refined wheat flour, pulses, staples and groceries and mango pulp under our own brands. Spices such as whole spices and grounded spices are sold under the 'Indian Chaska' brand, whereas wheat flour and refined wheat flour is sold under the 'Indian Chaska' and 'Patel Fresh' brand while pulses are sold under the 'Patel Fresh' brand. We position our 'Indian Chaska' brand as a premium product to cater to our quality concious customers. Presently most of our sales is derived from the state of Gujarat and Maharashtra.

We have built a network of wholsalers and retail touch points to whom we sell through our wholesalers and also directly through our sales and marketing team. We sell our products across nine (9) states with majority of our sales coming from the state of Maharashtra and Gujarat. As of December 31, 2023 we have a four (4) member sales team to cater to our existing and potential customer. Further, we also sell our branded products to institutional customers in bulk and also through our factory outlets situated in our Facility 3.

We focus on the quality of our products which pass through stringent quality checks across their processing / manufacturing stages. On packaging, we focus both on the design and the quality to make the products look attractive and user friendly for the customer.

Our region wise sales break-up are as under:

Particulars	Six months period ended September 30, 2023		Fiscal 2023		Fiscal 2022		Fiscal 2021	
	Revenue (₹ in Lakhs)	As a % of Revenue from Operations	Revenue (₹ in Lakhs)	As a % of Revenue from Operations	Revenue (₹ in Lakhs)	As a % of Revenue from Operations	Revenue (₹ in Lakhs)	As a % of Revenue from Operations
Gujarat	1,163.29	2.61%	1,060.31	1.04%	850.39	1.11%	341.07	0.41%
Maharashtra	811.73	1.82%	1,228.66	1.21%	107.19	0.14%	201.72	0.24%
Rest of India	191.94	0.43%	282.81	0.28%	58.23	0.08%	12.48	0.02%
Total	**2,166.95**	**4.86%**	**2,571.79**	**2.52%**	**1,015.81**	**1.33%**	**555.28**	**0.67%**

**As certified by the Statutory Auditor of our Company, Kanu Doshi, Associates LLP, Chartered Accountants, pursuant to certificate dated March 29, 2024.*

Our revenue based on our network of sales:

Particulars	Six months period ended September 30, 2023			Fiscal 2023			Fiscal 2022			Fiscal 2021		
	Network (in nos,)	Revenue (₹ in Lakhs)	As a % of Revenue from Operations	Network (in nos,)	Revenue (₹ in Lakhs)	As a % of Revenue from Operations	Network (in nos,)	Revenue (₹ in Lakhs)	As a % of Revenue from Operations	Network (in nos,)	Revenue (₹ in Lakhs)	As a % of Revenue from Operations
Wholesaler	62	1,820.63	4.08%	91	1,453.66	1.43%	29	728.48	0.95%	27	460.96	0.56%
Retail outlets	143	336.89	0.76%	300	1,000.53	0.98%	27	3.65	0.00%	3	1.14	0.00%

Particulars	Six months period ended September 30, 2023			Fiscal 2023			Fiscal 2022			Fiscal 2021		
	Net work (in nos,)	Revenue (₹ in Lakhs)	As a % of Revenue from Operations	Net work (in nos,)	Revenue (₹ in Lakhs)	As a % of Revenue from Operations	Net work (in nos,)	Revenue (₹ in Lakhs)	As a % of Revenue from Operations	Net work (in nos,)	Revenue (₹ in Lakhs)	As a % of Revenue from Operations
Others (Institutional and factory outlet sales)	NA	9.44	0.02%	NA	117.59	0.12%	NA	283.67	0.37%	NA	93.18	0.11%
Total		**2,166.95**	**4.86%**		**2,571.79**	**2.52%**		**1,015.81**	**1.33%**		**555.28**	**0.67%**

Our revenue based on our product categories are detailed as herein below:

Particulars	Six months period ended September 30, 2023		Fiscal 2023		Fiscal 2022		Fiscal 2021	
	Revenue (₹ in Lakhs)	As a % of Revenue from Operations	Revenue (₹ in Lakhs)	As a % of Revenue from Operations	Revenue (₹ in Lakhs)	As a % of Revenue from Operations	Revenue (₹ in Lakhs)	As a % of Revenue from Operations
Staples & Groceries (including pulses)	485.10	1.09%	56.07	0.06%	17.74	0.02%	124.85	0.15%
Whole spices	1,187.52	2.66%	1,783.29	1.75%	998.07	1.30%	430.43	0.52%
Grounded / Powder spices	15.37	0.03%	123.71	0.12%	-	-	-	-
Wheat flour	457.36	1.03%	579.21	0.57%	-	-	-	-
Mango Pulp	21.61	0.05%	29.50	0.03%	-	-	-	-
Total	**2,166.95**	**4.86%**	**2,571.79**	**2.52%**	**1,015.81**	**1.33%**	**555.28**	**0.67%**

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We are constantly striving to expand our line of products and we are always on the lookout for complementary products that will add to our solution bouquet. We would seek product lines which have better scope for value addition and therefore increase our average margins.

Unbranded Sales (Domestic)

Under the unbranded sales category we sell our products such as, peanuts, wheat flour, mango kernels (by-product), pulses, staples and groceries, dry fruits, cumin waste, etc. either as unbranded or under the brand of our customer, as per their specifications. We serve our customers across various industries such as- food industry (manufacturers of biscuits and namkeens, snack foods, ready-to-eat, oil industry and food ingredients), cattle feed and others. We sell our product under this category in bulk i.e. majorily in excess of 30 kgs per bag. We also sell to traders and re-packers and the products ultimately gets sold either in their own brands, in bulk or gets consumed by them. This vertical adds value to our business by ensuring higher capacity utilization and improving the overall production efficiency and costs. While we cater to our customers across India for our products such as peanuts, sooji, wheat flour and refined wheat flour, we generate our revenue predominantly from the state of Gujarat. Our revenue based on customer category is as detailed hereunder:

Particulars	Six months period ended September 30, 2023		Fiscal 2023		Fiscal 2022		Fiscal 2021	
	Revenue (₹ in Lakhs)	Revenue as a % of Revenue from Operations	Revenue (₹ in Lakhs)	Revenue as a % of Revenue from Operations	Revenue (₹ in Lakhs)	Revenue as a % of Revenue from Operations	Revenue (₹ in Lakhs)	Revenue as a % of Revenue from Operations
Institutional	1,390.80	3.12%	1,309.15	1.29%	101.06	0.13%	424.74	0.52%
Wholesalers	1,374.90	3.08%	2,770.11	2.72%	967.91	1.26%	1,388.68	1.69%
Others	58.71	0.13%	81.48	0.08%	11.56	0.02%	152.48	0.19%
Total	**2,824.41**	**6.33%**	**4,160.74**	**4.08%**	**1,080.53**	**1.41%**	**1,965.90**	**2.39%**

Export sales

We export our products under our own brand (branded export) and also as unbranded or that in the brand of our customer (unbranded export). We majorily export peanuts, both regular and blanch in unbranded form. While we export whole spice, powder spices, pulses, staples and groceries and wheat flour in bulk form to players operating with their own brands, to those who sell these products in unbranded or loose form, we also export wholespices and powder spices under our brand 'Indian Chaska' and wheat flour, pulses, staples and groceries under the brand 'Patel Fresh'. We have exported our manufacturing products to over twenty-seven (27) countries during the Fiscal 2023. Our ultimate customers in export are traders, re-packers who sell these products either in their own brands, in our brands or gets consumed in bulk form and tier-II stores. Our export revenue from branded export and unbranded export is detailed as herein below:

Particulars	Six months period ended September 30, 2023		Fiscal 2023		Fiscal 2022		Fiscal 2021	
	Export Revenue (₹ in Lakhs)	As a % of Revenue from Operations	Export Revenue (₹ in Lakhs)	As a % of Revenue from Operations	Export Revenue (₹ in Lakhs)	As a % of Revenue from Operations	Export Revenue (₹ in Lakhs)	As a % of Revenue from Operations
Branded Sales	**13,029.36**	**29.21%**	**18,140.55**	**17.81%**	**11,488.23**	**14.99%**	**13,882.62**	**16.86%**
-Whole spices	6,240.19	13.99%	7,685.42	7.55%	7,087.89	9.25%	10,990.34	13.35%
-Staples and Groceries (including pulses)	6,067.92	13.61%	10,354.54	10.17%	4,387.62	5.73%	2,892.28	3.51%
-Grounded/powder spices	477.43	1.07%	84.05	0.08%	12.72	0.02%	-	0.00%
- Wheat flour	219.07	0.49%	16.54	0.02%	-	0.00%	-	0.00%
- Mango Pulp	24.75	0.06%	-	0.00%	-	0.00%	-	0.00%
Unbranded Sales	**1,575.61**	**3.53%**	**6,854.75**	**6.73%**	**5,078.89**	**6.63%**	**7,904.28**	**9.60%**
- Peanuts	444.71	1.00%	4,290.72	4.21%	2,052.86	2.68%	6,411.13	7.79%

Particulars	Six months period ended September 30, 2023		Fiscal 2023		Fiscal 2022		Fiscal 2021	
	Export Revenue (₹ in Lakhs)	As a % of Revenue from Operations	Export Revenue (₹ in Lakhs)	As a % of Revenue from Operations	Export Revenue (₹ in Lakhs)	As a % of Revenue from Operations	Export Revenue (₹ in Lakhs)	As a % of Revenue from Operations
- Others	1,130.90	2.54%	2,564.03	2.52%	3,026.03	3.95%	1,493.15	1.81%
Total	**14,604.96**	**32.75%**	**24,995.30**	**24.54%**	**16,567.11**	**21.62%**	**21,786.90**	**26.46%**

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The unbranded export sale adds value to our business by ensuring higher capacity utilization and improving the overall production efficiency and costs. Our revenue from export based on the countries to which we export is detailed as herein below:

Particulars	Six months period ended September 30, 2023		Fiscal 2023		Fiscal 2022		Fiscal 2021	
	Export Revenue (₹ in Lakhs)	As a % of Revenue from Operations	Export Revenue (₹ in Lakhs)	As a % of Revenue from Operations	Export Revenue (₹ in Lakhs)	As a % of Revenue from Operations	Export Revenue (₹ in Lakhs)	As a % of Revenue from Operations
Export Sales								
-Sri Lanka	6,066.13	13.60%	8,575.46	8.42%	5,097.45	6.65%	1,517.54	1.84%
-China	24.39	0.05%	705.58	0.69%	1,537.60	2.01%	8,733.33	10.61%
-Saudi Arabia	1,903.25	4.27%	2,371.48	2.33%	2,554.06	3.33%	1,535.04	1.86%
-Mauritius	511.20	1.15%	2,611.69	2.56%	1,362.73	1.78%	948.13	1.15%
-England	2,209.93	4.96%	1,665.76	1.64%	877.89	1.15%	677.99	0.82%
-UAE	525.41	1.18%	1,654.41	1.62%	680.58	0.89%	1,644.44	2.00%
-Vietnam	-	0.00%	2,706.16	2.66%	539.40	0.70%	489.37	0.59%
-Thailand	245.56	0.55%	442.10	0.43%	135.37	0.18%	1,995.08	2.42%
-Canada	673.84	1.51%	746.56	0.73%	656.76	0.86%	591.90	0.72%
-USA	454.77	1.02%	1,227.90	1.21%	576.18	0.75%	310.00	0.38%
-Others	1,990.49	4.46%	2,288.22	2.25%	2,549.10	3.33%	3,344.07	4.06%
Total	**14,604.96**	**32.75%**	**24,995.30**	**24.54%**	**16,567.11**	**21.62%**	**21,786.90**	**26.46%**

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In addition to our sales team we have a network of commission agents who helps us in identifying new customers. For the Fiscal 2023, Fiscal 2022 and Fiscal 2021 and for the six months period ended September 30, 2023 our commission expense for export sales was ₹44.12 Lakhs, ₹98.86 Lakhs and ₹149.13 Lakhs and ₹37.84 Lakhs, respectively.

<u>Trading</u>

We undertake export and domestic trading of assorted / mix container of food products and non-food products. We trade in these products in mix container, as per our customer's requirements and also in bulk containers. We source the food products and non-food products from reputed third-party brand. Our ultimate customers in export market is tier-II stores and traders and re-packers who sell these products either in their own brands or gets consumed in bulk form while, our domestic customers are largely wholesalers, institution such as, restaurant, hotels, NGOs. We export our products to our customers directly and also through commission agents.

Further, we also engage in trading of agri-products in bulk such as- rice, sugar, pulses, edible oil, etc. in domestic as well as export markets. For instance, we exported 76,084 MT of sugar during the Fiscal 2023 and 64,834 MT and 52,993 MT during the Fiscal 2022 and 2021. We sell these products to wholesalers, institution such as, restaurant, hotels, NGOs and in the export market to wholesalers and dealers, including tier II retailers.

Our revenue from export based on the geography to which we sell is detailed herein below:

Particulars	Six months period ended September 30, 2023		Fiscal 2023		Fiscal 2022		Fiscal 2021	
	Trading Revenue (₹ in Lakhs)	As a % of Revenue from Operations	Trading Revenue (₹ in Lakhs)	As a % of Revenue from Operations	Trading Revenue (₹ in Lakhs)	As a % of Revenue from Operations	Trading Revenue (₹ in Lakhs)	As a % of Revenue from Operations
Domestic	741.62	1.66%	1,153.70	1.13%	1,601.29	2.09%	1,836.49	2.23%
Export	9,962.14	22.34%	41,967.28	41.20%	30,200.26	39.42%	31,685.80	38.48%
-UAE	1,700.74	3.81%	14,502.22	14.24%	11,608.39	15.15%	10,142.73	12.32%
-Sri Lanka	3,898.22	8.74%	8,401.15	8.25%	7,631.61	9.96%	5,010.63	6.09%
-England	940.17	2.11%	6,354.13	6.24%	3,006.97	3.92%	2,520.43	3.06%
-China	5.44	0.01%	4,001.87	3.93%	1,476.45	1.93%	5,593.91	6.79%
-Singapore	289.58	0.65%	1,843.18	1.81%	1,113.72	1.45%	715.06	0.87%
-USA	349.22	0.78%	1,405.64	1.38%	1,023.08	1.34%	1,166.28	1.42%
-Kuwait	122.51	0.27%	1,143.33	1.12%	491.55	0.64%	497.30	0.60%
-Afganistan	2,059.95	4.62%	-	0.00%	-	0.00%	75.02	0.09%
-Saudi Arabia	32.80	0.07%	126.48	0.12%	1,193.91	1.56%	389.64	0.47%
-Madagaskar	-	0.00%	-	0.00%	16.83	0.02%	1,669.81	2.03%
-Others	563.51	1.26%	4,189.29	4.11%	2,637.75	3.44%	3,905.00	4.74%
Total	**10,703.76**	**24.00%**	**43,120.98**	**42.34%**	**31,801.55**	**41.51%**	**33,522.29**	**40.71%**

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Further, our revenue classification based on the product we trade is detailed herein below:

Particulars	Six months period ended September 30, 2023		Fiscal 2023		Fiscal 2022		Fiscal 2021	
	Trading Revenue (₹ in Lakhs)	As a % of Revenue from Operations	Trading Revenue (₹ in Lakhs)	As a % of Revenue from Operations	Trading Revenue (₹ in Lakhs)	As a % of Revenue from Operations	Trading Revenue (₹ in Lakhs)	As a % of Revenue from Operations
Bulk Tradings	9,289.22	3.17%	39,542.57	3.51%	27,790.56	5.24%	28,733.62	5.82%
Reputed third-party Brand	1,414.54	20.83%	3,578.42	38.82%	4,010.99	36.27%	4,788.67	34.90%
Total	**10,703.76**	**24.00%**	**43,120.98**	**42.34%**	**31,801.55**	**41.51%**	**33,522.29**	**40.71%**

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Our revenue from trading activity is primarily contributed by our export sales. Our revenue from trading activity was ₹43,120.98 Lakhs, ₹31,801.55 Lakhs, ₹33,522.29 Lakhs and ₹10,703.76 Lakhs, which constituted 42.34%, 41.51%, 40.71% and 24.00% of our revenue from operations for the Fiscal 2023, Fiscal 2022, Fiscal 2021 and for the six months period ended September 30, 2023, respectively.

We undertake export of our products directly or through sales and commission agents. We have incurred an expense of ₹249.54 Lakhs, ₹170.41 Lakhs, ₹307.88 Lakhs and ₹70.42 Lakhs towards sales and commission expense for the Fiscal 2023, Fiscal 2022 and Fiscal 2021 and for the six months period ended September 30, 2023, respectively.

Key financials

Our total revenue grew at a Compounded Annual Growth Rate (CAGR) of 11.00% from ₹82,775.34 Lakhs in Fiscal 2021 to ₹1,01,980.36 Lakhs in Fiscal 2023. Our EBITDA grew at a Compounded Annual Growth Rate (CAGR) of 24.86% from ₹2,773.69 Lakhs in Fiscal 2021 to ₹4,323.96 Lakhs in Fiscal 2023. Our net profit after tax, as restated, grew at a CAGR of 19.36% from ₹1149.74 Lakhs in Fiscal 2021 to ₹1637.97 Lakhs in Fiscal 2023. In Fiscal 2023, Fiscal 2022 and Fiscal 2021 and in the six months period ended September 30, 2023, we generated ₹66,962.58 lakhs, ₹46,767.38 lakhs, ₹53,472.70 lakhs and ₹24,567.11 lakhs, respectively, from export sales (processing *plus* trading sales), representing approximately 65.74%, 61.04%, 64.94% and 55.09%, respectively, of our revenue from operations.

Key Strengths

We believe the following are our key strengths:

Value retailing to a well-defined target consumer base

Our business model is based on the concept of offering value retailing to our customers using the EDLC/EDLP strategy. The EDLC/EDLP strategy is based on offering low prices on an everyday basis by achieving low procurement and operations cost rather than as special promotion limited to certain products or to a particular day, week or any other specific period in the year. Our customer acquisition and retention strategy is targeted at lower-middle class, middle class and aspiring upper-middle class consumers. We believe that getting value for money is the most compelling factor in daily shopping decision-making for these income groups. The majority of the products stocked by us are essential products forming part of basic rather than discretionary spending, due to which we believe that our business is not materially affected by seasonality or temporarily depressed macro-economic conditions. For instance, during COVID-19 pandameic period our revenue from retail sales stood at ₹23,659.43 Lakhs during the Fiscal 2021 and for the Fiscal 2022 was ₹24,971.45 Lakhs. The EDLC/EDLP strategy requires us to minimise our costs of procurement, supply and operation to achieve low prices for our customers on a daily basis. We focus on providing such low prices across our product categories and product sub-categories within these categories everyday rather than on a particular day of the week or any specific period of the year. We typically follow our pricing strategy for all our products, relying on our strong supplier network, efficient supply chain management for procurement and careful product assortment. We believe that these measures help us in being recognised as a one-stop retail store chain for daily needs at value for money prices.

Deep knowledge and understanding of optimal product assortment and inventory management using IT systems

Under our retail business, we sell a wide range of goods and merchandise across our product categories i.e. Food, Non-Food (FMCG), general merchandise and apparels. For instance, each of our retail stores offer over 10,000 SKUs. We focus on using our deep knowledge of the clusters and regions in which we operate to customise our product assortment in each store keeping in mind local demands and preferences. We also continuously focus on enhancing the goods and merchandise we carry. We have benefitted from our in-depth understanding of local needs and our ability to respond quickly to changing consumer preferences. This has been achieved in part due to our advanced IT systems. We use our IT systems for procurement, sales and inventory management which enables us to identify and quickly react to changes in customer preferences by adjusting our products available, brands carried, stock levels and pricing in each of our stores and effectively monitor and manage the performance of each of our stores.

We believe that our approach of focusing on our inventory management based on customer preference have enabled us to launch products under our brand in a wide product categories. Our revenue from sale of private label goods through our network of supermarkets was at ₹4,924.45 Lakhs, ₹4,944.22 Lakhs, ₹5,053.68 Lakhs and ₹3,187.87 Lakhs which constituted 18.47%, 19.80%, 21.36% and 22.93% of our revenue from retail sales for the Fiscal 2023, Fiscal 2022, Fiscal 2021 and for the six months period ended September 30, 2023, respectively.

Our IT systems are built with a wide range of data management tools specific to our business needs and support key aspects of our business, including procurement, sales and inventory control on a daily basis. Our IT systems also support our cash management, in-store systems, logistics systems, human resources and other administrative functions. Our IT systems run on ERP applications and are robust and scalable.

Together with our supply chain management systems and our internal controls to minimise product shortage and the occurrence of out-of-stock situations and pilferage, we are able to operate efficiently and productively with minimal disruptions to our day-to-day operations. The combination of our IT system and internal control have helped us to reduce our losses from pilferage from ₹94.73 lakhs in Fiscal 2021 to ₹9.33 lakhs in Fiscal 2023.

Further, our inventory turnover ratio (computed by dividing revenue from retail sales by average inventory, which is an average of opening inventory and closing inventory) was 3.25 (not annualised), 7.39, 6.77 and 6.42, respectively in the six months period ended September 30, 2023 and in Fiscals 2023, 2022 and 2021, respectively.

Steady footprint expansion using a distinct store acquisition strategy and ownership model

Our business has grown steadily in recent years, primarily through expansion of our store network from one store in Fiscal 2008 to 31 stores as of September 30, 2023 across 10 cities/ suburban areas with the Thane and Raigad District in the state of Maharashtra. Key highlights of our expansion in the last three Fiscals and the six months period ended September 30, 2023 are set out below:

Parameters	Six months period ended September 30, 2023	Fiscal 2023	Fiscal 2022	Fiscal 2021
New stores opened in Fiscal/period	1	4	1	1
Cumulative number of Stores	31	30***	28	27
Retail Business Area at Fiscal/period end (in sq. ft.)	1,26,096	1,22,959	1,07,959	1,03,438
Retail sales per Retail Business Area sq. ft. (in ₹)**	22,049*	21,678	23,130	22,873
Number of bill cuts	18,90,577	33,73,032	28,53,147	26,28,825

As certified by the Statutory Auditor of our Company, Kanu Doshi, Associates LLP, Chartered Accountants, pursuant to certificate dated March 20, 2024.
**Revenue from Sales calculated on the basis of 183 days for six months ended September 30, 2023 divided by Retail Business Area at the end of the September 30, 2023.*
*** Annualised Revenue from Sales divided by Retail Business Area at the end of the Fiscal.*
**** Our Company sold all the inventories of the 2 stores, being our exclusive garment outlets and thus terminating the lease for the 2 stores during Fiscal 2023. Till such termination the Company has accounted a revenue of ₹214.18 Lakhs during the Fiscal 2023.*

We have expanded our footprint using a cluster-based approach. We have strengthened our existing presence in locations where we operate by opening new stores within a radius of a few kilometers of our existing stores. This has ensured the creation of a cluster of stores within a region in which we believe, we have developed a better understanding of local needs and preferences and enabled us to tailor our offering. Such clusters have also led to increased penetration and presence in under-served markets, higher cost efficiency due to economies of scale achieved in our supply chain and inventory management, and greater and concentrated brand visibility due to focused implementation of marketing and advertising initiatives.

Our Presence

We are primarily engaged as a retail supermarket chain operating in tier-III cities and nearby suburban areas, with focus on "value retail", offering food, non-food (FMCG), general merchandise and apparel catering to the needs of the entire family. Our operations are spread across the suburban area of Thane and Raigad district in Maharashtra.

Over the years we have emerged as one of the player managing the largest network of stores in the MMR *(source: D&B Report).*

Further revenue from our stores based on the year of existance for the Fiscal 2023, Fiscal 2022 and Fiscal 2021 and for the six months period ended September 30, 2023 is as detailed hereunder:

Year since existence of stores**	Six months period ended September 30, 2023		Fiscal 2023		Fiscal 2022		Fiscal 2021	
	No. of stores	Revenue (₹ in lakhs)	No. of stores	Revenue (₹ in lakhs)	No. of stores	Revenue (₹ in lakhs)	No. of stores	Revenue (₹ in lakhs)
0 – 5 years	13	4438.75	12	6930.23	8	5118.82	7	4108.53
5 – 10 years	6	4536.47	6	9294.63	6	9518.30	6	8837.01
10 + years	12	4296.16	14*	10430.80	14	10334.33	14	10713.90
Total	**31**	**13901.38**	**32**	**26655.66**	**28**	**24971.45**	**27**	**23659.43**

** Our Company sold all the inventories of the 2 stores, being our exclusive garment outlets and thus terminating the lease for the 2 stores during Fiscal 2023. Till such termination the Company has accounted a revenue of ₹214.18 Lakhs during the Fiscal 2023.*
***As certified by the Statutory Auditor of our Company, Kanu Doshi, Associates LLP, Chartered Accountants, pursuant to certificate dated March 29, 2024.*

In the process of opening new stores, we take various factors into account, including population density, customer and vehicular traffic, customer accessibility, potential growth of the local population and economy, area development potential and future development trends, estimated spending power of the population and local economy and payback period, estimated on the basis of expected sales potential, strategic benefits, proximity and performance of competitors and store site characteristics. We have largely kept the layout and design of our stores consistent and predictable to make shopping with us easier.

Our approach has helped us to consistently increase customer footfalls by attracting new customers and also through repeat customers, which is evidence from our increase in number of bill cuts from 26,28,825 in Fiscal 2021 to 33,73,032 in Fiscal 2023 and 18,90,577 for the six months period ended September 30, 2023.

We believe, identifying and determining the location and optimal size of a store is a critical factor in ensuring visibility among the target customers and sustainability of store operations. Our ability to find, manage and operate our stores, through optimal sizing, in suitable locations on high-street areas and main shopping hubs at the low lease rentals per Sq. Ft. has resulted in reduced operational costs. We generally enter into leave and license agreements with average term of 5 years. Further, majority of our rent fees are based on fixed rent basis and payable monthly. We have set internal parameters in relation to property identification including location, rental costs and proximity to the catchment area which has led to establishment of our brand identity amongst our customers.

Parameters*	Six months period ended September 30, 2023	Fiscal 2023	Fiscal 2022	Fiscal 2021
Lease rental expenses (₹ in Lakhs)	428.26	791.73	691.60	619.70
Lease rental expenses as a % of retail sales	3.08%	2.97%	2.77%	2.62%
Average lease rental per month per square feet (in ₹)	56.61	53.66	53.38	49.93
Retail Business Area at Fiscal/period end (in Lakhs sq. ft.)	1,26,096	1,22,959	1,07,959	1,03,438

**As certified by the Statutory Auditor of our Company, Kanu Doshi, Associates LLP, Chartered Accountants, pursuant to certificate dated March 29, 2024.*

Logistics and distribution network

Our distribution and logistics network comprises one (1) Distribution Centre at Ambernath, Maharashtra for catering to our retail business. Besides, we have our own fleet of 15 trucks, which helps us to transport and deliver our products in a cost and time efficient manner. Further, we also use service of third-party transport service provider for completing our last mile delivery, such as delivery to our customers door step. We believe that our distribution and logistics set up is well networked and allows us to fulfil the store requisition within short time period of generation and receipt of order, which has helped us to optimize in-store availability of merchandise and minimize transportation costs. Our distribution centre situated at Ambernath, Maharashtra, forms the backbone of our supply chain to support our retail store network which is within a radius of 60 kms.

Our strong distribution and logistics network has enabled us to minimise the requirement of a dedicated storage space at every store, and instead undertake periodical replenishment of depleted stock. We believe that due to our adoption of an efficient racking system, we are able to benefit from optimum utilization of the space allocated for display in our stores. This provides us assistance in maintaining a low working capital requirement and less carrying cost.

Under our retail business, our Company procure everyday-use products from reputed brands / manufacturers and provide the same to end consumers through our network of supermarkets. Further, we also sell food and non-food products such as spices, pulses, ghee, papad, ready-to-cook instant mix, home improving products and apparels through our private label brands such as, Indian Chaska, Patel Fresh, Patel Essentials and Blue Nation.

Our Company also markets and sells its manufactured and processed products domestically and also export them to over 25 countries. Our customer base under our manufacturing division is divided into three categories namely, institutional, wholesalers and retailers. Further, under our trading and export division we market and sell products from reputed third-party brands / manufacturers and also undertake bulk export.

A break up of the revenue earned by our Company from our manufacturing, processing and trading activities based on our customer category during the six months period ended September 30, 2023 and Fiscals 2023, 2022 and 2021 have been provided below:

(₹ in Lakhs)

Parameters	Six months period ended September 30, 2023	Fiscal 2023	Fiscal 2022	Fiscal 2021
Domestic:				
-Wholesaler	3,830.48	4,851.91	2,590.46	3,245.74
-Retail outlets	387.29	1,072.31	11.46	30.96
-Others (Institutional & Factory outlet sales)	1,515.21	1,962.01	1,095.71	1,080.97
Export (Processed + Traded Goods)	24,567.11	66,962.58	46,767.38	53,472.70
Total	**30,300.09**	**74,848.82**	**50,465.00**	**57,830.37**

Our Company has engaged number of wholesalers and retailers to ensure easy product availability to our customers, efficient supply chain, focused customer service and short turnaround times. Our sales and marketing team periodically reviews new products, assesses market trends and develops and builds business relations. We believe that our long-standing wholesaler base have good repute in the market in which they operate. Further, our strong logistic and distribution network has also helped us to directly reach to over 400 retail stores majorily, across the state of Gujarat and Maharashtra. Further, we also cater to our overseas customers from GCC countries, USA, Europe, Srilanka, China, etc., through our network of traders and re-packers who sell these products either in their own brands or gets consumed in bulk form and also to tier II retailers. Our customers are the first point of contact for us and our sales and marketing teams remain in contact with them to constantly improve our products and bring them in line with the requirements of the end customers. Our sales and marketing team has a focused approach to creating brand awareness by targeting deeper penetration in small cities and towns for marketing of our products. We have deployed our team of sales professionals who seek order directly from a network of retail stores across Gujarat.

Diversified product portfolio

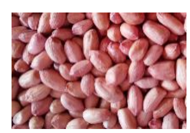
Under our retail business, our Company's principle nature of business is to procure everyday use products from reputed brands / manufacturers and provide the same to end consumers through our network of retail stores. Further, we also sell food products such as whole spices, powder spices, wheat flour and refined wheat flour, pulses, mango pulp, staples and groceries and home improving products under our own brands Indian Chaska, Patel Fresh and Patel Essentials through our network of retail stores and also through wholesalers, retailers both in the domestic and export market. Further, we are also engaged in trading of food and non-food products of reputed third-party brands and also in unbranded bulk quantity. Further, these products are available in different varieties.

Our unique business model enable us to provide diversified product and an ability to deal with a varied customer base. We believe that our ability to identify market trends and develop quality products catering to the Indian consumers are significant factors that have contributed to the growth of our business. Our diversified product portfolio enables us to cater to a wide range of taste preferences and consumer segments. Our ability to continuously upgrade our product range to address shift in customer preferences, just in time inventory availability and changes in demand has helped us to maintain the diversified product portfolio. We have launched packages of various sizes for our products. For example, our powder spices are available in packages of 100 gms to 10 Kg whereas our blended spices will be available in as small as a pouch that is 10-15 grams to 500 grams box packs (consumer packs). We also deal in whole wheat atta (wheat flour), refined flour (maida), tandori atta and semolina flour (sooji), thereby effectively addressing a large consumer base.

Some of our product portfolio includes:

Product	Mode (manufactured/ processed/ bulk)	Sale (Own-brand / third-party / Traded)	Specification (Packing Size)	Picture
Cumin	Processed	Own Brand / Third Party Brand	• 100 Grams • 250 Grams • 500 Grams • 1 Kilogram • 5 Kilograms • 10 Kilograms • 30 Kilograms	
Coriander	Processed	Own Brand / Third Party Brand	• 100 Grams • 250 Grams • 500 Grams • 1 Kilogram • 5 Kilograms • 10 Kilograms • 30 Kilograms	
Fennel	Processed	Own Brand / Third Party Brand	• 100 Grams • 250 Grams • 500 Grams • 1 Kilogram • 5 Kilograms • 10 Kilograms • 30 Kilograms	
Fenugreek	Processed	Own Brand / Third Party Brand	• 100 Grams • 250 Grams • 500 Grams • 1 Kilogram • 5 Kilograms • 10 Kilograms • 30 Kilograms	
Mustard	Processed	Own Brand / Third Party Brand	• 100 Grams • 250 Grams • 500 Grams • 1 Kilogram • 5 Kilograms • 10 Kilograms • 30 Kilograms	

Product	Mode (manufactured/ processed/ bulk)	Sale (Own-brand / third-party / Traded)	Specification (Packing Size)	Picture
Carom	Processed	Own Brand / Third Party Brand	• 100 Grams • 250 Grams • 500 Grams • 1 Kilogram • 5 Kilograms • 10 Kilograms • 30 Kilograms	
Chilly Powder	Manufactured	Own Brand	• 100 Grams • 200 Grams • 500 Grams • 1 Kilogram • 5 Kilograms • 10 Kilograms • 30 Kilograms	  
Turmeric Powder	Manufactured	Own Brand	• 100 Grams • 200 Grams • 500 Grams • 1 Kilogram • 5 Kilograms • 10 Kilograms • 30 Kilograms	
Ready-to-cook / Instant mix	Purchase	Own Brand	• 100 Grams	
Papad & Ghee	Purchase	Own Brand	• Ghee 200 Grams, 500 Grams & 1 Kilograms • Papad 250 Grams	

Product	Mode (manufactured/ processed/ bulk)	Sale (Own-brand / third-party / Traded)	Specification (Packing Size)	Picture
				
Home improving products	Purchase	Own Brand	• 1 Kilogram	
Mens wear	Purchase	Own Brand	• Small • Medium • Large • Extra Large	
Wheat Flour	Manufactured	Own Brand / Third Party Brand	• 1 Kilogram • 5 Kilograms • 10 Kilograms • 30 Kilograms	
Peanuts	Processed	Bulk	• 15 Kilograms • 25 Kilograms • 50 Kilograms	
Blanched Peanuts	Processed	Bulk	• 20 Kilograms • 25 Kilograms	
Mango Pulp	Manufactured	Own Brand	• 850 Grams Tin	

Product	Mode (manufactured/ processed/ bulk)	Sale (Own-brand / third-party / Traded)	Specification (Packing Size)	Picture
				

Moreover, our Company also deals in wholesale supply of food grains like- wheat, peanut, sesame seeds, sugar, whole spices like- coriander, cumin, ajwain, methi, mustard, fennel, etc. Our Company's presence in the agro commodity trading segment enables us to identify opportunities and enter into trading from one commodity to another in accordance with change in demand or inconsistency in pricing for any commodity during any season. Our management team continuously monitors and undertakes deep research of the current trends and demand of agricultural produce and commodities in the market and accordingly it easily switches over to the agricultural produce or commodity in demand. For instance, our revenue from trading in agro commodities for the Fiscal 2023, Fiscal 2022 and Fiscal 2021 and for the six months period ended Septemeber 30, 2023 are as detailed herein below:

Parameters	Six months period ended September 30, 2023	Fiscal 2023	Fiscal 2022	Fiscal 2021
	(₹ in Lakhs)	(₹ in Lakhs)	(₹ in Lakhs)	(₹ in Lakhs)
Sugar	6,390.93	35,113.77	25,944.49	19,899.36
Rice	87.01	3,152.18	294.90	2,442.25
Others	2,775.55	1,140.02	1,425.60	6,306.96
Total	**9,253.48**	**39,405.97**	**27,664.99**	**28,648.57**

**As certified by our Statutory Auditor of our Company- Kanu Doshi, Associates LLP, Chartered Accountants, pursuant to certificate dated March 29, 2024.*

Strategically located manufacturing facilities

Our Facility 1, which is situated at Ambernath, in the Thane District of the state of Maharashtra, is strategically located within a radius of 60 kms from our network of retail stores and is also close to the port of export, thus reducing the cost of transportation. Our Facility 1 is capable of undertaking a varied processing steps including, cleaning, grading, sorting and packaging of powder spices, pulses, staples & groceries. From our Facility 1 we primarily cater to our retail stores and also to our export customers. Our export revenue from Facility 1 for the Fiscal 2023, Fiscal 2022 and Fiscal 2021 and for the six months period ended September 30, 2023 is ₹53407.08 Lakhs, ₹36107.18 Lakhs and ₹29631.67 Lakhs and ₹14435.08 Lakhs, respectively.

Our strategically located multi-product manufacturing unit manufactures and process varied products and is situated close to the source of our raw materials and reduces our costs of transportation. Our Facility 2 is situated at Survey No. 145/1, Bhuj Bachau Highway, Village Dudhai, Taluka Anjar, District Kutch, Gujarat - 370115 and our Facility 3, which is an Agri-cluster situated at Survey No. 170/2, Bhuj Bachau Highway, Village Dudhai, Taluka Anjar, District Kutch, Gujarat - 370115 which is within 1 km from our Facility 2.

Our state of art manufacturing units within the Agri-cluster comprises of manufacturing of Whole Spices & Oilseeds (Unit-1), manufacturing of Pulverised and Blended Spices (Unit-2), manufacturing of Chakki Atta, Maida, Suji and Atta Roller (Unit-3), Processing & Blanching of Peanut (Unit-4) and processing of sesame seeds (Unit-5). Our manufacturing units are capable of manufacturing high fibre whole wheat atta, refined flour (Maida), Tandori Atta, Semolina flour (Sooji), Ground spices which comprises of various varieties of chilli powder, turmeric powder, coriander powder and coriander cumin powder and blend spices which comprises of garam masala, tea masala, chhole masala, sambhar masala, pav bhaji masala, pani puri masala, sabji masala, kitchen king masala, chatpata chat masala, butter milk masala, chewda masala, dry ginger powder (sunth), black pepper powder (mari), dry mango powder (aamchur) etc, and mango pulp. Our manufacturing unit within the Agri-cluster is equipped with ultra-modern highly automated mill for manufacturing of stoneless high fibre atta, also an ultra-modern highly automated roller flour mill and modern cryogenic grinding system for improving color, aroma and flavor strength of the spices.

The location of our manufacturing facilities in and around agricultural belts in Gujarat allows cost efficiencies in our procurement and transportation of raw materials, as well as in transportation of our manufactured products (including to ports and delivery locations in domestic market where we have majority presece), enabling us to reduce our operating costs and leverage economies of scale. In addition, our proximity to high cultivation belts, and our resulting control over our procurement process, allows us to ensure traceability from raw material to supplied product, and to carry out appropriate testing of product samples, which also enables us to assure our customers of certain product specifications.

Large scale procurement and storage capabilities

We have an extensive procurement network of over 1500 farmers. Our procurement model and relationships with farmers, aggregators and other vendors, through our continued engagement, enables us to procure adequate supplies of quality agricultural produce at competitive prices. Moreover, the size and geographical coverage of our procurement model enables us to negotiate better terms including bulk discounts, avoid reliance on any limited set of vendors, and implement economies of scale, as well as to stabilize procurement costs in fluctuating demand and supply conditions.

Our top 10 suppliers contribute to 24.49%, 29.24%, 21.79% and 27.17% for the Fiscal 2023, Fiscal 2022 and Fiscal 2021 and for the six months period ended September 30, 2023, respectively of our revenue from operations. Our top 5 suppliers contributes to 14.45%, 19.45%, 13.07% and 17.12% for the Fiscal 2023, Fiscal 2022 and Fiscal 2021 and for the six months period ended September 30, 2023, respectively of our revenue from operations

To support our large scale procurement, we have also equipped our production facilities with ripening chambers for mangoes, where we have facilities for natural ripening, as well as ethylene-induced natural ripening. Our manufacturing and storage warehouses adhere to strict standards on food safety and hygiene, operated under process control systems that help maintain a pre-determined temperature for different products, from ambient to chilled and frozen.

Our Facility 3, have dry storage capacities of around 29,000 MT spread over 1,50,000 sq. ft and a cold storage facility of 3,000 MT. This allows us to procure and process large volumes of mangoes, chilli, turmeric wheat, peanuts and other spices at a time, including during off-peak seasons. Further, our Facility 1 also have a storage capacity of around 8,500 MT spread over 64000 sq. ft. and our Facility 2 also have a storage capacity of 11,000 MT spread over 55,000 sq. ft. Further our Company has taken on lease land admeasuring 7.975 acres at Survey No. 733/P34, Village Dudhai, Taluka Anjar, Kutch, Gujarat, for meeting any of its future warehousing and logistics requirements.

Consistent focus on quality

We believe that quality is a pre-requisite for a positive consumer experience and long-term brand loyalty. This philosophy has formed the foundation of the expansion and diversification of our product portfolio since our inception. Our focus on quality is maintained across the entire production chain, including sourcing, processing, manufacturing, packaging and distribution. Our Facility 1, Facility 2 and Agri-cluster Unit IV possesses necessary quality certifications and approvals. Further, the raw ingredients used in our products are of standard quality.

Our commitment to stringent quality control has been critical to our success and has contributed to customers associating our brand with trust and transparency. We believe that Indian traditional cooking is free of preservatives and artificial flavor enhancers and the same is maintained for our product categories. Spices manufactured at our factory are sent for lab verifications against benchmarked standards to test for physical and chemical properties. We have long term relations with our suppliers which help us to procure quality raw materials at competitive rates.

Long Standing Relationship with our customers

We have been in the business of manufacturing and wholesale trading and export of wheat flour, spices, peanuts and fruit pulps and concentrates over the years and have successfully developed and supplied quality products to our customers. We believe that our understanding of the Indian taste palate complements our product development capabilities and has allowed us to develop a long-standing relationship with our customers. Our past experience in the supply of our products, ability to meet specific requirements of our customers, reputation for quality of our products and the price competitiveness of our offerings has enabled us to establish and maintain relationships with our customers. Our sales and distribution network is aided by our in-house sales and marketing team, including our broker networks which liaise with our customers on a regular basis for customer inputs, market demands as well as positioning of our products vis-à-vis products of our competitors. Owing to our strong customer relationships we have developed a network of more than 500 wholesalers and retailers as on September 30, 2023. We believe that our existing relationship with our customers represents a competitive advantage in gaining new customers and increasing our business. For instance, top 10 customer from our non-retail business represented 32.21%, 26.67%, 28.42% and 31.07% of our revenue from operations for Fiscal 2023, Fiscal 2022 and Fiscal 2021 and for the six months period ended September 30, 2023, respectively.

Strong promoter background and an experienced and entrepreneurial management team with a proven track record and a high degree of employee ownership

Our business is consumer-driven. Our strong promoter background and an experienced senior management team have helped us to offer high standards of customer service and a pleasant shopping experience at our stores. Our Promoters, Dhanji Raghavji Patel and Bechar Raghavji Patel, brings to our Company their vision and leadership which we believe has been instrumental in our success. Our Promoter, Chairman and Managing Director Dhanji Raghavji Patel is the guiding force behind the operational and financial decision of our Company.

Our Promoters and senior management have a proven track record and an in-depth understanding of the retail business in India and in the export market. Our experienced senior management team have enabled us to successfully establish a customer-oriented corporate culture, providing a foundation to maintain and enhance our long-term competitiveness. Each function of the business such as finance, production, sales, marketing and human resource management are headed by experienced persons with a relevant experience. We believe that our stable senior management team has helped us successfully implement our development and operating strategies and provide quality service to our customers over the years.

We also believe that our motivated and well-trained employee strength of 167 as on December 31, 2023 have been an important factor in our success as the quality and efficiency of the service we provide are dependent on them. We have followed transparent management policies and have invested in our employees through regular training programmes to improve skills and service standards, enhance loyalty, reduce attrition rates and increase productivity.

Strong track record of growth and profitability

Our total store count has grown from 27 in Fiscal 2021 to 31 as on September 30, 2023. As we have expanded our store network from one store in 2007 to 27 stores as of March 31, 2021, we have grown steadily in the recent years. Our total bill cuts from our retail stores, on a standalone basis, increased from ₹26.29 Lakhs in Fiscal 2021 to ₹28.53 Lakhs in Fiscal 2022, ₹33.73 Lakhs in Fiscal 2023 and ₹18.91 Lakhs (not annualized) as on September 30, 2023, respectively.

Our total revenue has grown at a CAGR of 11.00% from ₹82,775.34 Lakhs in Fiscal 2021 to ₹10,1980.36 Lakhs in Fiscal 2023. Our net profit after tax, as restated has grown at a CAGR of 19.36% from ₹1,149.74 Lakhs in Fiscal 2021 to ₹1,637.97 Lakhs in Fiscal 2023.

As of March 13, 2024 Acuite Ratings and Research has reaffirmed the long rating of Acuite BBB and the short term rating of Acuite A3+ on the credit facilities to the tune of ₹15,800 Lakhs, availed by our Company. As of September 30, 2023 our fund based limit was ₹19,914 Lakhs and our non fund based limit was ₹1,660 Lakhs and our average cost of bank borrowing (including bank charges) was 8.88%.

Key Strategies

We plan to adopt the following strategies to increase our profitability and competitiveness:

Further strengthen our market position by expanding our store network in existing clusters as well as new clusters

We intend to further enhance our position in the retail business in Maharashtra by increasing our market penetration and expanding our store network in the state. Our stores are located across 10 cities / suburbans area within the Thane & Raigad District of Mahashtra. We plan to deepen our store network in the central suburban area of the MMR such as Bhiwandi, Padgha, Diva, Vasind, Vangani and Neral and gradually expand our network in the western suburban area of the MMR such as Mira Road, Bhayander, Virar and Vasai following our cluster-focused expansion strategy. We believe that selection of suitable locations for our stores has been critical to our expansion plans. We aim to enter our target markets to take advantage of the opportunities offered by these under-served regions and actively search for suitable locations. We follow a cluster approach and target densely-populated neighbourhoods and residential areas with a majority of lower-middle, middle and aspiring upper-middle class consumers.

Our total store count grew from 27 stores in Fiscal 2021 to 31 stores as of December 31, 2023 while our Retail Business Area grew from 103400 sq. ft. to 126000 sq. ft. over this period. As on the date of this Draft Red Herring Prospectus we have 33 stores with a retail business area of 137200 sq. ft. Further, as on the date of this Draft Red Herring Prospectus our Company has paid deposit towards 8 new stores which is located within the MMR region of Thane and Raigad district. With over a decade of experience and successful growth, we believe that we are well-positioned to take advantage of the growth potential and opportunities offered by the state of Maharashtra especially, the tier III cities and the near by suburban areas.

We endeavour to capitalise and strengthen our presence in a particular region by opening new departmental stores within a radius of 60 –100 kms from our existing stores in such region. This ensures that we create a cluster of stores within a region and this strategy provides us the following benefits:

(a) Enhancing brand visibility

Our aim is to set up stores in close vicinity of our existing stores which gives better recognition amongst the population of those districts and therefore, creates a better visibility of the "Patel's R Mart" brand.

(b) Understanding customer preferences

We believe the demographics of the Indian population and the culture varies every 100–150 kms which leads to varied customer preferences, tastes and physical attributes of individuals. Such deep understanding of the regions helps us to provide the right product to the target customers.

(c) Cost efficient logistics and better SCM

It ensures a cost efficient logistics support is available to our stores, whereby with a limited fleet of transport vehicles we service a large number of stores. Further, this cluster based approach will facilitate inter-store stock movements and allow us the flexibility of maximising benefits from capitalising on factors such as easy stock rotation from our stores, distribution of transportation cost and operational convenience of reporting and supervision.

(d) Better utilization of human resources

A common pool of employees can oversee the operations in the areas thereby improving the employee productivity and reducing the overheads. This will enhance administrative control over multiple stores located in a region by our regional managers.

(e) Effective implementation of marketing activities

A common channel for marketing activity can be effectively used to cover a wider area with minimum cost. For example, a single edition of print media in a region caters to multiple districts where our stores are located thereby reducing the average advertising cost per store

Increasing our penetration with a greater number of stores will enable us to penetrate into new catchment areas and optimize our infrastructure. Further, we plan to expand to other cities across the western and central India organically or inorganically by acquiring controlling stakes or through acquisition. Enhancing our reach to cover additional cities will enable us to reach out to a larger population and become a preferred shopping destination for their daily needs.

The key factor affecting the expansion of our stores is the selection of suitable locations will be local population density, accessibility and proximity to our competitors, population demography and real estate cost and rental rates. We will continue to adopt a methodical approach in evaluating and selecting suitable locations for the establishment of new stores, such as. For further information on our site selection criteria and process, see "***Our Business - Store Operations***" on page 311. In order to optimise our profitability, maintain our operational flexibility and ensure that our stores continue to be located in densely populated neighbourhoods and residential locations, we intend to continue our flexible strategy of owning or leasing our premises according to availability, cost and other considerations.

Enhancing sales volumes by continuing to prioritise customer satisfaction through optimal product assortment and offering value for money using EDLC/EDLP strategy

Our strategy is to provide our customers with a comprehensive range of products at value for money prices and maintain optimal customer service standards. In order to maintain and enhance our competitive position, we will continue to offer our products at everyday low prices achieved through our low procurement, supply, operational and other costs.

We will continue to focus on optimal product assortment in each cluster of our operation keeping in mind the local needs and preferences. We plan to leverage our knowledge of consumer spending patterns and behaviour and rely on the data available to keep abreast of changes in consumption behaviour. We will continue to introduce new products depending on customer needs at one or several of our stores. We believe a continuous review of our merchandise according to our evolving understanding of customer preferences will help us better cater to our customers' needs, enhance their shopping experience and maximise our sales.

Shopping is considered a family activity in the region where we operate. We endeavour to provide a one stop shopping experience. All our stores are air conditioned and we aim to provide a pleasant ambience and functional store layout. We have installed computerised billing points coupled with convenient payment options including, credit and debit cards, which provide greater flexibility and convenience to our customers. We intend to improve our customers' shopping experience by improving the checkout time and to continue to undertake periodic renovation of our stores.

Further strengthening our procurement network and increasing our share of private labels

We intend to strengthen our sourcing capability by identifying new and more efficient suppliers to reduce costs, increase speed of delivery and reduce lead times, including by identifying large manufacturers. We intend to develop new products and further strengthen our product offering under our private labels, as we have noted that our target customers normally do not shop for products with a pre decided brand in mind, but look for good quality and affordable products thereby providing us an opportunity to develop our private labels. We aim to achieve this by developing new products across categories and developing stronger relationships with our existing and new third party manufacturers. We believe our private label initiative will offer us a differentiating factor as compared to our competition and at the same time helps us improve margins and strengthen our merchandise mix.

Our Company intends to adopt an integrated product-centric and customer-centric approach in developing our business. Our customer centric strategy aims at acquiring indepth customer preferences and securing customer loyalty. We intend to continuously improve the product mix offered to the customers as well as strive to understand and anticipate the future customer requirements, and cater to such needs.

Continue to launch new products and enhance our customer base

We plan to launch new products to capture consumer trends. We have been evaluating new products in adjacent categories, based on a set of criteria, including our ability to create a differentiated offering, competitive intensity, go-to-market capability, back-end product fitment, category, scale and profitability of the new products. Our potential new products may include varities of blended spices, increase our ready-to-cook / instant mix range and launch of ready-to-eat range of products, etc. We expect new products to increase our market share and further expand our customer base. We will sell these products across our stores and also through our network of wholesalers, retailers and in the export market.

Focus on increasing brand awareness

We will continue to invest in strengthening our brands. In the financial years 2023, 2022 and 2021and for the six months period ended September 30, 2023, our advertising expenses were ₹144.32 lakhs, ₹154.77 lakhs and ₹129.10 lakhs and ₹94.40 lakhs, or 0.32%, 0.15% and 0.17% and 0.11% of our revenue from operations, respectively. While we have used tradional means to advertisement such as print media, social media, and banners on autos and transport vehicle to create our brand awarness within the region we operate our supermarkets, goingforward we will employ celebrity endorsement, digital advertising and other brand building initiatives in our marketing campaigns to increase our brand awareness. To market our brands, we use:

- *Product brand advertising*. As part of the product brand strategy, we will strive to maintain our market share in the existing categories and at the same time also grow the categories that we plan to launch. While we will be strategically pricing our new products, our focus will be to differentiate our products based on the quality, range and taste in order to compete with regional brands and capture market share.

- *Range advertising*. Range advertising will be conceptualized with a focus on highlighting our entire range of kitchen essentials across spices, staples and groceries, ready-to-cook / instant mix, home improving products and apparels.

- *Digital connect*. We will also focus on increasing our digital connect and reach by tying up with influencers and bloggers and drive on e-commerce sales to communicate with the young demographic.

However, we will continue to focus and increase our spend on the traditional advertisement approach to create visibility of our stores in the region where we operate. We believe that our cluster approach in establishing our store network helps us in maximising our value of advertisement and brand expenses.

Expand our market presence to other states of India and increase our distribution reach

Presently most of our sales is derived from the state of Gujarat. We also sell marginally to some parts of Maharashtra and also to over 8 states such as Tamil Nadu, Telangana, Madhya Pradesh, Karnataka, Delhi, Bihar, Andhra Pradesh and Rajasthan. We continually seek to enhance our addressable market through our network of wholesalers and by creating a networ of distributors and dealers across whole of Gujarat. We gradually intend to expand our business operations to other states of the country. To sell products to end consumers, we intend to use modern trade channels, which comprise supermarkets and hyper-markets and general trade channels that include smaller retail stores. We plan to continue our strategy of diversifying and expanding our presence in other states for the growth of our business. 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. Appointment of distributors across India to undertake our stocking and distribution enables us to reach our customers faster by reducing transportation time, optimise inventory, and limit trade over-dues.

Our Facilities

Our Distribution Centre

As of December 31, 2023, we had one (1) distribution centre spred over 70,000 sq. fts. which is within a radius of 60 kms from our stores network (with our farthest store being 58 km and our nearest store being 5.4 km from our Facility 1. We believe that our distribution centres have provided us with the following benefits:

- streamline and consolidate certain administrative functions, logistics procedures and human resource requirements from the individual store level into the distribution centre level;
- reduce costs and time by providing centralised procurement for certain products;
- better inventory control with reduced stock shortages in stores due to use of our stock replenishment systems.
- better margins due to efficient supply chain management

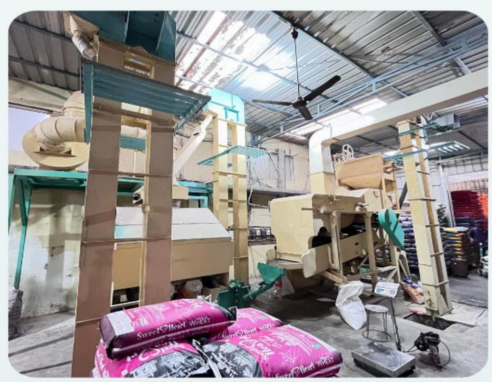
Our Processing Facilities

Facility 1

Our Facility 1, which is situated at Ambernath, in the Thane District of the state of Maharashtra, is strategically located within a radius of 60 kms from our network of retail stores and is also close to the port of export, thus reducing the cost of transportation. Our Facility 1 is capable of undertaking a varied processing steps including, cleaning, grading, sorting and packaging of powder spices, pulses, staples and groceries which we sell under our brand Patel Fresh, Indian Chaska and also under the brand of our customers. From our Facility 1 we primarily cater to our retail stores, domestic customers and also to our export customers. Our Facility 1 is spread over and area of approximately 81,500 sq. fts., and employed 26 permanent employees as on December 31, 2023, including machine operators, supervisory, quality control and maintenance staff. In addition, we selectively hire contract workers based on production requirements, from time to time. All of the machinery at the facility is owned by us and power for the facility is sourced from Maharashtra State Electricity Distribution Company Limited at rates set by them. Our revenue from sale of processed goods from Facility 1 under our own brand and also under third party brand of our customer for the Fiscal 2023, Fiscal 2022 and Fiscal 2021 and for the six months period ended September 30, 2023 is ₹13,502.76 Lakhs, ₹7,563.24 Lakhs and ₹5,753.49 Lakhs and ₹7,961.77 Lakhs, respectively. Further, our export revenue from Facility 1 for the Fiscal 2023, Fiscal 2022 and Fiscal 2021 and for the six months period ended September 30, 2023 is ₹12,918.57 Lakhs, ₹7,413.64 Lakhs and ₹4,385.44 Lakhs and ₹7,198.82 Lakhs, respectively.





Facility 1 Process Areas

Facility 2 and Agri-cluster

Our strategically located multi-product facilities manufactures and process varied products and is situated close to the source of our raw materials and reduces our costs of transportation. For instance, 74.29% of our purchase for Facility 2 and Agri-cluster is within the state of Gujarat for the six months period ended on September 30, 2023. Our Facility 2 is situated at Survey No. 145/1, Bhuj Bachau Highway, Village Dudhai, Taluka Anjar, District Kutch, Gujarat – 370115. In our Facility 2 we process whole spices such as, coriander seeds, cumin seeds and processing of peanuts. Our Facility 3, is part our Agri-cluster developed under the Pradhan Mantri Kisan SAMPADA Yojana scheme of the Ministry of Food Processing Industries, Government of India ("**Facility 3**") and is situated at Survey No. 170/2, Bhuj Bachau Highway, Village Dudhai, Taluka Anjar, District Kutch, Gujarat - 370115 and is within 1 km from our Facility 2. In our Agri-cluster we have five distinct units and a fruit pulp processing unit, dry warehouse and cold storage.

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Whole Spices

Cryogenic Plant

Cold Storage

F&V Pulp

Blended Spices

F&V Pulp

Whole Spices

Dry Warehouse

Facility 2 & 3 Process Areas

Peanut / Blanched Peanut

Peanut / Blanched Peanut

Powder Spices

Flour Mill

Seasame

Flour Mill

Peanut / Blanched Peanut

Lab

Facility 2 & 3 Process Areas

At our Facility 2 and Agri-cluster, we manufacture a diverse range of products primarily in six categories:

a) Whole Spices – In our Facility 2 and Unit 1 of Facility 3 we process whole spices such as, cumin, coriander, fennel, fenugreek, mustard, and carom. We sell these products under our brand Patel Fresh and Indian Chaska and also under the third-party brand of our customer both in the domestic market amd also in the export market. We sell spices in Consumer Packs and also in bulks of 30 kgs and in excess.

b) Powder Spices – We manufacture and process a varieties of chilli powder and turmeric powder at our Unit 2 of Facility 3. We sell these products under our brand Indian Chaska and also under the third-party brand of our customer both in the domestic market amd also in the export market. We sell powder spices in Consumer Packs and also and also in bulks of 30 kgs and in excess. We also intend to expand our offerings by introducing blended spices which comprises of garam masala, tea masala, chhole masala, sambhar masala, pav bhaji masala, pani puri masala, sabji masala, kitchen king masala, chatpata chat masala, butter milk masala, chivda masala, dry ginger powder (sunth), black pepper powder (mari), dry mango powder (aamchur) etc.

c) Wheat flour - We manufacture high fibre Whole Wheat Atta (Wheat Flour), Refined Flour (Maida), Tandoori Atta and Semolina flour (Sooji) and wheat bran (bhoosa) at our Unit 3 of Facility 3. We sell wheat flour in domestic and export market and also supplies refined flour, semolina flour as per the specifications of our institutional and other customers. We seel these products under our brand 'Indian Chaska' and 'Patel Fresh'. We sell wheat flour products and its variants in packs of 1 kg, 5 kgs, 10 kgs and also in bulks of 30 kgs and in excess.

d) Peanut – we manufacture peanuts at our Facility 2 and at our Unit IV of Facility 3. We also manufacture blanch peanuts at our Unit IV of our Facility 3. We manufacture peanuts for FMCG companies, food processing company and to buyers who use our products to manufacture finished products such as peanut butter. We export peanuts to our customers spread across 11 countries as of September 30, 2023.

e) Sesame seeds: We will process raw sesame into natural / unhulled sesame by sorting, grading, cleaning, sortex, packing and further processing the natural sesame into hulled sesame by washing, heating, drying and packing. At present the unit is under final installation phase and operations will start in the month of March / April 2024.

f) Mango pulps: At our pulps processing unit, we process natural kesar mango into pulp and concentrate. we believe that our kesar mango pulp is loaded with all the natural vitamins present in fresh kesar mango along with its mouth-watering sweet taste. We export our mango pulp in tin box under our own brand "Indian Chaska" and also that of the brand of our customers.

As of the date of this Draft Red Herring Prospectus, we own and operate two production units in Gujarat and a processing unit in Ambernath, Maharashtra. The table below shows certain information regarding the product categories manufactured at our Manufacturing Facilities as of the date of this Draft Red Herring Prospectus:

Products	Facility 1	Facility 2	Facility 3					
			Unit 1	Unit 2	Unit 3	Unit 4	Unit 5	F&V Unit
Pulses	✓	-	-	-	-	-	-	-
Cumin	✓	✓	-	-	-	-	-	-
Coriander	✓	✓	-	-	-	-	-	-
Peanut	-	✓	-	-	-	✓	-	-
Fennel	✓	-	✓	-	-	-	-	-
Fenugreek	✓	-	✓	-	-	-	-	-
Mustard	✓	-	✓	-	-	-	-	-
Chilli Powder	-	-	-	✓	-		-	-
Turmeric Powder	-	-	-	✓	-	-	-	-
Blended Spices	-	-	-	✓	-	-	-	-
Chilli Flakes	-	-	-	✓	-	-	-	-
Blanched Peanut	-	-	-	-	-	✓	-	-
Chakki Atta	-	-	-	-	✓	-	-	-
Maida	-	-	-	-	✓	-	-	-
Soji (Semolina)	-	-	-	-	✓	-	-	-
Rava	-	-	-	-	✓		-	-
Tandoori Atta	-	-	-	-	✓	-	-	-
Bhusa (Cattle Feed)	-	-	-	-	✓	-	-	-
Mango Pulp	-	-	-	-	-	-	-	✓
Natural Sesame	-	-	-	-	-	-	✓	-
Hulled Sesame	-	-	-	-	-	-	✓	-

As certified V N Talithaya, Chartered Engineers vide their certificate dated March 21, 2024.

Our state of art manufacturing units within the Agri-cluster comprises of manufacturing of whole spices and oilseeds (Unit I), manufacturing of pulverised and blended spices (Unit II), manufacturing of chakki atta, maida, sooji and atta roller (Unit III), processing and blanching of peanut (Unit IV) and processing of sesame seeds (Unit V). Our manufacturing units are capable of manufacturing high fibre whole wheat atta, refined flour (maida), tandori atta, semolina flour (sooji), grounded spices which comprises of various varieties of chilli powder, turmeric powder, coriander powder and coriander cumin powder and blend spices which comprises of garam masala, tea masala, chhole masala, sambhar masala, pav bhaji masala, pani puri masala, sabji masala, kitchen king masala, chatpata chat masala, butter milk masala, chewda masala, dry ginger powder (sunth), black pepper powder (mari), dry mango powder (aamchur) etc, and mango pulp. Our manufacturing unit within the Agri-cluster is equipped with ultra-modern highly automated mill for manufacturing of stoneless high fibre atta, also an ultra-modern highly automated roller flour mill and modern cryogenic grinding system for improving color, aroma and flavor strength of the spices.

Installed Capacity and Capacity Utilization

The table below sets out the details of our installed capacity, and our total production and capacity utilization in our Facility 1, Facility 2, Facility 3 and F&V Unit for the Fiscal 2023, Fiscal 2022, Fiscal 2021 and the six months period ending on September 30, 2023:

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Name of the unit	Capacity Metric Tons Per Annum (300 Days)[(g)]	For the six months period ended September 30, 2023			For Fiscal 2023			Fiscal 2022			Fiscal 2021		
		Installed Capacity (TPA)	Utilized Capacity (TPA)	Utilized Capacity (%)	Installed Capacity (TPA)	Utilized Capacity (TPA)	Utilized Capacity (%)	Installed Capacity (TPA)	Utilized Capacity (TPA)	Utilized Capacity (%)	Installed Capacity (TPA)	Utilized Capacity (TPA)	Utilized Capacity (%)
Facility 1	14,400.00	7,200.00	3,458.09	48.03%	14,400.00	6,512.56	45.23%	14,400.00	6,482.96	45.02%	14,400.00	6,816.75	47.34%
Facility 2	43,200.00	21,600.00	2,012.00	9.31%	21,600.00	3,684.00	17.06%	21,600.00	10,071.00	46.63%	21,600.00	18,966.00	87.81%
Facility 3 - Unit I[(a)]	7,200.00	3,600.00	1,238.00	34.39%	7,200.00	2,098.00	29.14%	1,800.00	-	0.00%	-	-	-
Facility 3 - Unit II[(b)]	4,800.00	2,400.00	218.00	9.08%	4,800.00	144.00	3.00%	1,200.00	12.00	1.00%	-	-	-
Facility 3 - Unit III[(c)]	40,800.00	20,400.00	10,636.00	52.14%	30,600.00	10,287.00	33.62%	-	-	-	-	-	-
Facility 3 - Unit IV[(d)]	24,000.00	12,000.00	761.00	6.34%	22,000.00	6,138.00	27.90%	-	-	-	-	-	-
Facility 3 - Unit V[(e)]	10,800.00	-	-	-	-	-	-	-	-	-	-	-	-
Facility 3 - Fruit Pulp Processing Unit[(f)]	2,400.00	1,200.00	47.00	3.92%	2,000.00	56.00	2.80%	-	-	-	-	-	-

As certified by V N Talithaya, Chartered Engineer vide their certificate dated March 21, 2024.
**Installed capacity is not annualised*

Notes:

(a) For Fiscal 2022, installed capacity in Unit I of Facility 3 is based on 3 months period
(b) For Fiscal 2022, installed capacity in Unit II of Facility 3 is based on 3 months period
(c) For Fiscal 2023, installed capacity in Unit III of Facility 3 is based on 9 months period
(d) For Fiscal 2023, installed capacity in Unit IV of Facility 3 is based on 11 months period
(e) For Fiscal 2023, installed capacity in Unit V of Facility 3 is considered as NIL pending commencement of production
(f) For Fiscal 2023, installed capacity of F&V Unit is based on 10 months period
(g) Installed capacity is based on 2 shifts of 8 hours each for a period of 300 days

We adopt stringent quality control measures for our products. Given the high level of automation at our plants, we can produce the desired quality consistently.

Apart from the requisite FSSAI and Government certifications, we have obtained BRC certification for our Facility 1, at Ambernath and are in the process of obtaining the same for our Facility 2.

The following table sets forth the performance of our product segments in the last three Fiscals, i.e., Fiscal 2023, 2022 and 2021 and for the six months period ended September 30, 2023:

Product Segment	Retail			Non-Retail	
	Food	FMCG (Non-Foods)	Good Merchandising & Apparels	Manufacturing	Trading
September 30, 2023 (₹ in lakhs)	10,139.44	2,678.46	1,083.48	19,596.33	10,703.76
% of our revenue from operations	22.74%	6.01%	2.43%	43.94%	24.00%
Fiscal 2023 (₹ in lakhs)	19,630.03	5,041.37	1,984.26	31,727.83	43,120.98
% of our revenue from operations	19.27%	4.95%	1.95%	31.15%	42.34%
Fiscal 2022 (₹ in lakhs)	18,699.28	4,509.20	1,762.97	18,663.45	31,801.55
% of our revenue from operations	24.41%	5.89%	2.30%	24.36%	41.51%
Fiscal 2021 (₹ in lakhs)	18,011.73	4,291.36	1,356.34	24,308.07	33,522.29
% of our revenue from operations	21.88%	5.21%	1.65%	29.52%	40.71%

**As certified by our Statutory Auditor- Kanu Doshi Associates LLP, pursuant to their certificate dated March 29, 2024*

Our Manufacturing Processes

We adhere to a strict system of quality control over our manufacturing operations. Our manufacturing processes are subject to certain regulations. For details, please see the section titled "***Key Regulations and Policies in India***" at page 336 of this Draft Red Herring Prospectus.

Whole Spices:

Raw material received: Raw materials such as cumin, coriander, fennel, fenugreek, mustard, carom, etc. are sourced from farmers and other various sources, upon arrival, the quality and quantity of the raw materials are inspected. Materials are accepted only if they meet the predetermined quality standards and rejected materials are returned to the supplier.

Drying: Depending on the type of spice, the raw materials may undergo a drying process of removing excess moisture by keeping them under sunlight. Process of drying is carefully controlled to maintain the quality and flavor of the spices.

Raw Material Store: Raw materials are stored in designated storage areas with controlled environmental conditions to prevent contamination and maintain freshness. FIFO (First-in-First-Out) inventory management is followed to maintain freshness and quality.

Pre-Cleaning: Raw materials undergo a pre-cleaning process to remove any impurities, dirt, or foreign particles. This step ensures that the spices are free from contaminants before entering the main processing line.

Destoner: The pre-cleaned spices are passed through a destoner to remove stones and other heavy impurities. This step is crucial for ensuring the safety and quality of the final product.

Gravity Separation: The destoned spices are subjected to gravity separation to separate them based on their density. Lighter and heavier particles are separated, ensuring a more uniform product.

Sortex: Sortex machines sort the spices based on size, shape, and other quality parameters, ensuring uniformity and consistency in the final product.

Metal Detection: After sorting, the spices pass through a metal detection section to identify and eliminate any metal contaminants. This step is crucial for food safety and compliance with industry regulations.

FG Storage (Silo): The processed and quality-assured spices (FG) are stored in silos to maintain their freshness and quality.

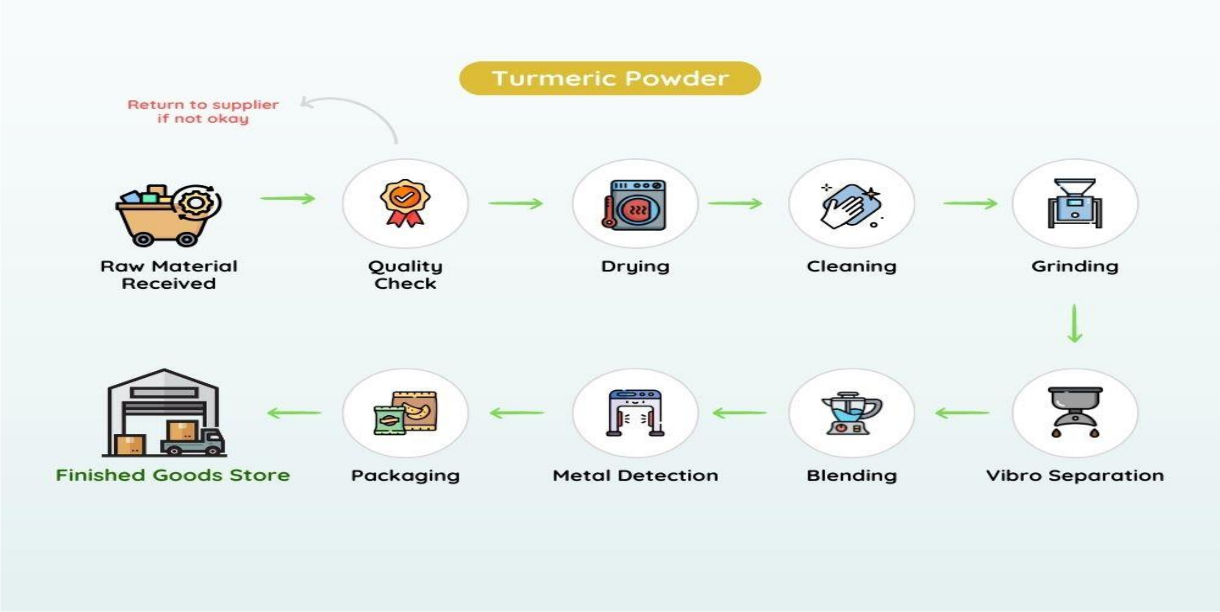
Packaging: Packaging is done in based on customer requirements and in accordance with industry standards, ensuring proper sealing and labeling.

Finished Goods Store: The packaged products are moved to the finished goods area for dispatch. Quality checks are performed to ensure that the products meet the specified standards before dispatching.

Ground / Powder Spices:

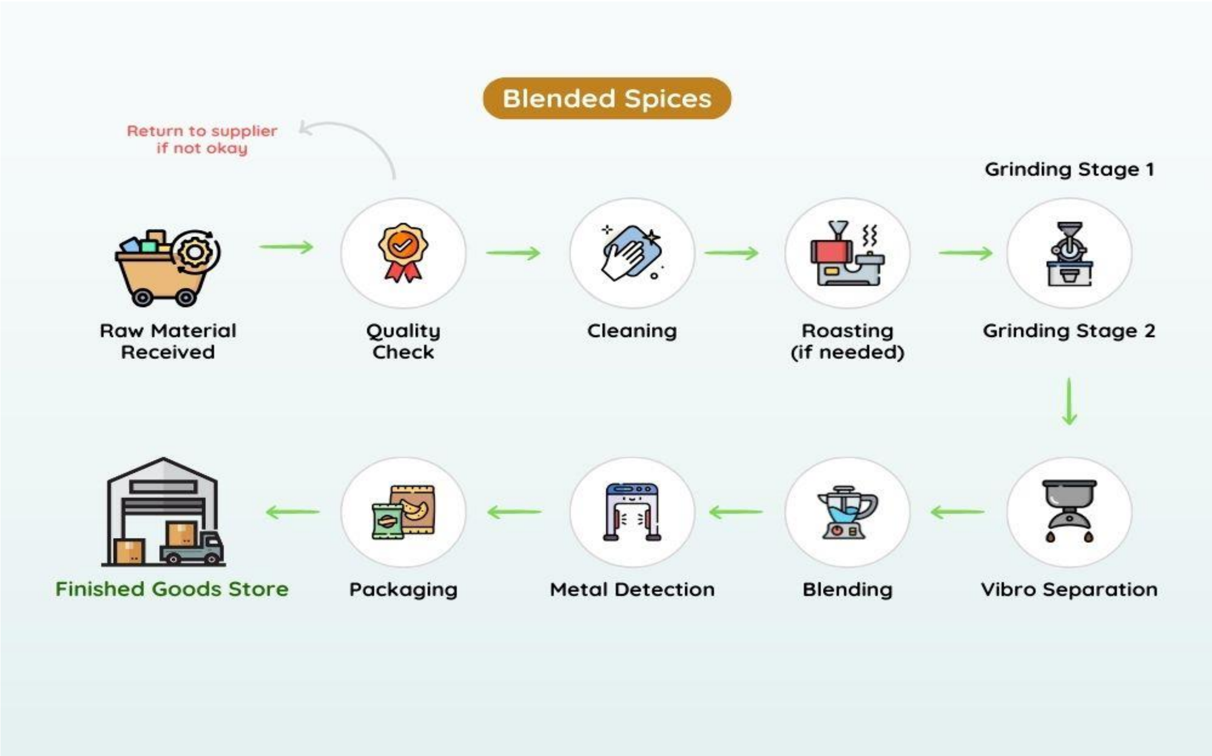
Chilly Powder

Turmeric Powder



Coriander Powder

Blended Spices



Chilly Flakes

Raw Material Received: The foundation of our spice manufacturing begins with the careful selection and sourcing of raw materials. Chilies, turmeric, coriander, and various other spices are meticulously procured from different regions of the country, emphasizing both quality and variety. This stringent sourcing approach sets the stage for a premium product.

Quality Checks: Upon arrival at the factory, all raw materials undergo rigorous quality checks to ascertain compliance with our stringent standards. This step ensures that only the finest and purest ingredients proceed to the subsequent stages of the manufacturing process.

Sun Drying: Certain spices, such as chillies, undergo natural sun drying to reduce moisture content and preserve their distinctive flavor and color. This traditional yet effective method adds an extra layer of authenticity to our products.

Cleaning and Stem Removal: Thorough cleaning is imperative to eliminate impurities like dirt and debris. Stem removal from chillies is a critical process, preventing any adverse effects on the final product's quality and texture.

Grinding 1: The cleaned and dried spices progress to the first stage grinding unit. Here, coarse grinding breaks them down into smaller particles, laying the foundation for subsequent refining.

Cryogenic Chamber (Chilli Powder): Incorporating cutting-edge technology, the chilli powder undergoes cryogenic grinding in a specialized chamber. Liquid nitrogen is utilized to subject the chillies to extremely low temperatures, preserving flavor, aroma, and color while maintaining the highest quality standards.

Grinding 2: Most powdered spices proceed to the second stage grinding unit, where they are finely ground to achieve the desired texture and consistency. This stage ensures a uniform and superior product.

Vibro Separation and Metal Detection: The ground powder undergoes further refinement through a vibro separator, removing any residual impurities or particles. To guarantee product safety and quality, a metal detector is employed to identify and eliminate any metal contaminants, upholding the integrity of our products.

Blending: Spice blending is the process of combining different spices in specific proportions to create a blend or mixture that enhances the flavor of a dish. This can involve dry blending of ground spices or creating a paste by blending fresh or dried ingredients. The goal is to achieve a harmonious and balanced flavor profile that complements the overall dish. Blending spices allows for customization and the creation of unique combinations for various cuisines and recipes.

Sieving: This process involves passing the chili mixture through a sieve or mesh to remove undesirable particles or impurities. This helps achieve a smoother and more consistent texture in the final product. The sieving process ensures that only the desired chili particles and ingredients pass through, while unwanted components such as seeds, skin, or larger particles are separated and discarded. This results in a high-quality and homogeneous pizza chili product that meets the desired standards of texture and flavor.

Packaging: Once the finished goods have undergone all necessary processing stages and quality checks, they are meticulously packed into appropriate packaging materials. This phase prioritizes proper sealing and labeling, ensuring the freshness and authenticity of our products.

Finished Goods store: The packaged powdered spices are then transferred to the finished goods area or dispatch area. This serves as the final stage where our products await distribution to retailers or customers.

Wheat flour

Our Company is engaged in the business of manufacturing high fibre Whole Wheat Atta, Refined Flour, Tandori Atta and Semolina flour. We use wheat grain as the primary raw material for manufacturing all of our products. We procure wheat grain from Gujarat, Maharashtra, Uttar Pradesh, Bihar, Rajasthan, Madhya Pradesh and from Food Corporation of India, from traders and institutional suppliers.

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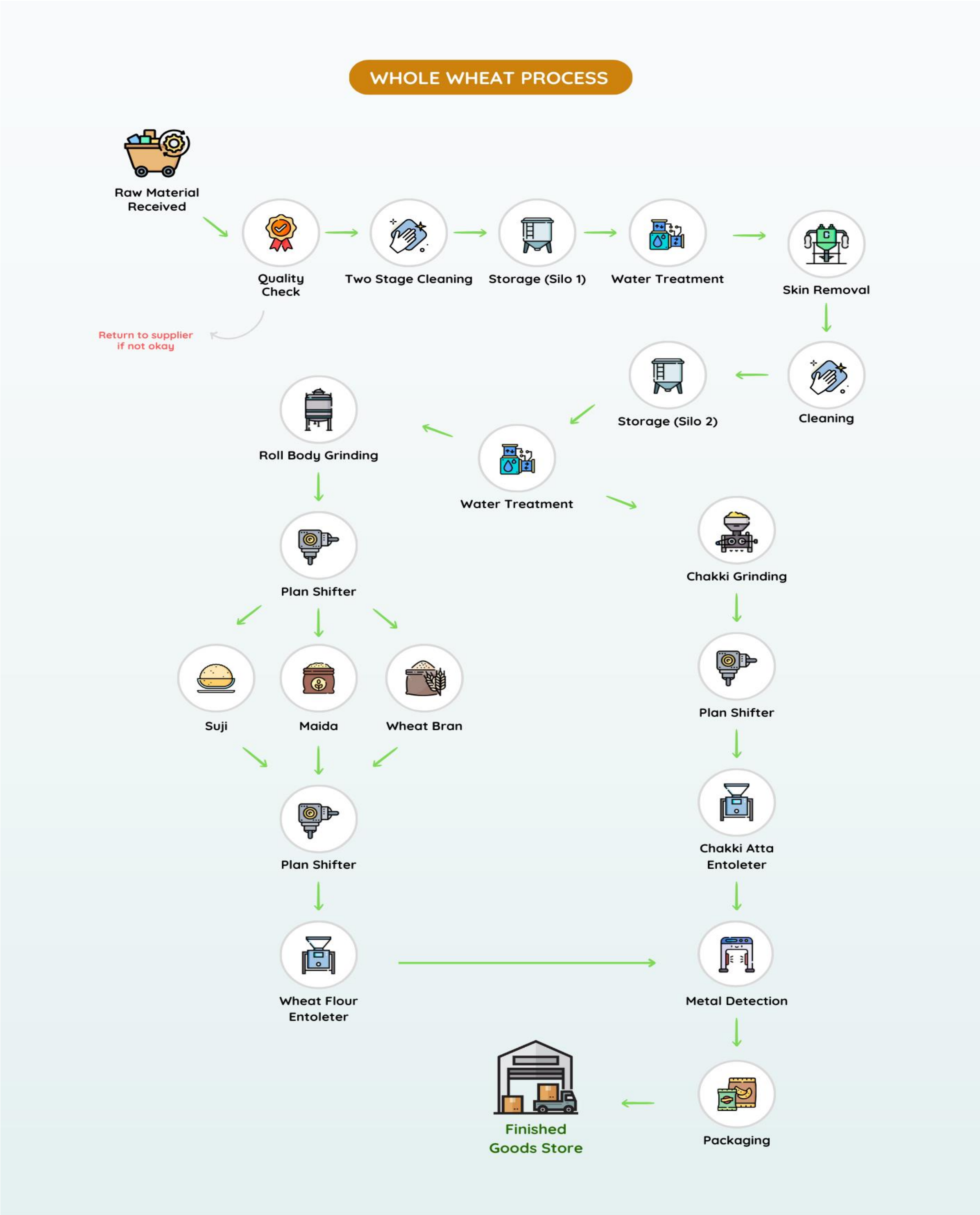
Production process Whole Wheat



Raw Material Received: The process begins with the procurement of wheat grains from various sources. The quality of wheat is crucial as it directly impacts the quality of the final products.

Quality Check: Once the wheat grains are procured, they undergo a rigorous quality check to ensure that only the best quality grains are used for milling. This involves assessing factors such as moisture content, foreign particles, and overall grain quality.

Two-Stage Cleaning: The wheat grains then undergo a two-stage cleaning process to remove impurities such as dust, dirt, stones, and other foreign particles. The first stage of cleaning helps in removing larger impurities, while the second stage ensures finer cleaning to eliminate smaller particles.

Storage Silo 1: After cleaning, the wheat grains are transferred to Silo 1, which serves as a storage unit for the cleaned grains. Silo 1 helps in maintaining proper inventory management and ensures a continuous supply of wheat to the milling process.

Water Treatment: The next step involves subjecting the wheat grains to water treatment, which helps in softening the grains and preparing them for the milling process. Water treatment ensures that the grains are easier to process and helps in achieving the desired texture and consistency in the final products.

Skin Removal: In this step, the outer layer or skin of the wheat grains is removed to expose the inner endosperm, which is rich in nutrients and is the primary component used in flour milling.

Cleaning: Following the skin removal process, the grains undergo another round of pre-cleaning to further eliminate any remaining impurities and ensure that only clean grains proceed to the milling stage.

Storage Silo 2: The cleaned and pre-treated wheat grains are then transferred to Silo 2, which serves as another storage unit before the milling process. Silo 2 helps in maintaining a continuous flow of grains to the milling machinery.

Grinding: The heart of the milling process involves grinding the wheat grains to produce various types of flour. The grains are passed through grinding rollers, which crush and grind them into fine particles. Different settings and configurations are used to produce specific products such as suji, maida, wheat bran, chakki atta, etc.

Plan Shifter: Once the grains are ground, the resulting flour and meal undergo segregation and classification through a plan shifter. This helps in separating the different grades and types of flour and ensures uniformity in the final products.

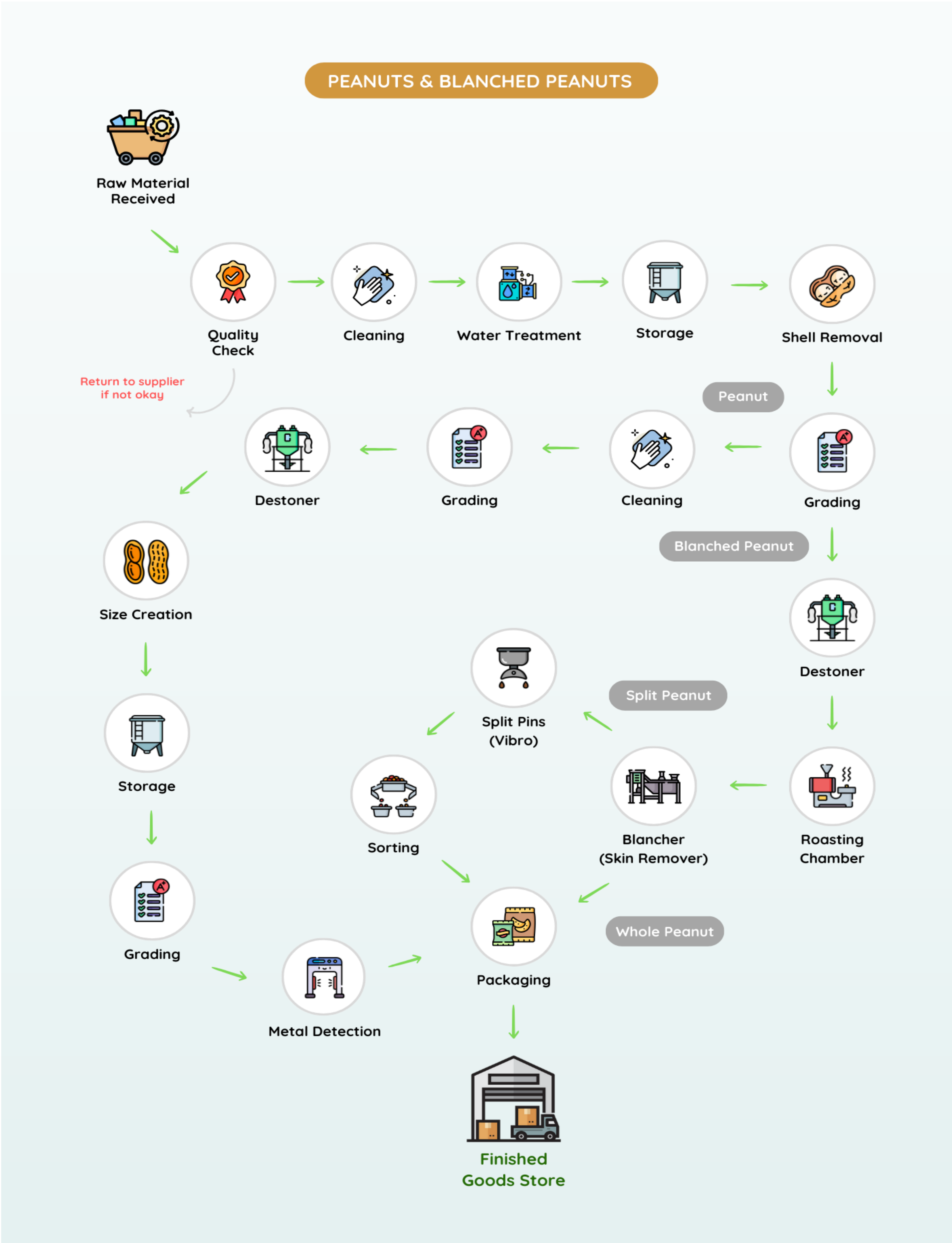
Entoleter: The entoleter is a very high RPM machine which sanitizes the flour by destroying the insects before packing thereby increasing the shelf life of the flour.

Metal Detection: In this step, any metal particles or impurities that may have been introduced during the milling process are removed using a metal separator. This helps in maintaining the purity and safety of the final products.

Packaging: The final products are then packed into appropriate packaging materials, ensuring proper labeling and sealing to maintain freshness and quality.

Finish Good Store: The packed products are stored in the finish goods area before being shipped out to customers or distributors.

Peanuts and Blanched Peanuts



Raw Material Received: This is the initial stage where raw groundnuts are procured from suppliers or farms. It is crucial to ensure that the groundnuts meet quality standards and are free from any contaminants.

Quality Check: Groundnuts undergo thorough quality checks to ensure they meet the required standards for processing. Quality parameters typically include size, moisture content, appearance, and absence of foreign materials.

Cleaning: In this stage, the groundnuts are subjected to pre-cleaning to remove any large debris, stones, or foreign objects that may have been picked up during harvesting or transportation.

Water Treatment: Groundnuts may undergo water treatment to remove impurities and dirt adhering to their surface. This step helps improve hygiene and prepares the groundnuts for further processing.

Storage Silo: Groundnuts are stored in silos temporarily to maintain their quality and prevent spoilage before further processing.

Removal of Shell: The decanter process involves the removal of the outer shell or hull from the groundnuts. This can be achieved using various mechanical methods or machinery designed specifically for shell removal.

Grading: After shell removal, peanuts are graded based on size, color, and other quality attributes. This ensures consistency and uniformity in the final product.

Cleaning: Peanuts undergo another round of cleaning to remove any remaining shell fragments, dust, or impurities.

Destoner: The peanuts are passed through a destoner to remove stones and other heavy impurities. This step is crucial for ensuring the safety and quality of the final product.

Size Creation: Peanuts are sorted according to their size to meet specific product requirements or customer preferences. This grading process helps segregate peanuts into different categories based on their size.

Sorting: Sortex machines are used to further sort peanuts based on color, defects, and foreign materials. This ensures that only high-quality peanuts proceed to the next stage of processing.

Metal Detection: Peanuts pass through metal detectors to ensure there are no metal contaminants present.

Roasting: Raw peanuts are roasted to enhance flavor, aroma, and texture. Roasting also helps in removing excess moisture and enhancing the overall quality of the peanuts.

Blancher (Skin Removal): The blanching process involves briefly immersing the peanuts in hot water to loosen the skins. After blanching, the skin is easily removed through mechanical means or air blowers. A blanching process removes the skin from the peanuts.

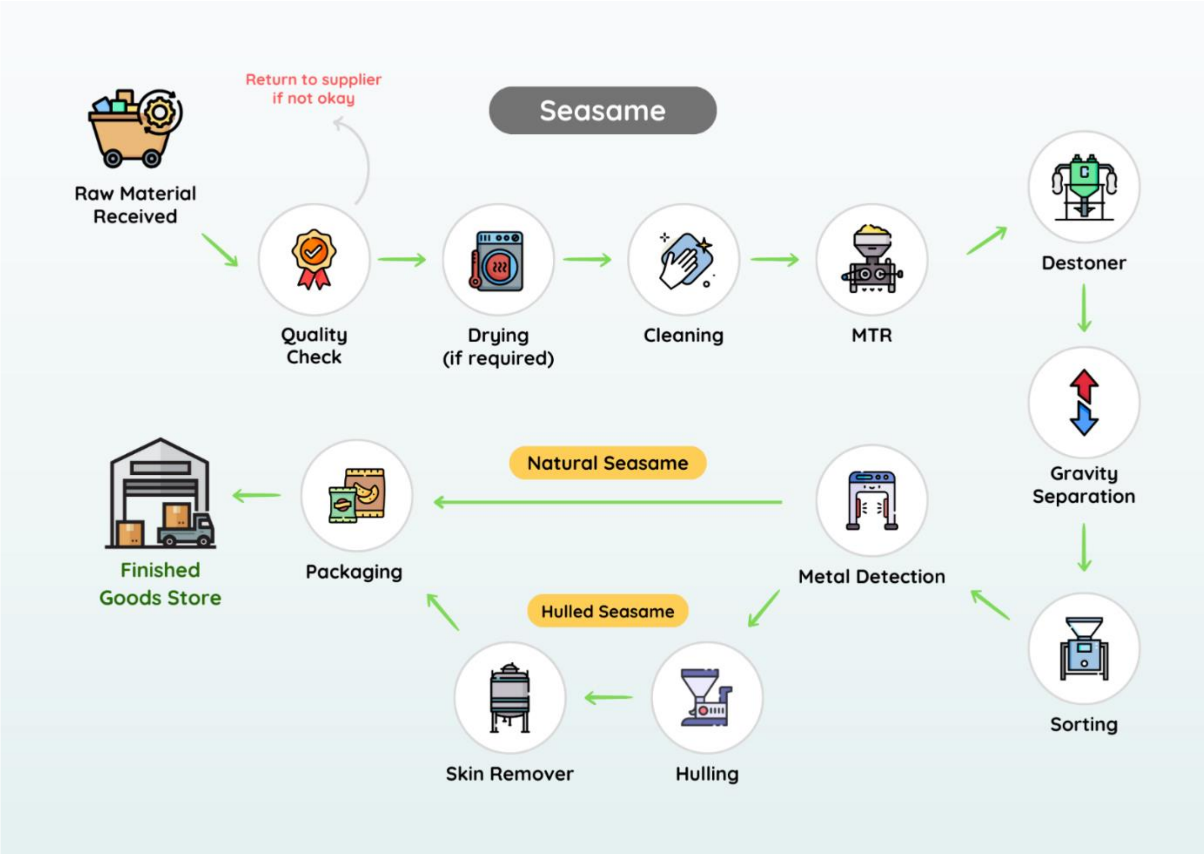
Split Peanut: Splitting machines are used to split the peanuts into halves or quarters, depending on the desired end product.

Split Pin (Vibro): This stage involves using vibrating screens or equipment to separate split peanuts from any remaining skin fragments or impurities.

Packaging: Finally, the sorted and processed peanuts are packed into suitable packaging materials, ready for distribution and consumption.

Finished Goods Store: The packed products are stored in the finish goods area before being shipped out to customers or distributors.

Seasame



Raw Material Received: The process begins with the procurement of sesame seeds from various sources. These sources can include local farmers, wholesalers depending on the scale of the operation and the quality requirements of the manufacturer.

Quality check: Once the sesame seeds are obtained, they undergo a thorough quality check to ensure that they meet the standards set by us. This involves inspecting the seeds for any signs of contamination, such as mold, debris, or foreign particles, as well as checking for the desired moisture content and color.

Cleaning: After the quality check, the sesame seeds are pre-cleaned to remove any impurities or foreign matter that may be present. This process typically involves passing the seeds through a series of sieves, screens, or air classifiers to separate out any unwanted materials.

MTR (Magnetic Treatment and Removal): In this step, any magnetic impurities such as iron or steel particles are removed from the sesame seeds using magnets or magnetic separators. This helps ensure the purity and safety of the final product.

Destoner: The sesame seeds are then subjected to a destoning process to remove any stones, pebbles, or other heavier impurities that may have remained after pre-cleaning. This is usually done using gravity-based equipment that separates the seeds from the heavier materials.

Gravity separation: In this step, the sesame seeds are further separated based on their density using gravity-based separators. This helps to remove any remaining lighter impurities such as dust, husks, or immature seeds.

Sorting: The sorted sesame seeds are then passed through a sorting machine, typically a sortex machine, which uses advanced optical technology to detect and remove any defective seeds based on color, size, shape, and other parameters. This ensures that only high-quality seeds are used in the final product.

Metal detection: After sorting, the sesame seeds undergo metal detection to ensure that no metallic contaminants are present. This is particularly important in food processing to prevent any potential hazards to consumer health.

Hulling: Hulling involves removing the outer husk or hull from the sesame seeds. This process can be achieved through mechanical means, such as hulling machines, which peel away the outer layer, leaving the edible seed.

Skin Remover: Some sesame seeds may retain a thin layer of skin even after hulling. A skin removal process is employed to eliminate this remaining layer, improving the appearance and quality of the seeds.

Packaging: Finally, the sorted and quality-checked sesame seeds are packaged into various packaging formats depending on the requirements of the customers and market demand. The packaging is done using automated machinery to maintain hygiene and ensure the freshness and integrity of the product until it reaches the consumer.

Finished Goods Store: The packed products are stored in the finish goods area before being shipped out to customers or distributors.

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Mango Pulp

We process natural kesar mango into pulp and concentrate at our F&V Unit. We believe that our fresh kesar mango pulp is loaded with all the natural vitamins present in fresh kesar mango along with its mouth-watering sweet taste. We export our mango pulp in tin box.

Raw Material Received: This involves obtaining fresh Mangoes from farms or suppliers. The mangoes should be of high quality and suitable for processing into pulp and concentrate.

Quality Check: Before processing, the mangoes undergo a quality check to ensure that only the best quality fruits are used for making the pulp and concentrate. This step involves sorting out damaged or low-quality mangoes.

Ripening: Ripening is the process of allowing the mangoes to ripen fully. This is important as ripe mangoes yield better flavor and pulp consistency.

Infeed Conveyor: Mangoes are loaded onto an infeed conveyor belt, which transports them to the next stage of the process.

Fruit Washer: The mangoes are washed thoroughly to remove any dirt, debris, or pesticides present on the surface.

Inspection Conveyor: After washing, the mangoes pass through an inspection conveyor where they are visually inspected for any remaining impurities or defects. The top part including the stem is cut manually on the conveyor belt.

Screw Elevator: This is a mechanical device that lifts the mangoes to the next stage of processing.

Destoner: The destoner removes the mango seed and the skin from the mango. This is essential as the seeds are not used in the pulp and concentrate.

Collection Tank with Transfer Pump: Once destoned, the mango pulp is collected in a tank equipped with a transfer pump, which moves the pulp to the next processing stage.

Two Stage Pulper: The pulping process extracts the pulp from the mangoes. The two-stage pulper ensures efficient extraction of pulp.

Blending Tank with Pump: In this tank, the mango pulp may undergo blending to achieve a consistent texture and taste.

RSSP Pasteurization: RSSP stands for "Rapid Steam Sterilization Process." This is a pasteurization method that helps to extend the shelf life of the mango pulp by quickly heating it to a high temperature and then rapidly cooling it down.

Insulated Storage Tank: The pasteurized mango pulp is stored in insulated tanks to maintain its freshness and quality before packaging.

Rotary Can Filler: The mango pulp is filled into tin cans using a rotary filling machine. This ensures accurate filling and minimizes spillage.

Can Exhauster: This equipment removes any excess air from the cans before they are sealed. Removing air helps to prolong the shelf life of the mango pulp.

24DS Seamer: The cans are sealed using a 24DS seamer, which ensures that they are tightly sealed to prevent spoilage.

Can Cooling Tank: After sealing, the cans are cooled down to room temperature before labeling and packaging.

Finished Goods Store: The cooled cans are kept in the finished goods storage area for dispatch.

Machine Details

Sr. No.	List of Machineries	Make	Nos	Purpose
A	**Facility 1**			
	Processing Plant (Includes Drume Sieve, Pre Cleaner, Cyclone with Air Locks, Vibro Separator, Destoner, Graders, Shifters, Elevator Sets, MP Fan, Splitters)	Vishwakarma Enterprises	1 Set	Cleaning, Grading, Sorting, Processing of Pulses, Staples & Groceries
B	**Facility 2**			
	Whole Spices Seeds Processing Plant: (Includes MTR,Expression Channel, Cyclone, Mana – Horizontal, Airlock, Blower, GI Aspiration Line, Bag Stand, Destoner Aspiration Line, Gravity Seperator, Elevators)	Navrang Agro, Vishwakarma Enterprises, Ambica Industries, A K Industries	2 Sets	Processing of Whole Spices such as Cumin & Coriander
	Peanut Processing Plant: (Includes R.M Storage, G.N Feeding Point, Hopper, G.N Round Cleaning, Destoner, Converyor Belts, Elevators, Resting Tank, Decortictor, Greading, Oscillator, Z Elevator, Storage Tank, MTR, Gravity Separator, Sortex, Grading Machine, Final Bag Packing)	Gautam Agro Industries, Linux Magnetics	1 Set	Processing of Groundnuts into Peanuts
	CCD Color Sorter Machine and Compressor (Imported Machinery)	Iconic	2	Display seed images and swiftly sort through grains and harvested products with rapid efficiency
C	**Facility 3**			
	Unit I			
	Whole Spices Seeds Processing Plant: (Includes MTR,Expression Channel, Cyclone, Mana – Horizontal, Airlock, Blower, GI Aspiration Line, Bag Stand, Destoner Aspiration Line, Gravity Seperator, Elevators)	Vishwakarma Enterprises, SK Engineering, Gautam Agro Industries	4 Sets	Processing of Whole Spices such as Fennel, Fenugreek, Mustard, Carom etc.
	CCD Color Sorter Machine and Compressor (Imported Machinery)	HEFEI TAIHE	1	Display seed images and swiftly sort through grains and harvested products with rapid efficiency
	Metal Detector	Target Innovations	1	Identification and elimination of any metal contaminants
	Unit II			
	Cryogenic Grinding System: (Includes Bulk Loaders, Chutes with Plate Magnet, Hammer Mill,	Axtel	1 Set	Manufacture of Chilly Powder

Sr. No.	List of Machineries	Make	Nos	Purpose
	Temperature Transmitter, Centrifugal Fans, Air Cooler cum Moisture Separators, Reverse Jet Filters, Rotary Airlock Valves, Universal Mill, Continuous Cryogenic Mixer, Rotary Sifter, Operator Terminal, Product Piping, Pneumatic pickup venturi & set of Down take ducts)			
	Coriander and Cumin Milling System: (Includes Screw Conveyor, Spice Mill, Pneumatic Conveying System, Rotary Air Lock, Closed Type Dust Collector with Reverse Pulse jet Arrangement, Centrifugal Sieving machine, PLC Based Centralized Control Panel, motors)	Grade & Grind Technology	1 Set	Manufacture of Cumin and Coriander Powder
	Turmeric Milling System: (Includes Air Swept Mill, Pneumatic Conveying System, Rotary Air Lock Valve, Closed Type Dust Collector with Reverse Pulse jet Arrangement, Blower Units, Screw Conveyor, Centrifugal Sieving machine, Centralized Control Panel and Motors)	Grade & Grind Technology	1 Set	Manufacture of Turmeric Powder
	Blended Spices Milling System: (Includes Dump Booth, Bucket Elevator, Spice Mill, Pneumatic Conveying System, Rotary Air Lock Valve, Closed Type Dust Collector with Reverse pulse jet Arrangement, Screw conveyor, Centrifugal Sieving machine, Screw conveyor, Ribbon Blender, PLC Based centralized control panel, motors)	Grade & Grind Technology	1 Set	Manufacture of Blended Spices
	Chilly Crushing & Powder System: (Includes Screw Conveyor, Spice Mill, Pneumatic Conveying System, Rotary Air Lock, Closed Type Dust Collector with Reverse Pulse jet Arrangement, Centrifugal Sieving machine, PLC Based Centralized Control Panel, Motors)	Grade & Grind Technology	1 Set	Manufacture of Chilly Flakes
	Unit III			
	Pre-Cleaning Machineries: (Includes Drum Sieve, Pre-cleaner, Elevators, Fan, Cyclone with Airlock, Magnet)	S K Engineering Corporation	1 Set	Manfucturing of Wheat Flour (Chakki Atta), Refined Wheat Flour (Maida), Semolina Flour (Sooji), Tandoori Atta, Wheat Bran
	First Cleaning Machineries: (Includes Vibro Separator with Asp., De-stoner, Horizontal Scourer with Asp channel, Inclined Whizzer,	Hari Priya Global Enterprises Pvt Ltd	1 Set	

Sr. No.	List of Machineries	Make	Nos	Purpose
	Elevators set, MP Fan, Cyclone with Air Valve, Magnet)			
	Second cleaning Machineries: (Includes Vibro Separator with Asp., De-stoner, Horizontal Scourer with Asp channel, Intensive Dampener, Elevators set, MP Fan, Cyclone with Air Valve, Magnet)	Hari Priya Global Enterprises Pvt Ltd	1 Set	
	Cleaning Section Accessories: (Includes Screw Conveyors, Accessories (Pipe, Clips, Bend, Yee, Tee, Coupling, Refraction packing stand, Outlet Hoppers, Vibro Pads, etc.), Metering Conveyors, Aspiration Ducting)		1 Set	
	Milling Section Machineries: (Includes Roller Mill, Plan sifter, Vibro Purifier, Bran finisher, Impact Detacher, Entoleter, High Pressure Fan, Reverse Air jet Filter, Chakkis, MP Fan, Aspirator, Cyclone with Air Valve, Magnet)	Udawat Engineering Works	1 Set	
	Milling Section Accessories: (Includes Pneumatic Lift Set, Screw Conveyor, Aspiration Ducting, Bolting Cloth, Accessories (pipe, Clips, Bend, yee, Tee, Coupling)		1 Set	
	Unit IV			
	Peanut Processing Plant: (Includes: Decortications Machines) (Including Decorticator Machine [Double Chamber], Separator, Round Grader1, Decorticator Machine Stand, Round Grader, Decorticator Blower, Grader, Screw Conveyors, Decorticator Platform, Elevators)	Ganesh Engineering	1 Set	Processing of Groundnuts into Peanuts
	Peanut Cleaning and Processing Plant: (Includes Gravity Machine, Classifier Expression Line, Band Duct Line, Clam Air Lock, Cyclone With Plan Supporting Blower, Destoner, Grader)	Ganesh Engineering	1 Set	
	Peanut Roasting and Blanching Line: Includes the following: A. Cleaning Equipments including Hopper, Electromagnetic Feeder, Z Elevator, Destoner, Pipe, Cyclone B. Roasting Equipments including Hopper, Electromagnetic Feeder, Z Elevator, Nut Dryer, Distributor, Z Elevator, Silo, Silo Bottom Feeder C. Peeling Equipments including Z Elevator, Distributing Hopper, Storage	Ganesh Engineering	1 Set	Processing of Peanuts into Blanched Peanuts / Roasted Peanuts

Sr. No.	List of Machineries	Make	Nos	Purpose
	Hoppers, Peanut Peelers, Wind Chamber Frames, Split Blanchers, Wind Pipes, Cyclones, Summary Belt, Vibrator D. Selecting Equipments: Electromagnetic Feeder, Z Elevator, Hopper for Sorter, Platform for Sorter, Discharge Hopper, Picking Belts, Light for picking belts, Summary Conveyor, Bridge, Vibrating Screen, Metal Detector E. Electromagnetic Feeder, Z Elevator, Vaccum Quantitive Packing Machine F. PLC Control Systems			
	CCD Color Sorter Machine and Compressor (Imported Machinery)	TAIHO	1	Display seed images and swiftly sort through grains and harvested products with rapid efficiency
	Unit V			
	Natural Sesame Cleaning Machines: (Includs Round Cleaner Machine, MTR, Expression Channel, Cyclone, Mana Horizontol, Airlock, Blower, GI Aspiration Line, Plan Supporting, Destoner Expression Line, Gravity Machine, Elevators and Fittings)	Gautam Agro Industries	1 Set	Processing of Sesame into Natural Sesame
	Hulling Machine: (Includes SS 304 Single Drum Huld Machine, Kitly1, Kitly2, Storage Tank, Caustic Solution Tank, Extra Jari (Seives), Bucket Elevators, Boiler, Belt)	Bharat Engineering Company	1 Set	Processing of Natural Sesame into Hulled Sesame
	Hulled Sesame Cleaning Machines: (Includes MTR, Expression Channel, Cyclone, Mana Horizontol, Airlock, Blower, GI Aspiration Line, Plan Supporting, Destoner Expression Line, Gravity Machine, Elevators and Fittings)	Gautam Agro Industries	1 Set	
	Auto Dryer	Bharat Engineering Company	1 Set	Drying
	Cooler Machine	Bharat Engineering Company	1 Set	Cooling
	Vibro Cleaners	Bharat Engineering Company	2	Removing large impurities such as stick, buck and leaves as well as small impurities such as fine dirt and sand

Sr. No.	List of Machineries	Make	Nos	Purpose
	Cold Boiler with Chimney and Blower	Tea Mech (India)	1 Set	
	CCD Color Sorter Machine and Compressor (Imported Machinery)	Hefei Meyer	1 Set	Display seed images and swiftly sort through grains and harvested products with rapid efficiency
	RO (Water Treatment Plant)	Clean Aquato Pvt Ltd	1	Treatment of water used in processing
	ETP (30 KLD)		1	Treatment of wastewater
	F&V Pulp Unit			
	Pulp Processing Plant: (Includes Fruit & vegetable washing, grading, sorting, Two Tire Belt Conveyor, Screw Elevator For Pulper Feeding, Pulper and Finisher, Collection Tank, Pulper and Finisher Wastage, Screw Conveyor, Blending Tank, Fixed Kettle, Tube & Tube Pasturiser, Pulp Holding Tank, Product Transfer Pump, Bottle Filling Machine, Exhaust Box, Vertical Retort, Hoist & Trolley, Product Pipe Line, Pipeline For Water, Steam and Air Supply, Electrical Panel, Boiler, 24 DS Seamer, 1A Body Reformer, 1A Hand Flanger, Ripening Chamber 10x10x10 Ft)	Anjoplus Machines	1 Set	Manufacture of Fruits Pulp and Vegetables Pulp

Our Suppliers

We have a strong supplier network enabling flexibility and procurement at the most competitive prices. We endeavour to source our products from the regions where such products are widely available or manufactured, to minimise our procurement costs and endeavour to offer quality products at lowest costs. We have a standardised procurement system that enables us to source quality products through the best possible channels available to us.

Our procurement team conducts detailed research on an ongoing basis to locate the best product sources available, in relation to both quality and price. Our sustained efforts to improve our strong supplier network have led to a significant advantage in procurement leading to an efficient supply and sale cycle.

Our Retail Business Process

Strategy and Planning

We plan to expand our store network in Tier III cities in the Thane and Raigad District. For each of these locations, we open and operate new stores on a cluster-based approach. When a suitable property in a location we are interested in becomes available on commercially attractive terms, we may further undertake a detailed analysis in relation to opening a new store at such location.

In the process of opening new stores, we take various factors into account, including population density, customer traffic and vehicle traffic, customer accessibility, potential growth of local population, development potential and future development trends, estimated spending power of the population and local economy, profitability and payback period, estimated on the basis of the expected sales potential, strategic benefits, proximity and performance of competitors in the surrounding area and site characteristics and suitability with the specifications of our building plans.

We have in-house business development and project teams, focusing on acquiring properties for our new stores in accordance with our locational needs at reasonable prices and on timely completion of construction and commencement of operations.

We have largely kept the layout and design of our stores consistent and predictable to make shopping with us easier. We believe that adoption of a standard formats for our stores has also helped us in establishing our brand in the markets where we operate. We undertake promotion of our stores through print media, pamphlets distribution, rickshaw advertisement, cable TV advertisement, hoardings and targeted social media advertisement. Outdoor advertising such as billboards and hoardings are also employed to advertise and increase visibility. Our advertising strategy aims to promote our brand "Patel's RMart" brand and not just the merchandise or a particular supermarket store or property location, except specifically targeted local advertising around the time of the opening of a new store. We also advertise on the eve of festivals and certain holidays.

Merchandising

In relation to the Foods category, our procurement is directly from manufacturers or FMCG companies and also through our network of suppliers in the wholesale market. In addition to carrying various brands preferred by local customers in a particular region, we retail private label goods including pulses and spices, which we buy in bulk quantities and package and brand after our quality checks and inspections at our Facility 1. Further we also sell mens wear, home improving products, ready-to-cook / instant mix, ghee and papad, under our brand which we get manufactured from third-party manufacturers. We believe that our merchandising and private labels have helped us differentiate ourselves from our competitors, in addition to achieving good margins. We also sell groceries and staples by weight depending on the availability of space and consumer preferences, both of which may differ from one store to another.

We also sell groceries and staples, primarily, by weight depending on the availability of space and consumer preferences. We carefully select our suppliers to ensure that we sell good quality products and periodically evaluate introduction of new merchandise to enhance our product assortment, offered at our stores. We exercise price benchmarking to ensure price competitiveness. We use a demand driven model for forecasting, improving accuracy and reduction in slow moving inventory.

In relation to the Non-Foods (FMCG) category, variants and promotions may be introduced, replaced and withdrawn at regular intervals by their manufacturers over which we have no control. Consequently, we are required to make retailing decisions on a real time basis. We ascertain the demand for various products in this category and monitor the inventory position on a continuous basis, to minimise our stock turnover time. We use internally ascertained, pre-determined stock levels at each store and replenish these with additional purchase requisitions as necessary.

Supply Chain Management

Our stores utilise a computerised inventory management system, which allows us to track the inventory level and movement of our SKUs on a daily basis. Our inventory management system also records specific information in respect of our inventory, such as stock description, merchandise mix and positioning, prices and sales, on an individual store basis. As the inventory management systems of all our stores are synchronised with our distribution centres and offices, we are able to share such information and data on a periodic basis, thereby allowing us to control our inventories effectively across each of our stores. Further, each SKU in our store is coded with a unique bar code, and details of such items are instantly displayed on the screens of our check-out counters when scanned through a barcode scanner. All information on checked out merchandise is stored in our IT systems and available to our offices and distribution centres on a daily basis.

We strive to keep our inventory turnover days for all products to an optimum level. Our supply chain ensures that goods are dispatched in the appropriate quantities and times to reach our stores. Our supply chain relies on transportation services from third parties also. The re-order levels for each supermarket store vary and are determined based on a combination of several factors including display levels, lead times for replenishment and average sales. We review these reorder levels on a continuous basis to factor in variances in demand based on seasons and trends.

We have our own fleet of 15 trucks, which are utilised by us to transport the products to our stores from our distribution centre. In addition to our own transport fleet, we also engage third party logistic solution providers, who specialise in providing transportation services on certain specific routes, in order to deliver products on time to our stores, our network of retail customers and distributors to optimise the transportation costs of our products. We believe that using a combination of in-house and third party transport services helps us to transport and deliver our products in a cost and time efficient manner.

We place orders with our suppliers based on the results of our analysis of customer demand and product assortment requirements to fit our customers' preferences. We believe that we take a conservative approach in our procurement to minimise expired products on our shelves. Orders are placed based on data generated from our inventory management systems in relation to current inventory levels as well as forecasted and historical inventory and sales data. Given the wide range of products and merchandise we offer in our stores, we do not have standard inventory retention days for our inventories. We closely monitor our inventory levels to ensure that our inventories are fresh by adopting a first-in, first-out policy for all our merchandise.

Store Operations

We have established multiple security checks to control pilferage at our stores. Our employees screen the goods being carried out of the store by customers. Professional security guards oversee the screening process. In addition, we use CCTV monitoring at all our stores.

As a value-retail chain, we emphasise the reduction of cost at various stages and levels. We aim to reduce our operating and administrative costs by way of optimum utilisation of our human and other resources. We determine our staffing requirements on the basis of several factors including store space and footfall intensity. As a measure for optimum utilisation of our space resources, we have adopted an efficient racking system by deploying higher racks to maximize the space available in store. The upper racks are utilised for storage and the lower ones for display.

We have established strict quality control procedures at all of our stores and distribution centres. In particular, we place emphasis on ensuring that our Foods products meets high quality and safety standards. Our stock receiving team at each distribution centre and at each store performs a series of daily checks of Foods products upon delivery. These include checks on appearance, smell, packing, production date, expiry date, net weight and brand logo. Our store managers at each store conduct periodic checks based on such guidelines to ensure high quality standards are maintained. Our commitment to maintaining high quality and safety standards also includes internal regular and random quality checks on our food merchandise based on international standards.

We have an internal control system tailored for managing our multiple product categories to optimize the use and protection of assets, facilitate accurate and timely compilation of financial statements and management reports, and ensure compliance with applicable laws, regulations and company policies. We also have an in-house audit team to conduct internal audits within the group for inventory management, fixed assets, human resources, payroll and statutory compliances.

Support to Stores

Cash represents a significant proportion of our sales proceeds. Payments by our customers at our stores are handled by our cashiers at our check-out counters. We reconcile our cash proceeds received from our sales against receipts recorded in our point-of-sale systems in all of our stores on a daily basis. Cash sales of a day is collected by Cash Management Agency on the next working day from all our stores and are deposited in our bank account.

As we handle a significant amount of cash every day, we have implemented necessary procedures for the handling of cash in our stores. Our daily cash proceeds are only handled by our cashiers, and surveillance cameras are set up in all of our stores to monitor the cashiers' counters. We also conduct daily checks on our cash proceeds against the records of deposit of cash from the bank and sales reports to ensure that sales are properly recorded by the point-of-sale systems. We believe that there have not been any material internal control deficiencies in our cash management system.

We have also purchased insurance against cash loss by theft or robbery for all of our stores.

We use an integrated and robust IT system specifially built for us that covers major aspects of our business, including procurement, sales and inventory management, in-store systems, financial management and other administrative systems. Our IT systems provide accurate information across our stores, distribution centres and corporate offices on a daily basis. Our store opening and closing times vary according to their location and local requirements but are typically 09:30 am and 09:30 pm, respectively.

Our advanced IT systems used for procurement, sales and inventory management enable us to identify and quickly react to changes in customer preferences by adjusting our product assortment, stock levels and pricing in each of our stores, and effectively monitor and manage the performance of each of our stores.

Raw Materials

Raw materials required for our processing activity includes, whole spices such as chillies, coriander seed, cumin seeds, fennel seeds, fenugreek seeds, carom seeds, mustard seeds, turmeric, wheat, peanuts, mango, sesame, packaging material and water and other consumables. The cost of raw materials consumed represented 31.82%, 27.11%, 33.49% and 44.41% of our revenue from operations in Fiscal 2023, Fiscal 2022 and Fiscal 2021 and in six months period ended September 30, 2023, respectively.

Systematic procurement of raw material in their respected seasons helps us to provide linear quality of our products for the whole year. We also source our raw materials directly from farmers, to ensure that we use absolutely natural ingredients in our products and also through traders and sourcing agents in APMC markets. We source our raw materials from across the country to ensure that the products we manufacture have an authentic taste without artificially disturbing the natural taste of the spices or other food products. For instance, we source chillies from the APMC market of Guntur, Warangal, Gondal and our wheat flour is made from wheat grains which are sourced from Dahod, Rajkot, Gondal, Nimbahera, Jaipur and also from Food Corporation of India (FCI). Further, the pulses / dal are sourced from Jalgaon, Rajkot and Dhanduka. The key regions of staple food procurement are Madhya Pradesh, Rajasthan, Maharashtra, Uttar Pradesh, Bihar, Haryana and Gujarat. We have a well-established system in place for procurement of our raw materials from various market yards, traders and stockists. We have a quality and control team our manufacturing facilities to check on the quality of our raw materials before unloading at our manufacturing units. In addition, we believe we have sufficient holding capacity, for some of our raw materials in place to derive benefits of seasonal shortages and price volatility. Our procurement is tailored around regional availability and a large network of our channel partners that include agents acting on behalf of farmers, traders, aadatiyas (middlemen), market yard players, commission agents and brokers spread across the key raw material producing belts. We leverage the relationship by having a common procurement team or desk for purchase of multiple commodities to derive synergies in terms of market intelligence and maximize cost efficiencies. We are also able to maximize our asset utilization at our integrated plants the same storage and processing infrastructure can be used for multiple seasonal commodities.

Further, we have also procured wheat from international market such as, Australia during the six months period ended September 30, 2023 under the Advance Authorization scheme of the Government of India. Our import of raw material as a % to our revenue from operations for Fiscal 2023, Fiscal 2022 and Fiscal 2021and the six months period ended September 30, 2023, is NIL, NIL, NIL and 0.38%, respectively.

We have long-standing relationships with most of our suppliers. We believe that the long-standing relationships with these suppliers enable us to secure raw materials even during the periods with leanest availability and give us various logistical flexibilities. We have developed a reputation and relationship with multiple suppliers to avoid concentration risk. For instance, our top 10 suppliers constituted 24.49%, 29.24%, 21.79% and 27.17% of our revenue from operations for Fiscal 2023, Fiscal 2022 and Fiscal 2021 and the six months period ended September 30, 2023, respectively. Further, as of September 30, 2023 our top 4 (four) no. of suppliers have been associated with us for over 5 years. The strong relationships with suppliers also aid us in getting first-hand information and market intelligence on price movements in the international markets. Such market intelligence is essential in mitigating the price risk associated with commodities.

We have centralized our purchasing of raw materials for all production facilities to obtain economies of scale and to maximize our bargaining power with suppliers. This system enables us to obtain high quality raw materials at stable and competitive prices. Our suppliers deliver the raw materials directly to each of our manufacturing facilities to further enhance time and cost efficiency. We continuously monitor supply and price trends of these commodities to take appropriate action to obtain ingredients we need for production, and we are constantly looking for substitute products in order to help us manage our costs. We have a centralized internal quality control team for the inspection of all the raw materials received from different vendors.

We are largely dependent on the agricultural industry for almost all of our raw materials. Agricultural industry is largely dependent on various factors including monsoon and weather conditions. We purchase the raw materials in the harvest season and store them in our cold storage in our Agri-cluster for manufacturing, consumption and sales throughout the year during off season. Procurement of raw material during harvest season can be done at competitive prices along with retaining standard quality.

The availability and price of most of our raw materials, either imported or procured domestically, is in nature susceptible to volatility in the markets. We are also susceptible to volatility in foreign exchanges. Please see "***Risk Factors- Our operations are dependent on the supply of large amounts of raw material such as wheat, spices and peanuts. We do not have long term agreements with suppliers for our raw materials and any increase in the cost of, or a shortfall in the availability of, such raw materials could have an adverse effect on our business and results of operations, and seasonable variations could also result in fluctuations in our results of operations***" on page 63, "***Risk Factors- We face foreign exchange risks that could adversely affect our results of operations and cash flows.***" on page 37. We follow strict commodity risk management process to ensure that our procurements are adequately hedged against volatility in the market. We have a robust board-approved commodity risk and foreign exchange risk management policy in place with proper built-in controls to check on any speculation.

Packaging:

The primary packaging material used by us are laminates, plastics, cardboard boxes and jute bags for packing spices, wheat flour, peanuts and tin cans for packing of mango pulp.. This enables to keep the product life intact. We use automated packaging machines to pack our products into their different pack sizes. We order packaging material from certain suppliers in Gujarat, Tirupati Polymers, Wheel Flexible Pakaging Private Limited, Pacific Laminates, Essen Multipack Limited, Veedee Enterprise etc. We typically order the material required by us on negotiated terms, in advance of our production requirements. For 2023, Fiscal 2022 and Fiscal 2021and for the six months period ended September 30, the cost of packing material constituted 2.01%, 1.86%, 1.59% and 1.50% of our total cost of raw materials, respectively.

For the secondary packaging for shipping and distribution purposes, we use corrugated carton boxes and bags to protect the primary packs in different stages of sales and distribution.

Quality Control

We place great emphasis on quality assurance and product safety at each step of the production process, right from the procurement of our raw materials until the final product is packaged and ready for distribution to ensure that the quality of our products meets the expectations of our customers and achieves maximum customer satisfaction. We have quality control personnel, who ensure that people working in all departments from procurement to sales and marketing are trained on important quality control aspects. To ensure compliance with our quality management systems and statutory and regulatory compliance, our quality assurance team is equipped to train our staff on updates in quality, regulatory and statutory standards.

We have also implemented stringent quality control standards for raw material suppliers and vendors. On-site inspections and routine audits are conducted for our vendors and suppliers to ensure constant supply of quality products. We have testing laboratories at our facilities to conduct sampling tests to ensure that the color, odor, taste, appearance and nutrients of the raw materials comply with our requirements. Further, we maintain our facilities and machinery and conduct our manufacturing operations in compliance with applicable food safety standards, laws and regulations and our own internal policies. We also inspect product samples at the assembly line and conduct batch-wise quality inspections on our products to ensure compliance with applicable food safety standards and laws.

Research and Development

We have a research and development team comprising 4 personnel as of December 31, 2023 at our research and development center at our Agri-cluster, to support our product development and process development activities for food products.

Our research and development centers are well equipped to develop new products, including upgrading product composition and packaging materials, to cater to evolving consumer trends. Our research and development team also works closely with our operations team and business team to improve the food safety standards of our existing manufacturing facilities, comply with the various regulations of Food Safety and Standards Authority of India and develop manufacturing process with an aim to minimize losses during the process and reduce process cycle time.

We believe that our research and development abilities are critical in maintaining our competitive position in the industry going forward. Currently, our research and development team are working on new product development initiatives with a focus on health benefits of these new products including, blended spices. We are working on potential new products, including various ready-to-cook products and ready-to-eat products.

Customers

Under our Retail vertical we try to build relationship with our customers by maintaining a coordinal atmosphere at our stores. We provide a pleasant shopping experience to our customers. As a strategy to maintain our relationship we frequently communicate with our clients with respect to ongoing or upcoming discount scheme on a regular basis. Further, we also reward our loyal customers by providing them with discounts and schemes such as Lucky Draw, 1 month purchases free on consecutive purchases for 15 months of goods for a value worth starting from ₹2,500/- per month in our supermarkets.

While we do not enter into any long term agreement with our customers, we take pride in having settled long lasting mutually beneficial relationships with our clients from the Non-Retail vertical. Our customers are primarily retail outlets, supermarkets, institutional buyers and network of dealers and wholesalers.

Particulars	Six months period ended September 30, 2023		Fiscal 2022		Fiscal 2021		Fiscal 2020	
	₹ in Lakhs	% to revenue from operations	₹ in Lakhs	% to revenue from operations	₹ in Lakhs	% to revenue from operations	₹ in Lakhs	% to revenue from operations
Customers								
Top 5 customer	9576.41	21.47%	21988.21	21.59%	13372.28	17.45%	16533.90	20.08%
Top 10 customers	13856.67	31.07%	32802.58	32.21%	20435.11	26.67%	23397.20	28.42%

**As certified by the Statutory Auditor of our Company, Kanu Doshi LLP, Chartered Accountants, pursuant to their certificate dated March 29, 2024.*

We do not enter into any long-term contract with our customers. We sell our products against the purchase order received from our customers. As on September 30, 2023, we served around 500 customers in our Non-Retail vertical.

Sales, Wholesale Network and Marketing

Our advertising strategy aims at promoting brand awareness, creating a bond with our customers and enhancing their trust in us. We engage third party advertising agencies to provide us advertising and communication services such as communication planning and development in all areas of press and point of sale advertising.

Our mode and media of advertisement is determined on the basis of the most widely accepted and used source of Social media by our target customers. As a part of our marketing strategy, we plan a calendar for the year"s marketing activities, encompassing mega sales, schemes, discounts and events, annual days (women's day / mother's day / father's day / parent's day), festivals and new collections (summer collections, winter collections etc.). Some of our marketing strategies includes:

a) In-store promotion – In store POP, Gate, Kiosk, Banner, danglers, inflatable, lucky draw, discount coupons
b) Outdoor activities – Hoarding, kiosk, banners on auto, transport
c) CRM activities – shop play and win, 1 month purchases free on consecutive purchases for 15 months of goods for a value worth starting from ₹2,500/- per month in our supermarkets.
d) Events - Free Medical Camps, Swachata Abhiyaan (Cleaning Drive), and Distrubution of Food Packets to Orphange and Blind Kids, providing sponsorships for cultural and social events, wherein our products are marketed and displayed through advertisement or marketing displays; and (iv), etc.

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SAVE MONEY, BE SMART
PATEL'S R Mart
SASTE 6 DIN
25th to 30th Jan
FREE HOME DELIVERY
THIS OFFER VALID ON KALYAN-DOMBIVALI & SHAHAD STORE ONLY


SAVE MONEY, BE SMART
PATEL'S R Mart
शिळफाटा, स्टेट बँकेच्या जवळ, खोपोली.
1st ANNIVERSARY OFFER
Offer Date : 22 Feb To 17 March 2024
कांदा 5 रुपये किलो*
FREE HOME DELIVERY


भिवंडी शहरात सुरु होत आहे.
SAVE MONEY, BE SMART
PATEL'S R Mart
भव्य शुभारंभ ऑफर
LUCKY DRAW OFFER
CHANCE TO WIN
1 KG SUGAR FREE
ON PURCHASE OF 799 & ABOVE
FREE HOME DELIVERY


CHANCE TO WIN
LUCKY DRAW
1st Winner
2nd Winner
मिक्सर ग्राइंडर जिंकण्याची संधी
SAVE MONEY, BE SMART
PATEL'S R Mart
खरीदारी की आजादी, बचत का अधिकार


JOCKEY


अब घर बैठे Shopping करें ..
PATEL'S R Mart
ONLINE APP
ROCERY APP
App Store
Google Play


स्वच्छता अभियान
दि. 19 फेब्रुवारी 2023 रोजी
PATEL'S R Mart


नविन तांदूळ महोत्सव
PATEL'S R Mart
ttanagar, Badlapur, Maharashtra 421505, India


BUY 1 GET 1 FREE


SAVE MONEY

Our sales strategy is focused on understanding the key drivers of customer behaviour and associating the product offering with such customer behaviour. We offer promotional schemes on a regional and store level during region specific festivals and store level and Company level milestones such as store opening anniversaries and upon the Company crossing number of stores respectively. We regularly greet our customers on all special occasions, festivals and regularly inform them about important events happening in the Company via Social Media Influencers, print advertisements, SMS, Facebook and Instagram pages, and cable.We also engage in cross-promotional arrangements with third parties, by providing additional discounts and special offers on the vouchers issued by such third parties. We arrange for lucky-draws at regular intervals where the winners are given special prizes by us.

Wholesale Network

We have built a network of wholesalers and retail touch points to whom we sell through our wholesalers and also directly through our sales and marketing team. We sell our products across 11 states with majority of our sales coming from the state of Maharashtra and Gujarat. As of December 31, 2023 we have a 4 (four) member sales team that visits shop-to-shop on a daily basis to cater to our existing and potential customer

Our revenue based on our network of sales:

Particulars	Six months period ended September 30, 2023			Fiscal 2023			Fiscal 2022			Fiscal 2021		
	Network (in nos.)	Revenue (₹ in Lakhs)	As a % of Revenue from Operations	Network (in nos.)	Revenue (₹ in Lakhs)	As a % ofRevenue from Operations	Network (in nos.)	Revenue (₹ in Lakhs)	As a % ofRevenue from Operations	Network (in nos.)	Revenue (₹ in Lakhs)	As a % ofRevenue from Operations
Wholesaler	141	3,830.48	8.59%	205	4,851.91	4.76%	108	2,590.46	3.38%	126	3,245.74	3.94%
Retail outlets	188	387.29	0.87%	331	1,072.31	1.05%	29	11.46	0.01%	4	30.96	0.04%
Total		**4,217.77**	**9.46%**		**5,924.22**	**5.82%**		**2,601.92**	**3.40%**		**3,276.70**	**3.98%**

Direct Sales to third-party brand and Industrial consumer

In addition to the wholesale network, we may also offer our products, such as spices, wheat flour and peanuts, to third-party brand owners and industrial consumer. In the industrial consumer vertical, we produce and market spices, peanuts and wheat flour and refined wheat flour to companies in the food industry, such as manufacturers of biscuits and namkeens, snack foods, ready-to-eat, and food ingredients. We have had long standing relationships of over 3 years with our key customers which include prominent large fast-moving consumer goods ("FMCG") companies. We sell our products to the above food industries predominantly in Gujarat. For our institutional customers, we provide customized product solutions and variants depending upon their individual requirements.

We undertake trading of food and non food products in assorted form of reputed brands and our also own brand to institutions such as restaurants and hotels and also to organization that undertakes distribution of assorted food packets. For instance, we supplied 400 packet of assorted food packets containing Garam Masala, Soap, Tea Powder, Salt, Sugar, Turmeric Powder, Toor Dal & Sunflower Oil to Maharashtra Industrial Development Corporation (MIDC). We sell sugar, rice, edible oil, etc in bulk form to players operating with their own brands, to those who sell these products in unbranded or loose form. We sell these bulk products in domestic markets as well as in international markets. There is also a proportion of our products in the market that eventually gets consumed in bulk form through the wholesale network. We sell to traders and re-packers and the products ultimately gets sold either in their own brands or gets consumed in bulk form. This vertical adds value to our business by ensuring higher capacity utilization and improving the overall production efficiency and costs.

Export

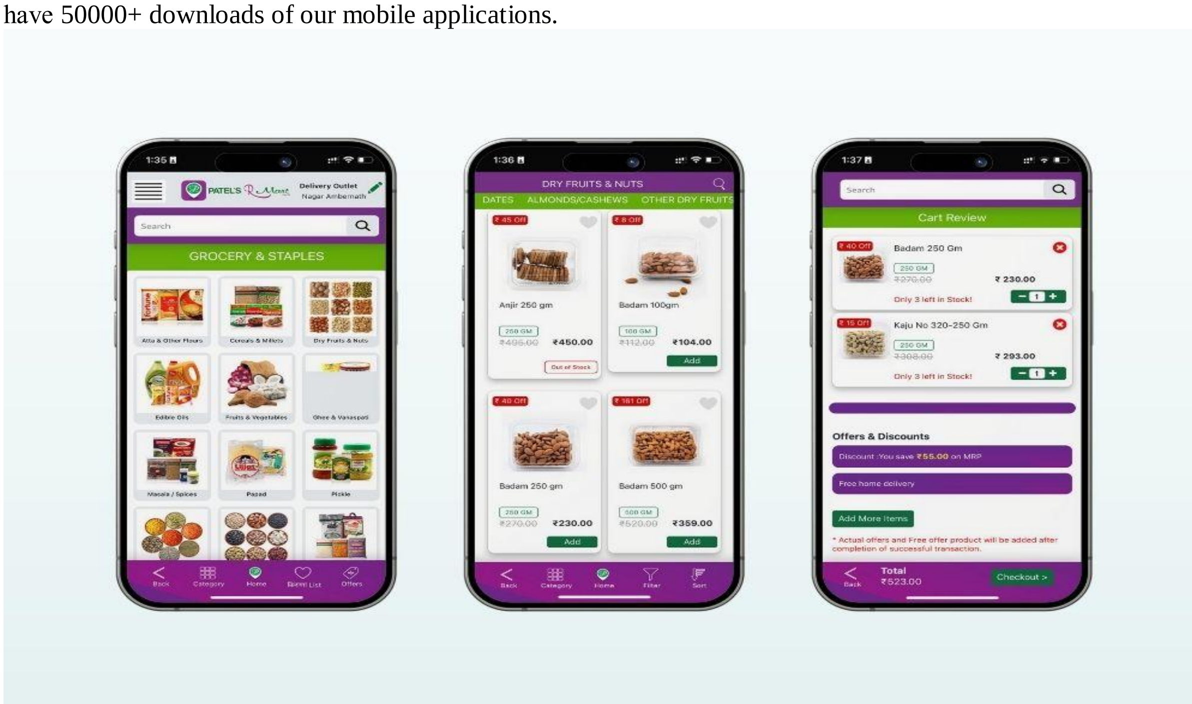
We majorily export peanuts and its variants in unbranded form. While, we export whole spice, powder spices, pulses, staples & groceries and wheat flour in bulk form to players operating with their own brands, to those who sell these products in unbranded or loose form. We also export wholespices and powder spices under our brand ‘Indian Chaska’ and wheat flour, pulses, staples & groceries under the brand ‘Patel Fresh’. We have exported our manufacturing products to over 25 countries during the Fiscal 2023. Our ultimate customers in export are tier-II supermarkets and traders and re-packers who sell these products either in their own brands, in our brands or gets consumed in bulk form.

Further, we undertake export trading of food & non food products in mix container, as per customer specification and also in bulk containers to over 25 countries[29]. We export our products to our customers directly and also through commission agents. Furthermore, we seek export opportunities of agri-products in bulk. For instances we exported 76,084 metric tonnes of sugar during the Fiscal 2023 and 64,834 metric tonnes and 52,993 metric tonnes during the Fiscal 2022 and 2021.

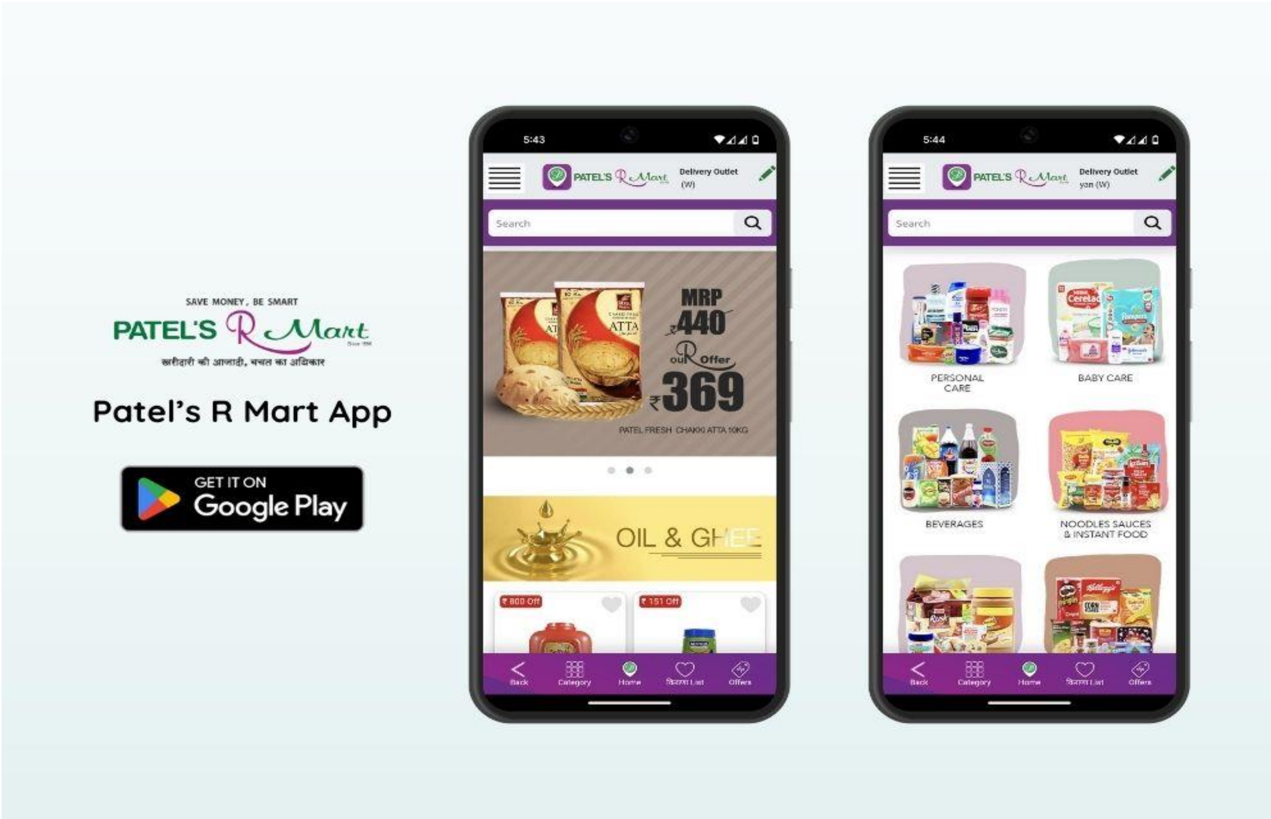
In Fiscal 2023, Fiscal 2022 and Fiscal 2021 and in the six months period ended September 30, 2023, we generated ₹66,962.58 lakhs, ₹46,767.38 lakhs, ₹53,472.70 lakhs and ₹24,567.11 lakhs, respectively, from export sales, representing approximately 65.74%, 61.04%, 64.94% and 55.09%, respectively, of our revenue from operations.

E-tailing

We have also launched “Patel’s R Mart” in fiscal 2021, which is a mobile application on android and IOS platform to provide our Retail customers with access to our supermarket on their finger tip. Our supermarkets will also serve as fulfillment centers for home delivery of products ordered Online to domestic customers. As on February 29, 2024 we have 50000+ downloads of our mobile applications.



29 Countries and customers may overlap and we have undertaken export trading to 5 distinct countries.


SAVE MONEY, BE SMART
PATEL'S R Mart
Patel's R Mart App
GET IT ON
Google Play
Search
MRP
440
369
OIL & GHEE
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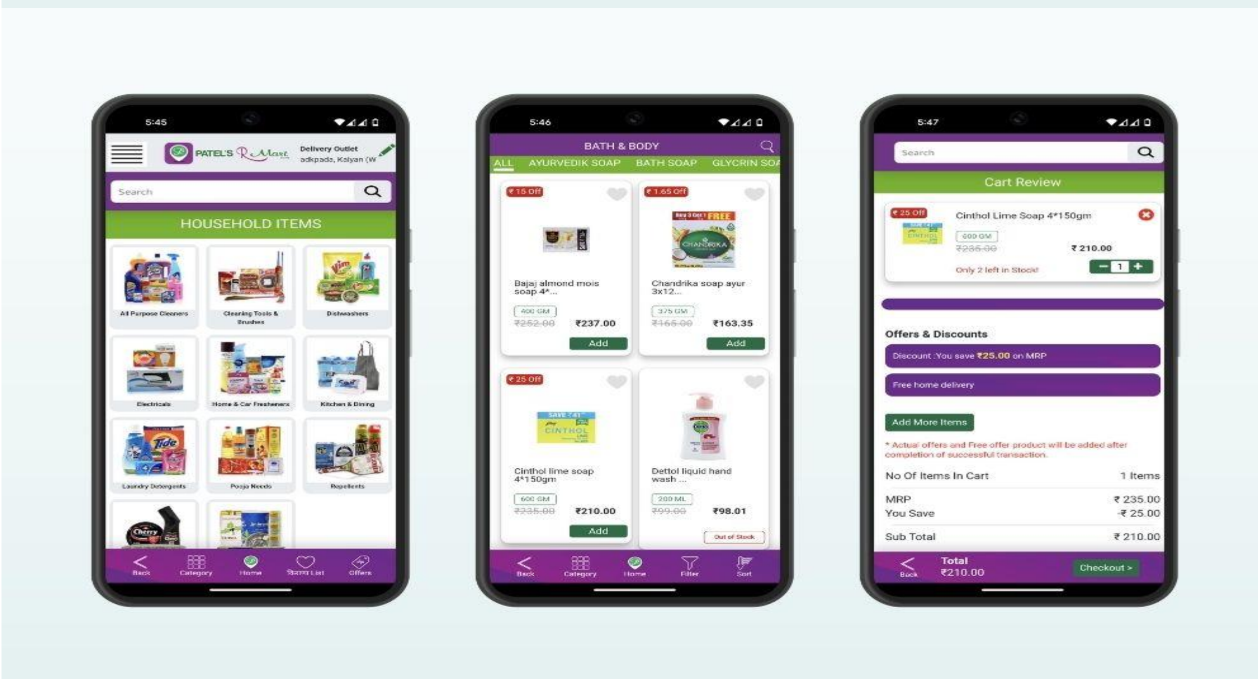
BABY CARE
BEVERAGES
NOODLES SAUCES & INSTANT FOOD


HOUSEHOLD ITEMS
BATH & BODY
Cart Review
Cinthol Lime Soap 4*150gm
Offers & Discounts
Free home delivery
Add More Items
No Of Items In Cart
1 Items
MRP
₹ 235.00
You Save
₹ 25.00
Sub Total
₹ 210.00
Total
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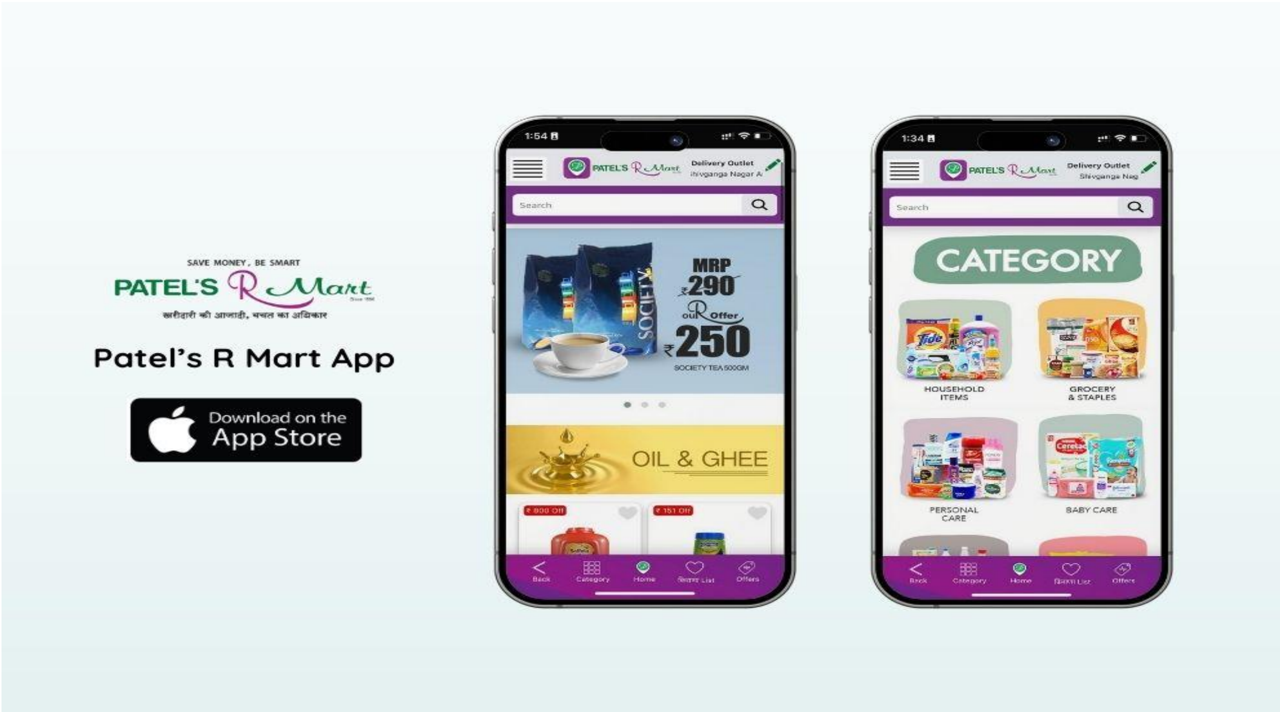
Checkout >



Marketing

As of December 31, 2023, our sales and marketing team comprised 15 personnel and is based out of our registered office. Our sales and marketing initiatives for our retail stores is managed by cluster manager. Each cluster manager is responsible for increase in sales and promoting retail stores under his cluster. The cluster manager in turn reports to Head – Retail Business. Our marketing initiatives include advertising through print, TV commercials and electronic media such as promoting our brands through social media.

Our marketing is driven by store advertising, product advertising and range advertising. Product advertising is intended to maintain the market share of some products while we seek to increase the market share of some other products. Range advertising promotes a range of our products. For example, a recently launched advertising campaigns such as “Saste 6 Din”, “Fabulous February Offer”, “Winter Dhamaka Offer” promotes our store and entire range of our products. Certain marketing initiatives that we have undertaken to increase visibility of our brand “Patel’s R Mart” include cable TV commercials, print publication, digital media, public relations, consumer offers and roadshows, among others. Print media is typically used at the time of launch of a campaign and is primarily used to reach our customers in the region which we operate. Further, consumer offers such as promotional schemes provide us with an opportunity to test new products with various demographics.

For our domestic and export sales of our manufactured and traded goods we employ a go-to-market approach and engage different advertising strategies for premium and masstige brands. Further, we have a dedicated team of 6 members who are responsible for promoting our export sales based on the geography assigned to the team. Further, we also participate in trade fairs and exibitions organised domestically and also internationally. For instance, we participated in “Gulf Food” organised by Dubai World Trade Centre (DWTC) and “Indus Food” an integrated trade show for the Food and Beverage industry, organised by the Trade Promotion Council of India with the support of the Department of Commerce, Government of India.

In the Fiscal 2023, Fiscal 2021 and Fiscal 2022, our business development and promotional expenses were ₹154.77 Lakhs, ₹129.10 lakhs and ₹94.40 lakhs, or 0.15%, 0.17% and 0.11% of our revenue from operations, respectively.

Risk Management

Our risk management framework includes our risk management policy approved by our Board. Monitoring and identification of risks is carried out at regular intervals with the aim of improving the processes and procedures involved and to set appropriate risk limits and controls. After risks have been identified, risk mitigation solutions are determined to bring risk exposure levels in line with risk appetite. Risk management policies and systems are reviewed regularly to reflect changes in market conditions and our business activities.

We have a comprehensive risk management system covering various aspects of our business, including operational, legal, treasury, regulatory and financial reporting. Our Board reviews the probability of risk events that may adversely affect the operations and profitability of our business and suggests suitable measures to mitigate such risks.

HUMAN RESOURCES

Our employees include in-store personnel, management, IT and administrative, finance, marketing, procurement and logistics personnel. As of December 31, 2023, we had 167 full-time employees. We also employ a significant number of contract employees (827 as on December 31, 2023) from time to time depending on business needs. Having a mix of full-time employees and contract employees gives us flexibility to run our business efficiently. For further details, see "***Risk Factors – Our business is manpower intensive and a high proportion of our total staff comprises of employees on contract. Our business may be adversely affected if we are unable to recruit and retain suitable staff for our operations.***" on page 19.

We believe that our emphasis on training our employees improves our operations and efficiency as well as our customer service standards. It incentivises and encourages our employee loyalty and builds a strong corporate culture. Through our regular in-house training programs, employees not only receive training on areas such as (i) responsibilities to customers onproduct quality and customer services; (ii) competitive pricing policies; and (iii) the operational procedures of our stores and regular updates on developments in management and market trends.

As of December 31, 2023, we had 167 employees as set out below:

Department	Number of employees
Accounts & Finance	13
Administration	10
Advertising & Marketing	4
Sales	11
Export Operations	12
Factory	16
Human Resources	4
IT	5
Lab & Research & Development	2
Purchase	12
Retail Store	51
Operations	27
Total	**167**

COLLABORATIONS/TIE UPS/ JOINT VENTURES

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

EXPORT OBLIGATION

We have imported 10,836.95 MT wheat under Advance Authorization scheme of Government of India. Under the scheme we need to export 10271.53 MT of wheat flour on or before June 2, 2024. As on February 29, 2024, we have exported 5,478.23 MT of wheat flour and wheat flour pending for export is 4,793.30 MT.

COMPETITION

The Indian retail market has become increasingly competitive in recent years. We believe the principal bases of competition in India in organised retailing are pricing, range of brands and merchandise and convenience of locations. Our key direct competitors in the region where we presently operate include other organised B&M retailers such as D-Mart, Reliance Retail and unorganised retailers such as local departmental stores, kirana shops and others *(source: D&B Report)*. Each of the aforementioned organised retailers has an established presence in the markets we operate and in some cases across India and each is continuing to open additional stores in the same cities where we have opened or intend to open our stores.

Although we also compete with grocery retail across varying formats, we believe that our business model is different from several such operators, primarily because of our store reach, careful product assortment and EDLC/EDLP strategy. In addition, although e-tailing is not currently a major part of the retail industry in the markets we operate, we expect competition from e-tailing to increase in the long term as the market develops.

We believe the principal elements of competition in our industry are product range, quality, brand image, price, delivery, general customer experience. We face competition from various organised and unorganised player in the industry. Additionally, we face competition from a number of regional, unorganized manufacturers and retailers. For further details, see "***Risk Factors- We operate in a competitive market and any increase in competition may adversely affect our business and financial condition***." on page 68.

Health, Safety and Environment

We aim to comply with applicable health and safety regulations and other requirements in our operations and have adopted a health and safety policy that is aimed at complying with regulatory requirements, requirements of our licenses, approvals, various certifications and ensuring the safety of our employees and the people working at our facilities or under our management. We aim to significantly reduce accidents and occupational health hazards through a systematic analysis and control of risks and by providing appropriate training to our management and our employees. We have implemented health and safety measures to ensure a healthy and safe working environment at our facilities and to the general public. Such measures include regular reporting and internal audit. Further, we provide regular trainings to our senior managements and employees.

We are committed to environmental sustainability and towards this objective we have implemented solar power at our Facility 1. Further as part of our manufacturing process for sesame in our Unit V of Faciliy 3, we have installed ETP of 30KLD. We also take efforts for zero discharge of agri waste and also use recyclable packing materials to the extent possible.

Information Technology

Our information technology systems are vital to our business and we have adopted information technology policies to assist us in our operations. The key functions of our information technology team include establishing and maintaining enterprise information systems and infrastructure services to support our business requirements, maintaining secure enterprise operations through, among others, risk assessment and incident management policies. We utilize an enterprise resource planning solution, Sanvik (Oracle) and Tallyprime (ERP), which assists us with various functions including customer relationship management, human resources and supply chain management. Our information technology team is also engaged in data analytics as decision making support for the management by providing various MIS reports for our sales and marketing, manufacturing and other key functions. Our information technology team also plays a significant role in our go-to-market strategy and various supply chain solutions which increases our operational efficiency.

Insurance

Our operations are subject to risks inherent to manufacturing operations such as risk of equipment failure, work accidents, fire, earthquakes, flood and other force majeure events, acts of terrorism and explosions including hazards that may cause injury and loss of life, severe damage to and the destruction of property and equipment and environmental damage. We may also be subject to product liability claims if the products that we manufacture are not in compliance with regulatory standards and the terms of our contractual arrangements. In order to manage the risk of losses from potentially harmful events, we maintain insurance policies such as, fire and other natural and accidental risks at our facilities, money and fidelity insurance, and stock insurance. Additionally, our Company maintains vehicle and marine insurance, burglary and employee mediclaim insurance policies. These insurance policies are renewed periodically to ensure that the coverage is adequate. We have not currently taken any D&O insurance, cyber crime, corporate general liability or keyman insurance.

We believe that our insurance coverage is in accordance with industry custom, including the terms of and the coverage provided by such insurances. Our policies are subject to standard limitations. Therefore, insurance might not necessarily cover all losses incurred by us and we cannot provide any assurance that we will not incur losses or suffer claims beyond the limits of, or outside the relevant coverage of, our insurance policies. Further, in the past, there are instances where our insurance claims were not satisfactorily honoured. See "***Risk Factors – Our insurance coverage may not be sufficient or may not adequately protect us against all material hazards, which may adversely affect our business, results of operations and financial condition***" on page 43.

Infrastructure

Power:

As part of our manufacturing operations, we require a steady and abundant supply of power in our processing and manufacturing facilities. The power requirements of our Facility 1, in the state of Maharashtra are met through local state power grid, Maharashtra State Electricity Board (MSEB) and the power requirements of our Facility 2 and Agri-cluster, in the state of Gujarat is met through local state power grid, Paschim Gujarat Vij Company Limited. Our Company also maintain 1 (one) diesel generator of 30 KvA in our Facility 2 and 1 (one) diesel generator of 125 KvA in our Facility 3. Further, our Facility 1 has maintained 1 (one) diesel generator of 125 KvA. Further, as on December 31, 2023, we have installed diesel generators in each of our 24 retail stores ranging from 10 KvA to 62.50 KvA and 39 (thirty nine) inverters across our 31 (thirty one) retail stores. We use diesel generators and inverters on a stand-by basis to meet any disruption in power supply.

Water and other consumables

In our supermarkets we use tap water from local muncipalty, in our Facility 1 we use water connection available from MIDC and in our Facility 2 & Facility 3 we use water from bore-wells, which is treated and purified in the water purification plant installed in these facilities.

Utilities

Our Office is well equipped with computer systems, internet, connectivity, other communication equipment, security and other facilities, which are required for smooth functioning of our business activity.

Our utility expenses based on our Restated Financial Statements is 1.24%, 0.67%, 0.54% and 0.51% of our revenue from operations and constituting 1.28%, 0.69%, 0.55% and 0.51% of our total expenses for the six months period ended September 30, 2023 and in the Fiscal 2023, Fiscal 2022 and Fiscal 2021, respectively.

PROPERTIES

Intellectual Property

Sr. No.	Trademark/ Copyright	Logo	Class	Nature of Trademark / Copyright	Owner	Application Number and Date	Status
1.	Patel Low Price Super Market (Label)		35	Device	Bechar Raghavji Patel	1382388; September 05, 2015	Registered
2.	Patel's R Choice		35	Device	Bechar Raghavji Patel	1662557; March 03, 2018	Registered
3.	Patel"s R Marrt (Label)		35	Device	Bechar Raghavji Patel	1662558; March 10, 2018	Registered
4.	Patel's R Vallue		35	Device	Bechar Raghavji Patel	1662559; March 10, 2018	Registered
5.	Patel's R Phresh (Label)		35	Device	Bechar Raghavji Patel	1662560; March 10, 2018	Registered
6.	Dial A Job (Label)		35	Device	Bechar Raghavji Patel	1662561; March 10, 2018	Registered
7.	Patel"s R Pharesh (Label)		30	Device	Bechar Raghavji Patel	1735819; September 23, 2018	Registered
8.	Patel fresh		35	Device	Bechar Raghavji Patel	1945736; April 05, 2020	Registered
9.	Patel fresh		29	Device	Patel Retail Private Limited	2463597; January 21, 2023	Registered
10.	Patel Fresh		30	Device	Patel Retail Private Limited	2463598; January 21, 2023	Registered

Sr. No.	Trademark/ Copyright	Logo	Class	Nature of Trademark / Copyright	Owner	Application Number and Date	Status
11.	Patel Fresh		32	Device	Patel Retail Private Limited	2463599; January 21, 2023	Registered
12.	Blue Nation		25	Device	Patel Retail Private Limited	2665377; January 24, 2024	Registered
13.	P (Device) with Low Price		35	Device	Patel Retail Private Limited	4115770; March 13, 2019	Registered
14.	Mumbai Chaska With Device (Label)		29	Device	Patel Retail Private Limited	4116705; March 13, 2019	Registered
15.	Mumbai Chaska With Device (Label)		30	Device	Patel Retail Private Limited	4116706; March 13, 2019	Registered
16.	Mumbai Chaska With Device (Label)		32	Device	Patel Retail Private Limited	4116707; March 13, 2019	Opposed
17.	Mumbai Chaska With Device (Label)		35	Device	Patel Retail Private Limited	4116708; March 13, 2019	Registered

Sr. No.	Trademark/ Copyright	Logo	Class	Nature of Trademark / Copyright	Owner	Application Number and Date	Status
18.	Indian Fresh Food with Device (Label)		29	Device	Patel Retail Private Limited	4116769; March 13, 2019	Registered
19.	Indian Fresh Food with Device (Label)		30	Device	Patel Retail Private Limited	4116770; March 13, 2019	Registered
20.	Indian Fresh Food with Device (Label)		32	Device	Patel Retail Private Limited	4116771; March 13, 2019	Registered
21.	Indian Fresh Food with Device (Label)		35	Device	Patel Retail Private Limited	4116772; March 13, 2019	Registered
22.	Patel fresh (label)		30	Device	Patel Retail Private Limited	5019556; June 25, 2021	Registered
23.	Indian - Chaska		30	Device	Patel Retail Private Limited	5292618; January 20, 2022	Accepted and Advertised
24.	PRL logo		35	Device	Patel Retail Limited	6102465; September 9, 2023	Accepted and Advertised

Sr. No.	Trademark/ Copyright	Logo	Class	Nature of Trademark / Copyright	Owner	Application Number and Date	Status
25.	Patel Retail Limited with Logo .....Trust & Togetherness		35	Device	Patel Retail Limited	6102469; January 20, 2022	Objected
26.	Indian Chaska		30	Device	Patel Retail Limited	6133747; October 03, 2023	Objected
27.	Mumbai Chaska with P (Logo) (Label)		Artistic work		Patel Retail Private Limited	A133420/2020; January 19, 2020	Registered
28.	PRL Logo		Artistic work		Patel Retail Limited	127065; September 8, 2023	Applied
29.	PRL Logo….. Trust & Togetherness		Artistic work		Patel Retail Limited	127066; September 8, 2023	Applied
30.	Patel Fresh		Artistic work		Patel Retail Private Limited	A-110966/2014	Registered
31.	P (logo) with Low Price (Label)		Artistic work		Patel Retail Private Limited	A-133418/2020	Registered

Sr. No.	Trademark/ Copyright	Logo	Class	Nature of Trademark / Copyright	Owner	Application Number and Date	Status
32.	Indian Fresh Food with P Logo (Label)		Artistic work		Patel Retail Private Limited	A-133419/2020	Registered

Note:
**The said trademarks are wrongly reflected on the portal in the name of Bechar Raghavji Patel, our promoter and director. Our Company has made rectification applications with the Registrar of Trademarks, in relation to the same.*

Immovable Properties

Details of our immovable properties are as below:-

Sr. No.	Details of Property	Area (Sq. Ft./ Sq. Mtrs.)	Date of Agreement	Actual use	Owned / Leased (Validity *)	Lease Rent	Details of the lessor/licensor/seller
1	Plot M-2, Udyog Bhavan No.5, M.I.D.C, Additional Ambernath, Anand Nagar, Ambernath	7500 sq. metres	December 20, 2012	Processing Unit / Warehouse / Distribution Centre / Corporate Office	Lease (Tenure - 92.28 Years)	₹366.89 Lakhs (Lease rent paid for the tenure of the lease)	The Maharashtra Industrial Development Corporation
2	Survey No. 151, No.4A, Village Chikhloli,Tal, Ambernath, Kalyan Badalpur Road, Ambernath, Thane	10,000 sq. ft.	January 16, 2020	Retail Store	Leave and License (Tenure – 3 Years)	₹1,21,000 Per Month	Khalil Ahmed Nawabali Subedar
3	Jain Plaza, Office premises 1, 2, 11, 111 and 112, Ambernath (East)- 421501	1320 Sq.ft	May 1, 2023	Retail Store	Leave and License (3 years)	₹15,000 Per Month	Bechar Raghavji Patel
4	Laxmichhaya Apt., Mahalaxmi Nagar, Vadavli, Ambernath (East)	2616.10 sq. ft.	May 6, 2022	Retail Store	Leave and License (Tenure – 5 Years)	₹1,10,000 Per Month	M/s. Parijat Constructions
5	Ground floor, Jainam			Retail Store	Leave and License	₹1,70,000 Per	M/s. KBP Corporation

Sr. No.	Details of Property	Area (Sq. Ft./ Sq. Mtrs.)	Date of Agreement	Actual use	Owned / Leased (Validity *)	Lease Rent	Details of the lessor/licensor/seller
	Residency, Palegaon, Ambernath (East)	3500 sq. ft	January 1, 2019		(Tenure – 9 Years - slab of 3 years renewable by mutual consent)	Month	
6	May Flower Gardens, Shivganganagar ,Shiv Mandir Road, Ambernath, Thane- 421501	4925 sq. ft.	October 10, 2019	Retail Store	Leave and License (Tenure – 5 Years)	₹4,18,000 Per Month	Jayan Wadhwa and Vikramraj Chouhan
7	Gr. Gala No. 3 Opp Jathar Hospital, Ambernath (West)	2965 sq. ft	January 1, 2024	Retail Store	Leave and License (Tenure - 9 Years)	₹ 50,000 Per Month	Patel RPL Realty Private Limited
8	Ground floor, B wing, Surval Heights, Shirgaon Badlapur (East)	3600 sq. ft.	July 28, 2023	Retail Store	Leave and License (Tenure- 10 years)	₹2,52,000 Per Month	Dilip Tukaram Surval, Nandkumar Tukaram Surval, Arun Tukaram Surval, Bharat Tukaram Surval, Sharad Tukaram Surval, Anil Tukaram Surval and Bhimabai Tukaram Surval.
9	Ground Floor, bearing No. 1, E-2 building and Premises No. 2 in E-3 Building in Ushakiran Residency, Village Kharvai, Taluka Ambernath, District Thane, Kulgaon, Badlapur	6300 sq. ft.	November 10, 2019	Retail Store	Agreement for commission on sales of business (Tenure – 5 Years)	₹1,50,000 Per Month or 3% of Sales, whichever is higher	Stalwart Impex Private Limited, M/s. Usha Construction Co.
10	Survey no. 35, Hissa no. 2, Revenue Village, Kulgaon, Tal. Ambernath, Thane	906 sq. yards	May 23, 2011	Retail Store	Owned	N.A.	Patel Retail Limited
11	Shree Gan Neel			Retail	Leave and	₹3,81,39	M/s. Neel Siddhi

Sr. No.	Details of Property	Area (Sq. Ft./ Sq. Mtrs.)	Date of Agreement	Actual use	Owned / Leased (Validity *)	Lease Rent	Details of the lessor/licensor/seller
	Apartment, Village Katrap, Badlapur (East)	1500 sq. ft.	January 16, 2024	Store	License (Tenure – 3 Years)	7 Per Month	Enterprises
12	Basement, Mandavkar Complex, Nr. Shamrao Vithal Coop Bank, Sanewadi, Stn. Road, Badlapur (West)	2500 sq. ft.	January 21, 2020	Retail Store	Leave and License (Tenure – 5 Years)	₹3,75,000 Per Month	Raju Mandavkar
13	Shop no. Property no. 8000054, Ground Floor, Patil Mangal Karyalay, Manjarli, 50/2, Plot no. 1&/ 50/ 2, Plot no. 2, Ganesh Chowk, Patil Nagar, Badlapur, Ambernath, Thane	4521 sq. ft.	January 13, 2022	Retail Store	Leave and License (Tenure – 33 Months)	₹1,87,500 Per Month	Sudam Mahadeo Patil
14	Vakratunda CHSL, Rajaji Path, Opp. Swaminarayan Temple, Dombivili (East)	1100 sq. ft	September 1, 2020	Retail Store	Leave and License (Tenure – 5 Years)	₹60,000 Per Month	Mahendra Thakkar & Meena Thakkar
15	X-5, Unique Plaza, MIDC, Residential Zone, Dombivili (East)	1600 sq. ft.	April 20, 2019	Retail Store	Leave and License (Tenure - 9 Years)	₹1,60,000 Per Month	Deepak.P. Mejari
16	Basement floor, A wing, Sai Arcade, Village, Navagaon, Taluka Kalyan	331.54 sq. ft.	January 16, 2020	Retail Store	Owned	N.A.	Patel Retail Limited
17	Ground Floor, Near Ice Factory, Manpada road, Dombivli (East)	4000 Sq. ft.	July 29, 2022	Retail Store	Leave and License (Tenure – 60 months)	₹2,40,000 Per Month	Bhagirathi Bharat Jondhale

Sr. No.	Details of Property	Area (Sq. Ft./ Sq. Mtrs.)	Date of Agreement	Actual use	Owned / Leased (Validity *)	Lease Rent	Details of the lessor/licensor/seller
18	Mhatre Chawl, Opp. Municipal Hospital, Kopar Road, Dombivali (West)	232.5 sqr. mtr.	August 29, 2018	Retail Store	Leave and License (Tenure – 6 Years)	₹1,15,000 Per Month	UmeshKumar Chaudhary
19	Shree Harsh Plaza, City survey No. 131,134 Samrat Chowk, Dindayal Road, Dombivli (West)	3000 sq. ft.	August 29, 2018	Retail Store	Leave and License (Tenure - 6 Years years)	₹ 1,03,500 Per Month	Ganesh Trimbak Misal,
20	Shop No. 1, Datta Bhagwan Mhatre Building, Village Shivaji Nagar, Survey No 94/10 Kumbharkhanpada, Dombivli (West), Thane	3000 sq. ft.	October 6, 2022	Retail Store	Leave and License (Tenure – 5 Years)	₹2,50,000 Per Month	Datta Bhagwan Mhatre
21	Survey No. 1873, Ward No. 21, House No. 78/1, Village Mulgaon Budruk, Tal. Khalapur, Dist. Raigad	5100 sq. ft.	January 30, 2022	Retail Store	Leave and License (Tenure - 5 Years)	₹2,35,000 Per Month	Anand Kumar Mohatta HUF
22	Shankeshwar Kreators, 13, H No. 2, Kolivali, Kalyan (West)-421301	2900 sq. ft.	April 1, 2022	Retail Store	Leave and License (Tenure – 5 Years)	₹2,17,500 Per Month	Shankheshwar Kreaters
23	Shop no. 1, Office no. 5 to 7 plus dressing room on Ground Floor, Shop no. 1 to 12, and Office no. 18 to 23 plus dressing room on 1st Floor, A wing, Krishna	9347 sq. ft.	January 16, 2024	Retail Store	Leave and License (Tenure – 3 Years)	₹9,27,170 Per Month	M/s. Gopal Krishna Developers

Sr. No.	Details of Property	Area (Sq. Ft./ Sq. Mtrs.)	Date of Agreement	Actual use	Owned / Leased (Validity *)	Lease Rent	Details of the lessor/licensor/seller
	Square Building						
24	Ground Floor and First Floor, Opp. Madhav Shrishti, Godrej Hill Road, Khadakpada, Kalyan (West)	4810 sq. ft.	April 19, 2021	Retail Store	Leave and License (Tenure – 3 Years)	₹3,32,750 Per Month	Jairam Patel
25	Cholkar Niwas, Tilak Chowk, Kalyan (West)	1700 sq. ft.	October 12, 2020	Retail Store	Leave and License (Tenure – 5 Years)	₹1,94,040 Per Month	Satram Verhani (HUF), Anil Balchandani, Milind Pandit, Prakash Jagyasi
26	Ground Floor, Shop No. 1, 2 & 3, Pranav Shopping Centre, Santoshi Mata Road, Kalyan (West)	1940 sq. ft.	July 29, 2019	Retail Store	Leave and License (Tenure – 5 Years)	₹1,66,375 Per Month	M/s. Prachee Associates
27	Shop No. 3 to 5, c/o House no. 1651, Murbadkar Building, Sonar Pada, Near Heritage School, Kalyan-Murbad Road-421401	4200 sq. ft.	May 29, 2019	Retail Store	Leave and License (Tenure – 5 Years)	₹1,76,000 Per Month	Rakesh Subhashchandra Shah
28	Shop No. 1, Pandit Naka, Cherpoli, near ST Depot, Shahapur-421601	4000 sq. ft.	January 16, 2024	Retail Store	Leave and License (Tenure – 3 Years)	₹4,20,000 Per Month	M/s. Shiv Sagar Builders
29	Shop No. 1, 2, 3 and 4, Ground Floor, Omkar Complex, Near Shahad Bridge, Shahad.	2200 sq. ft.	September 3, 2020	Retail Store	Leave and License (Tenure – 5 Years)	₹1,92,500 Per Month	Parin Kirti Mota, Bhavin Kirti Mota, Ladhibai Kanji Mota
30	Regency Sarvam, Shop no. 1, 2, 3 of Commercial Building No. 2, bearing S. No. 42, H No. 1, 2, 3, Manda	3964 sq. ft.	September 17, 2021	Retail Store	Leave and License (Tenure – 5 Years)	₹1,44,493 Per Month	Mahesh S. Khairari

Sr. No.	Details of Property	Area (Sq. Ft./ Sq. Mtrs.)	Date of Agreement	Actual use	Owned / Leased (Validity *)	Lease Rent	Details of the lessor/licensor/seller
	Titwala-421605						
31	Shop No. 1, Mukund Building, , Aman Talkies Road, Ulhasnagar (West) , Thane	4500 sq.ft	January 16, 2024	Retail Store	Leave and License (Tenure – 3 Years)	₹2,55,000 Per Month	Deepak M. Tanna
32	Shop no. 1, 2 and 3, Plot 6, 7, 8, 9 Part of Maha Laxmi Marria Law Ulhasnagar (East)	8500 sq. ft.	December 22, 2022	Retail Store	Leave and License (Tenure – 3 Years)	₹1,92,5000 Per Month	Gopidevi Dayaram Senani and Ramchander Dayaram Senani
33	Survey No. 145/1, Bhuj Bachau Highway, Village Dudhai, Taluka Anjar, District Kutch, Gujarat - 370115	3Acres-27 Guntha	April 23, 2015	Factory	Owned	N.A.	Patel Retail Limited
34	Survey No. 170/2, Bhuj Bachau Highway, Village Dudhai, Taluka Anjar, District Kutch, Gujarat - 370115	7Acres-38 Guntha	November 8, 2019	Factory	Owned	N.A.	Patel Retail Limited
35	Survey No. 425/11/P2, Ward No. 1, Dhamadka, Dhamadka B.O, Kachchh, Gujarat, India, 370115	13Acres-14 Guntha	November 18, 2023	Factory	Owned	N.A.	Patel Retail Limited
36	Jain Plaza, Office premises 3, 4, 10 and 110, Ambernath (East)- 421501	1320 Sq. ft	May 1, 2023	Store	Leave & License (Tenure - 3 years)	N.A.	Dhanji Raghavji Patel
37	Shop No 9, B Wing Navare			Godown	Leave and License	₹6000 per	Perumal Pechaiya Konar

Sr. No.	Details of Property	Area (Sq. Ft./ Sq. Mtrs.)	Date of Agreement	Actual use	Owned / Leased (Validity *)	Lease Rent	Details of the lessor/licensor/seller
	Arcade, Shivam Tower, Ambernath (East)- 421501	500 sq.ft	October 1, 2023		(Tenure- 5 years)	month	
38	Ground floor, Shop No. 12 Vivekanand arcade, Gandhi Chowk, Station road, Badlapur (East)-421503	250 Sq. ft	February 26, 2024	Godown	Leave and License (Tenure- 22 months)	₹9000 per month	Ujjwala Ulhas Ambavane
39	2/5 Sayyad Building Rajaji Path, Near Swami Narayan Mandir, Ram Nagar, Dombivali (E)	400 sq. ft	October 1, 2024	Godown	Leave and License- (Tenure- 11 months)	₹7500 per month	Yogesh Hirji Malani
40	Sayyad building, Room No. 3, 2nd Floor, Rajaji Path, Dombivali (East)	500 sq. ft.	August 1, 2023	Staff room	Leave and License- (Tenure- 8 months)	₹6500 per month	Alka Jotiba Raykar
41	Room No. 206, Tulsi Das Apt., Vijay Nagar, Near Ram Mandir, Dombivali (West)	500 Sq. ft	August 1, 2023	Staff room	Leave and License (Tenure- 5 years)	₹6000 per month	Ganesh Shaligram Patil
42	Shivkrupa Hsg Society, Room No. 04 Zunzarao, Complex Murbad-421401	800 sq. ft.	August 1, 2023	Staff room	Leave and License (Tenure- 5 years)	₹5000 per month	Ummedsingh Naruka
43	Flat No. 107, Gaytri Dham, Sector 3, Ganpati Mandir road, Titwala-421605.	500 sq. ft.	August 1, 2023	Staff room	Leave and License (Tenure- 5 years)	₹6000 per month	Dinesh Suresh Pawar
44	Flat No 02, Behind SBI Bank, Taluka Khalapur, Raigad - 410203	450 Sq. ft.	August 1, 2023	Staff room	Leave and License (Tenure- 5 years)	₹6000 per month	Anand Kumar Mohatta HUF

Sr. No.	Details of Property	Area (Sq. Ft./ Sq. Mtrs.)	Date of Agreement	Actual use	Owned / Leased (Validity *)	Lease Rent	Details of the lessor/licensor/seller
45	Survey No. 33/ P34, Village Dudhai, Taluka Anjar, Kutch, Gujarat	7. 975 acres	November 1, 2018	Warehousing and Logistics	Lease (Tenure- 50 years)	₹10,000 per month	Hiren Bechar Patel

The Details of Domain Name registered on the name of the Company is: -

Sr. No.	Domain Name and ID	Sponsoring Registrar and IANA ID	Registrant Name	Creation date	Registration Expiry date
1.	Domain Name: PATELRMART.COM Registry Domain ID: 2525958254_DOMAIN_COM-VRSN	Registrar: GODADDY.COM IANA ID: 146	Registrant Name: Patel Retail Limited Organization: Company	14th May 2020	14th May 2025
2	Domain Name: PATELRPL.IN Registry Domain ID: D55F3A4071ED8453E83327882D374E319-IN	Registrar: GODADDY.COM IANA ID: 146	Registrant Name: Patel Retail Limited Organization: Company	8th January 2021	8th January 2028
3	Domain Name: PATELRPL.NET Registry Domain ID: 1661904265_DOMAIN_NET-VRSN	Registar: MICROSOFT CORPORATION IANA ID: 1331	Registrant Name: Patel Retail Limited Organization: Company	20th June 2023	16th June 2028

CORPORATE SOCIAL RESPONSIBILITY

We have set up a corporate and social responsibility ("CSR") committee of our Board of Directors (the "CSR Committee") comprising of Managing Director, Whole Time Director, Non Executive Director and Independent Director and have adopted and implemented a CSR policy on 13th October 2023 pursuant to which we carry out our CSR activities. The main objective of the policy is to lay down guidelines for our Company's corporate social responsibility, and make it a key business process for sustainable development, to make a positive impact on society and enhance our image as a credible and reliable business partner. These CSR activities may include, amongst others, efforts to eradicate hunger, poverty, promoting education and animal welfare. For more details, please see *"**Our Management- Corporate Governance**"* on page 356.

KEY REGULATIONS AND POLICIES IN INDIA

Given below is an indicative summary of certain sector specific and relevant laws and regulations in India, currently applicable to our Company. The information detailed in this chapter has been obtained from publications available in the public domain. The description of the applicable regulations as given below has been set out in a manner to provide general information to the investors and is not exhaustive and is neither designed nor intended to be a substitute for professional legal advice. The indicative summaries below are based on the current provisions of applicable law, which are subject to change, modification or amendment by subsequent legislative, regulatory, administrative or judicial decisions. We are regulated by a number of central and state legislations. Additionally, our functioning requires the sanction of concerned authorities, at various stages, under relevant legislations and local by-laws.

Given below is a brief description of certain relevant legislations that are currently applicable to the business carried on by us.

KEY REGULATIONS APPLICABLE TO OUR COMPANY

The key laws applicable to our Company include:

Consumer Protection Act, 2019 ("Consumer Protection Act") and the rules made thereunder

The Consumer Protection Act was designed and enacted to provide simpler and quicker access to redress consumer grievances. It seeks, *inter alia* to promote and protect the interests of consumers against defects and deficiencies 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. 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 ₹10,00,000. In cases of manufacturing for sale or storing, selling or distributing or importing products containing an adulterant, the imprisonment may vary between six months to seven years and fine between ₹1,00,000 to ₹10,00,000 depending upon the nature of injury to the consumer.

The Food Safety and Standards Act, 2006 ("FSSA"), the Food Safety and Standards Rules, 2011 ("FSSR") and regulations made thereunder

The FSSA was enacted with a view to consolidate the laws relating to food and establish the Food Safety and Standards Authority of India ("**FSSAI**") for laying down science based standards for articles of food and to regulate their manufacture, storage, distribution, sale and import, to ensure availability of safe and wholesome food for human consumption and for matters connected therewith or incidental thereto. The FSSA *inter alia* also sets out requirements for licensing and registration of food businesses, lists general principles of food safety, responsibilities of the food business operator, contains provisions of liability of manufacturers, packers, wholesalers, distributors and sellers etc.

The enforcement of the FSSA is generally facilitated by 'state commissioners of food safety' and other officials at a local level. Under Section 51 of the FSSA, any person who manufactures, stores, sell or imports sub-standard food for human consumption is liable to pay a penalty which may extend up to ₹ 5,00,000. FSSA has defined sub-standard as, an article of food which does not meet the specified standards but does not render the article of food unsafe. The provisions of the FSSA require every distributor to be able to identify any food article by its manufacturer, and every seller by its distributor that should be registered under the FSSA and every entity in the sector is bound to initiate recall procedures if it finds that the food marketed has violated specified standards. Food business operators are required to ensure that persons in their employment do not suffer from infectious or contagious diseases. The FSSA also imposes liabilities upon manufacturers, packers, wholesalers, distributors and sellers requiring them to ensure that, inter alia, unsafe and misbranded products are not sold or supplied in the market.

The FSSAI has also framed the FSSR which have been operative since August 5, 2011. The FSSR provides the procedure for registration and licensing process for food business and lays down detailed standards for various food products. The FSSR also sets out the enforcement structure of 'the commissioner of food safety', 'the food safety officer' and 'the food analyst' and procedures of taking extracts, seizure, sampling and analysis.

Legal Metrology Act, 2009 ("LM Act") and the Legal Metrology (Packaged Commodities) Rules, 2011 ("Packaged Commodities Rules")

The LM Act seeks to establish and enforce standards of weights and measures, regulate trade and commerce in weights, measures and other goods which are sold or distributed by weight, measure or number. The LM Act and rules framed thereunder regulate, *inter alia*, the labelling and packaging of commodities, appointment of government approved test centres for verification of weights and measures used, and lists penalties for offences and compounding of offences under it. Any noncompliance or violation under the LM Act may result in, inter alia, a monetary penalty on the manufacturer or seizure of goods or imprisonment in certain cases.

The LM Act defines a pre-packaged commodity to mean a commodity which without the purchaser being present is placed in a package of whatever nature, whether sealed or not, so that the product contained therein has a pre-determined quantity. The Packaged Commodities Rules prescribes provisions for imports, pre-packing and the sale of commodities in a packaged form intended for retail sale, wholesale and for export and import, certain rules to be adhered to by importers, wholesale and retail dealers, the declarations to be made on every package, the size of label and/or importers and the manner in which the declarations shall be made, etc. These declarations that are required to be made include, *inter alia,* the name and address of the manufacturer, the dimensions of the commodity, the maximum retail price, generic name of the product, the country of origin or manufacture or assembly and the weight and measure of the commodity in the manner as set forth in the Packaged Commodities Rules.

The Essential Commodities Act, 1955 ("ECA")

The ECA empowers the Central Government, to control production, supply and distribution of, and trade and commerce in certain essential commodities for maintaining or increasing supplies or for securing their equitable distribution and availability at fair prices or for securing any essential commodity for the defence of India or the efficient conduct of military operations. Using the powers under it, various ministries/departments of the Central Government have issued control orders for regulating production, distribution, quality aspects, movement and prices pertaining to the commodities which are essential and administered by them. The State Governments have also issued various control orders to regulate various aspects of trading in essential commodities such as food grains, edible oils, pulses kerosene, sugar and drugs. Penalties in terms of fine and imprisonment are prescribed under the ECA for contravention of its provisions.

The Sale of Goods Act, 1930 ("Sale of Goods Act")

The Sale of Goods Act governs contracts relating to sale of goods. The contracts for sale of goods are subject to the general principles of the law relating to contracts i.e., the Indian Contract Act, 1872. A contract for sale of goods has, however, certain peculiar features such as, transfer of ownership of the goods, delivery of goods, rights and duties of the buyer and seller, remedies for breach of contract, conditions and warranties implied under a contract for sale of goods, etc. which are the subject matter of the provision of the Sale of Goods Act.

Insecticides Act, 1968 ("Insecticides Act")

The Insecticides Act regulates the import, manufacture, sale, transport, distribution and use of insecticides with a view to prevent risk to human beings or animals, and matters connected therewith. Any person who desires to manufacture or sell or exhibit for sale or distribute any insecticides or undertake commercial pest control operations with the use of insecticides needs to make an application to the licensing officer for the grant of the license. The Act contains various prohibitions regarding the import, manufacture and sale of insecticides.

The Factories Act, 1948 ("Factories Act")

The Factories Act seeks to regulate labour employed in factories and makes provisions for the safety, health and welfare of workers. The term 'factory' as defined under the Factories Act, means any premises, including precincts thereof which employs or has employed on any day in the preceding twelve (12) months, ten (10) or more workers and in which any manufacturing process is carried on with the aid of power, or any premises including precincts thereof wherein twenty (20) or more workers are employed at any day duringthe preceding twelve (12) months and in which any manufacturing process is carried on without the aid of power. An 'occupier' of a factory under the Factories Act, means the person who has ultimate control over the affairs of the factory. The occupier or manager of the factory is required to obtain a registration for the factory.The Factories Act also requires inter alia the maintenance of various registers dealing with safety, labour standards, holidays and extent of child labour including their conditions. Further, notice of accident or dangerous occurrence in the factory is to be provided to the inspector by the manager of the factory.

Shops and establishments legislations

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

Gujarat Fire Prevention and Life Safety Measures Act, 2013

The Gujarat Fire Prevention and Life Safety Measures Act, 2013 makes effective provisions for fire prevention, safety and protection of life and property, in various types of buildings and temporary structures likely to cause a risk of fire in different areas in the state of Gujarat and for matters connected therewith or incidental thereto.

The Agricultural Produce Marketing Legislations

The agricultural produce marketing legislations enacted by state governments regulate the marketing of agricultural, horticultural, livestock products and certain other produce in market areas and establishes market committees for every market area in the state to regulate transactions in agricultural produce. It provides for the organization and composition of committees and their powers and functions which include, granting licenses to operate in the market, provide for necessary facilities in the market area, regulate and control transactions in the market and admissions to the market.

LAWS RELATING TO EMPLOYMENT

In addition to the aforementioned material legislations which are applicable to our Company, some of the labour legislations that may be applicable to the operations of our Company include:

(i) Contract Labour (Regulation and Abolition) Act, 1970;
(ii) Payment of Wages Act, 1936;
(iii) Payment of Bonus Act, 1965;
(iv) Payment of Gratuity Act, 1972;
(v) Employees' Provident Funds and Miscellaneous Provisions Act, 1952;
(vi) Employees' State Insurance Act, 1948;
(vii) Maternity Benefit Act, 1961;
(viii) Equal Remuneration Act, 1976;
(ix) Minimum Wages Act, 1948;
(x) Sexual Harassment of Women at Workplace (Prevention, Prohibition and Redressal) Act, 2013.

In order to rationalize and reform labour laws in India, the Government of India has framed four labour codes, namely:

(a) The Industrial Relations Code, 2020 ("**IR Code**") received the assent of the President of India on September 28, 2020 and it proposes to subsume three existing legislations pertaining to conditions of employment in industrial establishments/ undertakings, namely, the Industrial Disputes Act, 1947, the Trade Unions Act, 1926 and the Industrial Employment (Standing Orders) Act, 1946. The provisions of the IR Code will be brought into force on a date to be notified by the Central Government.

(b) The Code on Wages, 2019 ("**Wage Code**") received the assent of the President of India on August 8, 2019. The Wage Code consolidates, amends and subsumes four existing central laws pertaining to wages and bonus namely, the Payment of Wages Act, 1936, the Minimum Wages Act, 1948, the Payment of Bonus Act, 1965 and the Equal Remuneration Act, 1976. Vide Notification dated December 18, 2020, the Ministry of Labour and

Employment has notified and brought into effect certain provisions of the Wage Code pertaining to constitution of the Central Advisory Board ("**Board**") by the Central Government. The Board is empowered to advise on matters relating to fixation or revision of minimum wages, providing employment opportunities to women, etc. However, the notified sections of the Wage Code do not contain any responsibilities / obligations for employers. The other provisions of the Wage Code will be bought into force on a date to be notified by the Central Government.

(c) The Occupational Safety, Health and Working Conditions Code, 2020 ("**OSHWC Code**") received the assent of the President of India on September 28, 2020 and proposes to subsume certain existing legislations pertaining to occupational health, safety and working conditions of persons employed in an establishment which include the Factories Act, 1948, the Plantations Labor Act, 1951, the Mines Act, 1952, the Working Journalists and other Newspaper Employees (Conditions of Service and Miscellaneous Provisions) Act, 1955, the Working Journalists (Fixation of Rates of Wages) Act, 1958, the Motor Transport Workers Act, 1961, the Beedi and Cigar Workers (Conditions of Employment) Act, 1966, the Contract Labour (Regulation and Abolition) Act, 1970, the Sales Promotion Employees (Condition of Service) Act, 1976, the Inter-State Migrant workmen (Regulation of Employment and Conditions of Service) Act, 1979, the Cine Workers and Cinema Theatre Workers Act, 1981, the Dock Workers (Safety, Health and Welfare) Act, 1986, the Building and Other Construction Workers (Regulation of Employment and Conditions of Service) Act, 1996. The provisions of the OSHWC Code will be brought into force on a date to be notified by the Central Government.

(d) The Code on Social Security, 2020 ("**Social Security Code**") received the assent of the President of India on September 28, 2020. The Social Security Code intends to consolidate nine (9) central labour statutes pertaining to social securityinto a single code- the Employees' Compensation Act, 1923, the Employees' State Insurance Act, 1948, the Employees' Provident Fund and Miscellaneous Provisions Act, 1952, the Employment Exchanges (Compulsory Notification of Vacancies) Act, 1959, the Maternity Benefit Act, 1961, the Payment of Gratuity Act, 1972, the Cine Workers Welfare Fund Act, 1981, the Building and Other Construction Workers Welfare Cess Act, 1996 and the Unorganised Workers' Social Security Act, 2008. The Social Security Code proposes to extend social security benefits to all employees and workers, in both organized and unorganized sectors, including gig workers. Section 142 of the Social Security Code has been brought into force from May 3, 2021 by the Ministry of Labour and Employment through a notification dated April 30, 2021 and other provisions of this Code will be brought into force on a date to be notified by the Central Government.

LAWS RELATING TO ENVIRONMENT

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

The Environment Protection Act, 1986 ("EP Act")

The EP Act provides for the protection and improvement of the environment. The EP Act empowers the Central Government to take all such measures as it deems necessary or expedient for the purpose of protecting and improving the quality of the environment and preventing, controlling and abating environmental pollution. The EP Act prohibits any person carrying on any industry, operation or process from discharging, emitting or permitting to be discharged or emitted, any environmental pollutant in excess of prescribed standards. Further, it requires persons handling hazardous substances to do so in accordance with such procedure, and in compliance with such safeguards, as may be prescribed.

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

The Air Act provides for the prevention, control and abatement of air pollution. Under the Air Act, the State Government may, after consultation with the state pollution control board declare, any area or areas within the State as air pollution control area or areas for the purposes of the Air Act. Pursuant to the provisions of the Air Act, any person establishing or operating any industrial plant within an air pollution control area, must obtain the consent of the relevant state pollution control board prior to establishing or operating such industrial plant. Further, under section 22 of the Air Act, no person operating any industrial plant in any air pollution control area shall discharge or permit or cause to be discharged the emission of any air pollutant in excess of the standards laid down by the state pollution control board. The Air Act prescribes specific amounts of fine and terms of imprisonment for various contraventions.

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

The Water Act provides for one Central Pollution Control Board, as well as state pollution control boards ("**State PCB**"), to be formed to implement its provisions, including enforcement of standards for factories discharging pollutants into water bodies. The Water Act prohibits the use of any stream or well for the disposal of polluting matter, in violation of the standards set down by the State PCB. The Water Act also provides that the consent of the State PCB must be obtained prior to opening of any new outlets or discharges, which are likely to discharge sewage effluent. The Water Act prescribes specific amounts of fine and terms of imprisonment for various contraventions.

Plastic Waste Management Rules, 2016 ("PWM Rules")

Under the Plastic Waste Management Rules, 2016, all institutional generators of plastic waste, are required to *inter alia*, segregate and store the waste generated by them in accordance with the Solid Waste Management Rules, 2016, and handover segregated wastes to authorized waste processing or disposal facilities or deposition centers, either on its own or through the authorized waste collection agency. The waste generator shall also take steps to minimize generation of plastic waste. The PWM Rules also requires the producers, importers and brand owners to collect back the plastic waste generated due to their products.

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

The Hazardous Waste Rules regulate the management, treatment, storage and disposal of hazardous waste. Under the Hazardous Waste Rules, "hazardous waste" inter alia means any waste which by reason of characteristics such as physical, chemical, biological, reactive, toxic, flammable, explosive or corrosive, causes danger or is likely to cause danger to health or environment, whether alone or in contact with other wastes or substances. Every occupier and operator of a facility generating hazardous waste must obtain authorization from the relevant state pollution control board. Further, the occupier, importer or exporter is liable for damages caused to the environment or third party resulting from the improper handling and management and disposal of hazardous waste and must pay any financial penalty that may be levied by the respective state pollution control board.

LAWS RELATING TO INTELLECTUAL PROPERTY

Intellectual Property in India enjoys protection under both common law and statute. Under statute, India provides for patent protection under the Patents Act, 1970, copyright protection under the Copyright Act, 1957, trademark protection under the Trade Marks Act, 1999 and design protection under the Designs Act, 2000. The above enactments provide for protection of intellectual property by imposing civil and criminal liability for infringement.

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

Indian trademark law permits the registration of trademarks for goods and services. The Trade Marks Act governs the statutory protection of trademarks and for the prevention of the use of fraudulent marks in India. Certification marks and collective marks can also be registered under the Trademarks Act. An application for trademark registration may be made by individual or joint applicants by any person claiming to be the proprietor of a trade mark, and can be made on the basis of either use or intention to use a trademark in the future. Applications for a trademark registration may be made for in one or more international classes. Once granted, trademark registration is valid for ten (10) years unless cancelled. If not renewed after ten (10) years,the mark lapses and the registration has to be restored. While both registered and unregistered trademarks are protected under Indian Law, the registration of trademarks offers significant advantages to the registered owner, particularly with respect to proving infringement. The Trade Marks Act prohibits any registration of deceptively similar trademarks. It also provides for penalties for infringement, falsifying and falsely applying trademarks and using them to cause confusion among the public.

Copyright Act, 1957

The Copyright Act, 1957, along with the Copyright Rules, 1958, (collectively, "**Copyright Laws**") serve to create property rights for certain kinds of intellectual property, generally called works of authorship. The Copyright Laws protect the legal rights of the creator of an 'original work' by preventing others from reproducing the work in any other way. The intellectual property protected under the Copyright Laws includes literary works, dramatic works, musical works, artistic works, cinematography, and sound recordings. The Copyright Laws prescribe fine, imprisonment or both for violations, with enhanced penalty on second or subsequent convictions. While copyright registration is not a prerequisite for acquiring or enforcing a copyright in an otherwise copyrightable work, registration constitutes prima facie evidence of the particulars entered therein and may expedite infringement proceedings and reduce delay caused due to evidentiary considerations. Upon registration, the copyright protection for a work exists for a period of 60 years following the demise of the author. Reproduction of a copyrighted work for sale or hire, issuing of copies to the public, performance or exhibition in public, making a translation of the work, making an adaptation of the work and making a cinematograph film of the work without consent of the owner of the copyright are all acts which expressly amount to an infringement of copyright.

LAWS RELATION TO FOREIGN INVESTMENT

Foreign Investment in India is governed by the provisions of the FEMA, the FEM NDI Rules along with the Consolidated FDI Policy issued by DPIIT, from time to time. Further, the RBI has enacted the Foreign Exchange Management (Mode of Payment and Reporting of Non-Debt Instruments) Regulations, 2019 which regulates the mode of payment and reporting requirements for investments in India by a person resident outside India.

Under the Consolidated FDI Policy, up to 51% foreign direct investment is permitted in our Company which is engaged in multi-brand retail trading, under Government route. The Consolidated FDI Policy also provides certain conditions with respect to FDI in multi-brand retail trading. One of the conditions indicate that the Consolidated FDI Policy on multi-brand retail trading is an enabling policy only and that the state governments/ union territories would be free to take their decisions in regard to implementation of the policy.

LAWS RELATED TO TAXATION

Customs Act, 1961 ("Customs Act")

The Customs Act, as amended, regulates import of goods into and export of goods from India by providing for levy and collection of customs duties on goods in accordance with the Customs Tariff Act, 1975. Any Company requiring to import or export goods is required to obtain an Importer Exporter Code under Foreign Trade (Development and Regulation) Act, 1992. Customs duties are administrated by Central Board of Indirect Tax and Customs under the Ministry of Finance.

In addition to the aforementioned material legislations which are applicable to our Company, some of the tax legislations that may be applicable to the operations of our Company include:

(i) Income Tax Act, 1961, Income Tax Rules, 1962, as amended by the Finance Act in respective years;
(ii) Central Goods and Services Tax Act, 2017 and state-wise legislations made therein;
(iii) Integrated Goods and Services Tax Act, 2017;
(iv) Customs Act, 1962;
(v) Indian Stamp Act, 1899 and state-wise legislations made thereunder;
(vi) State-wise legislations relating to professional tax.

OTHER APPLICABLE LAWS

In addition to the above, we are also governed provisions of the Companies Act and rules framed thereunder, the Competition Act, 2002, the state legislations on fire prevention and fire safety measures, local municipal laws and other applicable and regulation imposed by the Central Government, State Governments and other authorities for our day-to-day business, operations, and administration.

HISTORY AND CERTAIN CORPORATE MATTERS

Brief history of our Company

Our Company was originally incorporated as *"Patel Retail Private Limited"* at Ambernath, Maharashtra as a private limited company under the Companies Act, 1956, pursuant to a certificate of incorporation dated June 13, 2007 issued by the Registrar of Companies, Maharashtra, Mumbai. Thereafter, our Company was converted into a public limited company, approved vide shareholders' resolution dated July 18, 2023, pursuant to which the name of our Company was changed to *"Patel Retail Limited"* and a fresh certificate of incorporation consequent upon change of name on conversion to public limited company was issued by the Registrar of Companies, Maharashtra, Mumbai dated August 28, 2023.

The Corporate Identification Number of our Company is U52100MH2007PLC171625.

Changes in the Registered Office

Except as disclosed below, there has been no change in the address of our registered office since incorporation:

Effective date of change	Details of change in address	Reasons for change
July 26, 2010	The registered office of our Company was changed: **From:** C Wing, 1st Floor, Flat No. 111, Padmavati Complex, Sai Section, Ambernath, Thane- 421501, Maharashtra, India **To:** B-14, Morovali, MIDC, Ambernath, Thane- 421505, Maharashtra, India	Administrative convenience
June 19, 2013	**From:** B-14, Morovali, MIDC, Ambernath, Thane- 421505, Maharashtra, India **To:** Plot No. M-2, Anand Nagar, Additional MIDC, Ambernath (East), Thane- 421506, Maharashtra, India	Administrative convenience

Main objects of our Company

The main objects contained in our MoA are as mentioned below:

1. *To carry on the business of chain of retail departmental stores, exports, ecommerce sales including sale on various digital applications and platform and to engage in India or abroad to manufacture, trade, supply, distribute, import, export, produce, process, prepare, disinfect, fermentate, compound, mix, clean, wash, concentrate crush, grind, segregate, pack, repack, add, remove, heat, grade, preserve, freeze, distillate, boil sterlize, improve, extract, refine, buy, sell, resale, barter, transport, store, forward, dispose, develop, handle, manipulate, market and to act agent, broker, representative, collaborator, aditial, stockiest, liaisoner, middleman, export house, or otherwise to deal in all types, description, tastes, uses and packs of consumer food items, their byproducts, ingredients, derivatives residues, including foods and vegetables, packed foods, powders, pastes, liquids, drinks, beverages, oils, juices, jams, jelly, pulp, squashes, pickles, sausages, concentrates, extracts, essences, flavors, syrups, sarbats, flavored drinks, health and diet drinks, extruded foods, frozen foods, dehydrated foods, precooked foods, canned foods, preserved foods, health foods, fast foods, cream cheese, food grains, pulses, fruits, dry fruits, butter, biscuits, breads, cakes, pastries, confectionery, sweets, chocolates, toffees, breakfast, foods, protein foods, dietic products, strained baby foods, Instant foods, create products, soaps, detergents, medicinal products, electric and electronic items, cosmetics, herbal, dairy products, sanitary products, consumable items, pasty sides, insecticides, garments, cloth, fabrics, hosiery goods and all other items whether natural, artificial or synthetic of a character similar or analogous to the foregoing or connected therewith and to do all incidental acts and things necessary for the foregoing objects.*

The main objects, as contained in our MoA, enable our Company to carry on the business presently being carried out.

Amendments to the Memorandum of Association in the last ten (10) years

Set out below are the amendments to our Memorandum of Association in the ten (10) years:

Date of Shareholders' Resolution	Particulars
June 2, 2009	Clause V of the MoA was amended to reflect the increase in the authorised share capital of our Company from ₹5,00,000 divided into 50,000 equity shares of ₹10/- each to ₹1,00,00,000 divided into 10,00,000 equity shares of ₹10/- each
January 3, 2013	Clause V of the MoA was amended to reflect the increase in the authorised share capital of our Company from ₹1,00,00,000 divided into 10,00,000 equity shares of ₹10/- each to ₹1,50,00,000 divided into 15,00,000 equity shares of ₹10/- each
June 5, 2013	Clause V of the MoA was amended to reflect the increase in the authorised share capital of our Company from ₹1,50,00,000 divided into 15,00,000 equity shares of ₹10/- each to ₹3,00,00,000 divided into 30,00,000 equity shares of ₹10/- each
December 4, 2014	Clause V of the MoA was amended to reflect the increase in the authorised share capital of our Company from ₹3,00,00,000 divided into 30,00,000 equity shares of ₹10/- each to ₹5,00,00,000 divided into 50,00,000 equity shares of ₹10/- each
July 18, 2023	Clause I of the MoA was amended to reflect the change in the name of our Company from 'Patel Retail Private Limited' to 'Patel Retail Limited', pursuant to conversion of our Company from private limited company to public limited company
October 28, 2023	Clause V of the MoA was amended to reflect the increase in the authorised share capital of our Company from ₹5,00,00,000 divided into 50,00,000 equity shares of ₹10/- each to ₹35,10,00,000 divided into 3,51,00,000 equity shares of ₹10/- each

Major Events and milestones in the history of our Company

The table below sets forth the major events and milestones in the history of our Company since incorporation:

Calendar year / Financial year	Particulars
2007	Opened our 1st retail store at Ambernath, Maharashtra
2009	(i) Commencement of export business; (ii) Opened our 1st garments outlet/ store under the name 'Patel R Choice'
2013	Set-up our Processing and Packaging Unit (Facility 1) at our Registered Office
2015	Commenced production in Facility 2 in Dudhai, Kutch, Gujarat
2018-19	Received approval from Ministry of Food Processing Industries ("**MOFPI**") for establishing an agro processing cluster in Dudhai, Kutch, Gujarat under the *'Scheme for Creation of Infrastructure for Agro Processing Clusters of MOFPI, Government of India'* and grant-in-aid of ₹436.00 Lakhs
2019-20	Development of our Agri-cluster (Facility 3) at Dudhai, Kutch, Gujarat: (i) Received MOFPI approval for grant-in-aid of ₹152.25 Lakhs for setting up of Unit I for manufacturing of whole spices and oilseeds; (ii) Received MOFPI approval for grant-in-aid of ₹243.62 Lakhs for setting up of Unit II for manufacturing of pulverised and blended spices; (iii) Received MOFPI approval for grant-in-aid of ₹132.71 Lakhs for setting up of Unit III for manufacturing of chakki, atta, suji and atta roller; (iv) Received MOFPI approval for grant-in-aid of ₹204.92 Lakhs for setting up of Unit IV for processing of peanut and blanching; (v) Received MOFPI approval for grant-in-aid of ₹121.80 Lakhs for setting up of Unit V* for processing of sesame seed ***(Note:** Unit I, Unit II, Unit III, Unit IV and Unit V are collectively referred to as "**Facility 3**")*
2022	Commencement of production at Unit I, Unit II, Unit III and Unit IV
2022-23	(i) Earned revenue exceeding ₹1,00,000 Lakhs;

Calendar year / Financial year	Particulars
	(ii) Exports to twenty-five (25) countries; (iii) Transfer of Patel R Choice, fashion garments outlet

Note:
As on the date of this Draft Red Herring Prospectus, plant and machinery under Unit V is under installation and is pending for trial production run.

Key awards, accreditations or recognitions

Our Company has received the following key awards, accreditations and recognitions:

Calendar Year	Particulars
2019	Accorded status of Three Star Export House by the Directorate General of Foreign Trade, Ministry of Commerce and Industry, Government of India
2023	Accorded status of Four Star Export House by the Directorate General of Foreign Trade, Ministry of Commerce and Industry, Government of India

Significant financial and/or strategic partners

Our Company does not have any significant financial and/or strategic partners, as on the date of this Draft Red Herring Prospectus.

Time / cost overrun in setting up projects

Except as stated below, there has been no time or cost over-run in respect of our business operations:

Our Company received MOFPI approval dated July 9, 2019 ("**Letter**") for setting up of Unit V for processing of sesame seed at our Facility 3 at Dudhai, Kutch, Gujarat ("**Project**") under the *'Scheme of Creation/ Expansion of Food Processing & Preservation Capacities of Pradhan Mantri Kisan Sampada Yojana'.* As per the Letter, our Company was eligible for grant-in-aid of ₹121.80 Lakhs in two (2) installments, subject to fulfilment of certain conditions. Further, the implementation schedule for the Project was eighteen (18) months from the date of issuance of the Letter. However, our Company applied for the second instalment of grant-in-aid and received queries pertaining to our application only in the month of February, 2024.

Details of capacity / facility creation and location of plants

For details of capacity / facility creation and location of plants, please see *"**Our Business – Installed Capacity and Capacity Utilisation**"* on page 289.

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

For details in relation to our corporate profile including details of our business, activities, services, market, growth, competition, launch of key products, entry into new geographies or exit from existing markets, suppliers, customers, capacity build-up, technology, and managerial competence, please see *"**Risk Factors**" "**Our Business**"*, *"**History and Other Corporate Matters - Major events and milestones**"*, *"**Our Management**"* and *"**Management's Discussion and Analysis of Financial Condition and Results of Operations**"* on pages 35, 251, 342, 347 and 378 respectively.

Defaults or rescheduling / restructuring of borrowings with financial institutions / banks

As on the date of this Draft Red Herring Prospectus, there have been no instances of defaults or rescheduling / restructuring of borrowings with financial institutions or banks.

Details regarding material acquisitions or divestments of business / undertakings, mergers, amalgamation, any revaluation of assets etc., if any in the last 10 (ten) years

Our Company has not made any material acquisitions or divestments of any business or undertakings and has not undertaken any mergers, amalgamation, any revaluation of assets in the last 10 (ten) years.

Our holding Company

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

Associate Companies

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

Joint Ventures

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

Subsidiary

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

Shareholders' agreements

As on the date of this Draft Red Herring Prospectus, there are no subsisting shareholders' agreements to which our Company is a party or which our Company is aware of.

Key terms of other subsisting material agreements

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

Further, except as stated below and as disclosed in this Draft Red Herring Prospectus, there are no other inter-se agreements or arrangements entered into by and amongst any of the Promoters or Shareholders to which the Company is a party, or agreements of like nature, or agreements comprising material clauses/covenants that are required to be disclosed in this Draft Red Herring Prospectus or containing clauses/covenants that are adverse/prejudicial to the interest of minority/public shareholders:

(i) **Unsecured loan agreement dated June 30, 2023 between Dhanji Raghavji Patel** ("**Lender**") **and our Company** ("**Borrower**")**:**

Our Company entered into an unsecured loan agreement with Dhanji Raghavji Patel- Chairman and Managing Director and Promoter for availing unsecured loans of ₹1126.51 Lakhs, at an interest rate not exceeding 12% per annum and on such other terms and conditions as may be mutually agreed between both parties, for the purpose of our business.

(ii) **Unsecured loan agreement dated June 30, 2023 between Bechar Raghavji Patel** ("**Lender**") **and our Company** ("**Borrower**")**:**

Our Company entered into an unsecured loan agreement with Bechar Raghavji Patel- Whole-time Director and Promoter for availing unsecured loans of ₹544.54 Lakhs, at an interest rate not exceeding 12% per annum and on such other terms and conditions as may be mutually agreed between both parties, for the purpose of our business.

(iii) **Unsecured loan agreement dated June 30, 2023 between Hiren Bechar Patel** ("**Lender**") **and our Company** ("**Borrower**")**:**

Our Company entered into an unsecured loan agreement with Hiren Bechar Patel- Non-Executive Director for availing unsecured loans of ₹66.25 Lakhs, at an interest rate not exceeding 12% per annum and on such other terms and conditions as may be mutually agreed between both parties, for the purpose of our business.

Agreement entered into by Key Managerial Personnel, Senior Management, Directors, Promoter or any other employee

As on the date of this Draft Red Herring Prospectus, none of our Directors, Promoters, Key Managerial Personnel, Senior Management or employees have entered into an agreement, 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 our Company.

Details of guarantees given to third parties by Promoters participating in the Offer for Sale

As on the date of this Draft Red Herring Prospectus, our Promoters- Dhanji Raghavji Patel and Bechar Raghavji Patel have issued the following guarantees to third parties. These guarantees are in the nature of personal guarantees and have been issued towards contractual obligations in respect of loans availed by our Company:

Sr. No.	Lender	Borrowers	Type of Facility	Sanctioned Amount (₹ in Lakhs)
1	Bank of Baroda	Patel Retail Limited *(formerly known as Patel Retail Private Limited)*	Car loan (Tata Harrier XZA Plus DT)	25.50(1)
2	Bank of Baroda	Patel Retail Limited *(formerly known as Patel Retail Private Limited)*	Car loan (Jeep Compass Limited Plus 4x4 DSL)	27.70(2)
3	Yes Bank Limited	Patel Retail Limited *(formerly known as Patel Retail Private Limited)*	Post shipment credit, Packing credit (INR/ FCY), Cash credit, Letter of credit, Bank guarantee, Working capital demand loan	8,170.00(3)
4	HDFC Bank Limited	Patel Retail Limited *(formerly known as Patel Retail Private Limited)*	Post shipment credit, Bank guarantee, Working capital term loans, Cash credit, Pre-shipment finance, Post-shipment finance, Letter of credit	13,394.40(4)

Notes:

(1) *This guarantee was issued by Dhanji Raghavji Patel and Bechar Raghavji Patel, our Promoters along with Hiren Bechar Patel, Non-Executive Director and member of our Promoter group.*

(2) *This guarantee was issued by Dhanji Raghavji Patel and Bechar Raghavji Patel, our Promoters along with Hiren Bechar Patel, Non-Executive Director and member of our Promoter group.*

(3) *This guarantee was issued by Dhanji Raghavji Patel and Bechar Raghavji Patel, our Promoters along with Hiren Bechar Patel, Non-executive Director and Smita Dhanji Patel, members of our Promoter Group.*

(4) *This guarantee was issued by Dhanji Raghavji Patel and Bechar Raghavji Patel, our Promoters along with Hiren Bechar Patel, Non-executive Director and Smita Dhanji Patel, members of our Promoter Group.*

The abovementioned guarantees are typically effective for a period till the underlying loan is repaid by the borrower. In case of default by the borrower, the lenders would be entitled to invoke the personal guarantees given by Dhanji Raghavji Patel and Bechar Raghavji Patel, to the extent of outstanding loan amounts.

OUR MANAGEMENT

The Articles of Association require that our Board shall comprise of atleast three (3) Directors and not more than fifteen (15) Directors, provided that our Shareholders may appoint more than fifteen (15) Directors after passing a special resolution in a general meeting. As on the date of this Draft Red Herring Prospectus, we have six (6) Directors on our Board, comprising of two (2) Executive Directors, one (1) Non-Executive Director and three (3) Independent Directors, of which one (1) is an Independent woman Director. Our Company is in compliance with the corporate governance norms as prescribed under the SEBI Listing Regulations and the Companies Act, in relation to the composition of our Board and constitution of its committees thereof.

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

Board of Directors

Name, Designation, Date of Birth, Address, Occupation, Period of Directorship, Current Term and DIN	Age (Years)	Other Directorships
Dhanji Raghavji Patel ***Designation:*** Chairman and Managing Director ***Date of birth:*** October 19, 1967 ***Address:*** Plot No 111, Flat No 1, Akshardham, Kansai Section, Kansai Section Section Road, Near Chaudhary Hospital, Ambarnath (East), Thane- 421501, Maharashtra, India ***Occupation:*** Business ***Period of Directorship:*** Director since June 13, 2007 ***Current Term:*** Five (5) years w.e.f. September 27, 2023 ***DIN:*** 01376164	56	***Indian Companies*** 1. PRPL Garments Private Limited; 2. Patel RPL Realty Private Limited ***Foreign Companies*** Nil
Bechar Raghavji Patel ***Designation:*** Whole-time Director ***Date of birth:*** April 6, 1956 ***Address:*** Flat no. 5/6, Plot no-111, Akshardham, Kansai Section, Near Chaudary Hospital, Ambernath (East), Thane- 421501, Maharashtra, India ***Occupation:*** Business ***Period of Directorship:*** Director since June 13, 2007 ***Current Term:*** Liable to retire by rotation ***DIN:*** 02169626	68	***Indian Companies*** 1. PRPL Garments Private Limited; 2. Patel RPL Realty Private Limited ***Foreign Companies*** Nil
Hiren Bechar Patel ***Designation:*** Non-Executive Director	38	***Indian Companies***

Name, Designation, Date of Birth, Address, Occupation, Period of Directorship, Current Term and DIN	Age (Years)	Other Directorships
Date of birth: February 23, 1986 ***Address:*** Akshardham, Floor no. 5 & 6, Plot no. 111, Kansai Section, Ambernath East, Thane- 421501, Maharashtra, India ***Occupation:*** Business ***Period of Directorship:*** Director since July 20, 2007 ***Current Term:*** w.e.f. October 13, 2023, and liable to retire by rotation ***DIN:*** 01375968		1. PRPL Garments Private Limited; 2. Patel RPL Realty Private Limited ***Foreign Companies*** Nil
Yashwant Suresh Bhojwani ***Designation:*** Independent Director ***Date of birth:*** May 17, 1985 ***Address:*** P N. 4, Near Central Ware House, Shri Laxmi Building East, Wardhaman Nagar, Nagpur- 440008, Maharashtra, India ***Occupation:*** Professional ***Period of Directorship:*** Director since October 13, 2023 ***Current Term:*** For a period of two (2) years w.e.f. October 13, 2023 ***DIN:*** 03562756	39	***Indian Companies*** 1. GCRC Advisory Private Limited ***Foreign Companies*** Nil
Nitin Pandurang Patil ***Designation:*** Independent Director ***Date of birth:*** January 3, 1979 ***Address:*** 2001, Saptashree Height, Kolshet Road, Dhokali Naka, Thane (West), Near TMC Sport Club, Thane, Sandozbaugh, Thane- 400607, Maharashtra, India ***Occupation:*** Service ***Period of Directorship:*** Director since October 13, 2023 ***Current Term:*** For a period of two (2) years w.e.f. October 13, 2023 ***DIN:*** 08431287	45	***Indian Companies*** 1. Value Wealth Financial Services Private Limited ***Foreign Companies*** Nil
Harshini V Jadhav ***Designation:*** Independent Director	55	***Indian Companies*** Nil

Name, Designation, Date of Birth, Address, Occupation, Period of Directorship, Current Term and DIN	Age (Years)	Other Directorships
Date of birth: March 1, 1969 ***Address:*** D/01, Shiv Mandir Road, Shiv Basav Nagar, Ambarnath, Thane- 421501, Maharashtra, India ***Occupation:*** Service ***Period of Directorship:*** Director since October 13, 2023 ***Current Term:*** For a period of two (2) years w.e.f. October 13, 2023 ***DIN:*** 10350490		***Foreign Companies*** Nil

Brief Profiles of our Directors (Qualifications and experience)

Dhanji Raghavji Patel

Dhanji Raghavji Patel is the Chairman and Managing Director of our Company. He is one of the Promoters and has been associated with our Company since its inception. He does not hold any formal educational qualifications and has over twenty-five (25) years of experience in the line of business in which our Company operates. Under his leadership, our Company ventured into processing of food products. Further, he is instrumental in the expansion of the non-retail business vertical of our Company i.e., manufacturing and exports.

Bechar Raghavji Patel

Bechar Raghavji Patel is the Whole-time Director of our Company. He is one of the Promoters and has been associated with our Company since its inception. He does not hold any formal educational qualifications and has over twenty-five (25) years of experience in the line of business in which our Company operates. Since his association with our Company, he has been instrumental in establishing our chain of retail supermarkets.

Hiren Bechar Patel

Hiren Bechar Patel is the Non-Executive Director of our Company. He does not hold any formal educational qualifications and has been associated with our Company since its inception. He has over ten (10) years of experience in the line of business in which our Company operates. Presently, he guides the management on liaisoning with various statutory authorities.

Yashwant Suresh Bhojwani

Yashwant Suresh Bhojwani is an Independent Director of our Company. He holds a Bachelor of Commerce (Computer Applications) degree from Nagpur University. He is a fellow member of the Institute of Chartered Accountants of India and is a proprietor of M/s. Y S B & Associates since February 22, 2016. He is also a director of GCRC Advisory Private Limited. He has an experience of over seven (7) years in the field of audit, taxation and advisory services.

Nitin Pandurang Patil

Nitin Pandurang Patil is an Independent Director of our Company. He holds a Bachelor in Business Administration degree from the Institute of Business Management Studies, Mumbai, Maharashtra. He has over fifteen (15) years of experience in the financial services industry. He has worked with private sector banks such as Axis Bank Limited and Kotak Mahindra Bank Limited. He is also a director of Value Wealth Financial Services Private Limited.

Harshini V Jadhav

Harshini V Jadhav is an Independent Director of our Company. She holds a Bachelor of Education (B.Ed.) degree from I.T. College, Lucknow University, Lucknow, Uttar Pradesh and a Master of Administration (M.A. English) degree from Mahatma Gandhi Chitrakoot Gramodaya Vishwavidyalaya, Chitrakoot- Satna, Madhya Pradesh. She has over twenty-five (25) years of experience in the education, teaching and administration space.

Relationship between our Directors, Key Managerial Personnel or Senior Management

Except as stated below, none of our Directors, Key Managerial Personnel and Senior Management Personnel are related to each other:

Name of Director / Key Managerial Personnel / Senior Management	Related to	Relationship
Dhanji Raghavji Patel	Bechar Raghavji Patel	Brother
	Hiren Bechar Patel	Nephew
	Rahul Dhanji Patel	Son
	Bharat Haribhai Patel	Nephew
	Mahesh Haribhai Patel	Nephew
Bechar Raghavji Patel	Dhanji Raghavji Patel	Brother
	Hiren Bechar Patel	Son
	Rahul Dhanji Patel	Nephew
	Bharat Haribhai Patel	Nephew
	Mahesh Haribhai Patel	Nephew
Hiren Bechar Patel	Dhanji Raghavji Patel	Uncle
	Bechar Raghavji Patel	Father
	Rahul Dhanji Patel	Cousin
	Bharat Haribhai Patel	Cousin
	Mahesh Haribhai Patel	Cousin
Bharat Haribhai Patel	Dhanji Raghavji Patel	Uncle
	Bechar Raghavji Patel	Uncle
	Mahesh Haribhai Patel	Brother
	Hiren Bechar Patel	Cousin
	Rahul Dhanji Patel	Cousin
Mahesh Haribhai Patel	Dhanji Raghavji Patel	Uncle
	Bechar Raghavji Patel	Uncle
	Bharat Haribhai Patel	Brother
	Hiren Bechar Patel	Cousin
	Rahul Dhanji Patel	Cousin

Confirmations

None of our Directors are debarred from accessing the capital market by SEBI.

None of our Directors is a promoter or director of any other company which is debarred from accessing the capital market by SEBI.

None of our Directors is a wilful defaulter or fraudulent borrower, as defined under the SEBI ICDR Regulations.

None of our Directors is a Fugitive Economic Offender under section 12 of the Fugitive Economic Offenders Act, 2018.

None of our Directors is or was a director in any listed company/ companies whose shares have been or were suspended from being traded on any stock exchange during the term of their directorship in such company/ companies, during the five (5) years, immediately preceding the date of filing of this Draft Red Herring Prospectus.

None of our Directors is, or was a director in any listed company/ companies which has been or was delisted from any stock exchange, during the term of his/ her directorship in such company/ companies.

Arrangement or understanding with major Shareholders, customers, suppliers or others

None of our Directors have been appointed on our Board or as member of Senior Management pursuant to any arrangement or understanding with our major Shareholders, customers, suppliers or others.

Service contracts with Directors

Except Dhanji Raghavji Patel and Bechar Raghavji Patel, our Company has not entered into any service contracts with our Directors, which provide for benefits upon the termination of their employment.

Terms of appointment of our Executive Directors

Dhanji Raghavji Patel

Dhanji Raghavji Patel has been an Executive Director of our Company since incorporation. Pursuant to resolutions passed by our Board and Shareholders dated September 27, 2023 and September 30, 2023 respectively; there was a change in his designation from Executive Director to Chairman and Managing Director of our Company for a period of five (5) years w.e.f. September 27, 2023.

The details of remuneration payable to Dhanji Raghavji Patel, during his term of office, include the following:

Particulars	Details
Basic salary	₹75.00 Lakhs per annum
Other terms and conditions/ perquisites and allowances of expenses	Conveyance allowance, mobile allowance, medical insurance, and other allowances

Bechar Raghavji Patel

Bechar Raghavji Patel has been an Executive Director of our Company since incorporation. Pursuant to resolutions passed by our Board and Shareholders dated March 1, 2024 and March 7, 2024 respectively; there was a change in his designation from Executive Director to Whole-time Director of our Company for a period of five (5) years w.e.f. March 1, 2024, liable to retire by rotation. Pursuant to a resolution passed by our Board dated August 1, 2023, his remuneration was revised to ₹40.00 Lakhs per annum.

The details of remuneration payable to Bechar Raghavji Patel, during his term of office, include the following:

Particulars	Details
Basic salary	₹40.00 Lakhs per annum
Other terms and conditions/ perquisites and allowances of expenses	Conveyance allowance, mobile allowance, medical insurance, and other allowances

Remuneration to our Executive Directors

The details of remuneration paid to our Executive Directors in the FY 2022-23 are set forth below:

Sr. No.	Name of the Director	Remuneration per annum (₹ in Lakhs)
1	Dhanji Raghavji Patel	60.00
2	Bechar Raghavji Patel	12.00

Remuneration to our Non-Executive Director and Independent Directors

Pursuant to a resolution passed by our Board dated October 13, 2023, our Non-Executive Director and Independent Directors are entitled to receive sitting fees of ₹10,000 per meeting, for attending each meeting of our Board. Additionally, in case of committee meetings, our Non-Executive and Independent Directors (as members of the committee) are entitled to receive sitting fees of ₹8,000 per committee meeting, for attending each committee meeting. However, the Chairperson of the committee is entitled to receive sitting fees of ₹10,000 per committee meeting, for attending each committee meeting.

Contingent and deferred compensation payable to our Directors

As on the date of this Draft Red Herring Prospectus, there is no contingent or deferred compensation payable to our Directors which does not form a part of their remuneration.

Payment or benefits to our Directors

(a) Executive Directors

The details of the remuneration paid to our Executive Directors, as on March 31, 2023 is set out below:

Sr. No.	Name of the Director	Designation	Remuneration per annum (₹ in Lakhs)
1	Dhanji Raghavji Patel	Chairman and Managing Director	60.00
2	Bechar Raghavji Patel	Whole-time Director	12.00
3	Hiren Bechar Patel	Non-Executive Director*	12.00

Note:

**Hiren Bechar Patel was appointed as an Executive Director of our Company since July 20, 2007. He was re-designated as a Non-Executive Director of our Company vide resolution passed by our Board dated October 13, 2023. He received the said remuneration in the capacity of an Executive Director of our Company.*

(b) Non-Executive Director (including Independent Directors)

The details of the remuneration paid to our Non-Executive Director, as on March 31, 2023 is set out below:

Sr. No.	Name of the Director	Designation	Remuneration per annum (₹ in Lakhs)
1	Hiren Bechar Patel	Non-Executive Director*	12.00

Note:

** Hiren Bechar Patel was appointed as an Executive Director of our Company since July 20, 2007. He was re-designated as a Non-Executive Director of our Company vide resolution passed by our Board dated October 13, 2023. He received the said remuneration in the capacity of an Executive Director of our Company.*

Remuneration paid or payable to our Directors by our Subsidiary

As on the date of this Draft Red Herring Prospectus, our Company has no subsidiary.

Details of compensation paid to our Directors pursuant to a bonus or profit-sharing plan

Our Company does not have any bonus or profit sharing plan for its Directors.

Shareholding of our Directors in our Company

Our Directors are not required to hold qualification shares under our Articles of Association.

The table below sets forth details of Equity Shares held by our Directors, as on date of filing of this Draft Red Herring Prospectus:

Sr. No.	Name of the Director	Number of Equity Shares held	Percentage holding (%)
1	Dhanji Raghavji Patel	1,62,86,528	66.80
2	Bechar Raghavji Patel	46,72,000	19.16
3	Hiren Bechar Patel	6,40,000	2.62
Total		**2,15,98,528**	**88.58**

Borrowing Powers of our Board

Pursuant to the Articles of Association, the applicable provisions of the Companies Act, and pursuant to a resolution passed by our Shareholders at the AGM of our Company held on September 30, 2023, our Board has been authorised to borrow from time to time, any sum or sums of monies, where the monies to be borrowed, together with the monies already borrowed by our Company (apart from temporary loans obtained from the Company's bankers in the ordinary course of business) may exceed the aggregate of our paid-up share capital, free reserves and securities premium, provided that the total outstanding amount so borrowed shall not, exceed the limit of ₹35,000.00 Lakhs at any point of time.

Interest of our Directors

All our Executive Directors may be deemed to be interested to the extent of remuneration and reimbursement of expenses, if any, payable to them. For further details, please see *"**Our Management- Terms of Appointment of our Executive Directors**"* on page 351.

Our Non-Executive Director and Independent Directors may be deemed to be interested to the extent of sitting fees payable to them for attending meetings of our Board and committees thereof, the re-imbursement of expenses payable to them, as approved by our Board.

Certain of our Directors i.e., Dhanji Raghavji Patel, Bechar Raghavji Patel and Hiren Bechar Patel may also be deemed to be interested to the extent of Equity Shares held by them and their immediate relatives in our Company and also to the extent of any dividend payable to them and other distributions in respect of such shareholding in our Company. For details regarding the shareholding of our Directors in our Company, please see *"**Capital Structure**"* and *"**Our Management- Shareholding of our Directors in our Company**"* on pages 96 and 353.

Dhanji Raghavji Patel and Bechar Raghavji Patel, who are also Promoter Selling Shareholders, may be deemed to be interested to the extent of their participation in the Offer for Sale.

None of our Directors have availed loans from our Company. Certain of our Directors i.e., Dhanji Raghavji Patel, Bechar Raghavji Patel and Hiren Bechar Patel are interested to the extent of unsecured loans provided by them to our Company and interest payable to them on the said loans, at the rate not exceeding 12% per annum or by their relatives, if any, or by the companies/ firms in which they are interested as directors/ members/ partners. For further details, please see *"**History and Certain Corporate Matters- Key terms of other subsisting material agreements**"* on page 345.

Dhanji Raghavji Patel, Bechar Raghavji Patel and Hiren Bechar Patel may be considered to be interested to the extent of personal guarantees given in favour of our Company against loans sanctioned to our Company. For details, please see *"**History and Certain Corporate Matters- Details of Guarantees given to third parties by Promoters participating in the Offer for Sale**"* on page 346.

Our Directors may be deemed to be interested in the contracts, transactions, agreements/ arrangements entered into or to be entered into by our Company with any entity which is promoted by them or in which they are members, or in which they hold directorships or any partnership firm in which they are partners in the ordinary course of business. For further details, please see *"**Restated Financial Statements- Note 44- Related Party disclosures**"* on page 376 and *"**Our Promoters and Promoter Group**"* on page 367.

(i) *Interest in the promotion or formation of our Company*

Except Dhanji Raghavji Patel and Bechar Raghavji Patel, none of our Directors have any interest in the promotion or formation of our Company. For further details, please see *"**Our Promoters and Promoter Group**"* on page 367.

(ii) *Interest in property acquired or proposed to be acquired by our Company*

Except as stated below, our Directors do not have any interest in any property acquired by our Company in the three (3) preceding the date of this Draft Red Herring Prospectus or proposed to be acquired by it:

(i) Our Company has entered into two (2) leave and license agreements with our Directors i.e., Dhanji Raghavji Patel and Bechar Raghavji Patel, respectively, as regards usage of commercial properties located at Ambernath, Maharashtra, where our retail store is situated. For further details, please see *"**Restated Financial Statements- Note 44- Related Party disclosures**"* on page 376 and *"**Our Business**- "**Properties**"* at page 354.

(ii) Our Company has entered into a lease deed with our Non-Executive Director- Hiren Bechar Patel, as regards usage of property situated at Anjar, Kutch, Gujarat for warehousing and logistics purposes. For further details, please see *"**Restated Financial Statements- Note 44 - Related Party disclosures**"* on page 376.

(iii) Our Company has entered into a leave and license agreement with a promoter group entity- KBP Corporation as regards usage of commercial property situated at Ambernath, Maharashtra, where our retail store is situated. For further details, please see *"**Restated Financial Statements- Note 44 - Related Party disclosures**"* on page 376 and *"**Our Business**- "**Properties**"* on page 354.

(iv) Our Company has entered into a leave and license agreement with a promoter group entity- Patel RPL Realty Private Limited as regards usage of a commercial property situated at Ambernath, Maharashtra, where our retail store is situated. For further details, please see *"**Our Business- Properties**"* on page 354.

Details of rent paid to our Directors and Promoter Group entity are as under:

Sr. No.	Name of the Director/ Entity	Date of Agreement	Property Description	Term of Rent/Lease period	Consideration (in ₹)
1	Dhanji Raghavji Patel	May 1, 2023	Jain Plaza, Office Premises- 3, 4, 10, 110, Ambernath (East)- 421501, Maharashtra, India	3 years (i.e., May 1, 2023- April 30, 2026)	₹15,000 per month
2	Bechar Raghavji Patel	May 1, 2023	Jain Plaza, Office Premises- 1, 2, 11, 111 and 112, Ambernath	3 years (i.e., May 1, 2023- April 30, 2026)	₹15,000 per month

Sr. No.	Name of the Director/ Entity	Date of Agreement	Property Description	Term of Rent/Lease period	Consideration (in ₹)
			(East)- 421501, Maharashtra, India		
3	Hiren Bechar Patel	November 26, 2018	Survey no. 733/ P34, Village Dudhai, Taluka Anjar, Kutch, Gujarat [admeasuring about 7.975 acres]	50 years (i.e., November 01, 2018 – October 31, 2068)	₹10,000 per month
4	M/s. KBP Corporation	January 1, 2019	Ground Floor, Jainam Residency, Palegaon, Ambernath (East) [about 3500 sq. ft.]	9 years (February 2, 2019- January 31, 2027)	₹170,000 per month for 3 years. Rent escalation after every three (3) years at a rise of minimum 10% on the last rent paid.
5	Patel RPL Realty Private Limited	January 1, 2024	Gr. Gala No. 3, Opp. Jathar Hospital, Ambernath (West)	9 years (January 1, 2024- December 31, 2032)	₹50,000 per month. Rent escalation by 10% only after completion of 3 years.

(v) Our Company has acquired property situated at Revenue Survey no. (old) 425/ 11, City Survey no. NA425/ 11/ P2, Ward number 1, Village- Dhamdka, Taluka- Anjar, Kutch, Gujarat for a total consideration of ₹234.00 Lakhs, from Leelavati Hiren Patel, wife of Hiren Bechar Patel vide sale deed dated November 18, 2023.

(a) *Interest in any transaction for acquisition of land, construction of building, supply of machinery*

Except as stated in above in *"**Interest in property acquired or proposed to be acquired by our Company**"*, our Directors do not have any interest in any transaction for acquisition of land, construction of building, supply of machinery.

(b) *Interest of our Directors in being a member of a firm or company*

No sum has been paid or agreed to be paid to any of our Directors or to the firms or companies in which they interested in as members, in cash or shares or otherwise, by any person, either to induce them to become, or to qualify them as Directors, or otherwise for services rendered by them or by such firms or companies in which they are interested, in connection with the promotion or formation of our Company.

Changes in our Board during the last three (3) years and reasons

The details of the changes to our Board during the three (3) years immediately preceding the date of this Draft Red Herring Prospectus are set forth below:

Name	Date of appointment / change in designation / cessation	Designation at the time of appointment / change in designation / cessation	Reason
Dhanji Raghavji Patel	September 27, 2023 (Board meeting) and	Director	Change in Designation as a Chairman and Managing Director

Name	Date of appointment / change in designation / cessation	Designation at the time of appointment / change in designation / cessation	Reason
	September 30, 2023 (AGM)		
Hiren Bechar Patel	October 13, 2023	Director	Change in Designation as a Non-Executive Director
Yashwant Suresh Bhojwani	October 13, 2023	NA	Appointment as Additional Director (Independent Director)
Nitin Pandurang Patil	October 13, 2023	NA	Appointment as Additional Director (Independent Director)
Harshini V Jadhav	October 13, 2023	NA	Appointment as Additional Director (Independent Director)
Yashwant Suresh Bhojwani	October 28, 2023	Additional Director (Independent Director)	Appointment as Independent Director
Nitin Pandurang Patil	October 28, 2023	Additional Director (Independent Director)	Appointment as Independent Director
Harshini V Jadhav	October 28, 2023	Additional Director (Independent Director)	Appointment as Independent Director
Bechar Raghavji Patel	March 1, 2024 (Board meeting) and March 7, 2024 (EGM)	Director	Change in Designation as a Whole-time Director

Corporate Governance

The provisions of the Listing Agreement to be entered into with the Stock Exchanges and the applicable provisions of the Companies Act and the SEBI Listing Regulations with respect to corporate governance, will be applicable to us immediately upon the listing of our Equity Shares with the Stock Exchanges. Our Company is in compliance with the requirements of the applicable regulations, including the SEBI Listing Regulations, Companies Act and the SEBI ICDR Regulations, in respect of corporate governance including those pertaining to the constitution of our Board and committees thereof.

As on the date of this Draft Red Herring Prospectus, we have six (6) Directors on our Board, comprising of two (2) Executive Directors, one (1) Non-Executive Director and three (3) Independent Directors, of which one (1) is an Independent woman Director. Our Company undertakes to take all steps necessary to continue to comply with all the requirements of the SEBI Listing Regulations and the Companies Act, as may be applicable.

Board Committees

Our Board has constituted following committees in accordance with the requirements of the Companies Act and SEBI Listing Regulations:

(a) Audit Committee;
(b) Nomination and Remuneration Committee;
(c) Stakeholders' Relationship Committee;
(d) Corporate Social Responsibility Committee;
(e) Risk Management Committee;
(f) IPO Committee

For the purpose of the Offer, our Board has also constituted the IPO Committee.

In addition to the above, our Company has also constituted an Internal Complaints Committee as per the guidelines provided by the 'The Sexual Harassment of Women at Workplace (Prevention, Prohibition, and Redressal) Act, 2013.

Details of each of these committees are as follows:

Audit Committee

The Audit Committee was constituted pursuant to a resolution passed by our Board at its meeting held on October 13, 2023 and the terms of reference were adopted on October 13, 2023. The Audit Committee is in compliance with section 177 and other applicable provisions of the Companies Act and regulation 18 of the SEBI Listing Regulations. The Audit Committee currently comprises of:

Sr. No.	Name of Member	Position in the Committee	Position in the Company
1	Yashwant Suresh Bhojwani	Chairperson	Independent Director
2	Nitin Pandurang Patil	Member	Independent Director
3	Dhanji Raghavji Patel	Member	Chairman and Managing Director
4	Manish Rambabu Agarwal	Member	Chief Financial Officer

The Company Secretary acts as the secretary to the Audit Committee.

The terms of reference of the Audit Committee are set forth below:

1. oversight of the Company's financial reporting process and the disclosure of its financial information to ensure that the financial statement is correct, sufficient and credible;

2. recommendation for appointment, remuneration and terms of appointment of auditors of the Company;

3. approval of payment to statutory auditors for any other services rendered by the statutory auditors;

4. reviewing, with the management, the annual financial statements and auditor's report thereon before submission to the Board for approval, with particular reference to:

    (i) matters required to be included in the director's responsibility statement to be included in the Board's report in terms of clause (c) of sub-section 3 of section 134 of the Companies Act, 2013;

    (ii) changes, if any, in accounting policies and practices and reasons for the same;

    (iii) major accounting entries involving estimates based on the exercise of judgment by management;

    (iv) significant adjustments made in the financial statements arising out of audit findings;

    (v) compliance with listing and other legal requirements relating to financial statements;

    (vi) disclosure of any related party transactions; and

    (vii) modified opinion(s) in the draft audit report.

5. reviewing, with the management, the quarterly financial statements before submission to the Board for approval;

6. Reviewing, with the management, the statement of uses/ application of funds raised through an issue (public issue, rights issue, preferential issue, etc.), the statement of funds utilized for purposes other than those stated in the offer document / prospectus / notice and the report submitted by the monitoring agency monitoring the utilization of proceeds of a public issue or rights issue, and making appropriate recommendations to the Board to take up steps in this matter;

7. reviewing and monitoring the auditor's independence and performance, and effectiveness of audit process;

8. approval or any subsequent modification of transactions of the Company with related parties;

9. scrutiny of inter-corporate loans and investments;

10. valuation of undertakings or assets of the Company, wherever it is necessary;

11. evaluation of internal financial controls and risk management systems;

12. reviewing, with the management, performance of statutory and internal auditors, adequacy of the internal control systems;

13. reviewing the adequacy of internal audit function, if any, including the structure of the internal audit department, staffing and seniority of the official heading the department, reporting structure coverage and frequency of internal audit;

14. discussion with internal auditors of any significant findings and follow up there on;

15. reviewing the findings of any internal investigations by the internal auditors into matters where there is suspected fraud or irregularity or a failure of internal control systems of a material nature and reporting the matter to the Board;

16. discussion with statutory auditors before the audit commences, about the nature and scope of audit as well as post-audit discussion to ascertain any area of concern;

17. to look into the reasons for substantial defaults in the payment to depositors, debenture holders, shareholders (in case of non-payment of declared dividends) and creditors;

18. to review the functioning of the whistle blower mechanism;

19. approval of appointment of chief financial officer after assessing the qualifications, experience and background, etc. of the candidate;

20. carrying out any other function as is mentioned in the terms of reference of the Audit Committee;

21. Reviewing the utilization of loans and/or advances from/investment by the holding company in the subsidiary exceeding ₹ 100 crore or 10% of the asset size of the subsidiary, whichever is lower including existing loans/ advances/ investments existing as on the date of coming into force of this provision;

22. Consider and comment on rationale, cost-benefits and impact of schemes involving merger, demerger, amalgamation etc., on the Company and its shareholders; and

Further, the Audit Committee shall mandatorily review the following information:

(a) management discussion and analysis of financial condition and results of operations;
(b) management letters / letters of internal control weaknesses issued by the statutory auditors;
(c) internal audit reports relating to internal control weaknesses; and
(d) the appointment, removal and terms of remuneration of the chief internal auditor shall be subject to review by the Audit Committee;
(e) statement of deviations:
    1. quarterly statement of deviation(s) including report of monitoring agency, if applicable, submitted to stock exchange(s) in terms of regulation 32(1);
    2. annual statement of funds utilized for purposes other than those stated in the offer document/ prospectus/ notice in terms of regulation 32(7).

Nomination and Remuneration Committee

The Nomination and Remuneration Committee was constituted pursuant to a resolution passed by our Board at its meeting held on October 13, 2023 and the terms of reference were adopted on October 13, 2023. The Nomination and Remuneration Committee is in compliance with section 178 and other applicable provisions of the Companies Act and regulation 19 of the SEBI Listing Regulations. The Nomination and Remuneration Committee currently comprises of:

Sr. No.	Name of Member	Position in the Committee	Position in the Company
1	Nitin Pandurang Patil	Chairperson	Independent Director
2	Yashwant Suresh Bhojwani	Member	Independent Director
3	Hiren Bechar Patel	Member	Non-Executive Director
4	Dhanji Raghavji Patel	Member with no vote	Chairman and Managing Director

The terms of reference of the Nomination and Remuneration Committee are stated below:

1. formulation of the criteria for determining qualifications, positive attributes and independence of a director and recommend to the Board of our Company; a policy relating to the remuneration of the directors, key managerial personnel and other employees;

2. for every appointment of an independent director, the Nomination and Remuneration Committee shall evaluate the balance of skills, knowledge and experience on the Board and on the basis of such evaluation, prepare a description of the role and capabilities required of an independent director. The person recommended to the Board for appointment as an independent director shall have the capabilities identified in such description. For the purpose of identifying suitable candidates, the Nomination and Remuneration Committee may: (i) use the services of an external agencies, if required; (ii) consider candidates from a wide range of backgrounds, having due regard to diversity; and (iii) consider the time commitments of the candidates;

3. formulation of criteria for evaluation of performance of independent directors and the Board;

4. devising a policy on Board diversity;

5. identifying persons who are qualified to become directors and who may be appointed in senior management in accordance with the criteria laid down, and recommend to the Board their appointment and removal;

6. 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. Recommend to the Board, all remuneration, in whatever form, payable to senior management.

Stakeholders Relationship Committee

The Stakeholders Relationship Committee was constituted pursuant to a resolution passed by our Board at its meeting held on October 13, 2023 and the terms of reference were adopted on October 13, 2023. The Stakeholders Relationship Committee is in compliance with section 178 and other applicable provisions of the Companies Act and regulation 20 of the SEBI Listing Regulations. The Stakeholders Relationship Committee currently comprises of:

Sr. No.	Name of Member	Position in the Committee	Position in the Company
1	Nitin Pandurang Patil	Chairperson	Independent Director
2	Yashwant Suresh Bhojwani	Member	Independent Director
3	Hiren Bechar Patel	Member	Non-Executive Director

The terms of reference of the Stakeholders Relationship Committee are stated below:

1. Resolving the grievances of the security holders of the Company including complaints related to transfer/transmission of shares, non-receipt of annual report, non-receipt of declared dividends, issue of new/duplicate certificates, general meetings etc.;

2. Review of measures taken for effective exercise of voting rights by shareholders;
3. Review of adherence to the service standards adopted by the Company in respect of various services being rendered by the Registrar & Share Transfer Agent;
4. Review of the various measures and initiatives taken by the Company for reducing the quantum of unclaimed dividends and ensuring timely receipt of dividend warrants/annual reports/statutory notices by the Shareholders of the Company.

Risk Management Committee

The Risk Management Committee was constituted pursuant to a resolution passed by our Board at its meeting held on October 13, 2023, and the terms of reference were adopted on October 13, 2023. The Risk Management Committee is in compliance with section 178 and other applicable provisions of the Companies Act and regulation 20 of the SEBI Listing Regulations. The Risk Management Committee currently comprises of:

Sr. No.	Name of Member	Position in the Committee	Position in the Company
1	Dhanji Raghavji Patel	Chairperson	Chairman and Managing Director
2	Hiren Bechar Patel	Member	Non-Executive Director
3	Yashwant Suresh Bhojwani	Member	Independent Director
4	Nitin Pandurang Patil	Member	Independent Director

The terms of reference of the Risk Management Committee are stated below:

1. To formulate a detailed risk management policy which shall include:
   (i) A framework for identification of internal and external risks specifically faced by the Company, in particular including financial, operational, sectoral, sustainability (particularly, ESG related risks), information, cyber security risks or any other risk as may be determined by the Risk Management Committee;
   (ii) Measures for risk mitigation including systems and processes for internal control of identified risks;
   (iii) Business continuity plan.

2. To ensure that appropriate methodology, processes and systems are in place to monitor and evaluate risks associated with the business of the Company;

3. To monitor and oversee implementation of the risk management policy, including evaluating the adequacy of risk management systems;

4. To periodically review the risk management policy, at least once in two years, including by considering the changing industry dynamics and evolving complexity;

5. To keep the Board informed about the nature and content of its discussions, recommendations and actions to be taken.

6. Review of the appointment, removal and terms of remuneration of the Chief Risk Officer (if any);

7. To coordinate its activities with other committees, in instances where there is any overlap with activities of such committees, as per the framework laid down by the Board.

Corporate Social Responsibility Committee ("CSR Committee")

The Corporate Social Responsibility Committee was reconstituted pursuant to a resolution passed by our Board at its meeting held on October 13, 2023, and the terms of reference were adopted on October 13, 2023. The CSR Committee currently comprises of:

Sr. No.	Name of Member	Position in the Committee	Position in the Company
1	Harshini V Jadhav	Chairperson	Independent Director
2	Dhanji Raghavji Patel	Member	Chairman and Managing Director
3	Bechar Raghavji Patel	Member	Whole-time Director
4	Hiren Bechar Patel	Member	Non-Executive Director

The terms of reference of the CSR Committee are stated below:

(i) To formulate and recommend to the Board, a CSR Policy which shall indicate the activities to be undertaken by the Company as specified in Schedule VII of the Companies Act;

(ii) To recommend to the Board the amount of expenditure to be incurred on CSR activities;

(iii) To institute a transparent monitoring mechanism for implementation of CSR projects or activities;

(iv) To monitor the CSR activities being undertaken by the Company.

IPO Committee

The IPO Committee was constituted pursuant to a resolution passed by our Board at its meeting held on October 13, 2023, and the terms of reference were adopted on October 13, 2023. The IPO Committee currently comprises of:

Sr. No.	Name of Member	Position in the Committee	Position in the Company
1	Dhanji Raghavji Patel	Chairperson	Chairman and Managing Director
2	Bechar Raghavji Patel	Member	Whole-time Director
3	Hiren Bechar Patel	Member	Non-Executive Director

The IPO Committee be and is hereby authorised to do such acts, deeds and things, as may be necessary and expedient in connection with the IPO including with or without limitation, the following:

(i) To make applications to the Securities and Exchange Board of India ("**SEBI**"), or to any other statutory or governmental authorities in connection with the Offer as may be required and accept on behalf of the Board such conditions and modifications as may be prescribed or imposed by any of them while granting such approvals, permissions and sanctions as may be required;

(ii) To approve and file the Draft Red Herring Prospectus ("**DRHP**") with SEBI, the Red Herring Prospectus ("**RHP**") and Prospectus with the SEBI and the Registrar of Companies (including amending, varying, supplementing or modifying the same, or providing any notices, addenda, or corrigenda thereto, together with any summaries thereof as may be considered desirable or expedient) in relation to the Offer as finalised by the Company, therein;

(iii) To decide in consultation with the book running lead manager ("**BRLM**") on the timing, pricing and all the terms and conditions of the Offer, including the price band, Offer price, Offer size and to accept any amendments, modifications, variations or alterations thereto;

(iv) To appoint and enter into arrangements with the BRLM, underwriters to the Offer, syndicate members to the Offer, brokers to the Offer, escrow collection bankers to the Offer, sponsor bank, monitoring agency, registrars, legal advisors, advertising agency and any other agencies or persons or intermediaries to the Offer and to negotiate and finalise the terms of their appointment;

(v) To authorize the maintenance of a register of holders of the Equity Shares;

(vi) To negotiate, finalise and settle and to execute where applicable and deliver or arrange the delivery of the DRHP, RHP, Prospectus, Offer agreement, Share Escrow Agreement, Syndicate Agreement, Underwriting Agreement, Escrow and Sponsor Bank Agreement, Monitoring Agency Agreement, Agreements with the Registrar and the Advertising Agency and all other documents, deeds, agreements and instruments and any notices, supplements and corrigenda thereto, as may be required or desirable in relation to the Offer;

(vii) To open with the bankers to the Offer such accounts as may be required by the regulations issued by SEBI;

(viii) To seek, if required, the consent of the lenders to the Company, parties with whom the Company has entered into various commercial and other agreements, and any other consents that may be required in relation to the Offer;

(ix) To open and operate bank accounts in terms of the Escrow Agreement with a scheduled bank to receive applications along with application monies, handling refunds and for the purposes set out in Section 40(3) of the Companies Act, 2013, as amended, in respect of the Offer, and to authorise one or more officers of the Company to execute all documents/deeds as may be necessary in this regard;

(x) To approve any corporate governance requirements that may be considered necessary by the Board or the IPO Committee or as may be required under the Applicable Laws or the uniform listing agreement to be entered into by the Company with the relevant stock exchanges, and to approve policies to be formulated under the Companies Act, 2013, as amended and the regulations prescribed by SEBI including the Securities and Exchange Board of India (Issue of Capital and Disclosure Requirements) Regulations, 2018, as amended (given the proposing listing of the Company);

(xi) To authorize and approve, the incurring of expenditure and payment of fees, commission, remuneration and expenses in connection with the Offer;

(xii) To determine and finalise the bid opening and bid closing dates (including bid opening and bid closing dates for anchor investors), the floor price/price band for the Offer (including anchor investors Offer price), approve the basis of allotment and confirm allocation/allotment of the equity shares to various categories of persons as disclosed in the DRHP, the RHP and the Prospectus, in consultation with the BRLM and do all such acts and things as may be necessary and expedient for, and incidental and ancillary to the Offer including any alteration, addition or making any variation in relation to the Offer;

(xiii) To issue allotment letters/confirmation of allotment notes with power to authorise one or more officers of the Company to sign all or any of the afore stated documents;

(xiv) To authorize and approve notices, advertisements in relation to the Offer in consultation with the relevant intermediaries appointed for the Offer;

(xv) To do all such acts, deeds, matters and things and execute all such other documents, etc., deemed necessary or desirable for such purpose, including without limitation, finalise the basis of allocation and to allot the shares to the successful allottees as permissible in law, issue of share certificates in accordance with the relevant rules;

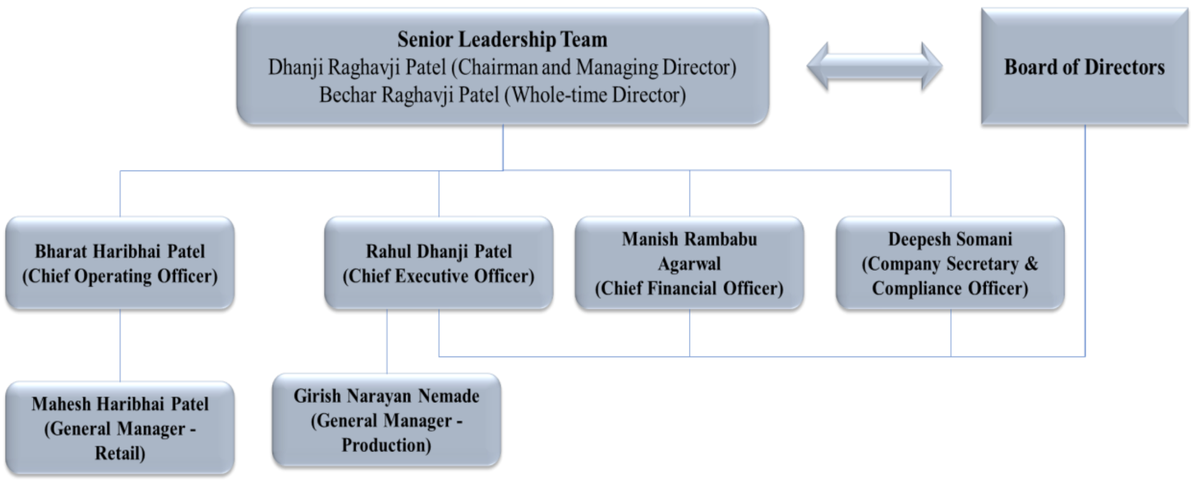
(xvi) To do all such acts, deeds and things as may be required to dematerialise the Equity Shares and to sign agreements and/or such other documents as may be required with the National Securities Depository Limited, the Central Depository Services (India) limited and such other agencies, authorities or bodies as may be required in this connection;

(xvii) To withdraw the DRHP, RHP and the Offer at any stage, if deemed necessary;

(xviii) To make applications for listing of the equity shares in one or more stock exchange(s) and to execute and to deliver or arrange the delivery of necessary documentation to the concerned stock exchange(s); and

(xix) To settle all questions, difficulties or doubts that may arise in regard to such issues or allotment and matters incidental thereto as it may, deem fit and to delegate such of its powers as may be deemed necessary to the officials of the Company.

Management Organization Structure



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Key Managerial Personnel of our Company

In addition to Dhanji Raghavji Patel, Chairman and Managing Director and Bechar Raghavji Patel, Whole-time Director of our Company, whose details are provided in *"**Our Management- Brief profiles of our Directors (Qualifications and Experience)**"* on page 349, the details of our other Key Managerial Personnel as on the date of this Draft Red Herring Prospectus are set forth below:

Rahul Dhanji Patel, Chief Executive Officer

Rahul Dhanji Patel, aged 27 years, is the Chief Executive Officer of our Company since September 27, 2023. He holds a Master of Science (Marketing) degree from Queen Mary University, London. He has been associated with our Company since 2020. He has been inducted in our Company to stabilize and expand our manufacturing and food processing operations. In FY 2022-23, he was paid a remuneration of ₹24.00 Lakhs.

Bharat Haribhai Patel, Chief Operating Officer

Bharat Haribhai Patel, aged 40 years, is the Chief Operating Officer of our Company since October 13, 2023. He does not hold any formal educational qualifications and has been associated with our Company since incorporation. He has over fifteen (15) years of experience in the line of business in which our Company operates. He has played a crucial role in the growth of the Company, specifically in expanding in our retail networks and building our supply chain. His key responsibilities include feasibility analysis with respect to identification of store locations, negotiating terms of trade (ToT), vendor identification and selection, sales and marketing strategies including formulation of discount schemes, and conducting review meetings from time to time. In FY 2022-23, he was paid a remuneration of ₹36.00 Lakhs.

Manish Rambabu Agarwal, Chief Financial Officer

Manish Rambabu Agarwal, aged 38 years, is the Chief Financial Officer of the Company since October 13, 2023. He is a qualified chartered accountant and an Associate member of the Institute of Chartered Accountants of India since 2013. He has been associated with our Company since July 18, 2019 as Director- Finance. He is responsible for establishing and executing the financial strategy of the Company and handles the accounts, taxation and finance function of the Company. Prior to joining our Company, he was a partner at Sachin Salian & Co., Chartered Accountants. He has over ten (10) years of post-qualification experience in the field of finance. In FY 2022-23, he was paid a remuneration of ₹20.40 Lakhs.

Deepesh Sanjay Somani, Company Secretary

Deepesh Sanjay Somani, aged 28 years, is the Company Secretary and Compliance Officer of our Company since September 27, 2023. He has been associated with our Company since June 29, 2023. He is an Associate member of the Institute of Company Secretaries of India. He is responsible for ensuring compliance and conformity with the regulatory provisions applicable to the Company in letter and spirit and monitoring the grievances raised by investors. He has over six (6) months of post-qualification experience in handling secretarial compliances. In FY 2022-23, he was paid Nil remuneration.

Senior Management Personnel of our Company

Mahesh Haribhai Patel, General Manager - Retail

Mahesh Haribhai Patel, aged 38 years, is the General Manager (Retail) of our Company since October 13, 2023. He does not hold any formal educational qualifications and has been associated with our Company since incorporation. His responsibility is to overlook the store operations- front end, which include identification of store locations, managing the day-to-day operations of the stores, understanding and introducing store specific schemes and marketing strategies, store interior and product placement and staff allocation. He supervises the store teams which comprises of operations head, cluster managers, store managers and the team below them. In FY 2022-23, he was paid a remuneration of ₹24.00 Lakhs.

Girish Narayan Nemade, General Manager - Production

Girish Narayan Nemade, aged 38 years, is the General Manager (Production) of our Company since September 11, 2023. He holds a Bachelor of Science (Agriculture) degree from Navsari Agricultural University, Navsari, Gujarat and Master of Business Administration (Agribusiness Management) degree from Navsari Agricultural University, Navsari, Gujarat. He has over fourteen (14) years of experience in various business sectors including trading, logistics, supply chain management, and purchase operations. Prior to joining our Company, he was associated with ETC Agro Processing (India) Private Limited as Deputy Manager- Trading. In FY 2022-23, he was paid Nil remuneration.

Status of Key Managerial Personnel and Senior Management

All our Key Managerial Personnel and members of Senior Management are permanent employees of our Company.

Relationship between our Key Managerial Personnel and Senior Management

Except as disclosed in *"**Relationship between our Directors, Key Managerial Personnel or Senior Management**"*, none of our Key Managerial Personnel and Senior Management are related to each other or to any of our Directors.

Service Contracts with our Key Managerial Personnel and Senior Management

Our Key Managerial Personnel and Senior Management are governed by the terms of their respective employment letters / resolutions of our Board on their terms of appointment. None of our Key Managerial Personnel have entered into a service contract with our Company, entitling them to any benefits upon termination of employment.

Arrangements and understanding with major Shareholders, customers, suppliers or others

None of our Key Managerial Personnel or our Senior Management Personnel have been appointed pursuant to any arrangement or understanding with our major Shareholders, customers, suppliers or others.

Contingent and deferred compensation paid or payable to our Key Managerial Personnel and Senior Management

As on the date of this Draft Red Herring Prospectus, there is no contingent or deferred compensation payable to our Key Managerial Personnel and Senior Management that does not form part of their remuneration.

Compensation paid to Key Managerial Personnel and Senior Management pursuant to a Bonus or Profit-sharing plan

None of our Key Managerial Personnel and Senior Management are party to any bonus or profit-sharing plan of our Company.

Shareholding of our Key Managerial Personnel and Senior Management of our Company

Except as disclosed below, none of our Key Managerial Personnel and Senior Management hold any Equity Shares of our Company:

Sr. No.	Name of the Key Managerial Personnel	Number of Equity Shares held	Percentage (%)
1	Dhanji Raghavji Patel	1,62,86,528	66.80
2	Rahul Dhanji Patel	6,40,000	2.62
	Total	**1,69,26,528**	**69.42**

Sr. No.	Name of the Senior Management Personnel	Number of Equity Shares held	Percentage (%)
1	Bharat Haribhai Patel	12,48,000	5.11
2	Mahesh Haribhai Patel	3,20,000	1.31
	Total	**15,68,000**	**6.42**

For details of Equity Shares held by our Key Managerial Personnel and Senior Management as on date of this Draft Red Herring Prospectus, please see *"**Capital Structure**"* on page 96.

Changes in Key Managerial Personnel and Senior Management in the past three (3) years

Set forth below are changes in our Key Managerial Personnel in the last three (3) years immediately preceding the date of filing of this Draft Red Herring Prospectus:

Name	Date of Change	Reason
Dhanji Raghavji Patel	September 27, 2023 (Board meeting) and September 30, 2023 (AGM)	Change in designation- Chairman cum Managing Director
Rahul Dhanji Patel	September 27, 2023	Appointment as Chief Executive Officer
Deepesh Sanjay Somani	September 27, 2023	Appointment as Whole-time Company Secretary
Manish Rambabu Agarwal	October 13, 2023	Appointment as Chief Financial Officer
Bechar Raghavji Patel	March 1, 2024 (Board meeting) and March 7, 2024 (EGM)	Change in designation- Whole-time Director

The rate of attrition of our Key Managerial Personnel and Senior Management is not high in comparison to the industry in which we operate.

Employee Stock Option Plan

As on date of this Draft Red Herring Prospectus, our Company does not have any employee stock option plan or employee stock purchase scheme.

Payment or benefit to our Key Managerial Personnel and Senior Management (non-salary related) in the preceding two (2) years

No amount or benefit (non-salary related) was paid or given to our Key Managerial Personnel and Senior Management, within the two (2) preceding years or is intended to be paid or given to our Key Managerial Personnel and Senior Management, other than in the ordinary course of employment.

Interest of Key Managerial Personnel and Senior Management

Our Key Managerial Personnel and Senior Management do not have any interest in our Company other than (i) as stated in *"**Restated Financial Statements- Note 44- Related Party Disclosures**"* and *"**Interest of our Directors**"* on pages 376 and 353, respectively; or (ii) to the extent of remuneration or benefits to which they are entitled to as per their terms of appointment and reimbursement of expenses incurred by them during the ordinary course of business. The Key Managerial Personnel and Senior Management may also be deemed to be interested to the extent of dividend payable to them and other distributions in respect of Equity Shares held by them in our Company.

OUR PROMOTERS AND PROMOTER GROUP

OUR PROMOTERS

The Promoters of our Company are:
1. Dhanji Raghavji Patel;
2. Bechar Raghavji Patel.

As on the date of this Draft Red Herring Prospectus, Dhanji Raghavji Patel holds 1,62,86,528 Equity Shares, and Bechar Raghavji Patel holds 46,72,000 Equity Shares, constituting 66.80% and 19.16% respectively, of the pre-Offer issued, subscribed and paid-up equity share capital of our Company. For details, please see *"**Capital Structure – History of build-up of our Promoters' shareholding and lock-in of Promoters' shareholding (including Promoters' contribution) - Build-up of Promoters' equity shareholding in our Company**"* and *"**Shareholding of our Promoters and the members of our Promoter Group**"* on pages 103 and 105, respectively.

Details of our Promoters

<table>
<tr><td></td><td>DHANJI RAGHAVJI PATEL

Dhanji Raghavji Patel, aged 56 years, is one of our Promoters and the Chairman and Managing Director of our Company.

Permanent Account Number: AAXPP8293M

For the complete profile of Dhanji Raghavji Patel along with the details of his date of birth, personal address, educational qualifications, experience in business or employment, positions/ posts held in the past, other directorships held, special achievements, business and financial activities, please see "Our Management" on page 347.</td></tr>
<tr><td></td><td>BECHAR RAGHAVJI PATEL

Bechar Raghavji Patel, aged 69 years, is one of our Promoters and the Whole-time Director of our Company.

Permanent Account Number: AAXPP8345C

For the complete profile of Bechar Raghavji Patel along with the details of his date of birth, personal address, educational qualifications, experience in business or employment, positions/ posts held in the past, other directorships held, special achievements, business and financial activities, please see "Our Management" on page 347.</td></tr>
</table>

Our Company confirms that the permanent account number, bank account number, passport number, Aadhar card number and driving license number of each of our Promoters- Dhanji Raghavji Patel and Bechar Raghavji Patel shall be submitted to the Stock Exchanges at the time of filing of this Draft Red Herring Prospectus.

Change in control of our Company

Our present Promoters are amongst the original promoters and there has been no change in the control of our Company in the five (5) years immediately preceding the date of this Draft Red Herring Prospectus. Further, Dhanji Raghavji Patel and Bechar Raghavji Patel have been identified as the only Promoters of our Company pursuant to a resolution passed by the Board of our Company dated September 27, 2023.

Other ventures of our Promoters

Other than as disclosed below in *"**Interest of our Promoters**"*, *"**Our Management- Board of Directors- Other Directorships**"* and *"**History and Certain Corporate Matters**"* on pages 353, 347 and 342 respectively, our Promoters are not involved in any other venture which is in the same line of activity or business as that of our Company.

Interest of our Promoters

(i) Our Promoters are interested in our Company (a) to the extent that they have promoted our Company; (b) to the extent of their shareholding in and control over our Company and the shareholding of their relatives in our Company; (c) the dividends payable, if any, and any other distributions in respect of their respective shareholding in our Company or of their relatives in our Company; (d) their directorships (of being Chairman and Managing Director and Whole-time Director, respectively) in our Company; and (e) any interest received from our Company. Additionally, our Promoters may be interested in transactions entered into or to be entered into by our Company with them, their relatives or other entities (a) in which our Promoters are members or hold shares; or (b) which are controlled by our Promoters. For further details, please see *"**Restated Financial Statements- Note 44- Related Party Disclosures**"* on page 376 and "***Our Management***" on page 347.

(ii) Our Promoters, Dhanji Raghavji Patel and Bechar Raghavji Patel may be deemed to be interested to the extent of remuneration and reimbursement of expenses, if any, payable to them. For further details, please see *"**Our Management- Terms of Appointment of our Executive Directors**"* on page 351.

(iii) Dhanji Raghavji Patel and Bechar Raghavji Patel, who are also Promoter Selling Shareholders, may be deemed to be interested to the extent of their participation in the Offer for Sale.

(iv) Our Promoters are also interested to the extent of unsecured loans provided by them to our Company and interest payable to them on the said loans, at the rate not exceeding 12% per annum. For further information, please see *"**Financial Indebtedness**"* on page 411, *"**Restated Financial Statements**"* on page 376 and *"**History and Certain Corporate Matters- Key terms of other subsisting material agreements**"* on page 345.

(v) Our Promoters collectively hold 2,09,58,528 Equity Shares, constituting 85.96% of the pre-Offer issued, subscribed and paid-up Equity Share capital of our Company, as of the date of this Draft Red Herring Prospectus.

(vi) Except as mentioned below, our Promoters have no interest in any property acquired by our Company during the three (3) years preceding the date of this Draft Red Herring Prospectus, or proposed to be acquired by it, or in any transaction by our Company for acquisition of land, construction of building or supply of machinery:

  (a) Our Company has entered into two (2) leave and license agreements with our Directors i.e., Dhanji Raghavji Patel and Bechar Raghavji Patel, respectively, as regards usage of commercial properties located at Ambernath, Maharashtra, where our retail store is situated. For further details, please see *"**Restated Financial Statements- Note 44- Related Party disclosures**"* on page 376 and *"**Our Business**- "**Properties**"* at page 354.

  (b) Our Company has entered into a lease deed with our Non-Executive Director- Hiren Bechar Patel, as regards usage of property situated at Anjar, Kutch, Gujarat for warehousing and logistics purposes. For further details, please see *"**Restated Financial Statements- Note 44 - Related Party disclosures**"* on page 376.

  (c) Our Company has entered into a leave and license agreement with a promoter group entity- KBP Corporation as regards usage of commercial property situated at Ambernath, Maharashtra, where our retail store is situated. For further details, please see *"**Restated Financial Statements- Note 44 - Related Party disclosures**"* on page 376 and *"**Our Business- Properties**"* at page 354.

  (d) Our Company has entered into a leave and license agreement with a promoter group entity- Patel RPL Realty Private Limited as regards usage of a commercial property situated at Ambernath, Maharashtra, where our retail store is situated. For further details, please see *"**Our Business-Properties**"* on page 354.

Details of rent paid to our Directors and Promoter Group entity are as under:

Sr. No.	Name of the Director/ Entity	Date of Agreement	Property Description	Term of Rent/Lease period	Consideration (in ₹)
1	Dhanji Raghavji Patel	May 1, 2023	Jain Plaza, Office Premises- 3, 4, 10, 110, Ambernath (East)- 421501, Maharashtra, India	3 years (i.e., May 1, 2023- April 30, 2026)	₹15,000 per month
2	Bechar Raghavji Patel	May 1, 2023	Jain Plaza, Office Premises- 1, 2, 11, 111 and 112, Ambernath (East)- 421501, Maharashtra, India	3 years (i.e., May 1, 2023- April 30, 2026)	₹15,000 per month
3	Hiren Bechar Patel	November 26, 2018	Survey no. 733/ P34, Village Dudhai, Taluka Anjar, Kutch, Gujarat [admeasuring about 7.975 acres]	50 years (i.e., November 01, 2018 – October 31, 2068)	₹10,000 per month
4	M/s. KBP Corporation	January 1, 2019	Ground Floor, Jainam Residency, Palegaon, Ambernath (East) [about 3500 sq. ft.]	9 years (February 2, 2019- January 31, 2027)	₹170,000 per month for 3 years. Rent escalation after every three (3) years at a rise of minimum 10% on the last rent paid.
5	Patel RPL Realty Private Limited	January 1, 2024	Gr. Gala No. 3, Opp. Jathar Hospital, Ambernath (West)	9 years (January 1, 2024- December 31, 2032)	₹50,000 per month. Rent escalation by 10% only after completion of 3 years.

(e) Our Company has acquired property situated at Revenue Survey no. (old) 425/ 11, City Survey no. NA425/ 11/ P2, Ward number 1, Village- Dhamdka, Taluka- Anjar, Kutch, Gujarat for a total consideration of ₹234.00 Lakhs, from Leelavati Hiren Patel, wife of Hiren Bechar Patel vide sale deed dated November 18, 2023.

(vii) No sum has been paid or agreed to be paid to any of our Promoters or to the firms or companies in which they interested in as members, in cash or shares or otherwise, by any person, either to induce them to become, or to qualify them as Directors, or otherwise for services rendered by them or by such firms or companies in which they are interested, in connection with the promotion or formation of our Company.

(viii) Our Promoters may be considered to be interested to the extent of personal guarantees given in favour of our Company against loans sanctioned to our Company. For details, please see *"**History and Certain Corporate Matters- Details of Guarantees given to third parties by Promoters participating in the Offer for Sale**"* on page 346.

Payment or benefits to Promoters or our Promoter Group

Except in ordinary course of business, there has been no payment or benefit given by our Company to our Promoters or any of the members of our Promoter Group during the two (2) years preceding the date of this Draft

Red Herring Prospectus nor is there any intention to pay or give any benefit to our Promoters or members of our Promoter group, other than in ordinary course of business, as on the date of this Draft Red Herring Prospectus. For further details, please see *"**Our Management**"* on page 347 and *"**Restated Financial Statements- Note 44-Related Party Disclosures**"* on page 376.

Other Confirmations

As on the date of this Draft Red Herring Prospectus, our Promoters and members of our Promoter Group are not prohibited from accessing the capital market or debarred from buying, selling or dealing in securities under any order or direction passed by SEBI or any securities market regulator in any jurisdiction or any other authority / court.

Our Promoters are not a promoter of any other company which is debarred from accessing the capital market by SEBI.

Our Promoters have not been identified as wilful defaulters or fraudulent borrowers as defined under the SEBI ICDR Regulations.

Our Promoters have not been declared as fugitive economic offenders in accordance with section 12 of the Fugitive Economic Offenders Act, 2018, as amended.

Except as disclosed in *"**Outstanding Litigation and Material Developments**"* on page 414, there are no legal, regulatory proceedings involving our Promoters, as on the date of this Draft Red Herring Prospectus.

Compliance with the Companies (Significant Beneficial Owners) Rules, 2018 and amendments thereof

Our Promoters and the members of our Promoter Group consist of only individuals. Therefore, the provisions of the Companies (Significant Beneficial Owners) Rules, 2018, as amended, are not applicable, as on the date of this Draft Red Herring Prospectus.

Material guarantees given to third parties

Our Promoters have not given any material guarantee to any third party with respect to the Equity Shares of our Company, as on the date of this Draft Red Herring Prospectus.

Details of companies or firms from which our Promoters have disassociated

Except as stated below, our Promoters have not disassociated themselves from any other company or firm in the 3 (three) years preceding the date of this Draft Red Herring Prospectus:

Sr. No.	Name of the Promoter	Name of the Company from which our Promoter has disassociated	Reason for disassociation	Date of disassociation
1	Dhanji Raghavji Patel	Patel Maritime (India) Private Limited	Due to other professional and personal pre-occupation	September 1, 2023
		Patel Structures Private Limited	Company struck-off from the register of companies and the said company stands dissolved	April 19, 2022
		Patel Merchandise & Builtech Private Limited	Company struck-off from the register of companies and the said company stands dissolved	April 19, 2022
2	Bechar Raghavji Patel	Patel Structures Private Limited	Company struck-off from the register of companies and the said company stands dissolved	April 19, 2022
		Patel Merchandise & Builtech Private Limited	Company struck-off from the register of companies and the said company stands	April 19, 2022

Sr. No.	Name of the Promoter	Name of the Company from which our Promoter has disassociated	Reason for disassociation	Date of disassociation
			dissolved	
		Patel RPL Advertising	The partnership firm stands dissolved	Vide Dissolution Deed dated July 16, 2021, the partnership firm stood dissolved w.e.f. March 31, 2021.
		Pramukh Infracon	Retired as a Partner. However, he continues to be associated with the partnership firm indirectly.	February 1, 2023
		Rapid Corporation	Retired as a Partner. However, he continues to be associated with the partnership firm indirectly.	February 1, 2023
		Vrudee Associates	Retired as a Partner. However, he continues to be associated with the partnership firm indirectly.	February 1, 2023
		Divyanand Developers LLP	Retired as a Partner. However, he continues to be associated with the LLP indirectly.	February 1, 2023
		Paramyogi Developers LLP	Retired as a Partner. However, he continues to be associated with the LLP indirectly.	February 1, 2023
		Prayosha Infratech LLP	LLP struck-off	Struck-off (as per MCA portal)*
		Shayona Builders LLP	LLP struck-off	Struck-off (as per MCA portal)*
		Shree Swaminarayan Enterprises	The partnership firm stands dissolved.	Vide Dissolution Deed dated July 16, 2021, the partnership firm stood dissolved w.e.f. March 31, 2021.
		Desire Reality	Retired as a Partner. However, he continues to be associated with the partnership firm indirectly.	January 27, 2023
		Omkar Infrastructure	Retired as a Partner. However, he continues to be associated with the partnership firm indirectly.	February 1, 2023
		Shreeram Realty	Retired as a Partner. However, he continues to be associated with the partnership firm indirectly.	February 1, 2023
		Sahajanand Developers	Retired as a Partner. However, he continues to be associated with the partnership firm indirectly.	February 1, 2023
		Param Infratech	Retired as a Partner.	February 1, 2023

Sr. No.	Name of the Promoter	Name of the Company from which our Promoter has disassociated	Reason for disassociation	Date of disassociation
			However, he continues to be associated with the partnership firm indirectly.	
		Nakshatra Lifespaces	Retired as a Partner. However, he continues to be associated with the partnership firm indirectly	February 1, 2023
		Pramukh Developers	Retired as a Partner. However, he continues to be associated with the partnership firm indirectly	February 1, 2023

Note:
Documents pertaining to strike-off of Prayosha Infratech LLP and Shayona Builders LLP could not be traced.

OUR PROMOTER GROUP

In addition to our Promoters, the individuals and entities that form a part of the Promoter Group of our Company in terms of Regulation 2(1)(pp) of the SEBI ICDR Regulations are set out below:

a) Natural persons forming part of the Promoter Group (other than our Promoters)

The natural persons who are members of our Promoter Group, other than our Promoters are as follows:

Sr. No.	Name of Promoter	Name of Promoter Group Member	Relationship with Promoter
1	Dhanji Raghavji Patel	Bechar Raghavji Patel	Brother
		Ananthibhain S Patel	Sister
		Jakhibenhari Verat	Sister
		Shantaben Dharamshi Patel	Sister
		Smitaben Dhanji Patel	Wife
		Rahul Dhanji Patel	Son
		Vaishali Panvelkar	Daughter
		Asmita Dhanji Patel	Daughter
		Arunaben Patel	Spouse’s Sister
		Patel Bhartiben Rameshbhai	Spouse’s Sister
		Radha Harilal Bera	Spouse’s Sister
		Kuvarben Harkhabhai Nor	Spouse’s Sister
		Chaudhari Shantaben Narashibhai	Spouse’s Sister
		Hasmukh Jesha Patel	Spouse’s Brother
		Narshi Jesha Patel	Spouse’s Brother
		Shavji Jesha Patel	Spouse’s Brother
2	Bechar Raghavji Patel	Dhanji Raghavji Patel	Brother
		Ananthibhain S Patel	Sister
		Jakhibenhari Verat	Sister
		Shantaben Dharamshi Patel	Sister
		Punji Beacher Patel	Wife
		Hiren Bechar Patel	Son
		Ankit Beacher Patel	Son
		Komal Rahul Waghela	Daughter
		Patel Preeti Pankaj	Daughter
		Ladiben Damji Patel	Spouse’s Sister
		Patel Shantaben Ratilal	Spouse’s Sister
		Devji Bhagawanji Verat	Spouse’s Brother
		Shamji Bhagwanji Verat	Spouse’s Brother
		Hari Verat	Spouse’s Brother

b) Entities forming part of the Promoter Group (other than our Promoters):

Sr. No.	Name of the entity / company
1	DSB Properties
2	Elite Infrastructure
3	Magic Brick Realty
4	Mahalaxmi Enterprises
5	Param Builders and Devlopers
6	Navnirman Developers
7	Param Laxmi Developers
8	Paramyogi Builders and Developers LLP
9	Paramyogi Realty LLP
10	Patel's Infratech Co.
11	Pramukh Infrastructures
12	Pramukh Realty
13	Pride Infrastructure
14	Ruvee Properties LLP
15	Shree Sahajanand Enterprises
16	Shree Sai Developers
17	Shree Paradise Construction
18	Dhanji Raghavji Patel HUF
19	Ankit Beacher Patel HUF
20	Hiren Bechar Patel HUF
21	MGN Properties LLP
22	Dharmik Structures
23	Param Infratech
24	Patel Maritime (India) Private Limited
25	Patel RPL Realty Private Limited
26	Panvelkar Bhoomi
27	J S Infrastructure
28	Pramukh Developers
29	R City Developers
30	Rapid Corporation
31	Rapid Infratech LLP (Formerly known as Rapid Infratech Private Limited)
32	Sahajanand Developers
33	Shiv Sai Builders and Developers
34	Vrudee Associates
35	Divyanand Developers LLP
36	Paramyogi Developers LLP
37	Dhanlaxmi Developers
38	Desire Realty
39	Ishwar Developers
40	Nakshatra Lifespaces
41	Neptune Enterprises
42	Nexa Construction LLP
43	Omkar Infrastructure
44	Pramukh Infracon
45	PRPL Garments Private Limited
46	Prayosha Agro Industry LLP
47	Black Stone Realty
48	Dia Infratech

Sr. No.	Name of the entity / company
49	Dhairya Properties
50	Param Property Devlopers
51	Pinnacle Infratech & Developers
52	Rahul Enterprises
53	Serene Infratech Co
54	Trishul Enterprises
55	Shanthi Realtors
56	KBP Corporation
57	Shreeram Realty
58	Samarth Developers
59	Jay Garibdas BMS
60	Jay Garibdas Translink (proprietorship firm of Hiren Bechar Patel)

Shareholding of the Promoter Group in our Company

For details of the shareholding of our Promoters and members of our Promoter Group as on the date of this Draft Red Herring Prospectus, please see *"**Capital Structure- History of build-up of our Promoters' shareholding and lock-in of Promoters' shareholding (including Promoters' contribution)- Shareholding of our Promoters and the members of our Promoter Group**"* on page 105.

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DIVIDEND POLICY

The declaration and payment of dividends on our Equity Shares, if any, will be recommended by our Board and approved by our Shareholders, at their discretion, subject to the provisions of the Articles of Association of our Company, Companies Act and other applicable law, and the dividend distribution policy of our Company may be reviewed and amended periodically by our Board in accordance with the same.

The dividend distribution policy was approved and adopted by our Board in its meeting held on December 30, 2023. In terms of the policy, the dividend, if any paid, will depend on a number of internal and external factors, which amongst others, include capital requirements, profits, cash flows, contractual obligations and growth and expansion plans.

Any future determination as to the declaration and payment of dividends will be at the discretion of our Board and will depend on factors that our Board deems relevant, including but not limited to earning stability, contractual obligations, applicable legal restrictions, overall financial position of our Company, macroeconomic and business conditions and other factors considered relevant by the Board. In addition, our ability to pay dividends may be impacted by a number of other factors, including restrictive covenants under the loan or financing documents our Company is currently a party to or may enter into from time to time, to finance our fund requirements for our business activities. For further details, please see "***Financial Indebtedness***" on page 411.

Our Company has paid interim dividend of ₹1/- per Equity Share, out of profits of the first three quarters, April to December for the FY 2022-23.

We may retain all our future earnings, if any, for use in the operations and expansion of our business. For further details, please see *"**Risk Factors- Our ability to pay dividends in the future will depend upon our future earnings, cash flows, working capital requirements and capital expenditures and the terms of financing agreements.**"* on page 51.

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SECTION V- FINANCIAL INFORMATION

RESTATED FINANCIAL STATEMENTS

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Kanu Doshi Associates LLP
Chartered Accountants

Mumbai Office : 203, The Summit, Hanuman Road,
Western Express Highway, Vile Parle (E), Mumbai - 400 057
• T : 022-2615 0100

Pune Office : 109, Sohrab Hall, 21 Sassoon Road,
Opp. Jehangir Hospital, Pune - 411001 • T : 020-4906 7177

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INDEPENDENT AUDITOR'S EXAMINATION REPORT ON RESTATED FINANCIAL INFORMATION

To,
The Board of Directors
Patel Retail Limited

Dear Sirs,

1. We have examined the attached Restated Financial Information of Patel Retail Limited (Formerly known as Patel Retail Private Limited) (the "Company") comprising the Restated Statement of Assets and Liabilities as at September 30, 2023, March 31, 2023, March 31, 2022 and March 31, 2021, the Restated Statements of Profit and Loss (including other comprehensive income), the Restated Statement of Changes in Equity, the Restated Cash Flow Statement for the six month period ended September 30, 2023 and for the financial years ended March 31, 2023, March 31, 2022 and March 31, 2021, the Summary Statement of Significant Accounting Policies, and other explanatory information (collectively, the "Restated Financial Information"), as approved by the Board of Directors of the Company at their meeting held on 20th March 2024 for the purpose of inclusion in the Draft Red Herring Prospectus ("DRHP") prepared by the Company in connection with its proposed Initial Public Offer of equity shares ("IPO") prepared in terms of the requirements of:

   a) Section 26 of Part I of Chapter III of the Companies Act, 2013 (the "Act");
   b) The Securities and Exchange Board of India (Issue of Capital and Disclosure Requirements) Regulations, 2018, as amended ("ICDR Regulations"); and
   c) The Guidance Note on Reports in Company Prospectuses (Revised 2019) issued by the Institute of Chartered Accountants of India ("ICAI"), as amended from time to time (the "Guidance Note").

2. The Company's Board of Directors is responsible for the preparation of the Restated Financial Information for the purpose of inclusion in the DRHP to be filed with Securities and Exchange Board of India, the BSE Limited, the National Stock Exchange of India Limited and Registrar of Companies, Mumbai in connection with the proposed IPO. The Restated Financial Information have been prepared by the management of the Company on the basis of preparation stated in Note no.2 to the Restated Financial Information. The Board of Directors of the Company responsibility includes designing, implementing and maintaining adequate internal control relevant to the preparation and presentation of the Restated Financial Information. The Board of Directors are also responsible for identifying and ensuring that the Company complies with the Act, ICDR Regulations and the Guidance Note.

3. We have examined such Restated Financial Information taking into consideration:

a) The terms of reference and terms of our engagement agreed upon with you in accordance with our engagement letter dated 29th September 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 Information; and
d) The requirements of Section 26 of the Act and the ICDR Regulations. Our work was performed solely to assist you in meeting your responsibilities in relation to your compliance with the Act, the ICDR Regulations and the Guidance Note in connection with the IPO.

4. These Restated Financial Information have been compiled by the management from:

a) Audited special purpose interim Ind AS financial statements of the Company as at and for the six month period ended September 30, 2023 prepared in accordance with Indian Accounting Standard (Ind AS) 34 "Interim Financial Reporting", specified under section 133 of the Act and other accounting principles generally accepted in India (the "Special Purpose Interim Ind AS Financial Statements") which have been approved by the Board of Directors at their meeting held on 01st March 2024.

b) Audited Special purpose Ind AS financial statements of the Company as at and for the year ended March 31, 2023, March 31, 2022 & March 31, 2021 prepared in accordance with the Indian Accounting Standards (referred to as "Ind AS") as prescribed under Section 133 of the Act read with Companies (Indian Accounting Standards) Rules 2015, as amended, and other accounting principles generally accepted in India, which have been approved by the Board of Directors at their meeting held on 01st March 2024. These financial statements for the year ended March 31, 2023, March 31, 2022 & March 31, 2021 have been prepared after making suitable Ind AS adjustments to the audited financial statements of the Company as at and for the year ended March 31, 2023, March 31, 2022 & March 31, 2021 prepared in accordance with the accounting standards notified under the section 133 of the Act ("Indian GAAP") audited by K C Ramrakhiyani & Co. (previous Statutory Auditor) which have been approved by the Board of Directors at their meeting held on 27th September 2023, 23rd September 2022 & 20th September 2021 respectively. There are no audit qualifications in the audit reports issued by the statutory and tax auditors for the financial year ended on 31 March 2023, March 31, 2022 and March 31, 2021 which would require adjustments in the Restated Financial Information of the Company. The financial report included for these years is based solely on the report submitted by them.

c) The Restated Financial Information also contains the proforma Ind AS financial information as at and for the year ended March 31, 2023. The proforma Ind AS financial information have been prepared by making Ind AS adjustments to the audited Indian GAAP financial statements as at and for the year ended March 31, 2023 which have been approved by the Board of Directors at their meeting held on 01st March 2024.

5. We have re-audited the special purpose financial information of the Company for the year ended March 31, 2023 prepared by the Company in accordance with the Ind AS for the limited purpose of complying with the requirement of getting its financial statements audited by an audit firm holding a valid peer review certificate issued by the "Peer Review Board" of the ICAI as required by SEBI ICDR Regulation 11(1)(A)(e) of Schedule VI in relation to the proposed IPO. We have issued our report dated 01st March 2024 on this special purpose financial information to the Board of Directors who have approved these in their meeting held on 01st March 2024.

6. For the purpose of our examination, we have relied on:

   a) Auditors' reports issued by us dated 01^{st} March 2024 on the financial statements of the Company as at and for the six-month period ended September 30, 2023 and Re-audited financial statements as at and for the year ended March 31, 2023 as referred in Paragraph 4.1 & 5 above; and
   b) Auditors' Report issued by the Previous Auditors dated 23^{rd} September 2022 & 20^{th} September 2021 on the IGAAP financial statements of the Company as at and for the years ended March 31, 2022 and March 31, 2021, as referred in Paragraph [4.b] above.

7. Based on our examination and according to the information and explanations given to us we report that the Restated Financial Information:
   a) have been prepared after incorporating adjustments for the changes in accounting policies, material errors and regrouping/reclassifications retrospectively in the financial years ended March 31, 2023, March 31, 2022 and March 31, 2021 to reflect the same accounting treatment as per the accounting policies and grouping/classifications followed as at and for the six months period ended 30 September 2023;
   b) does not contain any qualifications requiring adjustments; and
   c) have been prepared in accordance with the Act, ICDR Regulations, Guidance Note.

8. The Restated Financial Information do not reflect the effects of events that occurred subsequent to the respective dates of the reports on the special purpose interim Ind AS financial statements and audited financial statements mentioned in paragraph [4] above.

9. This report should not in any way be construed as a reissuance or re-dating of any of the previous audit reports issued by the Previous Auditors, nor should this report be construed as a new opinion on any of the financial statements referred to herein.

10. We have no responsibility to update our report for events and circumstances occurring after the date of the report.

11. Our report is intended solely for use of the Board of Directors for inclusion in the DRHP to be filed with Securities and Exchange Board of India, the BSE Limited, the National Stock Exchange of India Limited and Registrar of Companies, Mumbai in connection with the proposed IPO. Our report should not be used, referred to, or distributed for any other purpose except with our prior consent in writing. Accordingly, we do not accept or assume any liability or any duty of care for any other purpose or to any other person to whom this report is shown or into whose hands it may come without our prior consent in writing.

For Kanu Doshi Associates LLP
Chartered Accountants
Firm Registration Number: 104746W/W100096

SD/-
Kunal Vakharia
Partner
Membership No: 148916
UDIN: 24148916BKCQLD3673
Place: Mumbai
Date: 20^{th} March 2024

Patel Retail Limited
(formerly known as "Patel Retail Private Limited")
Restated Balance Sheet
(All amounts are in INR lakhs except per share data or otherwise stated)

Particulars	Note No.	As at September 30, 2023	As at March 31, 2023	As at March 31, 2022	As at March 31, 2021
ASSETS					
Non - Current Assets					
Property, Plant and Equipment	3	5,438.29	5,749.56	3,710.12	2,666.02
Capital work-in-progress		381.21	174.83	2,679.16	2,574.15
Intangible Assets	3	10.46	12.40	15.73	8.24
Intangible assets under development		58.70	58.70	30.18	-
Right-to-use assets		69.93	99.44	35.34	-
Financial assets					
i. Non Current Investments	4	1.65	1.65	1.65	1.65
ii. Other Financial assets	5	501.56	473.46	415.93	401.82
Other Non - Current assets	6	1,332.72	1,431.57	1,225.42	850.75
Other Non - Current Tax assets (Net)	7	69.23	129.70	106.87	109.66
Deferred Tax Asset (Net)	8	204.08	186.16	183.74	199.14
Total Non- Current Assets		**8,067.84**	**8,317.48**	**8,404.13**	**6,811.43**
Current Assets					
Inventories	9	9,575.01	7,667.65	5,447.63	6,113.76
Financial assets					
i. Trade receivables	10	7,730.12	10,359.63	8,367.56	8,794.18
ii. Cash and cash equivalents	11	436.23	264.62	1,293.54	165.50
iii. Other Bank Balances	12	66.23	66.23	85.93	667.15
iv. Other financial assets	13	853.49	459.39	183.15	173.85
Other Current assets	14	1,316.56	3,176.99	3,604.69	1,943.08
Total Current Assets		**19,977.65**	**21,994.51**	**18,982.50**	**17,857.52**
TOTAL ASSETS		**28,045.49**	**30,311.99**	**27,386.63**	**24,668.95**
EQUITY AND LIABILITIES					
Equity					
(a) Equity share capital	15	380.98	380.98	380.98	380.98
(b) Other Equity	16	7,784.26	6,805.94	5,203.26	4,069.05
Total Equity		**8,165.24**	**7,186.92**	**5,584.24**	**4,450.03**
Liabilities					
Non Current Liabilities					
Financial Liabilities					
i. Long Term Borrowings	17	3,742.12	3,527.06	3,693.94	3,788.11
ii. Lease Liabilities		16.83	43.89	21.71	-
iii. Other Financial liabilities					
Provisions					
Deferred tax liabilities (Net)					
Long Term provisions	18	24.49	19.72	13.01	3.67
Total Non- Current Liabilities		**3,783.43**	**3,590.66**	**3,728.66**	**3,791.78**
Current Liabilities					
Financial Liabilities					
i. Short Term Borrowings	19	12,597.23	14,754.33	13,396.51	13,848.88
ii. Lease liabilities		57.55	59.64	14.66	-
iii. Trade payables	20	3,173.37	4,282.07	3,162.25	2,307.06
Dues of micro and small enterprises					
Dues other than micro and small enterprises					
Short Term Provisions	18	0.05	0.04	0.02	0.01
Other Current liabilities	21	268.60	262.14	1,500.29	271.20
Current tax liabilities (Net)	22	-	176.18	-	-
Total Current Liabilities		**16,096.80**	**19,534.41**	**18,073.73**	**16,427.14**
TOTAL EQUITY AND LIABILITIES		**28,045.48**	**30,311.99**	**27,386.63**	**24,668.95**

The accompanying notes forming an integral part of the financial statements

As per our report of even date attached.

FOR KANU DOSHI ASSOCIATES LLP
Chartered Accountants
Firm's Registration Number: 104746W/W100096

FOR AND ON BEHALF OF PATEL RETAIL LIMITED

Sd/-
Kunal Vakharia
Partner
Membership No. 148916

Sd/-
Dhanji R. Patel
Chairman & Managing Director
DIN 01376164

Sd/-
Bechar R. Patel
Director
DIN 02169626

Sd/-
Rahul D. Patel
Chief Executive Officer

Sd/-
Manish R. Agarwal
Chief Financial Officer

Sd/-
Deepesh S. Somani
Company Secretary

Place: Mumbai
Dated: 20th March 2024

Patel Retail Limited
(formerly known as "Patel Retail Private Limited")
Restated Statement of Profit and Loss
(All amounts are in INR lakhs except per share data or otherwise stated)

Particulars	Note No.	Six Months Period ended September 30, 2023	Year ended March 31, 2023	Year ended March 31, 2022	Year ended March 31, 2021
Continuing operations					
Revenue from operations	23	44,598.21	1,01,854.78	76,615.91	82,337.46
Other income	24	83.76	125.58	567.67	437.88
Total Income		**44,681.97**	**1,01,980.36**	**77,183.58**	**82,775.34**
Expenses					
Cost of material consumed	25	19,807.98	32,407.46	20,766.85	27,573.69
Purchases Of Stock-In-Trade	26	17,978.87	55,451.87	43,548.89	44,251.39
Changes in inventories	27	(857.14)	(1,839.72)	719.42	(800.90)
Employee benefit expenses	28	1,295.19	2,264.15	1,902.59	1,780.29
Finance Cost	29	690.05	1,113.45	678.83	757.66
Depreciation & amortization expenses	30	484.18	985.78	469.69	460.92
Other Expenses	31	3,967.29	9,372.63	7,568.03	7,197.18
Total Expenses		**43,366.44**	**99,755.63**	**75,654.32**	**81,220.23**
Profit before exceptional items and tax		1,315.54	2,224.73	1,529.26	1,555.11
Exceptional items		-	-	-	-
Profit before tax		1,315.54	2,224.73	1,529.26	1,555.11
Less: Tax expenses					
(1) Current tax					
of Current year		355.58	591.18	373.65	406.28
of Earlier years		-	(1.06)	2.23	0.84
(2) Deferred tax					
of Current year		(18.02)	(3.37)	16.35	(1.76)
of Earlier years					
Total Tax Expenses		**337.56**	**586.75**	**392.23**	**405.37**
Profit after tax	**A**	**977.98**	**1,637.97**	**1,137.03**	**1,149.74**
Other Comprehensive Income					
A. (i) Items that will be reclassified to profit or loss					
(ii) Income tax relating to items that will be reclassified to profit or loss					
B. (i) Items that will not be reclassified to profit or loss		0.46	3.74	(3.77)	-
(ii) Income tax relating to items that will not be reclassified to profit or loss		(0.12)	(0.94)	0.95	-
Total Other Comprehensive Income for the year	**B**	**0.34**	**2.80**	**(2.82)**	**-**
Total Comprehensive Income for the year	**(A+B)**	**978.32**	**1,640.77**	**1,134.21**	**1,149.74**

Earning per equity share (Face Value of Rs.10 /- each)					
Basic (In Rs.) (EPS for September ended not annualised)	32	25.67	42.99	29.85	33.88
Diluted (In Rs.) (EPS for September ended not annualised)	32	25.67	42.99	29.85	33.88

FOR KANU DOSHI ASSOCIATES LLP
Chartered Accountants
Firm's Registration Number: 104746W/W100096

Sd/-
Kunal Vakharia
Partner
Membership No. 148916

FOR AND ON BEHALF OF PATEL RETAIL LIMITED

Sd/-
Dhanji R. Patel
Chairman & Managing Director
DIN 01376164

Sd/-
Bechar R. Patel
Director
DIN 02169626

Place: Mumbai
Dated: 20th March 2024

Sd/-
Rahul D. Patel
Chief Executive Officer

Sd/-
Manish R. Agarwal
Chief Financial Officer

Sd/-
Deepesh S. Somani
Company Secretary

Patel Retail Limited
(formerly known as "Patel Retail Private Limited")
Restated Statement of Cash Flows
(All amounts are in INR lakhs except per share data or otherwise stated)

Particulars	Six Months Period ended September 30, 2023	Year ended March 31, 2023	Year ended March 31, 2022	Year ended March 31, 2021
Profit before income tax	**1,315.54**	**2,224.73**	**1,529.26**	**1,555.11**
Adjustments for				
Depreciation and amortisation expense	454.68	939.35	459.60	460.92
Depreciation on Right of Use of assets	29.51	46.44	10.10	-
Loss on disposal of property, plant and equipment	-	0.80	(13.16)	-
Unwinding of discount on security deposits	(10.05)	(16.89)	(12.44)	(8.81)
Dividend and interest income	(1.34)	(11.99)	(13.77)	(4.39)
Finance costs	690.05	1,113.45	678.83	757.66
Provision for expected credit loss reversed	-	(84.00)	(63.00)	(63.00)
OCI portion of gratuity	0.46	3.74	(3.77)	-
Change in operating assets and liabilities, net of effects from purchase of controlled entities and sale of subsidiary:				
(Increase)/Decrease in trade receivables	2,629.51	(1,908.07)	489.62	(3,836.54)
(Increase) in inventories	(1,907.37)	(2,220.02)	666.13	(807.93)
Increase in trade payables	(1,108.70)	1,119.82	855.19	571.39
(Increase) in other financial assets	(394.10)	(276.24)	(9.30)	(173.85)
(Increase)/decrease in other non-current assets	98.85	(206.15)	(374.66)	(379.70)
(Increase)/decrease in other non current financial assets	(18.05)	(40.64)	(1.68)	(459.35)
(Increase)/decrease in other current assets	1,860.43	427.69	(1,661.61)	(970.78)
Increase/(decrease) in provisions	4.78	6.73	9.36	(21.93)
Increase/(Decrease) in other current liabilities	6.46	(1,238.15)	1,229.09	27.16
Cash generated from operations	**3,650.66**	**(119.41)**	**3,773.80**	**(3,354.04)**
Income taxes paid	(471.30)	(436.77)	(373.09)	(571.81)
Net cash inflow from operating activities	**3,179.36**	**(556.18)**	**3,400.71**	**(3,925.84)**
Cash flows from investing activities				
Payments for property, plant and equipment	(344.86)	(873.32)	(1,659.01)	(1,312.00)
Proceeds from sale of property, plant and equipment	(2.99)	372.86	25.79	-
Dividends received	-	0.28	0.35	-
Interest received	1.34	11.71	13.42	4.39
Net cash outflow from investing activities	**(346.50)**	**(488.46)**	**(1,619.45)**	**(1,307.60)**
Cash flows from financing activities				
Proceeds from issues of shares		-	-	1,000.00
Increase in short term borrowings	(2,157.10)	1,357.82	(452.37)	5,484.82
Decrease in long term borrowings	215.06	(166.88)	(94.17)	(52.45)
Finance lease payments	(33.27)	(52.56)	(11.56)	-
Interest paid	(685.94)	(1,104.26)	(676.34)	(757.66)
Dividends paid to company's shareholders	-	(38.10)	-	-
Net cash inflow (outflow) from financing activities	**(2,661.25)**	**(3.98)**	**(1,234.44)**	**5,674.70**
Net increase (decrease) in cash and cash equivalents	**171.61**	**(1,048.62)**	**546.82**	**441.25**
Cash and cash equivalents at the beginning of the financial year	330.85	1,379.47	832.65	391.40
Cash and cash equivalents at end of the year	502.46	330.85	1,379.47	832.66

FOR KANU DOSHI ASSOCIATES LLP
Chartered Accountants
Firm's Registration Number: 104746W/W100096

Sd/-
Kunal Vakharia
Partner
Membership No. 148916

FOR AND ON BEHALF OF PATEL RETAIL LIMITED

Sd/-
Dhanji R. Patel
Chairman & Managing Director
DIN 01376164

Sd/-
Bechar R. Patel
Director
DIN 02169626

Sd/-
Rahul D. Patel
Chief Executive Officer

Sd/-
Manish R. Agarwal
Chief Financial Officer

Sd/-
Deepesh S. Somani
Company Secretary

Place: Mumbai
Dated: 20th March 2024

Patel Retail Limited
(formerly known as "Patel Retail Private Limited")
Restated Statement of Changes in Equity
(All amounts are in INR lakhs except per share data or otherwise stated)

A. Equity Share Capital

Particulars	No of Shares	Amount
Balance at at 31st March, 2020	**28,09,770**	**280.98**
Changes in equity share capital during the year	10,00,000	100.00
Balance at at 31st March, 2021	**38,09,770**	**380.98**
Changes in equity share capital during the year	-	-
Balance at at 31st March, 2022	**38,09,770**	**380.98**
Changes in equity share capital during the year	-	-
Balance at at 31st March, 2023	**38,09,770**	**380.98**
Changes in equity share capital during the six month period	-	-
Balance at at 30th September, 2023	**38,09,770**	**380.98**

B. Other Equity

Particulars	Reserves and Surplus			Other items of Other comprehensive income	Total
	Capital Reserve	Security Premium	Retained Earnings	Remeasurement of net defined benefit plans	
Balance at at 31st March, 2020	**-**	**69.02**	**1,950.29**	**-**	**2,019.31**
Profit for the year	-	-	1,149.74	-	1,152.49
Issue of Equity Shares	-	900.00		-	900.00
Balance at at 31st March, 2021		**969.02**	**3,100.03**		**4,069.05**
Profit for the year			1,137.03	(2.82)	1,134.21
Balance at at 31st March, 2022	**-**	**969.02**	**4,237.06**	**(2.82)**	**5,203.26**
Profit for the year	-	-	1,637.97	2.80	1,640.77
Final Dividend paid	-	-	(38.10)	-	**(38.10)**
Balance at at 31st March, 2023	**-**	**969.02**	**5,836.94**	**(0.02)**	**6,805.94**
Profit for the year	-	-	977.98	0.34	978.32
Balance at at 30th September, 2023	**-**	**969.02**	**6,814.92**	**0.32**	**7,784.26**

FOR KANU DOSHI ASSOCIATES LLP
Chartered Accountants
Firm's Registration Number: 104746W/W100096

Sd/-
Kunal Vakharia
Partner
Membership No. 148916

Place : Mumbai
Dated: 20th March 2024

FOR AND ON BEHALF OF PATEL RETAIL LIMITED

Sd/-
Dhanji R. Patel
Chairman & Managing Director
DIN 01376164

Sd/-
Bechar R. Patel
Director
DIN 02169626

Sd/-
Rahul D. Patel
Chief Executive Officer

Sd/-
Manish R. Agarwal
Chief Financial Officer

Sd/-
Deepesh S. Somani
Company Secretary

Patel Retail Limited
(formerly known as "Patel Retail Private Limited")
Restated Notes to the Balance Sheet
(All amounts are in INR lakhs except per share data or otherwise stated)

Statement Of Significant Accounting Policies & Notes To Restated Financial Statements

1 Company Overview

The company is primarily engaged in retail supermarket chain operating in Tier-III cities and nearby suburban areas of Thane and Raigad District, offering Food, Non Food (FMCG), Apparels, Home Improvement, Small Home Applainces, Over the Counter Products, Personal Care and general Merchandise catering to the needs of the entire family. The Company is also engaged in processing and manufacturing of Whole Spices, Powder Spices, Wheat Flour, Peanuts, etc. from its unit loacted at Maharashtra and Kutch, Gujarat. The Company also undertakes trading activities.

2 Significant accounting policies

(a) Basis of preparation

(i) Statement of compliance

The Restated Balance Sheets of the company as at 30 September 2023, 31 March 2023, 31 March 2022, 31 March 2021; the related Restated Statement of Profit and Loss (including Other Comprehensive Income), the Restated Statement of Changes in Equity, and the Restated Statement of Cash Flows for the six months period ended 30 September 2023 and year ended 31 March 2023, 31 March 2022 and 31 March 2021 and the Significant accounting policies have been extracted by the management from the audited financial statements for the September 30, 2023, March 31, 2023, 2022, and 2021, approved by the respective Board of Directors of the companies.

The financial statements Complies in all material aspects with Indian Accounting Standards (Ind AS) notified under the Companies (Indian Accounting Standards) Rules, 2015 as amended and notified under Section 133 of the Companies Act, 2013 (the "Act") and other relevant provisions of the Act and other accounting principles generally accepted in India.

The financial statements were authorized for issue by the Company's Board of Directors on 20th March, 2024.
These financial statements are presented in Indian Rupees (INR), which is also the functional currency. All the amounts have been rounded off to the nearest lacs, unless otherwise indicated.

(ii) Basis of measurement

The Restated Financial Statements have been prepared on accrual and going concern basis. The accounting policies are applied consistently to all the periods presented in the Restated Financial Statements except where a newly issued accounting standard is initially adopted or revision to an existing accounting standard where a change in accounting policy hitherto in use.
The Restated Financial Statements have been prepared under the historical cost convention except for certain financial instruments measured at fair value as explained in the accounting policies. Historical cost is generally based on the fair value of the consideration given in exchange for goods and services at the time of their acquisition.

(b) Current vs non-current classification

The Company presents assets and liabilities in the balance sheet based on current / non-current classification.

An asset is treated as current when it is:

• Expected to be realised or intended to be sold or consumed in normal operating cycle
• Held primarily for the purpose of trading
• Expected to be realised within twelve months after the reporting period, or
• Cash or cash equivalent unless restricted from being exchanged or used to settle a liability for at least twelve months after the reporting period.

Terms of a liability that could, at the option of the counterparty, result in its settlement by the issue of equity instruments do not affect its classification.

All other assets are classified as non-current.

A liability is current when:

• It is expected to be settled in normal operating cycle
• It is held primarily for the purpose of trading
• It is due to be settled within twelve months after the reporting period, or
• There is no unconditional right to defer the settlement of the liability for at least twelve months after the reporting period

The Company classifies all other liabilities as non-current.

Deferred tax assets and liabilities are classified as non-current assets and liabilities.

The operating cycle is the time between the acquisition of assets for processing and their realisation in cash and cash equivalents. The Company has identified twelve month as its operating cycle.

(c) Use of estimates and judgements

The preparation of financial statements requires management to make judgments, estimates and assumptions in the application of accounting policies that affect the reported amounts of assets, liabilities, income and expenses. Actual results may differ from these estimates. Continuous evaluation is done on the estimation and judgments based on historical experience and other factors, including expectations of future events that are believed to be reasonable. Revisions to accounting estimates are recognised prospectively.

(d) Financial Instruments

A financial instrument is any contract that gives rise to a financial asset of one entity and a financial liability or equity instrument of another entity.

(I) Financial Assets

(i) Classification

The Company classifies its financial assets in the following measurement categories:

(a) Those to be measured subsequently at fair value (either through other comprehensive income, or through profit or loss); and

(b) Those measured at amortised cost.

The classification depends on the entity's business model for managing the financial assets and the contractual terms of the cash flows.

(a) For assets measured at fair value, gains and losses will either be recorded in profit or loss or other comprehensive income.

(b) For investments in debt instruments, this will depend on the business model in which the investment is held.

(c) For investments in equity instruments, this will depend on whether the Company has made an irrevocable election at the time of initial recognition to account for the equity investment at fair value through other comprehensive income.

The Company reclassifies debt investments when and only when its business model for managing those assets changes.

(ii) Measurement

At initial recognition, the Company measures a financial asset at its fair value plus, in the case of a financial asset not measured at fair value through profit or loss, transaction costs that are directly attributable to the acquisition of the financial asset. Transaction costs of financial assets carried at fair value through profit or loss are expensed in profit or loss.

(a) Debt instruments

Subsequent measurement of debt instruments depends on the Company's business model for managing the asset and the cash flow characteristics of the asset. There are three measurement categories into which the Company classifies its debt instruments:

Amortised cost: Assets that are held for collection of contractual cash flows where those cash flows represent solely payments of principal and interest are measured at amortised cost. A gain or loss on a debt investment that is subsequently measured at amortised cost and is not part of a hedging relationship is recognised in profit or loss when the asset is derecognised or impaired. Interest income from these financial assets is included in other income using the effective interest rate method.

Fair value through other comprehensive income (FVOCI): Assets that are held for collection of contractual cash flows and for selling the financial assets, where the assets' cash flows represent solely payments of principal and interest, are measured at fair value through other comprehensive income (FVOCI). Movements in the carrying amount are taken through OCI, except for the recognition of impairment gains or losses, interest income and foreign exchange gains and losses which are recognised in profit and loss. When the financial asset is derecognised, the cumulative gain or loss previously recognised in OCI is reclassified from equity to profit or loss and recognised in other income or other expenses (as applicable). Interest income from these financial assets is included in other income using the effective interest rate method.

Fair value through profit or loss (FVTPL): Assets that do not meet the criteria for amortised cost or FVOCI are measured at fair value through profit or loss. A gain or loss on a debt investment that is subsequently measured at fair value through profit or loss and is not part of a hedging relationship is recognised in profit or loss and presented net in the statement of profit and loss within other income or other expenses (as applicable) in the period in which it arises. Interest income from these financial assets is included in other income or other expenses, as applicable.

(b) Equity instruments

The Company subsequently measures all equity investments at fair value. Where the Company's management has selected to present fair value gains and losses on equity investments in other comprehensive income and there is no subsequent reclassification of fair value gains and losses to profit or loss. Dividends from such investments are recognised in profit or loss as other income when the Company's right to receive payments is established.

Changes in the fair value of financial assets at fair value through profit or loss are recognised in other income or other expenses, as applicable in the statement of profit and loss. Impairment losses (and reversal of impairment losses) on equity investments measured at FVOCI are not reported separately from other changes in fair value.

(iii) Impairment of financial assets

The Company assesses on a forward looking basis the expected credit losses associated with its assets carried at amortised cost and FVOCI debt instruments. The impairment methodology applied depends on whether there has been a significant increase in credit risk.

For trade receivables only, the Company applies the simplified approach permitted by Ind AS 109 Financial Instruments, which requires expected lifetime credit losses (ECL) to be recognised from initial recognition of the receivables. The Company uses historical default rates to determine impairment loss on the portfolio of trade receivables. At every reporting date these historical default rates are reviewed and changes in the forward looking estimates are analysed.

For other assets, the Company uses 12 month ECL to provide for impairment loss where there is no significant increase in credit risk. If there is significant increase in credit risk full lifetime ECL is used.

(iv) Derecognition of financial assets

(a) The Company has transferred the rights to receive cash flows from the financial asset or

(b) Retains the contractual rights to receive the cash flows of the financial asset, but assumes a contractual obligation to pay the cash flows to one or more recipients.

Where the entity has transferred an asset, the Company evaluates whether it has transferred substantially all risks and rewards of ownership of the financial asset. In such cases, the financial asset is derecognised. Where the entity has not transferred substantially all risks and rewards of ownership of the financial asset, the financial asset is not derecognised.

Where the entity has neither transferred a financial asset nor retains substantially all risks and rewards of ownership of the financial asset, the financial asset is derecognised if the Company has not retained control of the financial asset. Where the Company retains control of the financial asset, the asset is continued to be recognised to the extent of continuing involvement in the financial asset.

(II) Financial Liabilities

(i) Measurement

Financial liabilities are initially recognised at fair value, reduced by transaction costs (in case of financial liability not at fair value through profit or loss), that are directly attributable to the issue of financial liability. After initial recognition, financial liabilities are measured at amortised cost using effective interest method. The effective interest rate is the rate that exactly discounts estimated future cash outflow (including all fees paid, transaction cost, and other premiums or discounts) through the expected life of the financial liability, or, where appropriate, a shorter period, to the net carrying amount on initial recognition. At the time of initial recognition, there is no financial liability irrevocably designated as measured at fair value through profit or loss.

(ii) Derecognition

A financial liability is derecognised when the obligation under the liability is discharged or cancelled or expires. When an existing financial liability is replaced by another from the same lender on substantially different terms, or the terms of an existing liability are substantially modified, such an exchange or modification is treated as the de-recognition of the original liability and the recognition of a new liability. The difference in the respective carrying amounts is recognised in the statement of profit or loss.

(e) Inventories Valuation

(i) Raw materials, components, stores & spares, packing material, semi-finished goods & finished goods are valued at lower of cost and net realisable value.

(ii) Cost of Raw Materials, components, stores & spares and packing material is arrived at Weighted Average Cost and Cost of semi-finished good and finished good comprises, raw materials, direct labour, other direct costs and related production overheads is arrived through Weighted Average Cost.

(iii) Scrap is valued at net realisable value.

(iv) Due allowances are made in respect of slow moving, non-moving and obsolete inventories based on estimate made by the Management.

(f) Revenue Recognition

Revenue is measured at the fair value of the consideration received or receivable. Amounts disclosed as revenue are inclusive of excise duty and net of returns, trade discount taxes and amounts collected on behalf of third parties. Discount is recognised on cash basis in accordance with the contractual term of the agreement with the customers. The Company recognises revenue as under:

(i) The Company recognizes revenue from sale of goods when:

(a) The significant risks and rewards of ownership in the goods are transferred to the buyer as per the terms of the contract, which coincides with the delivery of goods.

(b) The Company retains neither continuing managerial involvement to the degree usually associated with the ownership nor effective control over the goods sold.

(c) The amount of revenue can be reliably measured.

(d) It is probable that future economic benefits associated with the transaction will flow to the Company.

(e) The cost incurred or to be incurred in respect of the transaction can be measured reliably.

(f) The company bases its estimates on historical results, taking into consideration the type of customer, the type of transaction and the specifics of each arrangement.

Interest on deployment of funds is recognised on accrual basis. Dividend income is recognised when right to receive dividend is established. Profit on sale of investments is recognised on sale of investments.

(g) Property, plant and equipment

(i) Recognition and measurement

On transition to Ind AS, the Company has elected to continue with the carrying value of all of its property, plant and equipment recognised as at 1 April 2020 measured as per the previous GAAP and used those carrying value as the deemed cost of the property, plant and equipment.

Freehold land is carried at historical cost. All other items of property, plant and equipment are measured at cost less accumulated depreciation and any accumulated impairment losses. The cost of an item of property, plant and equipment shall be recognised as an asset if, and only if it is probable that future economic benefits associated with the item will flow to the Company and the cost of the item can be measured reliably. Any gain or loss on disposal of an item of property, plant and equipment is recognised in profit or loss. The cost of an item of property, plant and equipment comprises:

a) its purchase price, including import duties and non-refundable taxes (net of GST), after deducting trade discounts and rebates.

b) any costs directly attributable to bringing the asset to the location and condition necessary for it to be capable of operating in the manner intended by management.

c) borrowing costs for long-term construction projects if the recognition criteria are met.

If significant parts of an item of property, plant and equipment have different useful lives, then they are accounted for as separate items (major components) of property, plant and equipment.

Advances paid towards the acquisition of property, plant and equipment outstanding at each Balance Sheet date is classified as capital advances under other non-current assets and the cost of assets not ready to use before such date are disclosed under ‘Capital work-in-progress’.

(ii) Subsequent expenditure

Subsequent expenditure is capitalised only if it is probable that the future economic benefits associated with the expenditure will flow to the Company and the cost of the item can be measured reliably. Repairs and maintenance costs are recognized in the Statement of Profit and Loss when incurred.

(iii) Depreciation

Depreciation is calculated on cost of items of property, plant and equipment less their estimated residual values, if any, over their estimated useful lives using the Reduced Balance method in the manner and at the rates prescribed by Part ‘C’ of Schedule II of the Act, except as stated below. Depreciation on additions/(disposals) is provided on a pro-rata basis i.e. from/ (upto) the date on which asset is ready for use / disposed off.

The estimated useful lives of assets are as taken as per Companies Act, 2013

(h) Intangible assets

On transition to Ind AS, The Company has elected to continue with the carrying value of all of its intangible assets recognised as at 1 April 2020 measured as per the previous GAAP and used those carrying value as the deemed cost of the intangible assets.

(i) An intangible asset shall be recognised if, and only if: (a) it is probable that the expected future economic benefits that are attributable to the asset will flow to the Company and (b) the cost of the asset can be measured reliably.

(iii) Computer software is capitalised where it is expected to provide future enduring economic benefits. Capitalisation costs include licence fees and costs of implementation / system integration services. The costs are capitalised in the year in which the relevant software is implemented for use. The same is amortised over a period of 5 years on straight-line method.

(i) Leases

Company as lessee:

Lease under which the Company assumes substantially all the risks and rewards of ownership are classified as Finance Leases. The leases where the lessor effectively retains substantially all the risks and benefits of ownership of the leased items, are classified as operating lease. Operating lease payments are recognised as expenses in the Statement of Profit and Loss.

(j) Employee Benefit

(i) Defined Contribution Plan

Contribution to defined contribution plans are recognised as expense in the Statement of Profit and Loss, as they are incurred.

(ii) Defined Benefit Plan

Company's liabilities towards gratuity and leave encashment are determined using the projected unit credit method as at Balance Sheet date. Actuarial gains / losses are recognised immediately in the Statement of Profit and Loss.

(k) Foreign currency translation

(i) Functional and presentation currency

Items included in the financial statements of the Company are measured using the currency of the primary economic environment in which the Company operates (‘the functional currency’). The financial statements are presented in Indian rupee (INR), which is Company’s functional and presentation currency.

(ii) Transactions and balances

Foreign currency transactions are translated into the functional currency using the exchange rates at the dates of the transactions. Foreign exchange gains and losses resulting from the settlement of such transactions and from the translation of monetary assets and liabilities denominated in foreign currencies at year end exchange rates are generally recognised in profit or loss. All the foreign exchange gains and losses are presented in the statement of Profit and Loss on a net basis within other expenses or other income as applicable.

(l) Borrowing cost

Borrowing costs are interest and other costs (including exchange differences relating to foreign currency borrowings to the extent that they are regarded as an adjustment to interest costs) incurred in connection with the borrowing of funds. Borrowing costs directly attributable to acquisition or construction of an asset which necessarily take a substantial period of time to get ready for their intended use are capitalised as part of the cost of that asset. Other borrowing costs are recognised as an expense in the period in which they are incurred.

(i) Commencement of capitalisation

Capitalisation of borrowing cost as part of the cost of a qualifying asset shall begin on the commencement date. The commencement date for capitalisation is the date when the entity first meets all of the following conditions:

a. it incurs expenditures for the asset;

b. it incurs borrowing costs; and

c. it undertakes activities that are necessary to prepare the asset for its intended use or sale.

(ii) Cessation of capitalisation

Cessation of capitalisation shall happen when substantially all the activities necessary to prepare the qualifying asset for its intended use or sale are complete.

Other borrowing costs are recognised as an expense in the period in which they are incurred.

(m) Earnings per share

(i) Basic earnings per share

Basic earnings per share is calculated by dividing:

- the profit attributable to owners of the Company; and
- by the weighted average number of equity shares outstanding during the financial year, adjusted for bonus elements in equity shares issued during the year.

ii) Diluted earnings per share

Diluted earnings per share adjust the figures used in the determination of basic earnings per share to take into account:

- the after income tax effect of interest and other financing costs associated with dilutive potential equity shares; and
- the weighted average number of additional equity shares that would have been outstanding assuming the conversion of all dilutive potential equity shares.

(n) Impairment of Assets

Intangible assets that have an indefinite useful life are not subject to amortization and are tested annually for impairment or more frequently if events or changes in circumstances indicate that they might be impaired. Other assets are tested for impairment whenever events or changes in circumstances indicate that the carrying amount may not be recoverable. An impairment loss is recognised for the amount by which the asset’s carrying amount exceeds its recoverable amount. The recoverable amount is the higher of an asset’s fair value less costs of disposal and value in use. For the purposes of assessing impairment, assets are Companyed at the lowest levels for which there are separately identifiable cash inflows which are largely independent of the cash inflows from other assets or Companys of assets (cash-generating units). Non-financial assets that suffered impairment are reviewed for possible reversal of the impairment at the end of each reporting period.

(o) Provisions, contingent liabilities and contingent assets

(i) Provisions:

Provisions are recognised when the Company has a present obligation (legal or constructive) as a result of a past event, it is probable that an outflow of resources embodying economic benefits will be required to settle the obligation and a reliable estimate can be made of the amount of the obligation. The expense relating to a provision is presented in the statement of profit and loss.

(ii) Contingent liabilities:

A contingent liability is a possible obligation that arises from past events whose existence will be confirmed by the occurrence or non-occurrence of one or more uncertain future events beyond the control of the Company or a present obligation that is not recognised because it is not probable that an outflow of resources will be required to settle the obligation. A contingent liability also arises in extremely rare cases where there is a liability that cannot be recognised because it cannot be measured reliably. The Company does not recognise a contingent liability but discloses its existence in the financial statements.

(iii) Contingent Assets: Contingent Assets are disclosed, where an inflow of economic benefits is probable.

(p) Investments

On transition to Ind AS, equity investments are measured at fair value, with value changes recognised in Other Comprehensive Income, except for those mutual fund for which the Company has elected to present the fair value changes in the Statement of Profit and Loss.

(q) Trade receivables

Trade receivables are recognised initially at their fair value and subsequently measured at amortised cost using the effective interest method, less provision for impairment.

(r) Trade and other payables

These amounts represent liabilities for goods and services provided to the Company prior to the end of financial year which are unpaid. Trade and other payables are recognised, initially at fair value, and subsequently measured at amortised cost using effective interest rate method.

(s) Operating Cycle

Based on the nature of products/activities of the Company and the normal time between acquisition of assets and their realisation in cash or cash equivalents, the Company has determined its operating cycle as 12 months for the purpose of classification of its assets and liabilities as current and non current.

(t) Rounding of amounts

All amounts disclosed in the financial statements and notes have been rounded off to the nearest Rupees Lacs (upto two decimals), unless otherwise stated as per the requirement of Schedule III (Division II).

(u) Government Grants, subsidies and export incentives

Government grants and subsidies are accounted when there is reasonable assurance that the Company will comply with the conditions attached to them and it is reasonably certain that the ultimate collection will be made. Capital grants relating to specific fixed assets are reduced from the gross value of the respective fixed assets. Revenue grants are recognised in the Statement of Profit and Loss. Export benefits available under prevalent schemes are accrued in the year in which the goods are exported and there is no uncertainty in receiving the same.

(v) Segment reporting

Operating segment are reported in a manner consistent with the internal reporting provided to the Chief operating decision maker (CODM). Identification of segments : In accordance with Ind As 108 "operating segment", the operating segment used to present segment information reviewed by CODM to allocate resources to the segments and assess their performance. An operating segment is a component of the group that engages in the business activities from which it earns revenues and incurs expenses, including revenues and expenses that relate to transactions with any of the group's other

(w) Dividend

The Company recognises a liability for any dividend declared but not distributed at the end of the reporting period, when the distribution is authorised and the distribution is no longer at the discretion of the Company on or before the end of the reporting period. As per Corporate laws in India, a distribution in the nature of final dividend is authorized when it is approved by the shareholders. A corresponding amount is recognized directly in equity.

(x) Income tax

Tax expense comprise 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 Indian Income Tax Act.

Deferred income taxes reflects the impact of current year timing differences between taxable income and accounting income for the year and reversal of timing differences of earlier years. Deferred tax is measured based on the tax rates and the tax laws enacted at the balance sheet date. Deferred tax assets are recognized only to the extent that there is a reasonable certainty that sufficient future taxable income will be available against which such deferred tax assets can be realized.

At each balance sheet date unrecognized deferred tax assets are re-assessed. It recognizes unrecognized deferred tax assets to the extent that it has become reasonably certain or virtually certain, as the case may be that sufficient future taxable income will be available against which such deferred tax assets can be realized.

(y) Cash and cash equivalents

The Company considers all highly liquid financial instruments, which are readily convertible into cash and have original maturities of three months or less from date of purchase to be cash equivalents.

(z) Cash Flow Statement

Cash flows are reported using the indirect method, whereby net profit before tax is adjusted for the effects of transactions of a non-cash nature, any deferrals or accruals of past or future operating cash receipts or payments and item of income or expenses associated with investing or financing cash flows. The cash flows from operating, investing and financing activities of the Company are segregated.

(aa) Interest income

Interest income from debt instruments is recognised using the effective interest rate method. The effective interest rate is the rate that exactly discounts estimated future cash receipts through the expected life of the financial asset to the gross carrying amount of a financial asset. When calculating the effective interest rate, the company estimates the expected cash flows by considering all the contractual terms of the financial instrument (for example, prepayment, extension, call and similar options) but does not consider the expected credit losses.

Patel Retail Limited (formerly known as "Patel Retail Private Limited")
Notes to the Restated Balance Sheet
Note "3" Property, Plant & Equipments and Intangible Assets

(All amounts are in INR lakhs except per share data or otherwise stated)	Property, Plant & Euipments												Intangible Assets		
Particulars	**Leasehold Land**	**Freehold Land**	**Building Office**	**Shop**	**Plant & Machinery**	**Electrical Equipments**	**Office Equipment**	**Furniture & Fixture**	**Lab Equipments**	**Computers**	**Motor Vehicle**	**Road**	**Trademark**	**Software**	**Total**
Gross Carrying Value															
Gross Carrying Value As at March 31, 2020	**366.89**	**44.57**	**1,698.61**	**207.10**	**992.49**	**267.99**	**393.23**	**848.52**	**9.13**	**241.78**	**517.48**	**-**	**0.38**	**20.65**	**5,608.84**
Additions	-	-	-	-	53.43	37.72	15.48	68.42	-	12.74	68.60	-	-	2.04	258.44
Disposals / derecognised	-	-	-	-	(5.75)	(1.00)	-	(0.42)	-	-	-	-	-	-	(7.17)
Gross Carrying Value As at March 31, 2021	**366.89**	**44.57**	**1,698.61**	**207.10**	**1,040.17**	**304.71**	**408.71**	**916.52**	**9.13**	**254.52**	**586.09**	**-**	**0.38**	**22.69**	**5,860.11**
Additions	-	145.98	422.50	-	596.80	85.74	33.22	72.15	-	28.17	123.84	-	-	15.43	1,523.83
Disposals / derecognised	-	-	-	-	(0.30)	-	-	-	-	-	(92.56)	-	-	-	(92.85)
Gross Carrying Value As at March 31, 2022	**366.89**	**190.56**	**2,121.12**	**207.10**	**1,636.68**	**390.46**	**441.93**	**988.67**	**9.13**	**282.69**	**617.37**	**-**	**0.38**	**38.12**	**7,291.09**
Additions	-	-	785.84	-	1,527.03	242.53	112.85	147.49	29.22	32.83	24.69	76.07	-	3.70	2,982.24
Disposals / derecognised	-	-	-	-	(4.98)	-	-	-	-	-	(12.79)	-	-	-	(17.77)
Gross Carrying Value As at March 31, 2023	**366.89**	**190.56**	**2,906.95**	**207.10**	**3,158.73**	**632.99**	**554.78**	**1,136.16**	**38.35**	**315.52**	**629.27**	**76.07**	**0.38**	**41.82**	**10,255.56**
Additions	-	-	16.78	-	71.18	4.61	19.23	22.62	-	7.42	3.48	-	-	0.55	145.86
Disposals / derecognised	-	-	-	-	(4.40)	-	-	-	-	-	-	-	-	-	(4.40)
Gross Carrying Value As at September 30, 2023	**366.89**	**190.56**	**2,923.73**	**207.10**	**3,225.50**	**637.60**	**574.00**	**1,158.77**	**38.35**	**322.94**	**632.75**	**76.07**	**0.38**	**42.37**	**10,397.03**
Particulars	**Leasehold Land**	**Freehold Land**	**Building Office**	**Shop**	**Plant & Machinery**	**Electrical Installation**	**Office Equipment**	**Furniture & Fixture**	**Lab Equipments**	**Computers**	**Motor Vehicle**	**Road**	**Trademark**	**Software**	**Total**
Accumulated depreciation															
Accumulated depreciation As at March 31, 2020	**28.94**	**-**	**664.67**	**2.04**	**524.39**	**162.05**	**253.22**	**540.35**	**2.03**	**221.61**	**315.50**	**-**	**0.37**	**9.75**	**2,724.93**
Depreciation charge during the year	3.98	-	98.22	9.99	90.15	30.98	58.42	86.79	1.29	15.90	60.50	-	0.00	4.71	460.92
Disposals / derecognised	-	-	-	-	-	-	-	-	-	-	-	-	-	-	
Accumulated depreciation As at March 31, 2021	**32.92**	**-**	**762.90**	**12.03**	**614.54**	**193.03**	**311.64**	**627.14**	**3.31**	**237.51**	**376.00**	**-**	**0.37**	**14.46**	**3,185.85**
Depreciation charge during the year	3.98	-	95.50	9.50	99.16	35.07	42.16	80.07	1.05	19.43	65.76	-	0.00	7.93	459.60
Disposals / derecognised	-	-	-	-	-	-	-	-	-	-	(80.22)	-	-	-	(80.22)
Accumulated depreciation As at March 31, 2022	**36.90**	**-**	**858.39**	**21.53**	**713.70**	**228.10**	**353.80**	**707.21**	**4.37**	**256.94**	**361.55**	**-**	**0.37**	**22.39**	**3,565.23**
Depreciation charge during the year	3.98	-	175.16	9.04	378.62	95.19	56.69	93.61	5.88	28.02	66.50	19.64	0.00	7.03	939.35
Disposals / derecognised	-	-	-	-	-	-	-	-	-	-	(10.98)	-	-	-	(10.98)
Accumulated depreciation As at March 31, 2023	**40.87**	**-**	**1,033.55**	**30.57**	**1,092.32**	**323.28**	**410.49**	**800.82**	**10.24**	**284.96**	**417.07**	**19.64**	**0.37**	**29.42**	**4,493.60**
Depreciation charge during the year	1.99	-	86.48	4.31	191.46	40.59	31.88	45.95	3.49	10.91	27.82	7.31	0.00	2.50	
Disposals / derecognised	-	-	-	-	-	-	-	-	-	-	-	-	-	-	
Accumulated depreciation As at September 30, 2023	**42.86**	**-**	**1,120.03**	**34.88**	**1,283.78**	**363.88**	**442.36**	**846.77**	**13.73**	**295.87**	**444.88**	**26.95**	**0.37**	**31.92**	**4,948.28**
Net carrying amount as at September 30, 2023	**324.02**	**190.56**	**1,803.71**	**172.22**	**1,941.72**	**273.72**	**131.64**	**312.00**	**24.62**	**27.07**	**187.87**	**49.13**	**0.00**	**10.46**	**5,448.75**
Net carrying amount as at March 31, 2023	**326.01**	**190.56**	**1,873.40**	**176.53**	**2,066.40**	**309.70**	**144.29**	**335.34**	**28.11**	**30.56**	**212.21**	**56.43**	**0.00**	**12.40**	**5,761.96**
Net carrying amount as at March 31, 2022	**329.99**	**190.56**	**1,262.72**	**185.57**	**922.98**	**162.36**	**88.13**	**281.46**	**4.77**	**25.75**	**255.82**	**-**	**0.00**	**15.73**	**3,725.85**
Net carrying amount as at March 31, 2021	**333.97**	**44.57**	**935.72**	**195.07**	**425.63**	**111.68**	**97.08**	**289.38**	**5.82**	**17.01**	**210.08**	**-**	**0.00**	**8.23**	**2,674.25**

Notes

i) The Company does not have any immovable property whose title deeds are not held in the name of the Group except those held under lease arrangements for which lease agreements are duly executed in the favour of the Group.

ii) On transition to Ind AS (i.e. 1 April 2020), the Company has elected to continue with the carrying value of all Property, Plant and Equipment measured as per the previous GAAP and use that carrying value as the deemed cost of Property, Plant and Equipment.

Patel Retail Limited

(formerly known as "Patel Retail Private Limited")

Restated Notes to the Balance Sheet

(All amounts are in INR lakhs except per share data or otherwise stated)

4 NON CURRENT INVESTMENTS

Particulars	As at September 30, 2023	As at March 31, 2023	As at March 31, 2022	As at March 31, 2021
Non Trade Investments				
Unquoted Investment in equity instruments (fully paid-up) (FVOCI)				
Jai Hind Co-operative Bank Ltd. 6600 (30 September 2023: 6,600 31 March 2023 : 6,600 31 March 2022 : 6,600 31 March 2021 : 6,600) Equity shares Rs. 25/- each	1.65	1.65	1.65	1.65
Total	**1.65**	**1.65**	**1.65**	**1.65**

5 OTHER NON CURRENT FINANCIAL ASSETS

Particulars	As at September 30, 2023	As at March 31, 2023	As at March 31, 2022	As at March 31, 2021
(Unsecured, Considered Goods, unless specified otherwise)				
Other Deposits	501.56	473.46	397.93	358.96
Loans & advances to Others	-	-	18.00	42.86
	501.56	**473.46**	**415.93**	**401.82**

6 OTHER NON CURRENT ASSETS

Particulars	As at September 30, 2023	As at March 31, 2023	As at March 31, 2022	As at March 31, 2021
(Unsecured, Considered Goods, unless specified otherwise)				
Capital Advances	241.78	495.53	383.65	89.65
Balance with govt authorities	1,090.94	936.04	841.77	761.10
	1,332.72	**1,431.57**	**1,225.42**	**850.75**

7 OTHER NON CURRENT TAX ASSETS (NET)

Particulars	As at September 30, 2023	As at March 31, 2023	As at March 31, 2022	As at March 31, 2021
Advance Tax/ TDS/ TCS	69.23	129.70	106.87	109.66
[Advance Tax and Tax Deducted at Source - Net of Current Tax Provisions]				
	69.23	**129.70**	**106.87**	**109.66**

8 Deferred Tax Asset (Net)

Particulars	As at September 30, 2023	As at March 31, 2023	As at March 31, 2022	As at March 31, 2021
Deferred Tax Asset/ (Liabilities) on the below mentioned:				
On Property, plant and equipment/Other Intangible Assets	97.19	80.54	59.50	61.87
On allowance for Expected Credit Loss	98.15	98.15	119.29	135.15
On Lease deposits under Ind AS	1.45	1.48	1.40	1.20
On lease right to use asset under Ind AS	1.12	1.03	0.26	-
On gratuity	6.18	4.96	3.28	0.93
	204.08	**186.16**	**183.74**	**199.14**

9 Inventories

Particulars	As at September 30, 2023	As at March 31, 2023	As at March 31, 2022	As at March 31, 2021
Finished Goods	8,049.00	7,191.86	5,352.15	6,071.57
Raw Material	1,526.01	475.78	95.48	42.19
	9,575.01	**7,667.65**	**5,447.63**	**6,113.76**

10 TRADE RECEIVABLES

Particulars	As at September 30, 2023	As at March 31, 2023	As at March 31, 2022	As at March 31, 2021
(Unsecured)				
Considered Good	7,730.12	10,359.63	8,367.56	8,794.18
Considered Doubtful	390.00	390.00	474.00	537.00
	8,120.12	10,749.63	8,841.56	9,331.18
Less: Impairment allowance				

(All amounts are in INR lakhs except per share data or otherwise stated)

(Allowance for bad and doubtful debts)	(390.00)	(390.00)	(474.00)	(537.00)
	7,730.12	**10,359.63**	**8,367.56**	**8,794.18**

10 (a) Trade Receivables Ageing Schedule

As at 30 September 2023

Particulars	Outstanding for following period from due date of payment					Total
	Less than 6 months	6 months- 1 year	1-2 years	2-3 years	More than 3 years	
(i) Undisputed Trade Receivables - Considered good	6,744.55	861.59	309.73	43.75	160.50	**8,120.12**
(ii) Undisputed Trade Receivables - considered doubtful	-	-	-	-	-	-
(iv) Disputed Trade Receivables - Considered Good	-	-	-	-	-	-
(v) Disputed Trade Receivables - Considered Doubtful	-	-	-	-	-	-
	6,744.55	**861.59**	**309.73**	**43.75**	**160.50**	**8,120.12**
					Less: Expected credit loss allowance	**(390.00)**
						7,730.12

As at March 31, 2023

Particulars	Outstanding for following period from due date of payment					Total
	Less than 6 months	6 months- 1 year	1-2 years	2-3 years	More than 3 years	
(i) Undisputed Trade Receivables - Considered good	10,002.45	369.59	161.13	65.39	151.08	**10,749.63**
(ii) Undisputed Trade Receivables - considered doubtful	-	-	-	-	-	-
(iv) Disputed Trade Receivables - Considered Good	-	-	-	-	-	-
(v) Disputed Trade Receivables - Considered Doubtful	-	-	-	-	-	-
	10,002.45	**369.59**	**161.13**	**65.39**	**151.08**	**10,749.63**
					Less: Expected credit loss allowance	**(390.00)**
						10,359.63

As at March 31, 2022

Particulars	Outstanding for following period from due date of payment					Total
	Less than 6 months	6 months- 1 year	1-2 years	2-3 years	More than 3 years	
(i) Undisputed Trade Receivables - Considered good	6646.32	330.91	338.87	861.60	663.86	**8,841.56**
(ii) Undisputed Trade Receivables - considered doubtful	-	-	-	-	-	-
(iv) Disputed Trade Receivables - Considered Good	-	-	-	-	-	-
(v) Disputed Trade Receivables - Considered Doubtful	-	-	-	-	-	-
	6,646.32	**330.91**	**338.87**	**861.60**	**663.86**	**8,841.56**
					Less: Expected credit loss allowance	**(474.00)**
						8,367.56

As at March 31, 2021

Particulars	Outstanding for following period from due date of payment					Total
	Less than 6 months	6 months- 1 year	1-2 years	2-3 years	More than 3 years	
(i) Undisputed Trade Receivables - Considered good	7,069.24	382.39	858.71	354.99	665.86	**9,331.18**
(ii) Undisputed Trade Receivables - considered doubtful	-	-	-	-	-	-
(iv) Disputed Trade Receivables - Considered Good	-	-	-	-	-	-
(v) Disputed Trade Receivables - Considered Doubtful	-	-	-	-	-	-
	7,069.24	**382.39**	**858.71**	**354.99**	**665.86**	**9,331.18**
					Less: Expected credit loss allowance	**(537.00)**
						8,794.18

11 CASH AND CASH EQUIVALENTS

Particulars	As at September 30, 2023	As at March 31, 2023	As at March 31, 2022	As at March 31, 2021
Cash on hand	43.83	39.95	91.45	46.62
Balance With Banks				

(All amounts are in INR lakhs except per share data or otherwise stated)

Bank Balance	361.03	144.24	1,202.09	118.88
Cash Collection	31.37	80.44	-	-
Fixed Deposit	-	-	-	-
	436.23	**264.62**	**1,293.54**	**165.50**

12 BANK BALANCES

Particulars	As at September 30, 2023	As at March 31, 2023	As at March 31, 2022	As at March 31, 2021
Margin Money Account	66.23	66.23	85.93	667.15
			-	
	66.23	**66.23**	**85.93**	**667.15**

13 OTHER FINANCIAL ASSETS

Particulars	As at September 30, 2023	As at March 31, 2023	As at March 31, 2022	As at March 31, 2021
(Unsecured, Considered Good, unless specified otherwise)				
Claims Receivable	474.63	-	24.59	-
Loans & advances to Employees	90.23	95.56	86.96	47.42
Interest Receivable	1.21	2.76	1.13	3.14
Export License Receivable	287.41	361.07	70.47	123.29
	853.49	**459.39**	**183.15**	**173.85**

14 OTHER CURRENT ASSETS

Particulars	As at September 30, 2023	As at March 31, 2023	As at March 31, 2022	As at March 31, 2021
(Unsecured, Considered Good, unless specified otherwise) Prepaid expenses	117.81	263.80	68.58	92.55
Advance to Trade Payables	1,191.27	2,913.20	3,536.10	1,813.57
Custom Duty	7.49	-	-	36.96
	1,316.56	**3,176.99**	**3,604.69**	**1,943.08**

15 EQUITY SHARE CAPITAL

Particulars	As at September 30, 2023	As at March 31, 2023	As at March 31, 2022	As at March 31, 2021
Authorized Share Capital				
50,00,000 (30 September 2023: 50,00,00, 31 March 2023 : 50,00,000, 31 March 2022 : 50,00,000, 31 March 2021 : 50,00,000) Equity shares Rs. 10/- each	500.00	500.00	500.00	500.00
	500.00	**500.00**	**500.00**	**500.00**
Issued, Subscribed and Fully Paid Up Shares				
38,09,770 (30 September 2023: 38,09,770, 31 March 2023 : 38,09,770, 31 March 2022 : 38,09,770, 31 March 2021 : 38,09,770) Equity shares Rs. 10/- each fully paid up	380.98	380.98	380.98	380.98
	380.98	**380.98**	**380.98**	**380.98**

Note No 15.1: The reconcilation of the number of shares outstanding at the beginning and at the end of the period/year:

Particulars	As at September 30, 2023		As at March 31, 2023		As at March 31, 2022		As at March 31, 2021	
	No. of Shares	Amount	No. of Shares	Amount	No. of Shares	Amount	No. of Shares	Amount
Number of shares at the beginning	38,09,770	380.98	38,09,770	380.98	38,09,770	380.98	28,09,770	280.98
Add: Shares issued during the year		-		-		-	10,00,000	100.00
Less : Shares bought back (if any)		-		-		-		-
Number of shares at the end	**38,09,770**	**380.98**	**38,09,770**	**380.98**	**38,09,770**	**380.98**	**38,09,770**	**380.98**

Note No 15.2: Terms/rights attached to equity shares

(A) The company has only one class of equity shares having a par value of Rs. 10 per share. Each holder of equity shares is entitled to one vote per share. The dividend proposed by the Board of Directors is subject to the approval of the shareholders in the ensuing Annual General Meeting.

(B) In the event of liquidation of the company, the holders of equity shares will be entitled to receive remaining assets of the company, after distribution of all preferential amounts. The distribution will be in proportion to the number of equity shares held by the shareholders.

Note No 15.3: The details of shareholders holding more than 5% shares in the company :

Name of the shareholder	As at September 30, 2023		As at March 31, 2023		As at March 31, 2022		As at March 31, 2021	
	No. of Shares	% holding	No. of Shares	% holding	No. of Shares	% holding	No. of Shares	% holding
Equity shares with voting rights								

(All amounts are in INR lakhs except per share data or otherwise stated)

Bechar R. Patel	730,000	19.16%	730,000	19.16%	730,000	19.16%	730,000	19.16%
Dhanji R. Patel	25,44,770	66.80%	26,44,770	69.42%	26,44,770	69.42%	26,44,770	69.42%
Bharat H. Patel	195,000	5.12%		-		-		-

Note No 15.4(a): The details of shareholding of Promoters :

Name of the shareholder	As at September 30, 2023		As at March 31, 2023		As at March 31, 2022		As at March 31, 2021	
	No. of Shares	% holding	No. of Shares	% holding	No. of Shares	% holding	No. of Shares	% holding
Equity shares with voting rights								
Bechar R. Patel	730,000	19.16%	730,000	19.16%	730,000	19.16%	730,000	19.16%
Dhanji R. Patel	25,44,770	66.80%	26,44,770	69.42%	26,44,770	69.42%	26,44,770	69.42%

Note No 15.4(b): The details of change in % shareholding of Promoters:

Name of the shareholder	As at September 30, 2023		As at March 31, 2023		As at March 31, 2022		As at March 31, 2021	
	No. of Shares	% change during the year	No. of Shares	% change during the year	No. of Shares	% change during the year	No. of Shares	% change during the year
Bechar R. Patel	730,000	-	730,000	-	730,000	-	730,000	(6.82%)
Dhanji R. Patel	25,44,770	(2.62%)	26,44,770	-	26,44,770	-	26,44,770	10.88%

16 OTHER EQUITY

Particulars	As at September 30, 2023	As at March 31, 2023	As at March 31, 2022	As at March 31, 2021
Retained Earnings				
Opening Reserves	5,836.94	4,237.06	3,100.03	1,950.29
Profit for the year	977.98	1,637.97	1,137.03	1,149.74
Dividend Paid	-	38.10		
	977.98	1,599.88	1,137.03	1,149.74
Closing Reserves	**6,814.92**	**5,836.94**	**4,237.06**	**3,100.03**
Share Premium				
Opening Reserves	969.02	969.02	969.02	69.02
Share Premium received during the year				900.00
Closing Reserves	**969.02**	**969.02**	**969.02**	**969.02**
Other Comprehensive Income (OCI)				
Opening Reserves	(0.02)	(2.82)		
-Remeasurement of net defined benefit plans	0.34	2.80	(2.82)	-
-Fair Value of Equity Investments through OCI	-	-	-	-
Closing Reserves	**0.32**	**(0.02)**	**(2.82)**	**-**
	7,784.26	**6,805.94**	**5,203.26**	**4,069.05**

17 Long Term Borrowings

Particulars	As at September 30, 2023	As at March 31, 2023	As at March 31, 2022	As at March 31, 2021
Secured (Refer Note 17.1, 17.2, 17.3, 17.4)				
Bank Loan	1,934.94	947.01	1,412.08	1,359.06
	1,934.94	**947.01**	**1,412.08**	**1,359.06**
Unsecured				
Director's Loan	1,807.18	2,580.05	2,281.86	2,429.06
	1,807.18	**2,580.05**	**2,281.86**	**2,429.06**
	3,742.12	**3,527.06**	**3,693.94**	**3,788.11**

Note I: Bank Loans carrying interest rates range in % per annum

Particulars	Interest Rate Range	Interest Rate Range	Interest Rate Range	Interest Rate Range
Term Loans	8.25% to 9.25%	8.25% to 9.25%	8.25% to 9.25%	8.25% to 9.25%
Vehicle Loans	7.00% to 9.00%	7.00% to 9.00%	7.00% to 9.00%	7.00% to 9.00%
Directors Loan	8.00% to 12.00%	8.00% to 12.00%	8.00% to 12.00%	8.00% to 12.00%

Note 17.1: Vehicle Loans

From banks secured by Hypothecation of respective vehicles.

Note 17.2: HDFC Bank

Primary - Plant & Machinery, Stock Book-Debts , Current Assets, Fixed Deposit, Stock for pledge, Stock for Export & Export Debtors.

Collateral - 1. Personal gurantee of Mr Dhanji Patel, Mrs Smitaben Patel, Mr Hiren B Patel & Mr Bechar Patel

2. Property Details:

1	Office And Factory/Plot No M-2, Anand Nagar Ambernath East, Udyog Bhavan No. 5 Midc Additional Ambernath Industrial Area, Opp. Oriental Ltd, 421506, Addl.Ambarnath Ind.Area,Maharashtra,India 421506	Industrial
2	Residential Property/Flat No 410, Sai Section Road, 4Th Floor C-Wing Building No. 1 Padmavati Chsl, Near Tadka Hotel, 421501, Ambernath,Maharashtra,India421501	Residential
3	Residential Property/Flat No 111, Sai Section Road, 1St Floor C-Wing Building No. 1 Padmavati Complex, Near Tadka Hotel, 421501, Ambernath, Maharashtra, India 421501	Residential
4	Commercial Property/Basement, Village Kulgaon, Vivekanand Arcade Survey No. 35 Hissa No. 2 (Part), Plot No. 5, Near Bank Of Baroda, 421503, Badlapur, Maharashtra	Commercial
5	Factory/Survey No. 145 /1, Village Dudhai, Anjar- Bhachau Road, Bhuj-Bhachau Highway (Dudhai Village) Kachchh- 370110, Anjar, Gujarat, India	Industrial
6	Sh100Op/Office No 3, Khoj Khuntoli Shivaji Chowk Ambarnath East, And 4 1St Floor Wing B Jain Plaza, Near Bank Of India, 421401, Murbad, Maharashtra, India 421401	Commercial
7	Residential Property/Plot No 111, Kansai Section Road, Ambernath (E)-421502, 1St To 6Th Floor, Akshardham, Cts No. 3846, Near Chaudhary Hospital, 421501, Thane, Maharashtra, India	Residential
8	Commercial Property/Shop No.112, Khoj Kuntoli Shivaji Chowk Ambernath East, 1St Floor Wing A Jain Plaza, Near Bank Of India, 421401, Murbad,Mahara	Commercial
9	Commercial Shop/Shop No. 111, Khoj Kuntoli Shivaji Chowk Ambernath East, 1St Floor Wing A Jain Plaza, Near Bank Of India, 421401, Murbad, Maharashtra, India	Commercial
10	Commercial Shop/Shop No 11, Khoj Kuntoli Shivaji Chowk, Ground Floor Wing A Jain Plaza, Near Bank Of India, 421401 ,Murbad, Maharashtra, India	Commercial
11	Commercial Shop/Shop No 10, Khoj Kuntoli Shivaji Chowk, Ground Floor Wing A Jain Plaza, Near Bank Of India, 421401 ,Murbad, Maharashtra, India	Commercial
12	Commercial Property/Office No 1, Khoj Kuntoli Shivaji Chowk Ambernath East, And 2 1St Floor Wing B Jain Palza, Near Bank Of India, 421401, Murbad, Maharashtra, India	Commercial
13	Commercial Shop/Shop No. 110, Khoj Kuntoli Shivaji Chowk Ambernath East, 1St Floor Wing A Jain Plaza, Near Bank Of India, Murbad, Maharashtra, India	Commercial
14	Residential Property/Flat No 409, Sai Section, Ambernath (E), Taluka Ulhasnagar, 4Th Floor Wing C Building No. 1 Padmavati Complex, Near Tadka Hotel, 421501, Ambernath, Maharashtra, India	Residential
15	Property At Kutch/Survey No 170/2,, Bhuj Bhachau Highway, Village: Dudhai, Ta. Anajr-Kachchh, Opp. Sardar Patel High Schoo,, 370511,Kachchh, Gujarat	Industrial

Note 17.3: Yes Bank

I. 1st Charge Pari Passu by way of Hypothecation on Current Assets and Specific Movable Fixed Assets (except vehicles)

II. 1st Charge Pari Passu by way of Equitable Mortgage on Property

1	Residential (Flat No 409 and 410) located at Flat no. 409 and 410, 4th floor, Padmavati	Residential
2	Residential (Flat No. 111 Padmavat Complex) located at Flat No. 111, 1st Floor, Padmavati complex, khoj Kuntavali, Ambernath (E), Thane	Residential
3	Residential (Plot No. 111, Kansai Sections) located at Plot no. 111, CTS no. 3846, New Fields, Kansai Sections, Ambernath (E), Thane	Residential
4	Industrial Property (Plot No M-2, Udyog Bhawan) located at Plot no M-2, Udyog Bhawan No. 5, Additional Ambernath Industrial Area, Village Jambhivali, Ambernath (E), Thane	Industrial
5	Commercial (Shop No 1, Vivekanand Arcade) located at Shop No 1, Basement Vivekanand arcade CHS, Ghandhi Chowk, Badlapur East - 421503	Commercial
6	Commercial (Offices/Shops at Jain Plaza) located at Shop/ office no 1,2,3,4,10,11,110,111,112 Jain Plaza, Khoj Kuntoli, Shivajij Chowk, Ambernath, Thane, Maharashtra (9Shops/Offices)	Commercial
7	Industrial Property (Plant 1 Dudhai, Kutch Property) located at Survey No. 145/1, Bhuj-Bhachau Highway No. 42, Village Dudhai, Tal Anjar, Kutch - 3701101	Industrial

III. Corporate Guarantee of Shree Sai Developer

IV. Personal gurantee of Mr Dhanji Patel, Mrs Smitaben Patel, Mr Hiren B Patel & Mr Bechar Patel

Note 17.4: Standard Chartered Bank

I. 1st Charge Pari Passu by way of Hypothecation on Current Assets and Specific Movable Fixed Assets (except vehicles)

II. 1st Charge Pari Passu by way of Equitable Mortgage on Property

1	Industrial Property (Plot No M-2, Udyog Bhawan) located at Plot no M-2, Udyog Bhawan No. 5, Additional Ambernath Industrial Area, Village Jambhivali, Ambernath (E), Thane	Industrial
2	Factory/Survey No. 145 /1, Village Dudhai, Anjar- Bhachau Road, Bhuj-Bhachau Highway (Dudhai Village) Kachchh- 370110, Anjar, Gujarat, India	Industrial
3	Commercial Property/Basement, Village Kulgaon, Vivekanand Arcade Survey No. 35 Hissa No. 2 (Part), Plot No. 5, Near Bank Of Baroda, 421503, Badlapur, Maharashtra	Commercial
4	Residential Flat Located at Flat No. 409 and 410. Sai Section Road, 4th Floor, C Wing Building No. 1. Padmavati Complex, Kohoj Kuntavali, Ambernath (E), Thane - 421501 owned by Dhanji R Patel (Flat no. 409) and Smitaben D Patel (Flat no. 410).	Residential
5	Residential Property located at Flat No. 111, 1st floor, C Wing Building No. 1. Padmavati Complex, Kohoj Kuntavali, Ambernath (E), Thane - 421501	Residential
6	Residential Property at Akshardham Building, Plot No. 111, CTS No. 3846, New Fields, Survodaya CHS, Kansai Sections, Ambernath (E), Thane owned by Shree Sai Developer.	Residential
7	Commercial Properties located at Shop No. 10, Ground floor, Office No. 3, 4 & 110, 1st floor, Jain Plaza, Khoj Khuntoli, Shivaji Chowk, Ambernath (E), Thane owned by Dhanji R Patel.	Commercial
8	Commercial Properties located at Shop No.11, Ground floor, Office No. 1, 2, 111 & 112, 1st floor, Jain Plaza, Khoj Khuntoli, Shivaji Chowk, Ambernath (E), Thane owned by Bechar R Patel.	Commercial

III. Corporate Guarantee of Shree Sai Developer

IV. Personal gurantee of Mr Dhanji Patel, Mrs Smitaben Patel, Mr Hiren B Patel & Mr Bechar Patel

Patel Retail Limited

(formerly known as "Patel Retail Private Limited")

Restated Notes to the Balance Sheet

(All amounts are in INR lakhs except per share data or otherwise stated)

18 **PROVISIONS**

Particulars	As at As at September 30, 2023	As at As at March 31, 2023	As at As atMarch 31, 2022	As at March 31, 2021
Provision for Employee Benefits (Unfunded)				
For Gratuity				
Long term provision	24.49	19.72	13.01	3.67
Short term provision	0.05	0.04	0.02	0.01
	24.54	**19.76**	**13.03**	**3.68**

19 **Short Term Borrowings**

Particulars	As at As at September 30, 2023	As at March 31, 2023	As at As atMarch 31, 2022	As at March 31, 2021
Secured (Refer Note 17.1, 17.2, 17.3, 17.4)				
Working Capital Loan	12,034.84	14,406.41	12,854.14	12,897.35
Current Maturities of Long Term Debt	562.39	345.28	542.37	951.53
Bank OD	-	2.65	-	-
	12,597.23	**14,754.33**	**13,396.51**	**13,848.88**

Note I: Working Capital Loans carrying interest rates range in % per annum

Particulars	Interest Rate Range	Interest Rate Range	Interest Rate Range	Interest Rate Range
Cash Credit	8.50% to 9.00%	8.00% to 9.25%	8.00% to 10.00%	8.75% to 11.00%
Packing Credit	3.00% to 4.00%	5.00% to 6.00%	5.75% to 6.25%	6.50% to 7.50%
Working Capital Demand Loan	8.50% to 9.50%	-	-	-

Note II: In respect of working capital loans, quarterly return or statements of current assets filed by the company with banks are in agreement with books of accounts

20 **TRADE PAYABLES**

Particulars	As at As at September 30, 2023	As at As at March 31, 2023	As at As atMarch 31, 2022	As at March 31, 2021
Dues of micro and small enterprises (Refer Note No 20.1)	-	-	-	-
Dues other than micro and small enterprises	3,173.37	4,282.07	3,162.25	2,307.06
	3,173.37	**4,282.07**	**3,162.25**	**2,307.06**

Note No 20.1 : Micro, Small and Medium enterprises have been identified by the Company on the basis of the information available. Total outstanding dues of Micro and Small enterprises, which are outstanding for more than the stipulated period and other disclosures as per Micro, Small and Medium Enterprises Development Act, 2006 (MSMED Act) are Rs. Nil

As on 30 September 2023:

	Outstanding for the following period from the due date of the payment				
Particulars	**Less than 1 year**	**1-2 years**	**2-3 years**	**More than 3 years**	**Total**
(i)MSME					
(ii)Others	2,813.93	10.55	44.31	14.91	2,883.69
(iii)Disputed dues - MSME					-
(iv) Disputed dues -Others					-
(v) Accrued Expense (including employee benefit liability)	289.67				289.67
Total	**3,103.60**	**10.55**	**44.31**	**14.91**	**3,173.37**

As on 31st March 2023:

	Outstanding for the following period from the due date of the payment				
Particulars	**Less than 1 year**	**1-2 years**	**2-3 years**	**More than 3 years**	**Total**
(i)MSME					
(ii)Others	4,132.06	44.47	33.58	13.78	4,223.89
(iii)Disputed dues - MSME					-
(iv) Disputed dues -Others					-
(v) Accrued Expense (including employee benefit liability)	58.18				58.18
Total	**4,190.24**	**44.47**	**33.58**	**13.78**	**4,282.07**

As on 31st March, 2022

	Outstanding for the following period from the due date of the payment				
Particulars	**Less than 1 year**	**1-2 years**	**2-3 years**	**More than 3 years**	**Total**
(i)MSME					
(ii)Others	3,007.30	7.13	62.23	22.04	3,098.70
(iii)Disputed dues - MSME	.				
(iv) Disputed dues -Others					
(v) Accrued Expense (including employee benefit liability)	63.54				63.54
Total	**3,070.84**	**7.13**	**62.23**	**22.04**	**3,162.25**

As on 31st March 2021

	Outstanding for the following period from the due date of the payment				
Particulars	**Less than 1 year**	**1-2 years**	**2-3 years**	**More than 3 years**	**Total**
(i)MSME					
(ii)Others	2,144.96	31.60	64.39	33.86	2,274.82
(iii)Disputed dues - MSME					

(All amounts are in INR lakhs except per share data or otherwise stated)

(iv) Disputed dues -Others					
(v) Accrued Expense (including employee benefit liability)	32.24				32.24
Total	**2,177.20**	**31.60**	**64.39**	**33.86**	**2,307.06**

21 OTHER CURRENT LIABILITIES

Particulars	As at As at September 30, 2023	As at As at March 31, 2023	As at As atMarch 31, 2022	As at March 31, 2021
Advance from customers	241.45	183.24	1,439.46	269.38
Statutory dues	27.16	78.90	60.83	1.82
	268.60	**262.14**	**1,500.29**	**271.20**

22 CURRENT TAX LIABILITIES (NET)

Particulars	As at As at September 30, 2023	As at As at March 31, 2023	As at As atMarch 31, 2022	As at March 31, 2021
Provision for Tax (Net of Advance Tax)	-	176.18	-	-
				-
	-	**176.18**	**-**	**-**

Patel Retail Limited

(formerly known as "Patel Retail Private Limited")

Restated Notes to the Statement of Profit and Loss

(All amounts are in INR lakhs except per share data or otherwise stated)

23 REVENUE FROM OPERATIONS

Particulars	Period ended September 30, 2023	Year ended March 31, 2023	Year ended March 31, 2022	Year ended March 31, 2021
Sale of Products	44,042.12	1,00,818.80	75,322.69	81,123.51
(Refer Note 23.1)				
Sale of Services	-	-	-	-
Other Operating Revenue				
Export Benefits Income	406.45	908.81	939.71	327.99
Display / Listing Income	75.90	94.20	103.63	53.67
Facilitation Fees Income	-	-	38.68	693.39
Miscellaneous Operating Income	73.75	32.97	211.20	138.90
	556.09	**1,035.99**	**1,293.22**	**1,213.95**
	44,598.21	**1,01,854.78**	**76,615.91**	**82,337.46**

Note 23.1 : Breakup of Sale of Products

Particulars	Period ended September 30, 2023	Year ended March 31, 2023	Year ended March 31, 2022	Year ended March 31, 2021
Processed Sales	19,436.98	31,042.15	18,549.70	23,941.78
Retail sales	13,901.38	26,655.66	24,971.45	23,659.43
Trading Sales	10,703.76	43,120.98	31,801.55	33,522.29
	44,042.12	**1,00,818.80**	**75,322.69**	**81,123.51**

24 OTHER INCOME

Particulars	Period ended September 30, 2023	Year ended March 31, 2023	Year ended March 31, 2022	Year ended March 31, 2021
Interest Income	1.34	11.71	13.42	4.39
Interest Income on fair valuation of deposit	10.05	16.89	12.44	8.81
Interest on Income Tax refund	-	-	-	4.85
Exchange Gains	67.31	-	460.61	346.04
Profit on sale of Car	-	-	13.16	-
Rent Income	3.71	8.21	3.16	3.16
Dividend	-	0.28	0.35	-
Provision for Expected Credit Loss reversed	-	84.00	63.00	63.00
Miscellaneous Income	1.36	4.49	1.52	7.63
	83.76	**125.58**	**567.67**	**437.88**

25 COST OF MATERIALS CONSUMED

Particulars	Period ended September 30, 2023	Year ended March 31, 2023	Year ended March 31, 2022	Year ended March 31, 2021
Opening Stock	475.78	95.48	42.19	35.17
Purchase	20,858.21	32,787.76	20,820.14	27,580.72
Closing Stock	1,526.01	475.78	95.48	42.19
Cost of Materials Consumed	**19,807.98**	**32,407.46**	**20,766.85**	**27,573.69**

26 PURCHASE OF STOCK IN TRADE

Particulars	Period ended September 30, 2023	Year ended March 31, 2023	Year ended March 31, 2022	Year ended March 31, 2021
Purchase of Stock in Trade	17,978.87	55,451.87	43,548.89	44,251.39
	17,978.87	**55,451.87**	**43,548.89**	**44,251.39**

27 CHANGES IN INVENTORIES OF FINISHED GOODS AND STOCK-IN-TRADE

Particulars	Period ended September 30, 2023	Year ended March 31, 2023	Year ended March 31, 2022	Year ended March 31, 2021
Finished Goods/ Traded Goods	(857.14)	(1,839.72)	719.42	(800.90)
Net increase / (decrease)	**(857.14)**	**(1,839.72)**	**719.42**	**(800.90)**

28 EMPLOYEE BENEFIT EXPENSES

Particulars	Period ended September 30, 2023	Year ended March 31, 2023	Year ended March 31, 2022	Year ended March 31, 2021
Basic Salary, Wages & Allowances	1,225.79	2,124.66	1,788.89	1,687.59
Contribution towards PF & Other funds	20.02	36.69	31.80	19.47
Staff Welfare Expense	49.37	102.81	81.90	73.23
	1,295.19	**2,264.15**	**1,902.59**	**1,780.29**

29 FINANCE COST

Particulars	Period ended September 30, 2023	Year ended March 31, 2023	Year ended March 31, 2022	Year ended March 31, 2021
Interest on loan from Bank	582.76	803.01	383.20	404.10
Interest on Loan from Directors	73.38	287.44	248.77	331.68
Loan Processing Fees	29.80	13.81	44.37	21.89
Interest Expenses on Lease Liabilities	4.12	9.19	2.49	-
	690.05	**1,113.45**	**678.83**	**757.66**

Patel Retail Limited
(formerly known as "Patel Retail Private Limited")
Restated Notes to the Statement of Profit and Loss
(All amounts are in INR lakhs except per share data or otherwise stated)

30 DEPRECIATION & AMORTIZATION EXPENSES

Particulars	Period ended September 30, 2023	Year ended March 31, 2023	Year ended March 31, 2022	Year ended March 31, 2021
Depreciation on Property, Plant and Equipment	452.18	932.32	451.66	456.21
Amortisation on Intangible Assets	2.50	7.03	7.93	4.71
Depreciation on Lease Assets	29.51	46.44	10.10	-
	484.18	**985.78**	**469.69**	**460.92**

31 OTHER EXPENSES

Particulars	Period ended September 30, 2023	Year ended March 31, 2023	Year ended March 31, 2022	Year ended March 31, 2021
Advertisement & Sales Promotion	144.32	154.77	129.10	94.40
APMC Charges	4.15	23.39	3.07	2.25
Audit fees (Refer Note 31.1)	9.25	2.50	2.50	2.50
Bank Charges	59.00	121.97	127.08	127.97
Bank Commission	-	-	-	-
Business Promotion	-	-	-	-
Carriage Inward	456.41	855.21	394.74	404.93
Cash collection charges	7.79	14.61	16.92	12.66
Clearing & Forwarding	1,213.67	4,021.93	3,957.01	3,413.80
Commission & Brokerage	128.51	386.66	311.79	521.03
Communication Expense	14.01	26.97	19.31	23.77
Corporate Social Responsibility Expense	15.90	30.00	15.02	23.93
Custom Duty	-	0.77	2.67	0.24
Discount offered	-	-	0.24	8.99
Documentation Charges	13.93	23.88	18.90	20.73
Electricity Charges	499.75	550.65	312.84	312.65
Fumigation Charges	12.58	32.50	16.40	18.00
Exchange gain/ loss	-	328.62	-	-
Housekeeping Charges	26.59	48.14	56.15	45.27
Ineligible ITC	41.06	37.10	79.98	81.07
Insurance	49.31	69.26	91.11	76.57
Interest on GST	0.01	2.34	3.67	9.20
Interest on TDS	0.09	0.01	0.15	0.24
Penalty	7.00	-	-	12.78
IT appeal Fees	-	-	0.05	-
Late fees on GST	-	-	-	-
Late fees on PT	0.04	-	0.00	-
Legal & Prof Fees	69.05	187.06	152.83	164.62
License Fees	0.76	7.89	5.87	7.34
Making Charges	-	4.81	5.25	6.82
Miscellaneous Expense	53.08	167.62	138.57	102.76
Office Expense	6.18	19.03	15.61	27.78
Packing Expense	297.96	651.46	387.22	438.96
Printing & Stationery	7.80	26.59	18.68	15.80
Product Processing Charges	-	-	-	-
Production Expense	2.97	3.59	1.34	-
Rent Rates & taxes	321.02	601.83	572.63	523.61
Rates & taxes	-	-	-	-
Repair & Maintenance	146.61	323.34	202.23	251.32
ROC fees	0.07	0.31	0.09	0.19
SAP Implementation	-	-	-	-
Security Charges	73.62	135.39	113.88	105.39
Service Charges	86.64	181.70	174.54	163.91
Spares & Loose tools	24.40	10.53	5.15	7.80
Stamp Charges	22.26	8.23	44.93	4.95
Storage Charges	-	-	-	-
Travel & Conveyance	95.65	247.30	142.01	125.57
Testing fees	10.12	23.12	28.50	35.18
Donation	0.25	11.03	-	2.16
Loss on sale of Fixed Assets	-	0.80		-
Bad Debts	-	14.91	-	-
Reserch & Development Exp	4.35	4.83	-	-
Subscription charges	-	0.45	-	-
Loss by Flood	41.15	9.19	-	-
Loss due to Theft	-	0.29	-	-
	3,967.29	**9,372.63**	**7,568.03**	**7,197.18**

Note 31.1: Payment to Statutory Auditors

Particulars	Period ended September 30, 2023	Year ended March 31, 2023	Year ended March 31, 2022	Year ended March 31, 2021
As Auditors :				
Audit Fees	5.25	2.50	2.50	2.50
Other Services	4.00	-	-	-
	9.25	**2.50**	**2.50**	**2.50**

Patel Retail Limited
(formerly known as "Patel Retail Private Limited")
Restated Notes to the Statement of Profit and Loss
(All amounts are in INR lakhs except per share data or otherwise stated)

32 Calculation of EPS :

	Period ended September 30, 2023	Year ended March 31, 2023	Year ended March 31, 2022	Year ended March 31, 2021
Net profit/(loss) attributable to equity holders (Rs in lakhs)	977.98	1,637.97	1,137.03	1,149.74
Weighted average number of Equity Shares outstanding at the end of the period/year	38,09,770	38,09,770	38,09,770	33,93,103
Weighted average number of Equity Shares outstanding at the end of the period/year (After Bonus Issue dated 30th December 2023)	2,43,82,528	2,43,82,528	2,43,82,528	2,17,15,861
Earnings Per Share (Rs):				
Basic and Diluted (Befor Bonus)	25.67	42.99	29.85	33.88
Basic and Diluted (After Bonus)	4.01	6.72	4.66	5.29
Face value per share	10	10	10	10

33 Disclosures under Ind AS 116 Leases:

The company as a lessee:
The following is the movement in lease liabilities during the period/year:

Particulars	30 September 2023	31 March 2023	31 March 2022	31 March 2021
Opening Balance	**103.53**	**36.37**	-	-
Add: Additions during the period/year	-	110.53	45.44	-
Add: Interest Expenses	4.12	9.19	2.49	-
Less : Disposals	-	-	-	-
Less: Payments	(33.27)	(52.56)	(11.56)	-
Closing Balance	**74.38**	**103.53**	**36.37**	**-**
Non-current	**16.83**	**43.89**	**21.71**	**-**
Current	**57.55**	**59.64**	**14.66**	**-**

The following table presents the various components of lease costs:

Particulars	30 September 2023	31 March 2023	31 March 2022	31 March 2021
Depreciation charge on right-to-use asset	29.51	46.44	10.10	-
Interest on Lease Liabilities	4.12	9.19	2.49	-
Total cash outflow for leases	(33.27)	(52.56)	(11.56)	-
Carrying amount of right-to-use asset	69.93	99.44	35.34	-

Net total cash outflow for leases for period/year ended:

Particulars	30 September 2023	31 March 2023	31 March 2022	31 March 2021
Total cash outflows for leases	(33.27)	(52.56)	(11.56)	-
Less: Concessional rent		-	-	
Net total cash outflow for leases	(33.27)	(52.56)	(11.56)	-

34 Contingent Liabilities and Commitments
Contingent Liabilities: 1.#

Particulars	30 September 2023	31 March 2023	31 March 2022	31 March 2021
Disputed Income Tax Liability				
Assessment Year 2014-15	114.04	114.04	114.04	-
Assessment Year 2015-16	314.76	314.76	314.76	-
Assessment Year 2016-17	624.34	624.34	624.34	-
Assessment Year 2017-18	282.60	282.60	282.60	-
Assessment Year 2018-19	273.72	273.72	273.72	-
	1,609.45	**1,609.45**	**1,609.45**	**-**

Note:
The management does not expect these demands/claims to succeed. Claims, where the possibility of outflow of resources embodying economic benefits is remote, have not been considered in contingent liability.
2. Bank Guarantee issued by bank to vendors/suppliers on behalf of the Company amounting to ₹ 50.12 Lakhs as at 30th September 2023

35 Employee Benefits
As per IND AS 19 "Employee Benefits", the disclosures of Employee benefits as defined in the said Accounting Standards are given below :

i) Defined Contribution Plan
The Group makes contributions, determined as a specified percentage of employee salaries, in respect of qualifying employees towards Provident Fund, Labour Welfare Fund and Employees' State Insurance, which are defined contribution plans. The Group has no obligations other than to make the specified contributions. The contributions are charged to profit or loss as they accrue. The amount recognised as an expense towards contribution to Provident Fund, Labour Welfare Fund and Employees' State Insurance are:

Particulars	September 30, 2023	March 31, 2023	March 31, 2022	March 31, 2021
Employer's Contribution towards PF & ESIC	8.19	13.15	13.15	13.59

ii) Gratuity:
The Company operates gratuity plan wherein every employee is entitled to the benefit equivalent to 15 days/one month salary last drawn for each completed year of service depending on the date of joining. The same is payable on termination of service, retirement or death, whichever is earlier. The benefit vests after 5 years of continuous service. Details are as follows:

I	**Changes in present value of obligations**	September 30, 2023	2022-23	2021-22
i)	Present value of Defined Benefit Obligation at beginning of the year.	19.76	13.03	3.68
ii)	Current Service Cost	4.50	9.53	5.35
iii)	Interest Cost	0.74	0.93	0.24
iv)	Settlement Cost	-	-	-
v)	Past Service Cost	-	-	-
vi)	Employee Contributions	-	-	-
iv)	Past Service Cost	-	-	-
v)	Actuarial (Gain) / Losses	(0.46)	(3.74)	3.77
vi)	Benefits Payments	-	-	-
vii)	**Present value of Defined Benefit Obligation at the end of the year.**	**24.54**	**19.76**	**13.03**

II	**Changes in the fair value of plan assets**	2023-24	2022-23	2021-22
		₹ in Lacs	₹ in Lacs	₹ in Lacs
i)	Fair value of plan assets at the beginning of year	-	-	-
ii)	Interest Income			
iii)	Contributions			
iv)	Benefits paid			
v)	Actuarial gain on Plan assets, Excluding Interest Income			
vi)	**Fair value of plan assets at the end of year**	-	-	-

III	**Change in the present value of the defined benefit obligation and fair value of plan assets**	2023-24	2022-23	2021-22
		₹ in Lacs	₹ in Lacs	₹ in Lacs
i)	Present value of Defined Benefit Obligations as at end of year.	(24.54)	(19.76)	(13.03)
ii)	Fair value of plan assets as at 31st March	-	-	-
iii)	Funded status [Surplus/(Deficit)]	(24.54)	(19.76)	(13.03)
iv)	**Net assets/ (liabilities) at the end of the period/ year.**	**(24.54)**	**(19.76)**	**(13.03)**

IV	**Expenses Recognised in statement of Profit & Loss**	2023-24	2022-23	2021-22
		₹ in Lacs	₹ in Lacs	₹ in Lacs
i)	Current Service Cost	4.50	9.53	5.35
ii)	Interest Cost	0.74	0.93	0.24
iii)	Employee Contributions			
iii)	Expected return on plan assets	-	-	-
iv)	Net Actuarial (Gain) / Losses	(0.46)	(3.74)	3.77
vi)	Past Service Cost	-	-	-
vii)	Settlement Cost			

v)	**Total Expenses**	**4.78**	**6.73**	**9.36**

V	**Actuarial Gain/Loss recognized**	**2023-24**	**2022-23**	**2021-22**
		₹ in Lacs	**₹ in Lacs**	**₹ in Lacs**
i)	Actuarial gain for the year -Obligation	(0.46)	(3.74)	3.77
ii)	Actuarial gain for the year - plan assets	-	-	-
ii)	Total gain for the year	(0.46)	(3.74)	3.77
iii)	**Total actuarial (gain)/ loss included in other comprehensive income**	**(0.46)**	**(3.74)**	**3.77**

VI	**Actuarial Gain/Loss recognized**	**2023-24**	**2022-23**	**2021-22**
		₹ in Lacs	**₹ in Lacs**	**₹ in Lacs**
i)	Discount Rate	7.41%	7.44%	7.15%
ii)	Salary Escalation	7.00%	7.00%	9.00%
iii)	Attrition Rate	7.00%	7.00%	7.00%

36 SEGMENT :

i) Primary Segment :

The Company regards the business of retail as a single reportable segment. Since the Company's business is from single business reporting segment there are no other primary reportable segments. Thus, the segment revenue, segment results, total carrying amount of segment assets, total carrying amount of segment liabilities, total cost incurred to acquire segment assets, total amount of charge for depreciation during the period/year is as reflected in the restated financial statements.

ii) Secondary : Geographical Segment

Segment Revenue	**September 30, 2023**	**March 31, 2023**	**March 31, 2022**	**March 31, 2021**
India	19,541.36	34,197.36	28,608.80	27,970.21
Rest of world	24,500.75	66,621.44	46,713.89	53,153.29
	44,042.12	**1,00,818.80**	**75,322.69**	**81,123.51**

37 Fair Value Measurement

Financial instruments by category

Particulars	**September 30, 2023**			**March 31, 2023**		
	FVTPL	**FVOCI**	**Amortised cost**	**FVTPL**	**FVOCI**	**Amortised cost**
Financial assets						
Investments						
- Equity instruments (Excluding investment in subsidiary)	-	1.65	-	-	1.65	-
Trade receivables	-	-	7,730.12	-	-	10,359.63
Cash and cash equivalents	-	-	436.23	-	-	264.62
Bank balances other than cash and cash equivalents	-	-	66.23	-	-	66.23
Security deposits	-	-	501.56	-	-	473.46
Loan and Advances to Employees and Others	-	-	90.23	-	-	95.56
Claims Receivable			474.63			-
Export Incentives Receivables			287.41			361.07
Interest accrued	-	-	1.21	-	-	2.76
Total financial assets	**-**	**1.65**	**9,587.63**	**-**	**1.65**	**11,623.33**
Financial liabilities						
Borrowings	-	-	16,339.35	-	-	18,281.39
Trade payables	-	-	3,173.37	-	-	4,282.07
Lease liabilities	-	-	74.38	-	-	103.53
Total financial liabilities	**-**	**-**	**19,587.09**	**-**	**-**	**22,666.99**

Particulars	**March 31, 2022**			**March 31, 2021**		
	FVTPL	**FVOCI**	**Amortised cost**	**FVTPL**	**FVOCI**	**Amortised cost**
Financial assets						
Investments						
- Equity instruments (Excluding investment in subsidiary)	-	1.65	-	-	-	1.65
Trade receivables	-	-	8,367.56	-	-	8,794.18
Cash and cash equivalents	-	-	1,293.54	-	-	165.50
Bank balances other than cash and cash equivalents	-	-	85.93	-	-	667.15
Security deposits	-	-	397.93	-	-	358.96
Loan and Advances to Employees	-	-	104.96	-	-	90.28
Claims Receivable			24.59			-
Export Incentives Receivables			70.47			123.29
Interest accrued	-	-	1.13	-	-	3.14
Total financial assets	**-**	**1.65**	**10,346.11**	**-**	**-**	**10,204.15**
Financial liabilities						
Borrowings	-	-	17,090.45	-	-	17,636.99
Trade payables	-	-	3,162.25	-	-	2,307.06
Lease liabilities	-	-	36.37	-	-	-
Total financial liabilities	**-**	**-**	**20,289.07**	**-**	**-**	**19,944.05**

The Company has not disclosed the fair value of financial instruments such as trade receivables, trade payables, short term loans, deposits etc. because their carrying amounts are a reasonable approximation of fair value.

Fair value hierarchy *

This section explains the judgements and estimates made in determining the fair values of the financial instruments that are (a) recognised and measured at fair value and (b) measured at amortised cost and for which fair values are disclosed in the financial statements.

To provide an indication about the reliability of the inputs used in determining fair value, the company has classified its financial instruments into the three levels prescribed under the accounting standard.

Level 1: Level 1 hierarchy includes financial instruments measured using quoted prices. This includes mutual funds that have quoted price. The mutual funds are valued using the closing NAV.

Level 2: The fair value of financial instruments that are not traded in an active market (for example, traded bonds, over-the counter derivatives) is determined using valuation techniques which maximize the use of observable market data and rely as little as possible on entity-specific estimates. If all significant inputs required to fair value an instrument are observable, the instrument is included in level 2.

Level 3: If one or more of the significant inputs is not based on observable market data, the instrument is included in level 3. This is the case for unlisted equity securities included in level 3.

There were no changes made during the period/year to valuation methods or the processes to determine classification of level.

* The company does not recognise any financial asset/ liability under fair value and hence, the disclosures regarding the level of financial assets and liabilities in the fair value hierarchy is not given.

38 FINANCIAL RISK MANAGEMENT

The Company's activities expose it to market risk , credit risk, liquidity risk and price risk.
This note explains the sources of risk which the entity is exposed to and how the

Risk	Exposure arising from	Measurement	Management
Market Risk – Foreign Exchange	Financial assets and liabilities not denominated in INR.	Foreign currency exposure review and sensitivity analysis.	The company partly hedged due to natural hedge and is exploring to hedge its unhedged positions.
Credit Risk	Cash and cash equivalents, trade receivables and financial assets.	Credit ratings, Review of aging analysis, on quarterly basis.	Strict credit control and monitoring system, diversification of counterparties, on quarterly basis.
Liquidity Risk	Trade payables and other financial liabilities.	Maturity analysis, cash flow projections.	Maintaining sufficient cash / cash equivalents and marketable security and focus on realisation of receivables.
Price Risk	Basic ingredients of company raw materials are various grade of steel and plastic granuels where prices are volatile	The company sourcing components from vendors directly, hence it does not hedge its exposure to commodity price risk.	The company is able to pass on substantial price hike to the customers.

The Board provides guiding principles for overall risk management, as well as policies covering specific areas such as credit risk, liquidity risk, price risk and Foreign Exchange Risk effecting business operations. The company's risk management is carried out by the management as per guidelines and policies approved by the Board of Directors.

I Market risk

a) Interest rate risk

Interest rate risk is the risk that the fair value or future cash flows of a financial instrument will fluctuate because of changes in market interest rates. In order to optimize the Company's position with regard to interest income and interest expenses and to manage the interest rate risk, treasury performs a comprehensive corporate interest rate risk management by balancing the proportion of the fixed rate and floating rate financial instruments in its total portfolio.

The exposure of Company borrowings to interest rate changes at the end of reporting period are as follows:

Particulars	Period ended September 30, 2023	Year ended March 31, 2023	Year ended March 31, 2022	Year ended March 31, 2021
Variable rate borrowings	14,532.17	15,701.34	14,808.59	15,207.94
Fixed rate borrowings	1,807.18	2,580.05	2,281.86	2,429.06
Total borrowings	**16,339.35**	**18,281.39**	**17,090.45**	**17,636.99**

Sensitivity Analysis

Profit/loss is sensitive to higher/lower interest expense from borrowings as a result of changes in interest rates. **₹ in Lacs**

Paticulars	Basis Points	Impact on Profit before Tax			
		September 30, 2023	March 31, 2023	March 31, 2022	March 31, 2021
Increase in Basis points	+50	(72.66)	(78.51)	(74.04)	(76.04)
Decrease in Basis points	- 50	72.66	78.51	74.04	76.04

b) Foreign Currency risk

The Company has exposure to foreign currency risk on account of its payable and receivables in foreign currency. The company is following natural hedging to mitigate the foreign currency risk.

Particulars	Foreign Currency	September 30, 2023		March 31, 2023	
		Amount in FC	INR	Amount in FC	INR
Receivables	USD	77.97	6475.28	124.50	1,023.62
Foreign Loans and Bank Balances	USD	33.86	2811.29	149.35	12,279.30
(All term loans, cash credits, pcfc, eefc balances in FC and INR)					

Particulars	Foreign Currency	March 31, 2022		March 31, 2021	
		Amount in FC	INR	Amount in FC	INR
Receivables	USD	115.35	8,651.57	123.64	9,025.59
Foreign Loans and Bank Balances	USD	144.52	10,969.14	79.61	5,870.73
(All term loans, cash credits, pcfc, eefc balances in FC and INR)					

Sensitivity Anaysis-

The Company is mainly exposed to changes USD. The sensitivity analysis demonstrate a reasonably possible change USD exchange rates, with all other veriables held constant. 5% appreciation/depreciation of USD with respect to functional currency of the company will have impact of following (decrease)/increase in Profit & vice versa.

₹ in Lacs

Particulars	September 30, 2023		March 31, 2023	
Impact on profit or loss for the year	**Strengthens**	**Weakening**	**Strengthens**	**Weakening**
USD Impact	464.33	(464.33)	665.15	(665.15)
Total	**464.33**	**(464.33)**	**665.15**	**(665.15)**

Particulars	31st March, 2022		31st March, 2021	
Impact on profit or loss for the year	**Strengthens**	**Weakening**	**Strengthens**	**Weakening**
USD Impact	981.04	(981.04)	744.82	(744.82)
Total	**981.04**	**(981.04)**	**744.82**	**(744.82)**

c) Price Risk

The company is exposed to price risk in basic ingrediants of Company's raw material and is procuring finished components and bought out materials from vendors directly. The Company monitors its price risk and factors the price increase in pricing of the products.

II Credit Risk

Credit risk is the risk that counterparty will not meet its obligations under a financial instrument or customer contract, leading to a financial loss. Credit risk encompasses the direct risk of default, risk of deterioration of creditworthiness as well as concentration risks. The Company is exposed to credit risk from its operating activities (primarily trade receivables).

Credit Risk Management

The company's credit risk mainly from trade receivables as these are typically unsecured. This credit risk has always been managed through credit approvals, establishing credit limits and continuous monitoring the creditworthiness of customers to whom credit is extended in the normal course of business. The Company estimates the expected credit loss based on past data, available information on public domain and experience. Expected credit losses of financial assets receivable are estimated based on historical data of the Company. The company has provisioning policy for expected credit losses.

The maximum exposure to credit risk as at 30th September, 2023, 31st March, 2023, 31st March 2022 and 31st March, 2021 is the carrying value of such trade receivables as shown in note 10 of the financial statements.

Reconciliation of loss allowance provisions- Trade Receivables

Particulars	₹ in Lacs
Loss Allowance as on 31st March, 2021	537.00
Changes in allowance	(63.00)
Loss Allowance as on 31st March, 2022	474.00
Changes in allowance	(84.00)
Loss Allowance as on 31st March, 2023	390.00
Changes in allowance	-
Loss Allowance as on 30th September, 2023	390.00

Patel Retail Limited

(formerly known as "Patel Retail Private Limited")

Restated Notes to the Statement of Profit and Loss

(All amounts are in INR lakhs except per share data or otherwise stated)

III Liquidity Risk

Liquidity risk represents the inability of the Company to meet its financial obligations within stipulated time. To mitigate this risk, the Company maintains sufficient liquidity by way of working capital limits from banks.

The table below provides details regarding the remaining contractual maturities of financial liabilities at the reporting date based on contractual undiscounted payments:

(₹ in Lacs)

Particulars	Less than 1 year	More than 1 year	Total
As at 30th September, 2023			
Borrowings	12,597.23	3,742.12	16,339.35
Trade payables	3,103.60	69.76	3,173.37
Lease liabilities	16.83	57.55	74.38
Total	**15,717.66**	**3,869.44**	**19,587.09**
Particulars	**Less than 1 year**	**More than 1 year**	**Total**
As at 31st March, 2023			
Borrowings	14,754.33	3,527.06	18,281.39
Trade payables	4,190.24	91.83	4,282.07
Lease liabilities	43.89	59.64	103.53
Total	**18,988.46**	**3,678.53**	**22,666.99**
As at 31st March, 2022			
Borrowings	13,396.51	3,693.94	17,090.45
Trade payables	3,070.84	91.41	3,162.25
Lease liabilities	21.71	14.66	36.37
Total	**16,489.07**	**3,800.00**	**20,289.07**
As at 31st March, 2021			
Borrowings	13,848.88	3,788.11	17,636.99
Trade payables	2,177.20	129.86	2,307.06
Lease liabilities	-	-	-
Total	**16,026.08**	**3,917.97**	**19,944.05**

39 Corporate Social Responsibility:

As per Section 135 of the Companies Act, 2013, a company, meeting the applicability threshold, needs to spend at least 2% of its average net profit for the immediately preceding three financial years on corporate social responsibility (CSR) activities. The areas for CSR activities are eradication of hunger and malnutrition, promoting education, art and culture, healthcare, destitute care and rehabilitation, environment sustainability, disaster relief, COVID-19 relief and rural development projects. A CSR committee has been formed by the company as per the Act. The funds were primarily allocated to a corpus and utilized through the year on these activities which are specified in Schedule VII of the Companies Act, 2013:

Particulars	September 30, 2023	March 31,2023	March 31,2022	March 31,2021
(i) Amount required to be spent by the company during the year	15.90	27.12	22.49	16.16
(ii) Amount of expenditure incurred	*	30.00	15.02	23.93
(iii) Shortfall at the end of the year	-	-	-	-
(iv) Total of previous years shortfall	3.17	0.29	7.77	-
(v) Excess carried forward to future years / (Utilised in Current Year)		3.17	0.29	7.77
(vi) Reason for shortfall	NA	NA	NA	NA
(vii) Nature of CSR activities	1. Promoting education 2. Promoting health care including preventive health care 3. Eradicating hunger, poverty and malnutrition 4. Environmental sustainability 5. Protection of National Heritage 6. Training to promote sports			
(viii) Details of related party transactions, e.g. Contribution to a trust controlled by the company in relation to CSR expenditure as per relevant Accounting Standard.	NA	NA	NA	NA
(ix) Where a provision is made with respect to a liability incurred by entering into a contractual obligation, the movements in the provision during the year should be shown separately.	NA	NA	NA	NA

* For the FY 2023-24, the unspent CSR obligation as of 30 September 2023 will be spent by the Company over the next 6 months up to 31 March 2024.

40 Capital Management

i) Risk Management

For the purpose of the Company's capital management, capital includes issued equity capital and all other equity reserves attributable to the equity holders. The primary objective of the Company capital management is to maximise the shareholder value.

The Company manages its capital structure and makes adjustments in light of changes in economic conditions and the requirements of the financial covenants. The Company monitor capital using a gearing ratio and is measured by debt divided by total Equity. The Company's Debt is defined as long-term and short-term borrowings including current maturities of long term borrowings and total equity (as shown in balance sheet) includes issued capital and all other reserves.

` **Gearing Ratio**

Particulars	Period ended September 30, 2023	Year ended March 31, 2023	Year ended March 31, 2022	Year ended March 31, 2021
Borrowings	**16,339.35**	**18,281.39**	**17,090.45**	**17,636.99**
Less- Cash and Cash equivalents	436.23	264.62	1,293.54	165.50
*Net Debt	15,903.12	18,016.77	15,796.91	17,471.49
Total Equity	8,165.24	7,186.92	5,584.24	4,450.03
Gearing ratio	1.95	2.51	2.83	3.93

*Net Debt is defined as long-term and short-term borrowings including current maturities and books overdraft less cash and cash equivalents

Total equity (as shown in balance sheet) includes issued capital and all other equity reserves.

41 Ratio Analysis

Particulars	September 30, 2023	March 31,2023	March 31,2022	March 31,2021	% change in 2022-23 & 2021-22	% change in 2021-22 & 2020-21
(i) Current Ratio = (Current Assets/Current Liabilities) (Times)	1.24	1.13	1.05	1.09	7.20%	-3.38%
(ii) Debt – Equity Ratio = (Total Debt (a) /Shareholder's Equity) (Times)	2.00	2.54	3.06	3.96	-16.89%	-22.78%
(iii) Debt Service Coverage Ratio= (Earnings avaible for debt service(b)/ Debt Service(c)) (Times)	3.28	3.43	3.62	3.22	-5.23%	12.36%
(iv) Return on Equity (ROE) = (Net Profits after taxes/Average Shareholder's Equity) (%)	12.74%	25.65%	22.66%	34.06%	13.19%	-33.47%
(v) Trade receivables turnover ratio =(Revenue/Average Trade Receivable) (Times)	4.93	10.88	8.93	11.52	21.83%	-22.53%
(vi) Trade payables turnover ratio =(Purchases of services and other expenses/Average Trade Payables) (Times)	11.48	26.22	26.31	39.10	-0.31%	-32.72%
(vii) Net capital turnover ratio= (Revenue/Average Working Capital) (Times)	3.92	10.14	8.73	9.99	16.16%	-12.63%
(viii) Net profit ratio= (Net Profit/Total Income) (%)	2.19%	1.61%	1.47%	1.39%	9.03%	6.06%
(ix) Return on capital employed (ROCE) = (Earning before interest and taxes/Effective Capital Employed (d)) (%)	8.28%	13.24%	9.84%	10.57%	34.59%	-6.93%

42 Government Grants:

a. The company has decided to deduct the grant in calculating the carrying amount of the asset. The grant is recognised in profit or loss over the life of a depreciable asset as a reduced depreciation expense.

b.

The Government Grants received during the period/year: (₹ in Lacs)	Period ended September 30, 2023	Year ended March 31, 2023	Year ended March 31, 2022	Year ended March 31, 2021
	-	265.01	440.52	264.29

43 Income Taxes

Movement during the period/year:

Particulars	Net balance as at 1st April 2023	Recognised in statement of profit and loss	Recognised in OCI	Net balance as at 30th September, 2023
Deferred Tax Liabilities/(Assets)				
Property, plant and equipment/Investment Property/Other Intangible Assets	80.54	16.64	-	97.19
Fair Value through P&L	-	-	-	-
On provision for employee benefit	4.97	0.85	-	5.82
Allowance for Bad & Doubtful Debts	98.15	-	-	98.15
Others	2.51	0.07	-	2.57
	186.17	**17.55**	-	**203.73**

Particulars	Net balance as at 1st April 2022	Recognised in statement of profit and loss	Recognised in OCI	Net balance as at 31st March, 2023
Deferred Tax Liabilities/(Assets)				
Property, plant and equipment/Investment Property/Other Intangible Assets	59.50	21.04	-	80.54
Fair Value through P&L	-	-	-	-
On provision for employee benefit	-	4.97	-	4.97
Allowance for Bad & Doubtful Debts	119.29	(21.14)		98.15
Others	1.66	0.84		2.51
	180.46	**5.72**	**-**	**186.17**

Particulars	Net balance as at 1st April 2021	Recognised in statement of profit and loss	Recognised in OCI	Net balance as at 31st March, 2022
Deferred Tax Liabilities/(Assets)				
Property, plant and equipment/Investment Property/Other Intangible Assets	61.87	(2.36)	-	59.50
Fair Value through P&L	-	-	-	-
On provision for employee benefit	-	-	-	-
Allowance for Bad & Doubtful Debts	135.15	(15.86)		119.29
Others	1.20	0.46		1.66
	198.22	**(17.76)**	**-**	**180.46**

Particulars	Net balance as at 1st April 2020	Recognised in statement of profit and loss	Recognised in OCI	Net balance as at 31st March, 2021
Deferred Tax Liabilities/(Assets)				
Property, plant and equipment/Investment Property/Other Intangible Assets	45.48	16.39	-	61.87
Fair Value through P&L	-	-	-	-
On provision for employee benefit	-	-	-	-
Allowance for Bad & Doubtful Debts	151.00	(15.86)	-	135.15
Others	0.90	0.30	-	1.20
	197.38	**0.84**	-	**198.22**

Particulars	**September 30, 2023**	**March 31,2023**	**March 31,2022**	**March 31,2021**
Profit and Loss:				
Current tax – net of reversal of earlier years	355.58	590.12	375.88	407.13
Deferred Tax	(18.02)	(3.37)	16.35	(1.76)
	337.56	**586.75**	**392.23**	**405.37**

Reconciliation of tax expense and the accounting profit multiplied by domestic tax rate:

Particulars	**September 30, 2023**	**March 31,2023**	**March 31,2022**	**March 31,2021**
Profit before income tax expense	1,315.54	2,224.73	1,529.26	1,555.11
Tax at the Indian tax rate 25.168 %	331.09	559.92	384.88	391.39
Add: Items giving rise to difference in tax				
Effect of non-deductible expenses	6.51	10.85	4.87	9.92
Others	(0.05)	15.98	2.48	4.06
Income Tax Expenses	**337.56**	**586.75**	**392.23**	**405.37**

Patel Retail Limited

(formerly known as "Patel Retail Private Limited")

Restated Notes to the Statement of Profit and Loss

(All amounts are in INR lakhs except per share data or otherwise stated)

44 Related party disclosures as required under Ind AS 24, "Related Party Disclosures", are given below:

Related Parties have been identified by the Management, auditors have replied upon the same

a) Name of the related party and description of relationship.

S.No.	Related Parties	Nature of Relationship
1	Dhanji Patel	Managing Director (Key Management Personnel)
2	Bechar Patel	Whole Time Director (Key Management Personnel)
3	Hiren Patel	Whole Time Director (Key Management Personnel) - Upto 12/10/23 Non-Executive Director (Key Management Peronnel) - From 13/10/23
4	Yashwant Suresh Bhojwani	Independent Director with effect from 13/10/2023
5	Nitin Pandurang Patil	Independent Director with effect from 13/10/2023
6	Harshini Vikas Jadhav	Independent Director with effect from 13/10/2023
7	Bharat Patel	Relative of the director upto 12/10/2023 Chief Operating Officer (COO) with effect from 13/10/2023
8	Rahul Patel	Relative of the director Upto 26/09/2023 Chief Executive Officer (CEO) with effect from 27/09/2023
9	PRPL Garments Pvt Ltd	Entity in which directors are shareholders
10	Manish Rambabu Agarwal	Chief Financial Officer (CFO) with effect from 13/10/2023
11	Deepesh Sanjay Somani	Company Secretary (CS) with effect from 27/09/2023
12	Savji Patel	Relative of the director
13	Ashwin Patel	Relative of the director
14	Mahesh Patel	Relative of the director
15	Anantiben Patel	Relative of the director
16	M/s.KBP Corporation (Partnership Firm of Komal R. Waghela)	Relative of the director

b) Details of Transactions during the period/year with related parties.

S.No.	Related parties	Nature of Transactions during the year	2023-24	2022-23	2021-22	2020-21
(vi)	Bharat Patel	Transfer of Equity Shares during the year	19.50	-	-	-
(vii)	Rahul Patel	Transfer of Equity Shares during the year	10.00	-	-	-

c) Balances at end of the period/year with related parties

S.No.	Related parties	Nature of Transactions during the year	As at 30th September, 2023	As at 31st March, 2023	As at 31st March, 2022	As at 31st March, 2021
(i)	Dhanji Patel	Loan Payable(Including Interest Payable)	1,171.96	1,735.52	2,281.86	1,717.11
		Salary Payables	4.41	3.83	2.88	-
		Rent Payable	0.90	-	-	-
(ii)	Bechar Patel	Loan Payable(Including Interest Payable)	566.32	544.54	-	227.49
		Rent Payable	0.90	-	-	-
		Salary Payables	4.00	0.90	-	-
(iii)	Hiren Patel	Loan Payable(Including Interest Payable)	68.90	300.00	-	484.46
		Salary Payables	-	0.90	-	-
		Rent Payable	-	-	-	2.90
(iv)	Rahul Patel	Salary Payable	1.99	1.64	1.20	-
(v)	Mahesh Patel	Salary Payable	1.99	1.64	0.85	-
(vi)	Bharat Patel	Salary Payable	2.85	2.20	1.50	

(All amounts are in INR lakhs except per share data or otherwise stated)

(vii)	Ashwin Patel	Salary Payable	-	-	0.30	-
	Patel R Choice (Prop Ashwin Patel)	Receivables (Sales)	66.11	88.95	-	-
(viii)	Shavji Patel	Salary Payable	-	-	0.25	-
(ix)	Anantiben Patel	Salary Payable	-	0.30	-	-
(x)	PRPL Garments Pvt Ltd	Payables (Purchases)	-	37.20	0.20	0.88
(xi)	M/s.KBP Corporation (Partnership Firm of Komal R. Waghela)	Rent Payable	1.55	1.55	1.55	1.55
		Deposit Receivable	10.00	10.00	10.00	10.00
(xiii)	Deepesh Sanjay Somani	Salary Payable	0.49	-	-	-

Patel Retail Limited

(formerly known as "Patel Retail Private Limited")

Restated Notes to the Statement of Profit and Loss

(All amounts are in INR lakhs except per share data or otherwise stated)

45

a. No proceeding has been initiated or pending against the Company for holding any benami property under the Benami Transactions (Prohibition) Act, 1988 (45 of 1988) and rules made thereunder

b. The Company does not have any transactions with companies struck off under section 248 of the Companies Act, 2013 or section 560 of Companies

c. The Company has no charges or satisfaction yet to be registered with Registrar of Companies beyond the statutory period.

d. The Company have not traded or invested in Crypto currency or Virtual currency during the financial year.

e. The Company does not have any borrowings from banks and financial institutions that are used for any other purpose other than the specific purpose for which it was taken at the reporting balance sheet date

f. The Company is not declared as a wilful defaulter by any bank or financial institution or other lender during the any reporting period.

g. The Company had proposed dividend of Rs. Nil, Rs. 1, Rs.Nil, Rs.Nil per fully paid up equity share of Rs.10/- (30 September 2023, 31 March 2023, 31 March 2022 and 31 March 2021). The dividend declared and paid by the Company during the period/year is in accordance with section 123 of the Act, as applicable. Out of the total dividend paid by the Company during the period ended 30 September 2023 and year ended 31 March 2023, 31 March 2022 and 31 March 2021 is Rs. Nil lakhs, Rs. 33.75 Lakhs, Rs. Nil Lakhs and Rs. Nil Lakhs respectively is paid to key managerial personnel and Rs. Nil lakhs, Rs. 3.45 Lakhs, Rs. Nil Lakhs and Rs. Nil Lakhs respectively relatives of key managerial personnel.

h. The title deeds of all the immovable properties (other than properties where the company is the lessee and the lease agreements are duly executed in favour of the lessee), as disclosed in note 3 to the financial statements, are held in the name of the company.

46 Reconciliation

For periods up to and including the year ended 31 March 2023, the Company prepared its financial statements in accordance with accounting standards referred to in paragraph 7 of the Companies (Accounts) Rules, 2014 (Previous GAAP) notified under section 133 of the Companies Act, 2013. The Restated Financial Information have been compiled from the audited financial statements of the Company as at and for the year ended 31 March 2023 and the Audited Special Purpose Financial Statements of the Company as at and for the year ended 31 March 2022 & 31 March 2021 (refer basis of preparation para under Note 2(a).

In preparing these financial statements, the Company's opening balance sheet was prepared as at 01 April 2020, the Company's date of transition to Ind AS. This note explains the principal adjustments made by the Company in restating its IGAAP financial statements, including the balance sheet as at 01 April 2020 and the financial statements as at and for the year ended 31 March 2021, 31 March 2022 and 31 March 2023 and how the transition from IGAAP to Ind AS has affected the Company's financial position, financial performance and cash flows.

Difference between Restated Financial Information, Audited Financial Statements and Audited Special Purpose Financial Statements of the Company as referred above are stated below. Further the reconciliations between the Restated Financial Information and Audited Financial Statements (IGAAP) of the Company are set out in the following tables and notes.

A Reconciliations between the restated financial information and audited financial statements (IGAAP) of the Company.

1. Reconciliation of total equity as at 30th September 2023, 31 March 2023, 31 March 2022, 31 March 2021 and 01 April 2020.

Particulars	As at 30 September 2023	As at 31 March 2023	As at 31 March 2022	As at 31 March 2021	As at 01 April 2020
Total equity (shareholder's funds) as per audited IGAAP/ Ind AS Financials of respective years	**8,166.31**	**7,485.77**	**6,151.70**	**5,003.25**	**2,842.77**
Adjustments:					
Adjustment related conversion into Ind AS from AS					
Adjustment of opening balance of equity - Ind AS	-	(557.71)	(550.47)	(542.48)	-
Adjustment for expected credit loss / provision allowance on financial assets	-	84.00	63.00	63.00	(600.00)
Adjustment due to measurement of lease liabilities/ right of use assets	-	(3.06)	(1.03)		
Other adjustments	-	(0.29)	(0.80)	(1.21)	(3.57)
Adjustment related Restated Financial Statement					
Prior period adjustments related to Proprety, Plant & Equipments	-	256.69	(66.43)	(72.47)	(117.79)
Gratuity provision based on acturial valuation	(1.42)		(13.03)	(3.68)	
Sub Total	**(1.42)**	**(220.37)**	**(568.75)**	**(556.84)**	**(721.36)**
Tax effect of adjustments	0.36	(78.47)	1.29	3.62	178.88
Total Adjustments	(1.06)	(298.84)	(567.46)	(553.22)	(542.48)
Total equity as per restated financial information	**8,165.25**	**7,186.93**	**5,584.24**	**4,450.03**	**2,300.29**

Patel Retail Limited

(formerly known as "Patel Retail Private Limited")

Restated Notes to the Statement of Profit and Loss

(All amounts are in INR lakhs except per share data or otherwise stated)

2. Reconciliation of Profit & Loss account for the period ended 30th September 2023, 31 March 2023, 31 March 2022 and 31 March 2021

Particulars	As at 30 September 2023	As at 31 March 2023	As at 31 March 2022	As at 31 March 2021
Profit/(loss) after tax as per as per audited IGAAP/ Ind AS Financials of respective years	**977.98**	**1,628.85**	**1,148.45**	**1,160.48**
Adjustments:				
i) Adjustments due to transition to IND AS:				
Adjustment for expected credit loss allowance on financial assets	-	84.00	63.00	63.00
Impact on account of Ind AS effect of Right to use asset	-	(3.06)	(1.03)	-
Impact on account of fair valuation of perpetual security deposits	-	(0.29)	(0.80)	(1.21)
Tax effect of adjustments	-	(81.75)	(0.58)	3.62
Remeasurement of defined benefit obligations (net of tax) to OCI	-	(2.80)		
ii) Adjustments due to restatements:		-	-	-
Depreciation	-	-	(66.43)	(72.47)
Gratuity provision based on acturial valuation	-	13.03	(5.59)	(3.68)
Total Adjustments	**-**	**9.13**	**(11.42)**	**(10.74)**
Profit for the year as per restated financial information	**977.98**	**1,637.98**	**1,137.03**	**1,149.74**

3. Reconciliation of Other Comprehensive Income for the period ended 30th September 2023, 31 March 2023, 31 March 2022 and 31 March 2021

Particulars	As at 30 September 2023	As at 31 March 2023	As at 31 March 2022	As at 31 March 2021
Other Comprehensive Income as per as per audited IGAAP/ Ind AS Financials of respective years	**-**	**-**	**-**	**-**
Adjustments:				
i) Adjustments due to transition to IND AS:				
Remeasurement of defined benefit obligations (net of tax)	1.40	2.80	-	-
ii) Adjustments due to restatements:				
Gratuity provision based on acturial valuation (net of tax)	(1.06)	-	(2.82)	-
Other comprehensive income for the year as per restated financial information	**0.34**	**2.80**	**(2.82)**	**-**

FOR KANU DOSHI ASSOCIATES LLP
Chartered Accountants
Firm's Registration Number: 104746W/W100096

FOR AND ON BEHALF OF PATEL RETAIL LIMITED

Kunal Vakharia
Partner
Membership No. 148916

Dhanji R. Patel
Chairman & Managing Director
DIN 01376164

Bechar R. Patel
Director
DIN 02169626

Place : Mumbai
Dated: 20th March 2024

Rahul D. Patel
Chief Executive Officer

Manish R. Agarwal
Chief Financial Officer

Deepesh S. Somani
Company Secretary

OTHER FINANCIAL INFORMATION

The audited standalone financial statements of our Company as at and for the Fiscal 2023 and the special audited standalone financial statements for the Fiscals 2022 and 2021, respectively ("**Company's Financial Statements**") are available at https://www.patelrpl.in.

Our Company is providing these links on its website solely to comply with the requirements specified in the SEBI ICDR Regulations. The Company's Financial Statements do not constitute, (i) a part of this Draft Red Herring Prospectus; or (ii) a prospectus, a statement in lieu of a prospectus, an offering circular, an offering memorandum, an advertisement, an offer or a solicitation of any offer or an offer document to purchase or sell any securities under the Companies Act, the SEBI ICDR Regulations, or any other applicable law in India or elsewhere. The Company's Financial Statements should not be considered as part of information that any investor should consider subscribing for or purchase any securities of our Company, or any entity in which its shareholders have significant influence (collectively, the "**Group**") and should not be relied upon or used as a basis for any investment decision. None of the Group or any of its advisors, nor the BRLM or the Promoters, nor any of their respective employees, directors, affiliates, agents or representatives or the Selling Shareholders accept any liability whatsoever for any loss, direct or indirect, arising from any information presented or contained in the Company's 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:

(₹ in Lakhs, except ratios)

Particulars	For the six months period ended September 30, 2023	For Fiscal 2023	For Fiscal 2022	For Fiscal 2021
Basic Earnings / (loss) per Equity Share (₹)* (After Bonus Issue)	4.01	6.72	4.66	5.29
Diluted Earning / (loss) Per Equity Share (₹) * (After Bonus Issue)	4.01	6.72	4.66	5.29
Return on Net Worth	11.98%	22.79%	20.36%	25.84%
Net Asset Value Per Equity Share (₹) * (After Bonus Share)	33.49	29.48	22.90	20.49
Earning before interest, tax, depreciation and amortisisation (EBITDA) (₹ in Lakhs)	2,406.01	4,198.38	2,110.12	2,335.81

** Not annualised for the six months period ended September 30, 2023 and the six months period ended September 30, 2023.*

The Ratios have been computed as under:
1. Basic and diluted earnings/ (loss) per equity share: Basic and diluted earnings/ (loss) per equity share are computed in accordance with Indian Accounting Standard 33 notified under the Companies (Indian Accounting Standards) Rules of 2015 (as amended).
2. Net Worth: Net Worth is calculated as the sum of (i) Equity Shares; and (ii) other equity.
3. Return on Net Worth Ratio: Profit/ (loss) for the year / period attributable to Shareholders divided by Net Worth as attributable to Shareholders at the end of the year/period.
4. Net assets value per Equity Share (₹): Net assets at the end of the year/period divided by Total number of weighted average Equity Share outstanding at the end of the year/ period.
5. Net asset means total assets minus total liabilities excluding revaluation reserves.
6. EBITDA is calculated as profit for the year/ period, plus total tax expenses, exceptional items, finance costs and depreciation and amortization expenses, less other income.
7. Accounting and other ratios are based on the Restated Financial Information.

MANAGEMENT'S DISCUSSION AND ANALYSIS OF FINANCIAL CONDITIONS AND RESULTS OF OPERATIONS

You should read the following discussion of our financial condition and results of operations together with the Restated Financial Statements as of and for the six-months period ended September 30, 2023 and Fiscals 2023, 2022 and 2021, including the notes and significant accounting policies thereto and the report thereon, which appear on page 383. These financial statements comply in all material aspects with Indian Accounting Standards (Ind AS) notified under Section 133 of the Companies Act, 2013 (the Act), Companies (Indian Accounting Standards) Rules, 2015 and other relevant provisions of the Act.

Our fiscal year ends on March 31 of each year, so all references to a particular Fiscal or fiscal year are to the twelve-month period ended March 31 of that year. Financial information for the six months period ended September 30, 2023 is not indicative of full year results and is not comparable with the annual financial statements presented in this Draft Red Herring Prospectus.

*The following discussion contains forward-looking statements and reflects our current views with respect to future events and financial performance. Actual results may differ materially from those anticipated in these forward-looking statements as a result of certain factors such as those set forth in the section titled "**Risk Factors**" and "**Forward Looking Statements**" on page 35 and 24, respectively of this Draft Red Herring Prospectus and elsewhere in this Draft Red Herring Prospectus.*

*We have included various operational and financial performance indicators in this Draft Red Herring Prospectus, including certain non-GAAP financial measures and operational measures and certain other industry measures related to our operations and financial performance, that may vary from any standard methodology that is applicable across our industry and some of which may not be derived from our Restated Financial Statements or otherwise subjected to an audit or review by our auditors. The manner in which such operational and financial performance indicators, including non-GAAP financial measures, are calculated and presented, and the assumptions and estimates used in such calculation, may vary from that used by other companies. Investors are accordingly cautioned against placing undue reliance on such information in making an investment decision, and should consult their own advisors and evaluate such information in the context of the Restated Financial Statements and other information relating to our business and operations included in this Draft Red Herring Prospectus. For further details on risks related to reliance on non-GAAP financial measures, please see "**Risk Factors –Significant differences exist between Indian Accounting Standards and other accounting principles, such as United States Generally Accepted Accounting Principles (GAAP) and International Financial Reporting Standards (IFRS), which investors may consider material to their assessment of our financial condition** on page 76.*

*"Industry Report on Food & Grocery Retailing and Food Processing" dated March 27, 2024 ("**D&B Report**"), has been commissioned and paid for by us, pursuant to an engagement letter executed on February 12, 2024, only for the purposes of understanding the industry exclusively in connection with the Offer. Unless otherwise indicated, all financial, operational, industry and other related information derived from the D&B Report and included herein with respect to any particular year refers to such information for the relevant financial year.*

*Some of the information contained in this section, including information with respect to our strategies, contain forward- looking statements that involve risks and uncertainties. You should read the section titled "**Forward-Looking Statements**" on page 24 for a discussion of the risks and uncertainties related to those statements and also the section titled "**Risk Factors**" and "**Our Business**" on pages 35 and 251, respectively, for a discussion of certain factors that may affect our business, results of operations andfinancial condition. The actual results of the Company may differ materially from those expressed in or implied by these forward-looking statements.*

Unless otherwise stated, references to "the Company", "our Company", "we", "us", and "our" are to Patel Retail Limited.

Overview

We are primarily engaged as a retail supermarket chain operating in Tier-III cities and the nearby suburban areas, with focus on "value retail", offering food, non-food (FMCG), general merchandise and apparel catering to the needs of the entire family. Incorporated in Fiscal 2008, our Company started its first store under the brand "Patel's

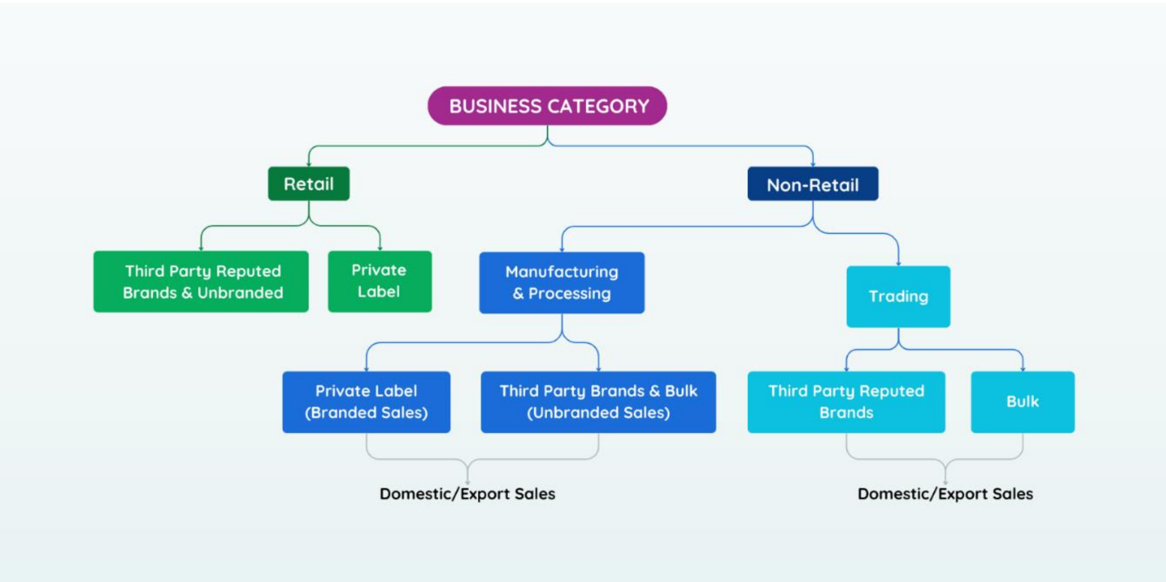
R Mart" at Ambernath, Maharashtra and since then, our operations are spread across the suburban area of Thane and Raigad district in Maharashtra. As on December 31, 2023 we operate and manage 31 supermarkets, with a Retail Business Area[30] of approx. 1,26,000 sq.fts.

With our objective to increase margin and to promote our brand "Patel's R Mart", we launched our private label goods comprising of mens wear ("**Blue Nation**"), home improving products ("**Patel Essentials**"), ready-to-cook / instant mix ("**Patel Fresh**"), ghee and papad ("**Indian Chaska**"), Pulses ("**Patel Fresh**") and spices ("**Indian Chaska**"), which we buy in bulk quantities and package and brand after our quality checks and inspections at our processing and packing facility at Ambernath, Maharashtra ("**Facility 1**"). Sinceincorporation in Fiscal 2008, we have increased our product offerings and as on December 31, 2023, we offer around thirty-eight (38) product categories with over ten thousand (10,000) product SKUs in our stores.

As our backward integration strategy and to control our supply chain, we started our production facility at Survey No. 145/1, Bhuj Bachau Highway, Village Dudhai, Taluka Anjar, District Kutch, Gujarat - 370115 ("**Facility 2**"), where we process peanuts and whole spices, such as coriander seed and cumin seeds. Further as a part of our strategy to broaden our product offering across the value chain, we built an agri processing cluster, spread over 15.925 acres of land area at Survey No. 170/2, Bhuj Bachau Highway, Village Dudhai, Taluka Anjar, District Kutch, Gujarat – 370115, comprising of five (5) production units collectively ("**Facility 3**"), 1 one (1) fruit pulp processing unit ("**F&V Unit**"), dry warehouse of 2546.29 sq. mtr. with storage capacity of 3040 MT, cold storage with capacity of 3000 MT and also our in-house testing and research laboratory ("**Agri-cluster**"). Our Facility 1, Facility 2 and Facility 3 will be hereinafter collectively referred to as "**Facilities**", our Facility 1, Facility 2 and Agri-cluster will be hereinafter collectively referred to as "**Manufacturing Facilities**", and Facility 2 and Agri-cluster will be collectively referred to as "**Kutch Facilities**"

Further, by capitalizing our sourcing strength we ventured into export of staples, groceries, pulses, spices and pulps. We export these products under our brands- Patel Fresh and Indian Chaska and also that of the brand of our customers, from our Manufacting Facilities. Furthermore, we also undertake domestic and export trading of assorted / mix containers of food and non-food products, such as FMCG goods, household items, kitchen appliances, etc. from reputed third party brands and also are into bulk trading of agri commodities such as, rice, sugar, pulses, edible oil etc. We have exported to over forty (40) countries during the disclosed financial period.

Our business can be categorized (Retail and Non-Retail) as detailed herein below:



For Fiscal 2023, Fiscal 2022, and Fiscal 2021, our total income was ₹1,01,980.36 Lakhs, ₹77,183.58 Lakhs and ₹82,775.34 Lakhs, respectively, and our profit after tax for the year was ₹1,637.97 Lakhs, ₹1,137.03 Lakhs and ₹1,149.74 Lakhs, respectively. Our EBITDA in Fiscal 2023, Fiscal 2022 and Fiscal 2021 was ₹4,323.96 Lakhs, ₹2,677.79 Lakhs and ₹2,773.69 Lakhs, respectively. For the six months period ended September 30, 2023, our total income, profit after tax and EBITDA were ₹44,681.97 Lakhs, ₹977.98 Lakhs and ₹2,489.77 Lakhs, respectively. In Fiscal 2023, Fiscal 2022 and Fiscal 2021 and in the six months period ended September 30, 2023,

30 The total built-up area of a store as per the lease/leave and license/sale agreement, as the case maybe (carpert area * 1.64)

we generated ₹66,962.58 lakhs, ₹46,767.38 lakhs, ₹53,472.70 lakhs and ₹24,567.11 lakhs, respectively, from export sales (processing *plus* trading sales), representing approximately 65.74%, 61.04%, 64.94% and 55.09%, respectively, of our revenue from operations.

Principal Factors Affecting our Results of Operations

Our financial performance and results of operations are influenced by a variety of factors, including without limitation, severe weather conditions, global and domestic competition, conditions in the markets of our customers, general economic conditions,change in costs of raw materials and government regulations and policies. Some of the more important factors are discussed below, as well as in *"**Risk Factors**"* on page 35.

Availability of Commercial Real Estate

Our ability to increase our sales and our profitability is directly affected by the total number of stores we operate. Most of our stores operate from premises which we have acquired on a leave and license/ leasehold basis. Our average leave and license/ lease period is around five (5) years.

Our ability to continue to secure densely populated residential neighborhood locations is a key factor in our success. As we expand our store network, we will need to secure more locations that meet our business needs whether on an ownership, long-term leasehold or rental basis, as we determine on a case-by-case basis. We have no control over future increases in real estate prices. If real estate prices increase, we will require greater capital to buy land or incur higher operational costs due to higher leasing or rental costs.

If there is limited availability of real estate in the future, competition for such real estate may increase which may result in a further increase in prices. This may lead to delays and cost overruns in opening new stores.

Expansion of our Store Network

Since establishing our Company in Fiscal 2008, we have expanded our network to a total of thirty-one (31) stores as of December 31, 2023. We expanded our store network from twenty-five (25) to twenty-seven (27) stores in Fiscal 2021, twenty-eight (28) stores in Fiscal 2022 and thirty (30) stores in Fiscal 2023. Our stores are located across ten (10) cities / suburbans areas, within the Thane and Raigad district of Maharashtra. We plan to deepen our store network in the central suburban area of the MMR such as Bhiwandi, Padgha, Diva, Vasind, Vangani & Neral and gradually expand our network in the western suburban area of the MMR such as Mira Road, Bhayander, Virar and Vasai, following our cluster-focused expansion strategy. We believe that selection of suitable locations for our stores has been critical to our expansion plans. We aim to enter our target markets to take advantage of the opportunities offered by these under-served regions and actively search for suitable locations. We follow a cluster approach and target densely-populated neighbourhoods and residential areas with a majority of lower-middle, middle class and aspiring upper-middle class consumers. Our revenue from retail sales increased at a CAGR of 6.14% between Fiscal 2021 and Fiscal 2023 and continued expansion of our store network has been an important factor in contributing to revenue growth.

Furthermore, our revenue growth can vary according to the level of maturity of our stores. The revenue a store generates depends on its stage of operation. Generally, revenue generated by a new store is lower at its initial stage of operations and tends to increase after the first few years of operation as the store gains customer loyalty and market recognition. Following this initial stage, growth in the revenue of a store will also depend on various factors such as the level of customer traffic, quality of store management, extent of redecoration and renovation, and rate of growth in the local economy.

Product Assortment

We offer an extensive range of products in a number of categories at our stores such as, food, non-food (FMCG), general merchandise and apparel. We strive to provide products at value for money for our customers and to respond to their needs and tastes by optimising the range of products we offer, in order to attract and maintain a large base of customers. We focus on providing our customers with basic, everyday products rather than luxury products or those which require discretionary spending. Our success in part depends upon our continued ability to understand evolving customer trends and accordingly achieving the correct product assortment. We will continue to manage the changing requirements of our customers by changing our product assortment, as necessary. Changes in the assortment of products we sell can impact our sales and operating profit and our profit margins also may vary across different product categories and different product sub-categories within each category.

Further, the key driver in the growth of our revenue from manufacturing operations has been the volume of products we produce and sell. Increased production and sales volume favourably affect our results of operations as it enables us to benefit from economies of scale in procurement of raw materials and may improve our operating margins through our ability to leverage our fixed cost base. Our Manfacturing Facilities are relatively new and are yet to reach maximum production, we endeavour to increase our sales by adding new products and increasing our market presence.

Cost and Availability of Raw Materials

Our material costs constitute the largest component of our cost structure. Our material costs comprise cost of materials consumed, purchases of stock-in-trade and changes in inventories. For the Fiscal 2023, Fiscal 2022 and Fiscal 2021 and for the six months period ended September 30, 2023, our material costs were ₹86,019.61 Lakhs, ₹65,035.17 Lakhs and ₹71,024.18 Lakhs and ₹36,929.72 Lakhs (not annualised), or 84.35%, 84.26% and 85.80% and 82.65% of our total income, respectively. We are thus exposed to fluctuations in cost and availability of our raw materials and there may be a time lag before we may effectively pass on all increases in cost of raw materials to our customers. Our ability to pass on the increases in cost of raw materials to our customers is also subject to prevailing market conditions. If we fail to pass on the increases in cost of raw materials, our margins, sales and overall results may be negatively affected. For further details, please see *"**Risk Factors- Our operations are dependent on the supply of large amounts of raw material such as wheat, spices and peanuts. We do not have long term agreements with suppliers for our raw materials and any increase in the cost of, or a shortfall in the availability of, such raw materials could have an adverse effect on our business and results of operations, and seasonable variations could also result in fluctuations in our results of operations**"* on page 63**.**

Foreign exchange rate risk

Our financial statements are prepared in Indian Rupees. However, our sales from exports and a portion of our raw material expenditures are denominated in foreign currencies, mostly the U.S. Dollar. Accordingly, we have currency exposures relating to buying, selling and financing in currencies other than in Indian Rupees, particularly the U.S. Dollar. The following table sets out our revenues denominated in foreign currencies and their percentage in comparison with revenue from operations for the six-months period ended September 30, 2023 and Fiscal 2023, Fiscal 2022 and Fiscal 2021:

(₹ in Lakhs, except percentage)

Revenues	Six-months period ended September 30, 2023	Fiscal 2023	Fiscal 2022	Fiscal 2021
Revenue from Export	24,567.11	66,962.58	46,767.38	53,472.70
Percentage of Revenue from operations	55.09%	65.74%	61.04%	64.94%
Import of raw materials	168.21	-	-	-
Percentage of Revenue from operations	0.38%	-	-	-
Revenue from Operations	44,598.21	1,01,854.78	76,615.91	82,337.46

Our revenue and profit are affected by volatility in the currencies in which we earn our revenues. Our results of operations will be impacted by the relative value of the rupee compared to other currencies. Unfavourable fluctuations in foreign currency exchange rates have had an adverse effect and could in the future have a material adverse effect, on our results of operations. To manage our foreign exchange risk, we hedge our foreign exchange exposure. Our Company has hedged its foreign currency risk and the forward contract cover position as on September 30, 2023 is ₹1662.95 Lakhs (equivalent to US Dollar 20.00 Lakhs), against total foreign currency receivable of ₹6475.28 (equivalent to US Dollar 77.96 Lakhs).

For the Fiscal 2022 and Fiscal 2021, we have recorded foreign exchange fluctuation gain of ₹460.61 Lakhs and ₹346.04 Lakhs, respectively, while we have recorded foreign currency loss of ₹328.62 Lakhs for Fiscal 2023. For the six months period ended September 30, 2023, we have recorded foreign exchange fluctuation gain of ₹67.31 Lakhs. There can be no assurance that we will continue to record gains from foreign exchange fluctuations or any hedging measures we take will enable us to avoid the effect of any adverse fluctuations in the value of the Indian Rupee against the U.S. Dollar or other foreign currencies.

Reliance on major customers

Our customer base under our processing division and our trading activities currently comprises a host of international and domestic customers. However, our top five (5) customers represent a significant portion of our revenue. Of our revenue from operations in the six months period ended September 30, 2023, Fiscal 2023, Fiscal 2022 and Fiscal 2021, our largest customer contributed approximately 6.09%, 6.02%, 5.99% and 5.72% of our revenue from operations, respectively; our top 5 customers contributed to approximately 21.47%, 21.59%, 17.45% and 20.08% of our revenue from operations, respectively; and our top 10 customers contributed 31.07%, 32.21%, 26.67% and 28.42% of our revenue from operations, respectively. We expect that we will continue to be reliant on our major customers for the foreseeable future. We have long-term relationships and ongoing active engagements with many of our customers. For instance, our top 5 customers as on September 30, 2023 are associated with us for over 3 years. Accordingly, any decrease in orders from any of these select customers and/or failure to retain such customers on terms that are commercially viable could adversely affect our business, financial condition and results of operations. In addition, any defaults or delays in payments by a major customer or a significant portion of our customers may have an adverse effect on business, financial condition and results of operations. We do not have any supply contracts with our customers.

Competition and Pricing Pressure

We are facing increasing competition from a number of domestic and international market players in each of the businesses we operate. Some of our competitors may be larger than us, may have more financial and other resources and have products with greater brand recognition than ours. Our competitors in certain regions may also have better access to raw materials required in our operations and may procure them at lower costs than us. Some of our international competitors may be able to capitalize on their overseas experience to compete in the Indian market and also in the markets we operate. They may also significantly increase their advertising expenses to promote their brands and products, which may require us to similarly increase our advertising and marketing expenses.

The success of our business is dependent on our ability to competitively price our products, and to also compete against lower-priced products from our competitors based on the higher quality of our products. Our pricing policy is based on several factors including the cost of operations and raw material, customer demands, our competitive position and the pricing of certain products in the markets. We seek to offset the effect of this pricing pressure by increasing the efficiency of our manufacturing operations at our facilities.

Distribution Network

Our processing business is relatively new and our growth in this business will be largely driven by the distribution network that we would create for distribution of our products in India. We have built a network of wholesalers and retail touch points to whom we sell through our wholesalers and also directly through our sales and marketing team. Further, we also undertake domestic trading through our network of wholesalers and retailers.

We sell our products across eleven (11) states with the majority of our sales coming from the state of Gujarat and Maharashtra. Our network of wholesalers and retailers with whom we have had business during the respective year is as detailed herein below:

Particulars*	Six months period ended September 30, 2023	Fiscal 2023	Fiscal 2022	Fiscal 2021
Wholesalers	142	204	106	126
- Gujarat	92	113	32	25
- Maharashtra	40	68	68	97
- Others	8	23	6	4
Retailers	187	330	29	4
- Gujarat	184	328	27	2
- Maharashtra	2	2	2	2
- Others	1	-	-	-

** The number of wholesalers and retailers represent those parties with whom we had business transactions during the period.*

As of December 31, 2023, we have a four (4) member sales team that visits shop-to-shop on a daily basis to cater to our existing and potential customers. We constantly seek to grow our product reach to under-penetrated geographies, increase the penetration of our products in markets in which we are currently present and widen the portfolio of our products available in those markets by growing our distribution network. We may, however, not be successful in appointing new distributors / wholesalers to expand our network or effectively manage our existing distribution network. Further, we may also face disruptions in the delivery of our products for reasons beyond our control, including poor handling of our products by third parties, transportation bottlenecks, natural disasters and labour issues, which could lead to delayed or lost deliveries.

Government Regulations and Policies

Government regulations and policies in India and in countries to which we export can affect the demand for our products. These regulations and policies are extensive and cover a broad range of industries, some of which are politically sensitive. These regulations and policies and the tax regimes to which we are subject to could change at any time, with little or no warning or time for us to prepare. For further details, please see *"**Risk Factors – Our business is operating under various laws which require us to obtain approvals from the concerned statutory/ regulatory authorities in the ordinary course of business. Some of our approvals are required to be transferred in the name of Patel Retail Limited from Patel Retail Private Limited, pursuant to change of name of our Company. Our inability to obtain, maintain or renew requisite statutory and regulatory permits and approvals for our business operations in a timely manner could materially and adversely affect our business, prospects, results of operations and financial condition**"* on page 37 **and *Any inability to comply with food safety laws, environmental laws and other applicable regulations in relation to our manufacturing facilities and stores may adversely affect our business, financial condition and results of operations***" on page 38**.**

We are currently entitled to certain export benefits received from the Government of India under export promotion schemes like the Duty Drawback Scheme ("**DDS**") and the Remission of Duties or Taxes on Export Products ("**RODTEP**"). The DDS and the RODTEP, enable us to claim rebate of all hidden central, state and local duties /taxes/levies on the goods exported which have not been refunded under any other existing scheme. Changes in regulations or withdrawal of such incentives and schemes could impact our revenues. We are also subject to the regulatory framework of the various international markets where we export our products. The markets where we export our products to, may become inaccessible or less accessible as a result of trade embargoes, import restrictions, quotas, anti-dumping duties, tariffs or other forms of trade barriers introduced by countries where we export our products.

Further, export and import of agricultural products is closely monitored and regulated by Ministry of Commerce, GoI such as ban on export or import of agricultural products, imports quota on warehousing, etc. considering factors such as domestic crops, demand and supply gap, etc. For instance, the Ministry of Commerce, GoI has restricted export of sugar and wheat flour. Additionally, import of wheat is subject to condition that wheat flour is exported. These conditions / restrictions are imposed periodically and from time to time by the Government. Please see *"**Risk Factors- Failure to comply with export obligation may expose us to significant import duties and other penalties**"* on page 61.

Transition from Indian GAAP to Ind AS

The Ministry of Corporate Affairs, Government of India, has through a notification dated February 16, 2015, set out the Ind AS and the timelines for their implementation and applicability. As per the requirement of the SEBI, our Company is required to adopt and prepare its financial statements in accordance with Ind AS for periods beginning on or after April 1, 2020. Given that Ind AS differs in certain material aspects from Indian GAAP under which our financial statements are currently prepared, our financial statements for the periods commencing on or after April 1, 2020 may not be fully comparable to our statutory historical financial statements.

We have quantified the impact of IND_AS on the financial data included in this Draft Red Herring Prospectus and have provided a reconciliation of the financial statements to those under Ind AS. (Refer note no. 46 of the restated financial statements.

Significant Accounting Policies

The notes to the Restated Summary Statements included in this Draft Red Herring Prospectus contain a summary of our significant accounting policies. Set forth below is a summary of our most significant accounting policies adopted in preparation of the Restated Summary Statements.

(a) Basis of preparation

(i) Statement of compliance:

"The Restated Balance Sheets of the company as at 30 September 2023, 31 March 2023, 31 March 2022, 31 March 2021; the related Restated Statement of Profit and Loss (including Other Comprehensive Income), the Restated Statement of Changes in Equity, and the Restated Statement of Cash Flows for the six months period ended 30 September 2023 and year ended 31 March 2023, 31 March 2022 and 31 March 2021 and the Significant accounting policies have been extracted by the management from the audited financial statements for the September 30, 2023, March 31, 2023, 2022, and 2021, approved by the respective Board of Directors of the companies.

The financial statements Complies in all material aspects with Indian Accounting Standards (Ind AS) notified under the Companies (Indian Accounting Standards) Rules, 2015 as amended and notified under Section 133 of the Companies Act, 2013 (the "Act"") and other relevant provisions of the Act and other accounting principles generally accepted in India.

The Restated Financial Statements were approved by the Board of Directors of our Company on March 20, 2024.

These financial statements are presented in Indian Rupees (INR), which is also the functional currency. All the amounts have been rounded off to the nearest Lakhs, unless otherwise indicated.

(ii) Basis of measurement:

"The Restated Financial Statements have been prepared on accrual and going concern basis. The accounting policies are applied consistently to all the periods presented in the Restated Financial Statements except where a newly issued accounting standard is initially adopted or revision to an existing accounting standard where a change in accounting policy hitherto in use. The Restated Financial Statements have been prepared under the historical cost convention except for certain financial instruments measured at fair value as explained in the accounting policies. Historical cost is generally based on the fair value of the consideration given in exchange for goods and services at the time of their acquisition."

(b) Current vs non-current classification:

"The Company presents assets and liabilities in the balance sheet based on current / non-current classification.
An asset is treated as current when it is:
• Expected to be realised or intended to be sold or consumed in normal operating cycle
• Held primarily for the purpose of trading
• Expected to be realised within twelve months after the reporting period, or
• Cash or cash equivalent unless restricted from being exchanged or used to settle a liability for at least twelve months after the reporting period.
Terms of a liability that could, at the option of the counterparty, result in its settlement by the issue of equity instruments do not affect its classification.
All other assets are classified as non-current.
A liability is current when:
• It is expected to be settled in normal operating cycle
• It is held primarily for the purpose of trading
• It is due to be settled within twelve months after the reporting period, or
• There is no unconditional right to defer the settlement of the liability for at least twelve months after the reporting period
The Company classifies all other liabilities as non-current.
Deferred tax assets and liabilities are classified as non-current assets and liabilities.
The operating cycle is the time between the acquisition of assets for processing and their realisation in cash and cash equivalents. The Company has identified twelve months as its operating cycle."

(c) Use of estimates and judgements:

"The preparation of financial statements requires management to make judgments, estimates and assumptions in the application of accounting policies that affect the reported amounts of assets, liabilities, income and expenses. Actual results may differ from these estimates. Continuous evaluation is done on the estimation and judgments based on historical experience and other factors, including expectations of future events that are believed to be reasonable. Revisions to accounting estimates are recognised prospectively."

(d) Financial Instruments:

"A financial instrument is any contract that gives rise to a financial asset of one entity and a financial liability or equity instrument of another entity.

(I) Financial Asset

(i) Classification

The Company classifies its financial assets in the following measurement categories:
(a) Those to be measured subsequently at fair value (either through other comprehensive income, or through profit or loss); and
(b) Those measured at amortised cost.

The classification depends on the entity's business model for managing the financial assets and the contractual terms of the cash flows.
(a) For assets measured at fair value, gains and losses will either be recorded in profit or loss or other comprehensive income.
(b) For investments in debt instruments, this will depend on the business model in which the investment is held.
(c) For investments in equity instruments, this will depend on whether the Company has made an irrevocable election at the time of initial recognition to account for the equity investment at fair value through other comprehensive income.

The Company reclassifies debt investments when and only when its business model for managing those assets changes.

(ii) Measurement

At initial recognition, the Company measures a financial asset at its fair value plus, in the case of a financial asset not measured at fair value through profit or loss, transaction costs that are directly attributable to the acquisition of the financial asset. Transaction costs of financial assets carried at fair value through profit or loss are expensed in profit or loss.

(a) Debt instruments

Subsequent measurement of debt instruments depends on the Company's business model for managing the asset and the cash flow characteristics of the asset. There are three measurement categories into which the Company classifies its debt instruments:
Amortised cost: *Assets that are held for collection of contractual cash flows where those cash flows represent solely payments of principal and interest are measured at amortised cost. A gain or loss on a debt investment that is subsequently measured at amortised cost and is not part of a hedging relationship is recognised in profit or loss when the asset is derecognised or impaired. Interest income from these financial assets is included in other income using the effective interest rate method.*

Fair value through other comprehensive income (FVOCI): *Assets that are held for collection of contractual cash flows and for selling the financial assets, where the assets' cash flows represent solely payments of principal and interest, are measured at fair value through other comprehensive income (FVOCI). Movements in the carrying amount are taken through OCI, except for the recognition of impairment gains or losses, interest income and foreign exchange gains and losses which are recognised in profit and loss. When the financial asset is derecognised, the cumulative gain or loss previously recognised in OCI is reclassified from equity to profit or loss and recognised in other income or other expenses (as applicable). Interest income* *from these financial assets is included in other income using the effective interest rate method.*

Fair value through profit or loss (FVTPL): *Assets that do not meet the criteria for amortised cost or FVOCI are measured at fair value through profit or loss. A gain or loss on a debt investment that is subsequently measured at fair value through profit or loss and is not part of a hedging relationship is recognised in profit or loss and presented net in the statement of profit and loss within other income or other expenses (as applicable) in the period in which it arises. Interest income from these financial assets is included in other income or other expenses, as applicable.*

(b) Equity instruments

The Company subsequently measures all equity investments at fair value. Where the Company's management has selected to present fair value gains and losses on equity investments in other comprehensive income and there is no subsequent reclassification of fair value gains and losses to profit or loss. Dividends from such investments are recognised in profit or loss as other income when the Company's right to receive payments is established.

Changes in the fair value of financial assets at fair value through profit or loss are recognised in other income or other expenses, as applicable in the statement of profit and loss. Impairment losses (and reversal of impairment losses) on equity investments measured at FVOCI are not reported separately from other changes in fair value.

(iii) Impairment of financial assets

"The Company assesses on a forward looking basis the expected credit losses associated with its assets carried at amortised cost and FVOCI debt instruments. The impairment methodology applied depends on whether there has been a significant increase in credit risk.
For trade receivables only, the Company applies the simplified approach permitted by Ind AS 109 Financial Instruments, which requires expected lifetime credit losses (ECL) to be recognised from initial recognition of the receivables. The Company uses historical default rates to determine impairment loss on the portfolio of trade receivables. At every reporting date these historical default rates are reviewed and changes in the forward looking estimates are analysed."
For other assets, the Company uses 12 month ECL to provide for impairment loss where there is no significant increase in credit risk. If there is significant increase in credit risk full lifetime ECL is used.

(iv) Derecognition of financial assets

(a) The Company has transferred the rights to receive cash flows from the financial asset or
(b) Retains the contractual rights to receive the cash flows of the financial asset, but assumes a contractual obligation to pay the cash flows to one or more recipients.

Where the entity has transferred an asset, the Company evaluates whether it has transferred substantially all risks and rewards of ownership of the financial asset. In such cases, the financial asset is derecognised. Where the entity has not transferred substantially all risks and rewards of ownership of the financial asset, the financial asset is not derecognised.

Where the entity has neither transferred a financial asset nor retains substantially all risks and rewards of ownership of the financial asset, the financial asset is derecognised if the Company has not retained control of the financial asset. Where the Company retains control of the financial asset, the asset is continued to be recognised to the extent of continuing involvement in the financial asset.

(II) Financial Liabilities

(i) Measurement

Financial liabilities are initially recognised at fair value, reduced by transaction costs (in case of financial liability not at fair value through profit or loss), that are directly attributable to the issue of financial liability. After initial recognition, financial liabilities are measured at amortised cost using effective interest method. The effective interest rate is the rate that exactly discounts estimated future cash outflow (including all fees paid, transaction cost, and other premiums or discounts) through the expected life of the financial liability, *or, where appropriate, a shorter period, to the net carrying amount on initial recognition. At the time of initial recognition, there is no financial liability irrevocably designated as measured at fair value through profit or loss.*

(ii) Derecognition

A financial liability is derecognised when the obligation under the liability is discharged or cancelled or expires. When an existing financial liability is replaced by another from the same lender on substantially different terms, or the terms of an existing liability are substantially modified, such an exchange or modification is treated as the de-recognition of the original liability and the recognition of a new liability. The difference in the respective carrying amounts is recognised in the statement of profit or loss.

(e) Inventories Valuation

(i) Raw materials, components, stores & spares, packing material, semi-finished goods & finished goods are valued at lower of cost and net realisable value
(ii) Cost of Raw Materials, components, stores & spares and packing material is arrived at Weighted Average Cost and Cost of semi-finished good and finished good comprises, raw materials, direct labour, other direct costs and related production overheads is arrived through Weighted Average Cost.
(iii) Scrap is valued at net realisable value.
(iv) Due allowances are made in respect of slow moving, non-moving and obsolete inventories based on estimate made by the Management.

(f) Revenue Recognition

Revenue is measured at the fair value of the consideration received or receivable. Amounts disclosed as revenue are inclusive of excise duty and net of returns, trade discount taxes and amounts collected on behalf of third parties. Discount is recognised on cash basis in accordance with the contractual term of the agreement with the customers. The Company recognises revenue as under:

"(i) The Company recognizes revenue from sale of goods when:"
"(a) The significant risks and rewards of ownership in the goods are transferred to the buyer as per the terms of the contract, which coincides with the delivery of goods."
(b) The Company retains neither continuing managerial involvement to the degree usually associated with the ownership nor effective control over the goods sold.
(c) The amount of revenue can be reliably measured.
(d) It is probable that future economic benefits associated with the transaction will flow to the Company.
(e) The cost incurred or to be incurred in respect of the transaction can be measured reliably.
(f) The company bases its estimates on historical results, taking into consideration the type of customer, the type of transaction and the specifics of each arrangement.
Interest on deployment of funds is recognised on accrual basis. Dividend income is recognised when right to receive dividend is established. Profit on sale of investments is recognised on sale of investments.

(g) Property, plant and equipment

(i) Recognition and measurement

On transition to Ind AS, the Company has elected to continue with the carrying value of all of its property, plant and equipment recognised as at 1 April 2020 measured as per the previous GAAP and used those carrying value as the deemed cost of the property, plant and equipment.
Freehold land is carried at historical cost. All other items of property, plant and equipment are measured at cost less accumulated depreciation and any accumulated impairment losses. The cost of an item of property, plant and equipment shall be recognised as an asset if, and only if it is probable that future economic benefits associated with the item will flow to the Company and the cost of the item can be measured reliably. Any gain or loss on disposal of an item of property, plant and equipment is recognised in profit or loss. The cost of an item of property, plant and equipment comprises:
"a) its purchase price, including import duties and non-refundable taxes (net of GST), after deducting trade discounts and rebates.
b) any costs directly attributable to bringing the asset to the location and condition necessary for it to be capable of operating in the manner intended by management.

c) borrowing costs for long-term construction projects if the recognition criteria are met.
If significant parts of an item of property, plant and equipment have different useful lives, then they are accounted for as separate items (major components) of property, plant and equipment."

Advances paid towards the acquisition of property, plant and equipment outstanding at each Balance Sheet date is classified as capital advances under other non-current assets and the cost of assets not ready to use before such date are disclosed under 'Capital work-in-progress'.

"(ii) Subsequent expenditure

Subsequent expenditure is capitalised only if it is probable that the future economic benefits associated with the expenditure will flow to the Company and the cost of the item can be measured reliably. Repairs and maintenance costs are recognized in the Statement of Profit and Loss when incurred."

(iii) Depreciation

Depreciation is calculated on cost of items of property, plant and equipment less their estimated residual values, if any, over their estimated useful lives using the Reduced Balance method in the manner and at the rates prescribed by Part 'C' of Schedule II of the Act, except as stated below. Depreciation on additions/(disposals) is provided on a pro-rata basis i.e. from/ (upto) the date on which asset is ready for use / disposed off.

The estimated useful lives of assets are as taken as per Companies Act, 2013

(h)Intangible assets

On transition to Ind AS, The Company has elected to continue with the carrying value of all of its intangible assets recognised as at 1 April 2020 measured as per the previous GAAP and used those carrying value as the deemed cost of the intangible assets.
(i) An intangible asset shall be recognised if, and only if: (a) it is probable that the expected future economic benefits that are attributable to the asset will flow to the Company and (b) the cost of the asset can be measured reliably.
(iii) Computer software is capitalised where it is expected to provide future enduring economic benefits. Capitalisation costs include licence fees and costs of implementation / system integration services. The costs are capitalised in the year in which the relevant software is implemented for use. The same is amortised over a period of 5 years on straight-line method.

(i) Leases

"Company as lessee:
Lease under which the Company assumes substantially all the risks and rewards of ownership are classified as Finance Leases. The leases where the lessor effectively retains substantially all the risks and benefits of ownership of the leased items, are classified as operating lease. Operating lease payments are recognised as expenses in the Statement of Profit and Loss."

(j) Employee Benefit

(i) Defined Contribution Plan

Contribution to defined contribution plans are recognised as expense in the Statement of Profit and Loss, as they are incurred.

(ii) Defined Benefit Plan

Company's liabilities towards gratuity and leave encashment are determined using the projected unit credit method as at Balance Sheet date. Actuarial gains / losses are recognised immediately in the Statement of Profit and Loss.

(k) Foreign currency translation

(i) Functional and presentation currency

Items included in the financial statements of the Company are measured using the currency of the primary economic environment in which the Company operates ('the functional currency'). The financial statements are presented in Indian rupee (INR), which is Company's functional and presentation currency.

(ii) Transactions and balances

Foreign currency transactions are translated into the functional currency using the exchange rates at the dates of the transactions. Foreign exchange gains and losses resulting from the settlement of such transactions and from the translation of monetary assets and liabilities denominated in foreign currencies at year end exchange rates are generally recognised in profit or loss. All the foreign exchange gains and losses are presented in the statement of Profit and Loss on a net basis within other expenses or other income as applicable.

(l) Borrowing cost

Borrowing costs are interest and other costs (including exchange differences relating to foreign currency borrowings to the extent that they are regarded as an adjustment to interest costs) incurred in connection with the borrowing of funds. Borrowing costs directly attributable to acquisition or construction of an asset which necessarily take a substantial period of time to get ready for their intended use are capitalised as part of the cost of that asset. Other borrowing costs are recognised as an expense in the period in which they are incurred.

(i) Commencement of capitalisation

"Capitalisation of borrowing cost as part of the cost of a qualifying asset shall begin on the commencement date. The commencement date for capitalisation is the date when the entity first meets all of the following conditions:

a. it incurs expenditures for the asset;
b. it incurs borrowing costs; and
c. it undertakes activities that are necessary to prepare the asset for its intended use or sale."

(ii) Cessation of capitalisation

"Cessation of capitalisation shall happen when substantially all the activities necessary to prepare the qualifying asset for its intended use or sale are complete.

Other borrowing costs are recognised as an expense in the period in which they are incurred."

Earnings per share

(i) Basic earnings per share

Basic earnings per share is calculated by dividing:
- the profit attributable to owners of the Company; and
- by the weighted average number of equity shares outstanding during the financial year, adjusted for bonus elements in equity shares issued during the year.

ii) Diluted earnings per share

Diluted earnings per share adjust the figures used in the determination of basic earnings per share to take into account:
- the after income tax effect of interest and other financing costs associated with dilutive potential equity shares; and
- the weighted average number of additional equity shares that would have been outstanding assuming the conversion of all dilutive potential equity shares.

(n) Impairment of Assets

Intangible assets that have an indefinite useful life are not subject to amortization and are tested annually for impairment or more frequently if events or changes in circumstances indicate that they might be impaired. Other assets are tested for impairment whenever events or changes in circumstances indicate that the carrying amount may not be recoverable. An impairment loss is recognised for the amount by which the asset's carrying amount exceeds its recoverable amount. The recoverable amount is the higher of an asset's fair value less costs of disposal and value in use. For the purposes of assessing impairment, assets are Companyed at the lowest levels for which there are separately identifiable cash inflows which are largely independent of the cash inflows from other assets or Companys of assets (cash-generating units). Non-financial assets that suffered impairment are reviewed for possible reversal of the impairment at the end of each reporting period.

(o) Provisions, contingent liabilities and contingent assets

(i) Provisions:

" Provisions are recognised when the Company has a present obligation (legal or constructive) as a result of a past event, it is probable that an outflow of resources embodying economic benefits will be required to settle the obligation and a reliable estimate can be made of the amount of the obligation. The expense relating to a provision is presented in the statement of profit and loss."

(ii) Contingent liabilities:

" A contingent liability is a possible obligation that arises from past events whose existence will be confirmed by the occurrence or non-occurrence of one or more uncertain future events beyond the control of the Company or a present obligation that is not recognised because it is not probable that an outflow of resources will be required to settle the obligation. A contingent liability also arises in extremely rare cases where there is a liability that cannot be recognised because it cannot be measured reliably. The Company does not recognise a contingent liability but discloses its existence in the financial statements.

(iii) Contingent Assets: *Contingent Assets are disclosed, where an inflow of economic benefits is probable.*

(p) Investments

On transition to Ind AS, equity investments are measured at fair value, with value changes recognised in Other Comprehensive Income, except for those mutual fund for which the Company has elected to present the fair value changes in the Statement of Profit and Loss.

(q) Trade receivables

Trade receivables are recognised initially at their fair value and subsequently measured at amortised cost using the effective interest method, less provision for impairment.

(r) Trade and other payables

These amounts represent liabilities for goods and services provided to the Company prior to the end of financial year which are unpaid. Trade and other payables are recognised, initially at fair value, and subsequently measured at amortised cost using effective interest rate method.

(f) Operating Cycle

Based on the nature of products/activities of the Company and the normal time between acquisition of assets and their realisation in cash or cash equivalents, the Company has determined its operating cycle as 12 months for the purpose of classification of its assets and liabilities as current and non current.

(t) Rounding of amounts

All amounts disclosed in the financial statements and notes have been rounded off to the nearest Rupees Lakhs (upto two decimals), unless otherwise stated as per the requirement of Schedule III (Division II).

(u) "Government Grants, subsidies and export incentives"

Government grants and subsidies are accounted when there is reasonable assurance that the Company will comply with the conditions attached to them and it is reasonably certain that the ultimate collection will be made. Capital grants relating to specific fixed assets are reduced from the gross value of the respective fixed assets. Revenue grants are recognised in the Statement of Profit and Loss. Export benefits available under prevalent schemes are accrued in the year in which the goods are exported and there is no uncertainty in receiving the same.

(v) Segment reporting

Operating segment are reported in a manner consistent with the internal reporting provided to the Chief operating decision maker (CODM). Identification of segments: In accordance with Ind As 108 "operating segment", the operating segment used to present segment information reviewed by CODM to allocate resources to the segments and assess their performance. An operating segment is a component of the group that engages in the business activities from which it earns revenues and incurs expenses, including revenues and expenses that relate to transactions with any of the group's other components.

(w) Dividend

The Company recognises a liability for any dividend declared but not distributed at the end of the reporting period, when the distribution is authorised and the distribution is no longer at the discretion of the Company on or before the end of the reporting period. As per Corporate laws in India, a distribution in the nature of final dividend is authorized when it is approved by the shareholders. A corresponding amount is recognized directly in equity.

(x) Income tax

Tax expense comprise 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 Indian Income Tax Act.
Deferred income taxes reflects the impact of current year timing differences between taxable income and accounting income for the year and reversal of timing differences of earlier years. Deferred tax is measured based on the tax rates and the tax laws enacted at the balance sheet date. Deferred tax assets are recognized only to the extent that there is a reasonable certainty that sufficient future taxable income will be available against which such deferred tax assets can be realized.
At each balance sheet date unrecognized deferred tax assets are re-assessed. It recognizes unrecognized deferred tax assets to the extent that it has become reasonably certain or virtually certain, as the case may be that sufficient future taxable income will be available against which such deferred tax assets can be realized.

(y) Cash and cash equivalents

The Company considers all highly liquid financial instruments, which are readily convertible into cash and have original maturities of three months or less from date of purchase to be cash equivalents.

(z) Cash Flow Statement

Cash flows are reported using the indirect method, whereby net profit before tax is adjusted for the effects of transactions of a non-cash nature, any deferrals or accruals of past or future operating cash receipts or payments and item of income or expenses associated with investing or financing cash flows. The cash flows from operating, investing and financing activities of the Company are segregated.

(aa) Interest income

Interest income from debt instruments is recognised using the effective interest rate method. The effective interest rate is the rate that exactly discounts estimated future cash receipts through the expected life of the financial asset to the gross carrying amount of a financial asset. When calculating the effective interest rate, the company estimates the expected cash flows by considering all the contractual terms of the financial instrument (for example, prepayment, extension, call and similar options) but does not consider the expected credit losses.

(₹ in Lakhs, except for ratios and percentages)

Particulars	As at, or for the six months ended September 30, 2023*	Fiscal		
		2023	2022	2021
Total Income	44,681.97	1,01,980.36	77,183.58	82,775.34
Revenue from Operations	44,598.21	1,01,854.78	76,615.91	82,337.46
EBITDA(1)	2,489.77	4,323.96	2,677.79	2,773.69
EBITDA Margin(2)	5.58%	4.25%	3.50%	3.37%
PAT Margin(3)	2.19%	1.61%	1.48%	1.40%
Net Worth(4)	8,047.44	6,923.12	5,515.66	4,357.48
ROE(5)	12.15%	23.66%	20.61%	26.39%
Capital Employed(6)	24,374.90	25,385.67	22,527.32	21,887.88
ROCE(7)	7.88%	12.66%	7.28%	8.57%
Debt(8)	16,339.35	18,281.39	17,090.45	17,636.99
Net Debt(9)	15,911.27	18,054.07	15,747.35	16,804.34
Debt-Equity Ratio(10)	2.00	2.54	3.06	3.96
Net Debt-EBITDA Ratio(11)	6.39*	4.18	5.88	6.06
Net Tangible Assets(12)	7,908.35	6,752.58	5,434.41	4,349.25
Monetary Assets(13)	436.23	264.62	1,293.54	165.50
% of Monetary Assets to Net Tangible Assets(14)	5.52%	3.92%	23.80%	3.81%
Net Asset Value per Equity Share(15)	211.23	181.72	144.78	114.38

**Not annualized as on September 30, 2023*

Notes:

(1) *EBITDA is calculated as the sum of (i) profit before tax and prior period items for the period/year, (ii) depreciation and amortization expenses, and (iii) finance costs.*

(2) *EBITDA Margin is calculated as EBITDA divided by revenue from operations.*

(3) *PAT Margin is calculated as profit for the period/year divided by revenue from operations.*

(4) *Net worth attributable to the Equity Shareholders of our Company has been defined as the aggregate value of the paid-up equity share capital and all reserves created out of the profits and securities premium account and debit or credit balance of profit and loss account, after deducting, if any the aggregate value of the accumulated losses, prepaid expenses, deferred expenditure and miscellaneous expenditure not written off as per the Restated Financial Statement, but does not include reserves created out of revaluation of assets and write-back of depreciation, if any as on March 31, 2021, March 31, 2022, March 31, 2023 and ended September 30, 2023 in accordance with Regulation 2(1)(hh) of the SEBI ICDR Regulations, as amended. It also excludes OCI, NCI and deeply subordinate debt, as applicable.*

(5) *Return on Equity (%) refers to restated profit after tax divided by Net worth attributable to the Equity Shareholders of our Company for the year/period. Restated profit after tax means restated profit / (loss) for the period/year as appearing in the Restated Financial Information.*

(6) *Capital Employed is calculated as total equity plus total borrowings plus total lease liabilities and deferred tax liabilities(net) minus deferred tax assets (net).*

(7) *Return on Capital Employed is calculated as adjusted EBITDA less depreciation and amortisation divided by Capital Employed. Adjusted EBITDA is calculated as EBITDA less other income.*

(8) *Debt is calculated as the sum of current borrowings and non-current borrowings.*

(9) *Net Debt is calculated as Debt plus lease liabilities less cash & cash equivalents.*

(10) *Debt-Equity Ratio is calculated as Debt divided by Net worth attributable to the Equity Shareholders of our Company.*

(11) *Net Debt-EBITDA Ratio is calculated as Net Debt divided by EBITDA.*

(12) *Net Tangible Assets is calculated as the sum of all the net assets of our Company excluding, right of use assets, other intangible assets, deferred tax liabilities and prepaid expenses*

(13) *Monetary Assets is calculated as cash and cash equivalents and bank balances and fixed deposits held as margin money.*

(14) *% of Monetary Assets to Net Tangible Assets is calculated as Monetary Assets divided by Net Tangible Assets, expressed as a percentage.*

(15) *Net Asset Value per Equity Share is calculated as Net worth attributable to the Equity Shareholders of our Company as at the end of Fiscal divided by the number of Equity Shares used in calculating basic earnings per share.*

EBITDA, EBITDA Margin, PAT Margin and ROE

The following table sets forth our EBITDA, EBITDA Margin, PAT Margin and ROE, including a reconciliation of (i) EBITDA and EBITDA Margin to our restated profits/losses before tax and prior period items, and (ii) PAT Margin and ROE to our restated profits/losses, in each of the six months ended September 30, 2023 and Fiscal 2023, Fiscal 2022 and Fiscal 2021.

(₹ in Lakhs, except percentages)

Particulars	For the six months period ended September 30, 2023	Fiscal		
		2023	2022	2021
Revenue from Operations (A)	44,598.21	1,01,854.78	76,615.91	82,337.46
Profit before tax and prior period items (B)	1,315.54	2,224.73	1,529.26	1,555.11
Add: Finance costs (C)	690.05	1,113.45	678.83	757.66
Add: Depreciation and amortization expenses (D)	484.18	985.78	469.69	460.92
EBITDA (E=B+C+D)	**2,489.77**	**4,323.96**	**2,677.79**	**2,773.69**
EBITDA Margin (F=E/A)	**5.58%**	**4.25%**	**3.50%**	**3.37%**
Profit for the period (G)	977.98	1,637.97	1,137.03	1,149.74
Net worth attributable to the Equity Shareholders of our Company (H)	8,047.44	6,923.12	5,515.66	4,357.48
PAT Margin (I=G/A)	**2.19%**	**1.61%**	**1.48%**	**1.40%**
ROE (J=G/H)	**12.15%***	**23.66%**	**20.61%**	**26.39%**

**Not annualized as on September 30, 2023*

Capital Employed and Return on Capital Employed (ROCE)

The following table sets forth our Capital Employed and Return on Capital Employed (ROCE), including a reconciliation of ROCE to our restated profits/losses before tax and prior period items in each of the six months ended September 30, 2023 and Fiscal 2023, Fiscal 2022 and Fiscal 2021.

(₹ in Lakhs, except percentages)

Particulars	For the six months period ended September 30, 2023	Fiscal		
		2023	2022	2021
Profit before tax and prior period items (A)	1,315.54	2,224.73	1,529.26	1,555.11
Add: Finance costs (B)	690.05	1,113.45	678.83	757.66
Less: Other income (C)	83.76	125.58	567.67	437.88
EBIT (D=A+B-C)	**1,921.83**	**3,212.60**	**1,640.43**	**1,874.89**
Total equity (E)	8,165.25	7,186.92	5,584.24	4,450.03
Non-current borrowings (F)	3,742.12	3,527.06	3,693.94	3,788.11
Current borrowings (G)	12,597.23	14,754.33	13,396.51	13,848.88
Total Lease Liabilities (H)	74.38	103.53	36.37	-
Deferred Tax Liabilities (net) (I)	-	-	-	-
Deferred Tax Assets (net) (J)	204.08	186.16	183.74	199.14
Capital Employed (K=E+F+G+H+I-J)	**24,374.90**	**25,385.67**	**22,527.32**	**21,887.88**
ROCE (L=D/K)	**7.88%***	**12.66%**	**7.28%**	**8.57%**

**Not annualized as on September 30, 2023*

Debt, Net Debt, Debt-Equity Ratio and Net Debt-EBITDA Ratio

The following table sets forth our Debt, Net Debt, Debt-Equity Ratio and Net Debt-EBITDA Ratio as at the six months ended September 30, 2023 and Fiscal 2023, Fiscal 2022 and Fiscal 2021.

(₹ in Lakhs, except ratios)

Particulars	As at September 30, 2023	Fiscal		
		2023	2022	2021
Non-current borrowings (A)	3,742.12	3,527.06	3,693.94	3,788.11
Current borrowings (B)	12,597.23	14,754.33	13,396.51	13,848.88
Debt (C=A+B)	**16,339.35**	**18,281.39**	**17,090.45**	**17,636.99**

Particulars	As at September 30, 2023	Fiscal		
		2023	2022	2021
Total equity (D)	8,165.25	7,186.92	5,584.24	4,450.03
Debt-Equity Ratio (E=C/D)	**2.00***	**2.54**	**3.06**	**3.96**
Non-current and Current borrowings (F)	16,339.35	18,281.39	17,090.45	17,636.99
Total Lease Liabilities (G)	74.38	103.53	36.37	-
Total liabilities (H=F+G)	**16,413.73**	**18,384.92**	**17,126.82**	**17,636.99**
Less: cash and cash equivalents and bank balances (I)	502.46	330.85	1,379.47	832.65
Net Debt (J=H-I)	15,911.27	18,054.07	15,747.35	16,804.34
EBITDA (K)	2,489.77	4,323.96	2,677.79	2,773.69
Net Debt-EBITDA Ratio (L=J/K)	6.39*	4.18	5.88	6.06

** Not annualized for the periods ended September 30, 2023*

Net Tangible Assets, Monetary Assets, % of Monetary Assets to Net Tangible Assets, Net Worth, Return on Net Worth, Pre-Tax Operating Profit and Net Asset Value per Equity Share

Our Net Tangible Assets, Monetary Assets, % of Monetary Assets to Net Tangible Assets, Net Worth, Return on Net Worth, Pre-Tax Operating Profit and Net Asset Value per Equity Share, including a reconciliation to our Restated Financial Information as at September 30, 2023 and for the three Financial Years ended on March 31, 2023, 2022 and 2021 are set forth below:

(₹ in Lakhs, except as provided)

Particulars	As at September 30, 2023	Fiscal		
		2023	2022	2021
Total assets (A)	28,045.49	30,311.99	27,386.63	24,668.95
Less: Other intangible assets (B)	69.16	71.10	45.91	8.24
Less: Right of use of assets (C)	69.93	99.44	35.34	-
Less: Prepaid expenses (D)	117.81	263.80	68.58	92.55
Less: Total liabilities (E)	19,880.24	23,125.07	21,802.39	20,218.92
Net Tangible Assets (F=A-B-C-D-E)	**7,908.35**	**6,752.58**	**5,434.41**	**4,349.25**
Cash and cash equivalents and bank balances (G)	436.23	264.62	1,293.54	165.50
Add: Other bank balances (H)	66.23	66.23	85.93	667.15
Less: Bank deposits with remaining maturity of more than 12 months (I)	-	-	-	-
Less: Fixed deposits held as margin money (J)	66.23	66.23	85.93	667.15
Monetary Assets (K=G+H-I-J)	**436.23**	**264.62**	**1,293.54**	**165.50**
% of Monetary Assets to Net Tangible Assets (L=(K/F)*100)) (in %)	5.52%	3.92%	23.80%	3.81%
Net Worth attributable to Equity Shareholders (M)	**8,047.44**	**6,923.12**	**5,515.66**	**4,357.48**
Issued subscribed and fully paid-up equity share capital (N)	380.98	380.98	380.98	380.98
General reserve (O)	-	-	-	-
Securities premium reserve (P)	969.02	969.02	969.02	969.02
Retained earnings and legal reserves (Q)	6,815.25	5,836.92	4,234.24	3,100.03
Less: Pre-paid expenses (R)	117.81	263.80	68.58	92.55
Profit for the year/period attributable to Equity	977.98	1,637.97	1,137.03	1,149.74

Particulars	As at September 30, 2023	Fiscal		
		2023	2022	2021
Shareholders of the Company (S)				
Return on Net Worth attributable to Equity Shareholders of the Company (T=S/M) (in %)	**12.15%***	**23.66%**	**20.61%**	**26.39%**
Profit before tax and prior period items (U)	1,315.54	2,224.73	1,529.26	1,555.11
Less: Other income (V)	83.76	125.58	567.67	437.88
Add: Finance costs (W)	690.05	1,113.45	678.83	757.66
Pre-Tax Operating Profit (X=U-V+W)	**1,921.83**	**3,212.60**	**1,640.43**	**1,874.89**
Number of equity shares outstanding at the end of the period / year, before adjustment of bonus issue (Y) (number in Lakhs)	38.10	38.10	38.10	38.10
Effect of dilutive potential equity shares	-	-	-	-
Number of equity shares outstanding at the end of the period / year, before adjustment of bonus issue (Z) (number in Lakhs)	38.10	38.10	38.10	38.10
Net Asset Value per Equity Share (basic) (AA=M/Y) (in ₹)*	211.23	181.72	144.78	114.38
Net Asset Value per Equity Share (diluted) (AB=M/Z) (in ₹)*	211.23	181.72	144.78	114.38

**Not annualized as on September 30, 2023*

Key Components of our Statement of Profit and Loss

The following descriptions set forth information with respect to the key components of our profit and loss statements.

Revenue

Total income consists of revenue from operations and other income.

Revenue from operations: Revenue from operations comprises revenue from sale of products, and other operating revenue. Other operating revenue includes, export benefit, display & listing income and miscellaneous operating income.

Other income: Other income comprises of interest income, rent income, foreign exchange fluctuation gain and other non-operating income. Interest income primarily relates to interest income earned on bank deposits and financial assets (at amortized cost). Other non-operating income primarily relates to, profit on sale of fixed assets, miscellaneous income.

Expenses

Expenses consist of cost of materials consumed, purchase of stock-in-trade, changes in inventories of finished goods, employee benefits expense, finance costs, depreciation and amortization expense and other expenses.

Cost of materials consumed: Cost of materials consumed comprises of purchase of raw materials and changes in opening and closing inventories of raw materials.

Purchase of stock-in-trade: Purchase of stock-in-trade comprises of purchases of retail store merchandise and traded goods.

Changes in inventories of finished goods and stock in trade: Changes in inventories of finished goods comprise net (increase)/decrease in inventories of finished goods and stock in trade.

Employee benefit expenses: Employee benefit expenses comprises salaries, wages and bonus, contribution to provident and other funds, gratuity, staff welfare expenses, employee medical insurance expenses and other employee related expenses. Further, employee benefit expenses also include contract labour expenses.

Finance costs: Finance costs comprises interest expenses on term loan, cash credit, packing credit loan, stand by letter of credit (SLC), car loans, other unsecured loans from directors and interest on lease liability. Loan processing fees consist of bank charges, professional fees and others.

Depreciation and amortization expenses: Depreciation and amortization expenses comprises depreciation of tangible assets including our plant and machinery, building, furniture and fixture, vehicles, computer, electrical equipment's, office equipment's and amortization of intangible assets including computer software and trademark.

Other expenses: Other expenses comprise primarily of labour charges, consumption of consumables, stores & spares, power, fuel and water charges, job work charges, laboratory expenses, amongst others. The largest components of expenses under the head selling and administration expenses include export expenses, freight outward, forex fluctuations, legal and professional expenses, advertisement & business promotion, vehicle expenses, corporate social responsibility expenditure and miscellaneous expenses. Other components of other expenses include rent, expenses relating to the repair and maintenance of machinery, building and others, insurance, payments to auditors, loss on sale of fixed assets, donation, loss on forward contracts and other expenses.

Tax Expense

Tax expense consists of current tax, deferred tax and adjustment of tax relating to earlier periods.

Our Results of Operations

The following tables set forth our selected financial data from our Restated Financial Statement of profit and loss for the six months period ended September 30, 2023, the components of which are also expressed as a percentage of total income for such years/periods:

(₹ in Lakhs, except for percentage)

Particulars	**For the six months period ended September 30, 2023**	
Revenue		
Revenue from operations	44,598.21	99.81%
Other income	83.76	0.19%
Total Income	**44,681.97**	**100.00%**
Expenses		
Cost of materials consumed	19,807.98	44.33%
Purchases of Stock-In-trade	17,978.87	40.24%
Changes in inventories of finished goods	-857.14	-1.92%
Employee benefits expenses	1,295.18	2.90%
Finance costs	690.05	1.54%
Depreciation and amortization expenses	484.18	1.08%
Other expenses	3,967.29	8.88%
Total expenses	**43,366.43**	**97.06%**
Profit before exceptional item and tax	**1,315.54**	**2.94%**
Exceptional items	--	--
Profit Before Tax	**1,315.54**	**2.94%**
Tax expenses		

Particulars	For the six months period ended September 30, 2023	
Current tax	355.58	0.80%
Earlier years	--	
Deferred tax	-18.02	-0.04%
Total tax expenses	337.56	0.76%
Restated Profit after tax	**977.99**	**2.19%**

The following tables set forth our selected financial data from our Restated Financial Statement of profit and loss for the Fiscal 2023, 2022 and 2021 the components of which are also expressed as a percentage of total income for such years/periods:

Particulars	Fiscal					
	2023		2022		2021	
	(₹ in Lakhs, except for percentage)					
Revenue						
Revenue from operations	1,01,854.78	99.88%	76,615.91	99.26%	82,337.46	99.47%
Other income	125.58	0.12%	567.67	0.74%	437.88	0.53%
Total Income	**1,01,980.36**	**100.00%**	**77,183.58**	**100.00%**	**82,775.34**	**100.00%**
Cost of materials consumed	32,407.46	31.78%	20,766.85	26.91%	27,573.69	33.31%
Purchases of Stock-In-trade	55,451.87	54.38%	43,548.89	56.42%	44,251.39	53.46%
Changes in inventories of finished goods	-1,839.72	-1.80%	719.42	0.93%	-800.90	-0.97%
Employee benefits expense	2,264.15	2.22%	1,902.59	2.47%	1,780.29	2.15%
Finance costs	1,113.45	1.09%	678.83	0.88%	757.66	0.92%
Depreciation and amortization expenses	985.78	0.97%	469.69	0.61%	460.92	0.56%
Other expenses	9,372.63	9.19%	7,568.03	9.81%	7,197.18	8.69%
Total expenses	**99,755.63**	**97.82%**	**75,654.32**	**98.02%**	**81,220.23**	**98.12%**
Profit before exceptional item and tax	**2,224.73**	**2.18%**	**1,529.26**	**1.98%**	**1,555.11**	**1.88%**
Exceptional items	-	-	-	-	-	-
Profit Before Tax	**2,224.73**	**2.18%**	**1,529.26**	**1.98%**	**1,555.11**	**1.88%**
Current tax	591.18	0.58%	373.65	0.48%	406.28	0.49%
Earlier years	-1.06	0.00%	2.23	0.00%	0.84	0.00%
Deferred tax	-3.37	0.00%	16.35	0.02%	-1.76	0.00%
Total tax expenses	**586.75**	**0.58%**	**392.23**	**0.51%**	**405.37**	**0.49%**
Profit for the year	**1,637.97**	**1.61%**	**1,137.03**	**1.47%**	**1,149.74**	**1.39%**

Financial performance highlights for the sixmonths period ended on September 30, 2023

Total Income

Our total income during the six months period ended September 30, 2023 was ₹4,4681.97 Lakhs. The revenue from operations was ₹44,598.21 Lakhs which is almost 99.81% of our total income. Our revenue from operations comprises of sale of products and other operating revenue.

Revenue from operations: Our revenue from operations comprises of sale of processed / manufactured goods, retail sales and trading sales. Further, our revenue from operations also includes other operating revenues like export benefits, display / listing income and others. The table below set forth the details of our revenue from operations:

Particulars	Revenue (₹ in Lakhs)	% to our revenue from operations (%)
Sale of Products	44,042.12	98.75%
- Processed Sales	19,436.98	43.58%
- Retail Sales	13,901.38	31.17%
- Trading Sales	10,703.76	24.00%
Other Operating revenue	556.09	1.25%
Total	**44,598.21**	**100.00%**

Other Income: For the six months period ended September 30, 2023, our other income was ₹83.76 Lakhs which is 0.19% of our total income. Other income comprises of foreign exchange fluctuation gain, interest income, rental income from leasing of space at our Facility 1 to telecom operator for installation of tower and miscellaneous income. Miscellaneous income primarily comprises of scrap sales.

Total Expenses:

The total expenditure for the six months period ended September 30, 2023 was ₹43,366.43 Lakhs which is about 97.06% of the total income. The main constituent of total expenditure is cost of material consumed and purchase of stock-in-trade which constitutes 44.33% and 40.24%, respectively of the total income.

Cost of Materials Consumed: Our Company has incurred ₹19,807.98 Lakhs towards cost of materials consumed during the six months period ended September 30, 2023 which is about 44.33% of the total income. Cost of material consumed comprises of purchase of raw materials and changes in opening and closing inventories of raw materials

Purchases of Stock-in-Trade: Our Company has incurred ₹17,978.87 Lakhs towards cost of materials consumed during the six months period ended September 30, 2023 which is about 40.24% of the total income. Purchases of Stock-in-Trade includes store merchandising such as, food, non-food (FMCG), general merchandise and apparels and also inventory forming part of our trading business such as, food and non-food products of third party reputed brand, sugar, rice, and edible oils. These expenses are incurred towards retail sales and trading sales.

Change in inventories: Changes in inventories reduced to ₹ (857.14) Lakhs during the six months period ended September 30, 2023 as compared to ₹(1,839.72) Lakhs in Fiscal 2023. In relation to inventories of finished goods, we had an opening stock of ₹7,191.86 Lakhs and a closing stock of ₹8,049.00 Lakhs for the six months period ended September 30, 2023.

Employee benefits expense: Our Company has incurred ₹1,295.18 Lakhs towards employee benefit expenses during the six months period ended September 30, 2023. Our employee benefit expenses comprise of Directors remuneration, salaries, wages and allowances such as, employee medical insurance expenses and other employee related expenses, contribution to provident and other funds, including gratuity funds and staff welfare expenses which stands at 2.90% of total income. As on September 30, 2023 we had 167 permanent employees, across our retail stores, Facilities and registered office. We also engage manpower agencies to provide us with a temporary workforce which as on September 30, 2023 is 663 and 127 contract labours at our Facility 1 (including Distribution Centre, Retail Stores & Office) and Kutch Facilities, respectively.

Finance costs: Finance cost was ₹690.05 Lakhs for the six months period ended September 30, 2023 which comprises interest expenses on loan from bank, other unsecured loans, processing cost and interest on lease liability. Our finance cost is 1.54% of our total income.

Depreciation and amortization expenses: Depreciation and amortization expenses comprises depreciation of tangible assets including our plant and machinery, building, furniture and fixture, vehicles, computer, office equipment and amortization of intangible assets including computer software and others; and depreciation of right-of-use asset. Depreciation for six months period ended September 30, 2023 is ₹484.18 Lakhs which is about 1.08% of the total income.

Other Expenses: Other expenses comprise primarily of advertisement & sales promotion, carriage inward, clearing and forwarding, commission & brokerage, electricity charges, packing expenses, rents, rates & taxes, repairs & maintenance and other expenses. Our Company has incurred ₹3,967.29 Lakhs for the six months period ended September 30, 2023 on other expenses which comprises of 8.88% of the total income.

Profit before exceptional items and tax for the six months period ended September 30, 2023 stood at ₹1315.54 Lakhs which is 2.94% of the total income.

Restated profit after tax:

The profit after tax for the six months period ended September 30, 2023 stood at ₹977.99 Lakhs which is 2.19% of the total income.

Total other comprehensive income for the period, net of taxes:

Our total other comprehensive income for the period, net of taxes, was ₹0.34 Lakhs for six months ended September 30, 2023. This income is on account of remeasurement of defined benefits obligations.

Since the Results are for six months, Comparison with previous fiscal would not reflect actual performance of the Company, Comparison has not been provided.

Financial Year 2023 compared to Financial Year 2022

(₹ in Lakhs)

Particulars	**For the year ended March 31,**		**Change (%)**
	2023	**2022**	
Revenue			
Revenue from operations	1,01,854.78	76,615.91	32.94%
Other income	125.58	567.67	-77.88%
Total Income	**1,01,980.36**	**77,183.58**	**32.13%**
Expenses			
Cost of materials consumed	32,407.46	20,766.85	56.05%
Purchases of Stock-In-trade	55,451.87	43,548.89	27.33%
Changes in inventories of finished goods	(1,839.72)	719.42	-355.72%
Employee benefits expense	2,264.15	1,902.59	19.00%
Finance costs	1,113.45	678.83	64.02%
Depreciation and amortization expenses	985.78	469.69	109.88%
Other expenses	9,372.63	7,568.03	23.85%
Total expenses	**99,755.63**	**75,654.32**	**31.86%**
Profit before exceptional item and tax	**2,224.73**	**1,529.26**	**45.48%**
Exceptional items	--	--	--
Profit Before Tax	**2,224.73**	**1,529.26**	**45.48%**
Current tax	591.18	373.65	58.22%
Earlier year	(1.06)	2.23	-147.59%
Deferred tax	-3.37	16.35	-120.59%
Total tax expenses	**586.75**	**392.23**	**49.59%**
Profit for the year	**1,637.97**	**1,137.03**	**44.06%**

Total Income: Total income increased by 32.13% to ₹1,01,980.36 Lakhs for the Fiscal 2023 from ₹77,183.58 Lakhs for the Fiscal 2022 due to increase in revenue from operations. However, other income has reduced by 77.88% during Fiscal 2023 as compared to in Fiscal 2022.

Revenue from operations: Revenue from operations increased by 32.94% to ₹1,01,854.78 Lakhs for the Fiscal 2023 from ₹76,615.91 Lakhs for the Fiscal 2022, primarily due to an increase in domestic sale from ₹28,669.07 Lakhs for the Fiscal 2022, to ₹34,541.89 Lakhs for the Fiscal 2023 representing an increase of 20.48% and also increase in export sales from ₹46,767.38 Lakhs for the Fiscal 2022 to ₹66,962.58 Lakhs for the Fiscal 2023 representing an increase of 43.18%.

The increase in domestic and export sales are primarily due to increase in revenue from processed sales from ₹18,549.70 Lakhs for the Fiscal 2022 to ₹31,042.15 Lakhs for the Fiscal 2023 representing an increase of 67.35%. The increase in processed sales is primarily attributable to commencement of production at our Unit 1, Unit 2, Unit 3, Unit 4 and F&V Unit of our Agri-cluster which constituted an amount of ₹10,594.12 Lakhs for Fiscal 2023 as against an amount of ₹12.72 Lakhs for Fiscal 2022. Further, retail sales increased from ₹24,971.45 Lakhs for the Fiscal 2022 to ₹26,655.66 Lakhs for the Fiscal 2023, representing an increase of 6.74%. The increase in retail sales is attributable to increase in sale volumes from existing stores and also contribution to revenue from the newly opened 4 (four) stores. The number of stores increased from twenty-eight (28) stores in Fiscal 2022 to thirty-two (32) stores in Fiscal 2023, while we have closed two stores during the Fiscal 2023. New stores opened in the Fiscal 2023, contributed to our revenue from operations by a sum of ₹990.29 Lakhs.

Further, during the Fiscal 2023, we have witnessed an increase in trading sales by 35.59% to ₹43,120.98 Lakhs for the Fiscal 2023 as against ₹31,801.55 Lakhs for the Fiscal 2022. The increase in trading sales is primarily attributable to bulk export sales of 76,084 MT of sugar aggregating to an amount of ₹30,881.27 Lakhs which represented 71.62% of trading sales.

The increase in revenue from sale of products was partially offset by reduction in other operating revenue from ₹1,293.22 Lakhs in Fiscal 2022 to ₹1,035.99 Lakhs in Fiscal 2023 representing a change of 19.89%. The reduction in other operating revenue is attributable to reduction in miscellaneous operating income (majorly includes scrap sales, insurance claim received) from ₹211.20 Lakhs in Fiscal 2022 to ₹32.97 Lakhs in Fiscal 2023 and reduction in export benefits income from ₹939.71 Lakhs in Fiscal 2022 to ₹ 908.81 Lakhs in Fiscal 2023.

Other Income: Other income decreased by 77.88% from ₹567.67 Lakhs in Fiscal 2022 to ₹125.58 Lakhs in Fiscal 2023 primarily due to exchange loss in Fiscal 2023 as against exchange gain of ₹460.61 Lakhs in Fiscal 2022 and also due to NIL income from sale of fixed assets in Fiscal 2023 as against from ₹13.16 Lakhs in Fiscal 2022. This was partially off-set by an increase in interest income from ₹25.86 Lakhs in Fiscal 2022 to ₹28.60 Lakhs in Fiscal 2023 and rent income from ₹3.16 Lakhs in Fiscal 2022 to ₹8.21 Lakhs in Fiscal 2023.

Total expenses: Total expenses increased by 31.86% to ₹99,755.63 Lakhs for the Fiscal 2023 from ₹75,654.32 Lakhs in the Fiscal 2022 primarily due to increases in cost of material consumed, purchase of stock-in trade, employee benefits expenses, finance costs, depreciation and amortization and other expenses.

Cost of Materials Consumed: Cost of materials consumed increased by 56.05% to ₹32,407.46 Lakhs in Fiscal 2023 from ₹20,766.85 Lakhs in Fiscal 2022, primarily due to higher volumes of products manufactured corresponding to higher sales and also on account of marginal increase in commodity prices. Cost of materials consumed comprises of purchase of raw materials and changes in opening and closing inventories of raw materials

Purchases of Stock-In-Trade: Purchases of stock-in-trade increased by 27.33% to ₹55,451.87 Lakhs in Fiscal 2023 from ₹43,548.89 Lakhs in Fiscal 2022, primarily due to higher volumes of retail sales and trading sales during the period under consideration. The increase is primarily attributable to sugar purchased in bulk (76,543.30 Mt.) representing an amount of ₹27,180.18 Lakhs during Fiscal 2023 as against purchase of 65,199.00 Mt. representing an amount of ₹20,204.51 Lakhs during Fiscal 2022.

Change in inventories of finished goods: Changes in inventories of finished goods increased to ₹1,839.72 Lakhs during Fiscal 2023 as compared to reduction of by ₹719.42 Lakhs in Fiscal 2022. In relation to inventories of finished goods, we had an opening stock of ₹5,352.15 Lakhs and a closing stock of ₹7,191.86 Lakhs for the Fiscal 2023, and an opening stock of ₹6,071.57 Lakhs and a closing stock of ₹5,352.15 Lakhs for the Fiscal 2022. The higher closing inventories for Fiscal 2023 can be attributed to higher production during the period mainly due to commencement of operations of the Agri-cluster. The closing inventory for Fiscal 2023 is twenty-seven (27) days of revenue from operations which is line with our normal inventory level.

Employee Benefits Expense: Our employee benefits expense increased by 19.00% from ₹1,902.59 Lakhs in Fiscal 2022 to ₹2,264.15 Lakhs in Fiscal 2023, due to an increase in basic salary, wages and allowances to ₹2,124.66 Lakhs in the Fiscal 2023 from ₹1,788.89 Lakhs for the Fiscal 2022. While there was a decrease in the number of overall employee counts during the Fiscal 2023, the increase in basic salary, wages and allowances is mainly attributable to annual increments in employee salaries, wages and bonus paid during the Fiscal 2023 including, the increase in salary payable to our Directors, KMPs and SMPs. Further, increase in salary also contributed towards increase in contribution towards provident fund and other funds from ₹31.80 Lakhs in Fiscal 2022 to ₹36.69 Lakhs in Fiscal 2023 and also increase in staff welfare expenses from ₹81.90 Lakhs in Fiscal 2022 to ₹102.81 Lakhs in Fiscal 2023.

Finance Costs: Our finance costs increased by 64.02% from ₹678.83 Lakhs in Fiscal 2022 to ₹1,113.45 Lakhs in Fiscal 2023, primarily due to an increase in interest on loan from bank by ₹419.81 Lakhs which is attributable to an increase in working capital loan from bank from ₹12,854.14 Lakhs in Fiscal 2022 to ₹14,406.41 Lakhs in Fiscal 2023. Further, interest on loan from directors increased from ₹248.77 Lakhs in Fiscal 2022 to ₹287.44 Lakhs in Fiscal 2023 due to an increase in loan from directors by ₹298.19 Lakhs in Fiscal 2023.

Depreciation and Amortization Expense: Our depreciation and amortization expense increased by 109.88% from ₹469.69 Lakhs in Fiscal 2022 to ₹985.78 Lakhs in Fiscal 2023, primarily due to increase in fixed assets on account of commencement of production in the units of Agri-cluster / Facility 3.

Other expenses: Other expenses increased by 23.85% from ₹7,568.03 Lakhs in Fiscal 2022 to ₹9,372.63 Lakhs in Fiscal 2023, generally in line with the increase in our revenue from operations. The increase in other expenses was primarily due to (i) carriage inward charges to ₹855.21 Lakhs for the Fiscal 2023 from ₹394.74 Lakhs for the Fiscal 2022, which was mainly attributable to increase in purchase of raw material and traded goods; (ii) clearing and forwarding charges to ₹4,021.93 Lakhs for the Fiscal 2023 from ₹3,957.01 Lakhs for the Fiscal 2022, which was mainly attributable to increase in export sales; (iii) commission & brokerage expenses to ₹386.66 Lakhs for the Fiscal 2023 from ₹311.79 Lakhs for the Fiscal 2022, which was mainly attributable to increase in export sales; (iv) electricity charges to ₹550.65 Lakhs for the Fiscal 2023 from ₹312.84 Lakhs for the Fiscal 2022, which was mainly attributable to an increase in electricity and fuel costs on account of commencement of production in Agri-cluster; (iv) Forex exchange fluctuation loss to ₹328.62 Lakhs for the Fiscal 2023 from ₹NIL Lakhs for the Fiscal 2022; (v) Legal and professional expense to ₹187.06 Lakhs for the Fiscal 2023 from ₹152.83 Lakhs for the Fiscal 2022; (vi) Packaging expense to ₹651.46 Lakhs for the Fiscal 2023 from ₹387.22 Lakhs for the Fiscal 2022 primarily due to increase in sales; (vii) rents, rates and taxes to ₹601.83 Lakhs for the Fiscal 2023 from ₹572.63 Lakhs for the Fiscal 2022 primarily due increase in number of stores; (viii) repairs and maintenance to ₹323.34 Lakhs for the Fiscal 2023 from ₹202.23 Lakhs for the Fiscal 2022, which was mainly attributable to higher machinery maintenances on account of increased production activities and reconditioning; (v) Travel & conveyance expenses to ₹247.30 Lakhs for the Fiscal 2023 from ₹142.01 Lakhs for the Fiscal 2022, which was mainly attributable to increase in marketing and sales activities; (vi) Advertisement & Sales Promotion Expenses to ₹154.77 Lakhs for the Fiscal 2023 from ₹129.10 Lakhs for the Fiscal 2022, which was mainly attributable to increase in marketing and sales activities.

Profit before exceptional items and tax increased by 45.48% to ₹2224.73 Lakhs in Fiscal 2023 from ₹1529.26 Lakhs in Fiscal 2022 as total expense to total income reduced to 97.82% in Fiscal 2023 as against 98.02% during Fiscal 2022.

Profit before tax: As a result of the foregoing, we recorded an increase of 45.48% in our profit before tax, which amounted to ₹2224.73 Lakhs in Fiscal 2023 as compared to ₹1529.26 Lakhs in Fiscal 2022.

Tax expenses: Our tax expenses (current, earlier year and deferred) increased by 49.59% from ₹392.23 Lakhs in Fiscal 2022 to ₹586.75 Lakhs in Fiscal 2023. Our effective tax rate in Fiscal 2023 and Fiscal 2022 was 26.37% and 25.65%, respectively.

Restated Profit for the period: As a result of the foregoing, we recorded an increase of 44.06% in our profit for the Fiscal 2023 from ₹1137.03 Lakhs in Fiscal 2022 to ₹1637.97 Lakhs in Fiscal 2023.

Financial Year 2022 compared to Financial Year 2021

(₹ in Lakhs)

Particulars	For the year ended March 31,		Change (%)
	2022	2021	
Revenue			
Revenue from operations	76,615.91	82,337.46	-6.95%
Other income	567.67	437.88	29.64%
Total Income	**77,183.58**	**82,775.34**	**-6.76%**
Expenses			
Cost of materials consumed	20,766.85	27,573.69	-24.69%
Purchases of Stock-In-trade	43,548.89	44,251.39	-1.59%
Changes in inventories of finished goods	719.42	(800.90)	-189.83%
Employee benefits expenses	1,902.59	1,780.29	6.87%
Finance costs	678.83	757.66	-10.40%
Depreciation and amortization expenses	469.69	460.92	1.90%
Other expenses	7,568.03	7,197.18	5.15%
Total expenses	**75,654.32**	**81,220.23**	**-6.85%**
Profit before tax and exceptional items	**1,529.26**	**1,555.11**	**-1.66%**
Exceptional Items	--	--	--
Profit Before Tax	**1,529.26**	**1,555.11**	**-1.66%**
			Tax expenses:
Current tax	373.65	406.28	-8.03%
Earlier year	2.23	0.84	164.57%
Deferred tax	16.35	-1.76	-1027.84%
Total tax expenses	**392.23**	**405.37**	**-3.24%**
Profit for the year	**1,137.03**	**1,149.74**	**-1.11%**

Total Income: Total income decreased by 6.76% to ₹77183.58 Lakhs for the Fiscal 2022 from ₹82775.34 Lakhs for the Fiscal 2021 due to decrease in revenue from operations. However, other income has increased by 29.64% during Fiscal 2022 as compared to in Fiscal 2021.

Revenue from operations: Revenue from operations decreased by 6.95% to ₹76615.91 Lakhs for the Fiscal 2022 from ₹82337.46 Lakhs for the Fiscal 2021, primarily due to decrease in export sale from ₹53472.70 Lakhs for the Fiscal 2021 to ₹46767.38 Lakhs for the Fiscal 2022 representing a decrease of 12.54%. However, the decrease in export sales were partially off-set against increase in domestic sales from ₹28,017.10 Lakhs for the Fiscal 2021 to ₹28,669.07 Lakhs for the Fiscal 2022 representing an increase of 2.33%.

The decrease in revenue from operations are primarily due to decrease in revenue from processed sales from ₹23941.78 Lakhs for the Fiscal 2021 to ₹18549.70 Lakhs for the Fiscal 2022 representing a decrease of 22.52% which is attributable to reduction in export sales of branded export and unbranded export by ₹5219.79 lakhs. Further, during the Fiscal 2022 we have witnessed a decrease in trading sales by 5.13% to ₹ 31801.55 Lakhs for the Fiscal 2022 as against ₹33522.29 Lakhs for the Fiscal 2021. The reduction in export sales is due to limitation in availability of freight containers during the initial period of Fiscal 2022 on account of Covid-19 Pandemic. The reduction in sales was partially off-set by increase in retail sales from ₹23659.43 Lakhs for the Fiscal 2021 to ₹24971.45 Lakhs for the Fiscal 2022 representing an increase of 5.55%. The increase in retail sales is attributable to increase in in sale volumes of existing stores and from the newly opened stores. The number of stores increased from 27 stores in Fiscal 2021 to 28 stores in Fiscal 2022. Increase in sales volume is reflected by way of an increase in our average revenue per store from ₹876.28 Lakhs in Fiscal 2021 to ₹891.84 Lakhs in Fiscal 2022 with an increase in the number of bill cuts from 26.29 lakhs during the Fiscal 2021 to 28.53 lakhs during the Fiscal 2022.

Further, other operating revenue increased from ₹ 1213.95 Lakhs in Fiscal 2021 to ₹1293.22 Lakhs in Fiscal 2022 which also contributed to our increase in revenue from operations. Increase in other operating revenue is primarily attributable to increase in revenue from export benefits from ₹ 327.99 Lakhs in Fiscal 2021 to ₹939.71 Lakhs in Fiscal 2022 and display/listing income increased from ₹53.67 Lakhs in Fiscal 2021 to ₹103.63 Lakhs in Fiscal 2022 and also due to increase in miscellaneous operating income from ₹138.90 Lakhs in Fiscal 2021 to ₹211.20 Lakhs in Fiscal 2022.

Other Income: Other income increased by 29.64% from ₹437.88 Lakhs in Fiscal 2021 to ₹567.67 Lakhs in Fiscal 2022 primarily due to exchange gain of ₹ 460.61 Lakhs in Fiscal 2022 as against ₹ 346.04 Lakhs in Fiscal 2021, increase in interest income from ₹ 18.05 Lakhs in Fiscal 2021 to ₹25.86 Lakhs in Fiscal 2022; and also due to income from sale of fixed assets in Fiscal 2022 of ₹ 13.16 Lakhs as against ₹ NIL in Fiscal 2021.

Total expenses: Total expenses decreased by 6.85% to ₹ 75654.32 Lakhs for the Fiscal 2022 from ₹81220.23 Lakhs in the Fiscal 2021 primarily due to decreases in cost of material consumed, purchase of stock in trade and finance costs.

Cost of Materials Consumed: Cost of materials consumed decreased by 24.69% to ₹20766.85 Lakhs in Fiscal 2022 from ₹27573.69 Lakhs in Fiscal 2021, primarily due to reduction in processed sales.

Purchases of Stock-In-Trade: Purchases of Stock-In-Trade reduced marginally by 1.59% to ₹43548.89 Lakhs in Fiscal 2022 from ₹44251.39 Lakhs in Fiscal 2021, primarily due to reduction in trading sales, which was off-set partially by an increase in retail sales.

Change in inventories of finished goods: Changes in inventories of finished goods decreased to ₹719.42 Lakhs in the Fiscal 2022 as compared to increase by ₹800.90 Lakhs in Fiscal 2021. In relation to inventories of finished goods, we had an opening stock of ₹ 6071.57 Lakhs and a closing stock of ₹5352.15 Lakhs for the Fiscal 2022, and an opening stock of ₹5270.66 Lakhs and a closing stock of ₹6071.57 Lakhs for the Fiscal 2021. The lower closing inventories for Fiscal 2022 can be attributed to reduction in level of processed sale & trading sales. The closing inventory for Fiscal 2022 is 26 days of revenue from operations which is line with our normal inventory level.

Employee Benefits Expense: Our employee benefits expense increased by 6.87% from ₹1780.29 Lakhs in Fiscal 2021 to ₹1902.59 Lakhs in Fiscal 2022, due to an increase in basic salary, wages & allowances to ₹1788.90 Lakhs in the Fiscal 2022 from ₹1687.59 Lakhs for the Fiscal 2021. The increase in basic salary, wages & allowances is mainly attributable to an increase in our permanent and temporary employee head count to 1002 employees in Fiscal 2022 from 788 employees in Fiscal 2021. Further, increase in head count also contributed towards increase in contribution towards PF & other funds from ₹ 19.47 Lakhs in Fiscal 2021 to ₹31.80 Lakhs in Fiscal 2022 and also increase in staff welfare expenses from ₹73.23 Lakhs in Fiscal 2022 to ₹81.90 Lakhs in Fiscal 2021.

Finance Costs: Our finance costs decreased by 10.40% from ₹ 757.66 Lakhs in Fiscal 2021 to ₹678.83 Lakhs in Fiscal 2022, primarily due to decrease in interest on loan from directors from ₹ 331.68 Lakhs in Fiscal 2021 to ₹248.77 Lakhs in Fiscal 2022 and decrease in interest on bank loan from ₹ 404.10 Lakhs in Fiscal 2021 to ₹383.20 Lakhs in Fiscal 2022. The decrease in interest is attributable to reduction in long term borrowings from ₹3788.11 Lakhs in Fiscal 2021 to ₹3693.94 Lakhs in Fiscal 2022 and reduction in short-term borrowing from ₹13848.88 Lakhs in Fiscal 2021 to ₹ 13396.51 Lakhs in Fiscal 2022. The reduction in interest expense is partly off-set by higher loan processing fees during the year from ₹ 21.89 Lakhs in Fiscal 2021 to ₹44.37 Lakhs in Fiscal 2022. The higher loan processing fees is attributable to additional bank borrowings availed by the company during the Fiscal 2022. Further, interest expense on lease liability increased from ₹ NIL Lakhs in Fiscal 2021 to ₹2.49 Lakhs in Fiscal 2022. The increase in interest expense on lease liability is attributable to adoption of IND-AS.

Depreciation and Amortization Expense: Our depreciation and amortization expense increased marginally by 1.90% from ₹460.92 Lakhs in Fiscal 2021 to ₹469.69 Lakhs in Fiscal 2022, primarily due to increase in fixed assets on account of capitalization of Unit 1 & Unit 2 of Facility 3.

Other expenses: Other expenses increased by 5.15% from ₹7197.18 Lakhs in Fiscal 2021 to ₹7568.03 Lakhs in

Fiscal 2022, generally in line with our revenue from operations. The increase in other expenses was primarily due to (i) clearing & forwarding charges to ₹3957.01 Lakhs for the Fiscal 2022 from ₹3413.80 Lakhs for the Fiscal 2021, which was mainly attributable to increase in freight and other cost; (ii) advertisement & sales promotion expenses increased to ₹129.10 Lakhs for the Fiscal 2022 from ₹94.40 Lakhs for the Fiscal 2021, which was mainly attributable to increase in retail sales; (iii) miscellaneous expenses to ₹138.57 Lakhs for the Fiscal 2022 from ₹102.76 Lakhs for the Fiscal 2021; (iv) Rents, rates & taxes to ₹572.63 Lakhs for the Fiscal 2022 from ₹523.61 Lakhs for the Fiscal 2021; (v) stamp charges to ₹44.93 Lakhs for the Fiscal 2022 from ₹4.95 Lakhs for the Fiscal 2021 due to stamp duty cost on mortgage of property; (vi) Travel & conveyance expense to ₹142.01 Lakhs for the Fiscal 2022 from ₹125.57 Lakhs for the Fiscal 2021.

Profit before exceptional items and tax decreased by 1.66% to ₹1529.26 Lakhs in Fiscal 2022 from ₹1555.11 Lakhs in Fiscal 2021 as total expense to total income reduced to 98.02% in Fiscal 2022 as against 98.12% during Fiscal 2021.

Profit before tax: As a result of the foregoing, we recorded a marginal decrease of 1.66% in our profit before tax, which amounted to ₹1529.26 Lakhs in Fiscal 2022, as compared to ₹1555.11 Lakhs in Fiscal 2021.

Tax expenses: Our tax expenses (current, earlier year and deferred) decreased marginally by 3.24% from ₹405.37 Lakhs in Fiscal 2021 to ₹392.23 Lakhs in Fiscal 2022. Our effective tax rate in Fiscal 2022 and Fiscal 2021 was 25.65% and 26.07%, respectively.

Restated Profit for the period: As a result of the foregoing, we recorded a marginal decrease of 1.11% in our profit for the Fiscal 2022 from ₹1149.74 Lakhs in Fiscal 2021 to ₹1137.03 Lakhs in Fiscal 2022.

Liquidity and Capital Resources

Capital Requirements

Our primary sources of liquidity include cash generated from operations and from borrowings, both short-term and long-term, including cash credit, term and working capital facilities and unsecured loan from directors. As of September 30, 2023, we had cash and cash equivalents and other bank balances of ₹502.46 Lakhs.

Our financing requirements are primarily for working capital and investments in our business such as capital expenditures to upgrade and increase the capacities of our Manufacturing Facilities. We expect that cash flow from operations and borrowings will continue to be our principal sources of funds in the long-term. We evaluate our funding requirements periodically in light of our net cash flow from operating activities, the requirements of our business and operations, acquisition opportunities and market conditions.

Our net working capital days (which represents working capital divided by revenue from operations for the relevant year multiplied by 365 days) was 61 days, 62 days and 67 days for the Fiscal 2023, 2022 and 2021 and 67 days for the six months ended September 30, 2023, respectively. The increase in our net working capital days between the Fiscal 2023 and the six months ended September 30, 2023 was primarily due to increases in our inventories and reduction in trade payables and provision for current tax liabilities. The increase in working capital would reach normalcy by end of the fiscal.

Cash Flows

The following table summarizes our cash flows for the six months period ended September 30, 2023, Fiscal 2023, Fiscal 2022 and Fiscal 2021:

(₹ in Lakhs)

Particulars	For the six months period ended September 30, 2023	For the year ended March 31, 2023	2022	2021
Net Cash generated from Operating Activities	3179.36	(556.18)	3400.71	(3925.84)
Net Cash (Used in) Investing Activities	(346.50)	(488.46)	(1,619.45)	(1307.60)
Net Cash from/(Used in) Financing Activities	(2,661.25)	(3.98)	(1,234.44)	5674.70
Net Increase / (Decrease) in Cash and	171.61	(1048.62)	546.82	441.25

Particulars	For the six months period ended September 30, 2023	For the year ended March 31,		
		2023	2022	2021
Cash Equivalents				
Cash and Cash Equivalents at the beginning of the year	330.85	1,379.47	832.65	391.40
Cash and Cash Equivalents at the end of the year	502.46	330.85	1,379.47	832.65

Cash flows generated from operating activities

We generated ₹3179.36 Lakhs net cash from operating activities during the six months period ended September 30, 2023. While our net profit before tax was ₹1315.54 Lakhs, we had an operating profit before working capital changes of ₹2478.85 Lakhs, primarily due to adjustments for depreciation and amortization expenses of ₹484.18 Lakhs and interest expenses of ₹690.05 Lakhs, which were partially offset by unwinding of discount of security deposit of ₹10.05 Lakhs and dividend and interest income ₹1.34 Lakhs, respectively. Our adjustments for working capital changes for the six months period ended September 30, 2023 primarily consisted of decrease in trade receivables of ₹2629.51 Lakhs, decrease in trade payables of ₹1108.70 Lakhs, increase in inventories by ₹1907.37 Lakhs and decrease in current assets by ₹1860.43 Lakhs. Our cash generated from operating activities was ₹3650.66 Lakhs, adjusted by tax paid of ₹471.30 Lakhs.

We generated ₹(556.18) Lakhs net cash from operating activities during Fiscal 2023. While our net profit before tax was ₹2224.73 Lakhs, we had an operating profit before working capital changes of ₹4215.62 Lakhs, primarily due to adjustments for depreciation and amortization expenses of ₹985.78 Lakhs and finance cost of ₹1113.45 Lakhs, which were partially offset by provision for expected credit loss reversed ₹84.00 Lakhs, unwinding of discount on security deposit ₹16.89 Lakhs, dividend and interest income of ₹11.99 Lakhs. Our adjustments for working capital changes for Fiscal 2023 primarily consisted of increase in trade receivables of ₹1908.07 Lakhs and increase in inventories of ₹2220.02 Lakhs, increase in trade payable by ₹1119.82 Lakhs, increase in other financial assets of ₹276.24 Lakhs, increase in other non-current assets of ₹206.15 Lakhs, decrease in other current assets of ₹427.69 Lakhs and decrease in other current liabilities of ₹1238.15 Lakhs. Our cash generated from operating activities was ₹(119.41) Lakhs, adjusted by tax paid of ₹436.77 Lakhs.

We generated ₹3400.71 Lakhs net cash from operating activities during Fiscal 2022. While our net profit before tax was ₹1529.26 Lakhs, we had an operating profit before working capital changes of ₹2571.65 Lakhs, primarily due to adjustments for depreciation and amortization expenses of ₹469.69 Lakhs and finance cost of ₹678.83 Lakhs, which were partially offset by provision for expected credit loss reversed ₹63.00 Lakhs, unwinding of discount on security deposit ₹12.44 Lakhs, dividend and interest income of ₹13.77 Lakhs, and loss on disposal of property of ₹13.16 Lakhs. Our adjustments for working capital changes for Fiscal 2022 primarily consisted of decrease in trade receivables of ₹489.62 Lakhs, decrease in inventories of ₹666.13 Lakhs, increase in trade payable by ₹855.19 Lakhs and increase in other financial assets of ₹9.30 Lakhs, increase in other non-current assets of ₹374.66 Lakhs, increase in other current assets of ₹1661.61 Lakhs and increase in other current liabilities of ₹1229.09 Lakhs. Our cash generated from operating activities was ₹3773.80 Lakhs, adjusted by tax paid of ₹373.09 Lakhs.

We generated ₹(3925.84) Lakhs net cash from operating activities during Fiscal 2021. While our net profit before tax was ₹1555.11 Lakhs, we had an operating profit before working capital changes of ₹2697.49 Lakhs, primarily due to adjustments for depreciation and amortization expenses of ₹460.92 Lakhs and finance cost of ₹757.66 Lakhs, which were partially offset by provision for expected credit loss reversed ₹63.00 Lakhs, unwinding of discount on security deposit ₹8.81 Lakhs and dividend and interest income of ₹4.39 Lakhs. Our adjustments for working capital changes for Fiscal 2022 primarily consisted of increase in trade receivables of ₹3836.54 Lakhs, increase in inventories of ₹807.93 Lakhs, increase in trade payable by ₹571.39 Lakhs and increase in other financial assets of ₹173.85 Lakhs, increase in other non-current assets of ₹379.70 Lakhs, increase in other current assets of ₹970.78 Lakhs and increase in other current liabilities of ₹27.16 Lakhs. Our cash generated from operating activities was ₹(3354.04) Lakhs, adjusted by tax paid of ₹571.81 Lakhs.

Cash flows used in investing activities

Net cash used in investing activities was ₹(346.50) Lakhs in the six months period ended September 30, 2023, primarily on account of purchase of property, plant and equipment, capital advance, proceeds from sale of property, plant and equipment and interest received.

Net cash used in investing activities was ₹(488.46) Lakhs in Fiscal 2023, primarily on account of purchase of property, plant and equipment, capital advance, proceeds from sale of property, plant and equipment, dividend received and interest received.

Net cash used in investing activities was ₹(1619.45) Lakhs in Fiscal 2022, primarily on account of purchase of property, plant and equipment, proceeds from sale of property, plant and equipment, dividend received and interest received.

Net cash used in investing activities was ₹(1307.60) Lakhs in Fiscal 2021, primarily on account of purchase of property, plant and equipment, proceeds from sale of property, plant and equipment, dividend received and interest received.

Cash flows generated from / (used in) financing activities

Net cash used in financing activities in the six months period ended September 30, 2023 amounted to ₹(2661.25) Lakhs, which primarily consisted of fresh and increased borrowing, decrease in long term borrowing, finance lease payment and interest paid.

Net cash generated from financing activities in Fiscal 2023 amounted to ₹(3.98) Lakhs, which primarily consisted of fresh and increased borrowing, decrease in long term borrowing, finance lease payment and interest paid.

Net cash generated from financing activities in Fiscal 2022 amounted to ₹(1234.44) Lakhs, which primarily consisted of fresh and increased borrowing, decrease in long term borrowing, finance lease payment and interest paid.

Net cash generated from financing activities in Fiscal 2021 amounted to ₹5674.70 Lakhs, which primarily consisted of fresh and increased borrowing, proceeds from issue of shares, decrease in long term borrowing and interest paid.

Capital Expenditure

Capital expenditures consist primarily of investments in new manufacturing facilities and equipment. We also make investments at our manufacturing facilities to improve our manufacturing capacity, upgradation and improvements. Capital expenditure will vary from year to year depending upon a number of factors, including the need to replace and update equipment. In the six months period ended September 30, 2023, Fiscal 2023, Fiscal 2022 and Fiscal 2021, we incurred capital expenditure of ₹344.86 Lakhs, ₹873.32 Lakhs, ₹1659.01 Lakhs and ₹1312.00 Lakhs, respectively. A significant amount of our capital expenditure was incurred towards setting up of or Agri-cluster facility.

Financial indebtedness

As of September 30, 2023, our total borrowings (current and non-current) were ₹16339.35 Lakhs, which primarily consisted of term loans from banks, working capital loans and overdraft facility. For further details related to our indebtedness, see ***"Financial Indebtedness"*** on page 411 of this Draft Red Herring Prospectus.

Capital and Other Commitments

As of September 30, 2023, the estimated amounts of contract remaining to be executed on capital account and not provided for was ₹NIL.

The following table sets forth a summary of the maturity profile of our contractual undiscounted cash obligations with definitive payment terms as of September 30, 2023.

Particulars	Total	Payment due by period	
		Less than one year	More than one year
		(₹ in Lakhs)	
Borrowings	16,339.35	12,597.23	3,742.12
Lease Liabilities	74.38	57.55	16.83
Trade Payables	3,173.37	3,103.60	69.77
Other financial liabilities	293.14	268.65	24.49
Total	**19,880.24**	**16,027.03**	**3,853.21**

Contingent Liabilities

Contingent liabilities, to the extent not provided for, as of September 30, 2023, March 31, 2023, 2022 and 2021, as determined in accordance with Ind AS 37, are described below.

Particulars	Period ended September 30, 2023
A) Disputed Tax Liability	
(i) Income Tax Liability	1,609.45
(ii) GST Liability	-
(iii) EPCG Liability	-
B) Bank Guarantee issued by bank to vendors/suppliers on behalf of the company	50.12

Off-Balance Sheet Commitments and Arrangements

We do not have any off-balance sheet arrangements, derivative instruments swap transactions or relationships with affiliates or other unconsolidated entities or financial partnerships that would have been established for the purpose of facilitating off-balance sheet arrangement.

Quantitative and Qualitative Analysis of Market Risks

We are exposed to various types of market risks during the normal course of business. The market risks we are exposed to include credit risk, liquidity risk, interest rate risk, commodity price risk and foreign currency risk.

Credit risk

Credit risk is the risk that the counter party will not meet its obligation under a financial instrument or customer contract, leading to a financial loss. We are exposed to credit risk from our operating activities, primarily from trade receivables, and from our financing activities, including deposits with banks, foreign exchange transactions and other financial instruments.

We manage our credit risk through credit approvals, establishing credit limits and continuously monitoring the creditworthiness of customers to which we grant credit terms in the normal course of business. We establish an allowance for doubtful debts and impairment that represents our estimate of incurred losses in respect of trade and other receivables and investments. Moreover, given the diverse nature of our business, trade receivables are spread over a number of customers with no significant concentration of credit risk.

In addition, we hold bank balances with reputed and creditworthy banking institutions within the approved exposures limit of each bank. None of our cash equivalents, including time deposits with banks, are past due or impaired. Credit risk from balances with banks and financial institutions is managed by our treasury department in accordance with our policy. Investments of surplus funds are made in bank deposits and other risk-free securities. The limits are set to minimize the concentration of risks and therefore mitigate financial loss through counterparty's potential failure to make payments.

Liquidity risk

Liquidity risk is defined as the risk that we will not be able to settle or meet our obligations on time or at reasonable price. Our objective is to at all times maintain optimum levels of liquidity to meet our cash and liquidity requirements. We closely monitor our liquidity position and deploy a robust cash management system. We maintain adequate sources of financing through the use of short term bank deposits and cash credit facilities. Processes and policies related to such risks are overseen by senior management, who monitor our liquidity position through rolling forecasts on the basis of expected cash flows.

Interest rate risk

Interest rate is the risk that the fair value or future cash flows of a financial instrument will fluctuate because of changes in market interest rates. We are exposed to market risk with respect to changes in interest rates related to our borrowings. Interest rate risk exists with respect to our indebtedness that bears interest at floating rates tied to certain benchmark rates as well as borrowings where the interest rate is reset based on changes in interest rates set by RBI. Interest rates are highly sensitive to many factors beyond our control, including the monetary policies of the RBI, domestic and international economic and political conditions, inflation and other factors. Upward fluctuations in interest rates increase the cost of servicing existing and new debts, which adversely affects our results of operations and cash flows. As a part of our interest rate risk management policy, our treasury department closely tracks interest rate movements on a regular basis and determines investments of surplus funds.

Commodity price risk

Exposure to market risk with respect to commodity prices primarily arises from our purchases and sales of our raw materials. These are commodity products and also subject to various uncertainties including climate change, rainfall, the prices of which may fluctuate significantly over short periods of time. The prices of our raw materials generally fluctuate in line. Commodity price risk exposure is evaluated and managed through operating procedures, sourcing policies and also increasing the selling price. As of March 31, 2021, March 31, 2022, March 31, 2023 and September 30, 2023 we had not entered into any material derivative contracts to hedge exposure to fluctuations in commodity prices.

Foreign currency risk

Foreign currency risk is the risk that the fair value or future cash flows of a financial instrument will fluctuate because of changes in foreign exchange rates. Our exposure to the risk of changes in foreign exchange rates relates primarily to our operating activities (when revenue or expense is denominated in a foreign currency). Foreign currency exchange rate exposure is partly balanced by purchasing of goods from the respective countries. We evaluate our exchange rate exposure arising from foreign currency transactions and follow established risk management policies.

Unusual or Infrequent Events or Transactions

Except as disclosed in this Draft Red Herring Prospectus, to our knowledge, there have been no unusual or infrequent events or transactions that have in the past or may in the future affect our business operations or future financial performance.

Known Trends or Uncertainties

Our business has been subject, and we expect it to continue to be subject, to the trends identified above in "***Significant Accounting Policies***" and the uncertainties described in "***Risk Factors -The occurrence of natural or man-made disasters, fires, epidemics, pandemics, acts of war, terrorist attacks, civil unrest and other events could materially and adversely affect the financial markets and our business***", on page 75. Except as disclosed in this Draft Red Herring Prospectus, there are no known trends or uncertainties that have or had or are expected to have a material adverse impact on revenues or income of our Company from continuing operations.

Significant Economic Changes

Our business has been subject, and we expect it to continue to be subject, to significant economic changes that materially affect or are likely to affect income from continuing operations. Please see "***Risk Factors***" and "***Significant Accounting Policies***" on pages 35 and 383 of this Draft Red Herring Prospectus respectively.

Future Relationship between Cost and Revenue

Other than as described in *"**Risk Factors**"*, *"**Our Business**"* and above in *"**Significant Accounting Policies**"* on pages 35, 251 and 383, respectively, to our knowledge, there are no known factors that may adversely affect our business prospects, results of operations and financial condition.

New Products or Business Segments

Except as disclosed in this Draft Red Herring Prospectus, including as described in ***"Our Business"*** on page 251, of this Draft Red Herring Prospectus there are no new products or business segments that have or are expected to have a material impact on our business prospects, results of operations or financial condition.

Supplier or Customer Concentration

We have a wide customer base and have served around five hundred (500) customers for the six months period ended September 30, 2023. However, our top two (2) customers contributed around 10.51% of our revenue from operations. We do not have any material dependence on a single or few suppliers. We procure our key raw materials from various parts of the country and process our products with utmost care without the use of artificial preservatives or chemicals, thereby creating a product portfolio of spices, peanut, flour, pulses, staples & groceries and mango pulp, which carry the freshness and goodness of each ingredient. We believe our unique business model has helped us to penetrate the niche segment of our market and establish a customer base in India and overseas. Systematic procurement of raw material in their respected seasons helps us to provide linear quality of our products for the whole year. We also source our raw materials directly from farmers, to ensure that we use absolutely natural ingredients in our products and also through traders and APMC markets. We source our raw materials from across the country to ensure that the products we manufacture have an authentic taste without artificially disturbing the natural taste of the spices or other food products. For instance, we source chillies from the APMC market of Guntur, Warangal, Gondal and our wheat flour is made from wheat grains which are sourced from Dahod, Rajkot, Gondal, Nimbahera, Jaipur and also sourced directly from Food Corporation of India (FCI) and the pulses / dal are sourced from Jalgaon, Rajkot and Dhanduka.

Competitive Conditions

We operate in a highly competitive industry and we expect competition from existing and new competitors to intensify. For details, please refer to the discussions of our competition in the sections ***"Risk Factors"***, ***"Industry Overview"*** and***"Our Business"*** on pages 35, 150 and 251 of this Draft Red Herring Prospectus.

Seasonality

We typically experience higher sales during the second half of the Financial Year as compared to the first half of the Financial Year due to change in the climatic conditions prevailing in India. Please see *"**Risk Factors- Our operations are dependent on the supply of large amounts of raw material such as wheat, spices and peanuts. We do not have long term agreements with suppliers for our raw materials and any increase in the cost of, or a shortfall in the availability of, such raw materials could have an adverse effect on our business and results of operations, and seasonable variations could also result in fluctuations in our results of operations"** on page 63.*

Change in Accounting Policies

There have been no material changes in our accounting policies for the six months period ended September 30, 2023 and for the Fiscal 2023, 2022 and Fiscal 2021.

Significant Developments Occurring after September 30, 2023

Except as disclosed in this Draft Red Herring Prospectus, there are no circumstances that have arisen since September 30, 2023, the date of the last financial statements included in this Draft Red Herring Prospectus, which materially and adversely affect or is likely to affect our operations or profitability, or the value of our assets or our ability to pay our material liabilities within the next twelve months.

Recent Accounting Pronouncements

As of the date of this Draft Red Herring Prospectus, there are no recent accounting pronouncements, which would have a material effect on our financial condition or results of operations.

CAPITALISATION STATEMENT

The following table sets forth our Company's capitalization as at September 30, 2023, as derived from our Restated Financial Statement. This table should be read in conjunction with the sections titled ***"Risk Factors", "Summary of Financial Information" and "Management's Discussion and Analysis of Financial Condition and Results of Operations"*** on pages 35, 85 and 378 respectively.

(₹ in Lakhs)

Particulars	Pre-Offer as at September 30, 2023	As Adjusted for the Proposed Offer*
Borrowings		
Current Borrowing[#] (A)	12,597.23	**[●]**
Non-Current Borrowing (including current maturity[#](B)	3,742.12	**[●]**
Total Borrowings (C)	**16,339.35**	**[●]**
Equity		
Equity Share Capital[#**]	2,438.25	**[●]**
Other Equity[#]	5,727.00	**[●]**
Total Equity (D)	**8,165.25**	**[●]**
Non-Current Borrowing/Total Equity (B/D)	**0.49**	**[●]**
Total Borrowings/ Total Equity (C/D)	**2.00**	**[●]**

***** *The corresponding post-Offer capitalization data is not determinable at this stage pending the completion of the Book Building process and hence have not been furnished. To be updated upon finalization of the Offer price.*

[#] *These terms shall carry the meaning as per Schedule III of the Companies Act, 2013.*

*** The Company has issued bonus equity shares in the ratio of 54:10 vide Shareholders resolution dated December 30, 2023.*

Notes:

1. The amounts disclosed above are derived from the Restated Financial Information.
2. Non-current borrowings include current maturities of long-term borrowings.
3. Other Equity includes Securities Premium and Other Comprehensive Income.

FINANCIAL INDEBTEDNESS

Our Company has availed certain loans and borrowing facilities in the ordinary course of business purposes for meeting working capital and other business requirements.

Pursuant to the Articles of Association, the applicable provisions of the Companies Act, and pursuant to a resolution passed by our Shareholders at the AGM of our Company held on September 30, 2023, our Board has been authorised to borrow from time to time, any sum or sums of monies, where the monies to be borrowed, together with the monies already borrowed by our Company (apart from temporary loans obtained from the Company's bankers in the ordinary course of business) may exceed the aggregate of our paid-up share capital, free reserves and securities premium, provided that the total outstanding amount so borrowed shall not, exceed the limit of ₹35,000.00 Lakhs. For details of borrowing powers of our Board, please see *"**Our Management- Borrowing Powers of our Board**"* on page 353.

In relation to the Offer, we have obtained the necessary consents required under the relevant financing documentation for undertaking activities in relation to the Offer, including dilution of the current shareholding of the Promoter and members of the promoter group, effecting changes in the Company's management including key managerial personnel, shareholding pattern and Board's composition.

The following table sets forth the details of the aggregate outstanding borrowings of our Company as of September 30, 2023 and February 29, 2024:

(₹ in Lakhs)

Category of Borrowing	Sanctioned amount (to the extent applicable)(1)	Amount outstanding as on September 30, 2023*	Amount outstanding as on February 29, 2024*
Secured			
Term Loans	3594.00	1356.66	1245.35
Working Capital Facilities			
a) Fund Based	16320.00	13060.32	15885.47
b) Non Fund Based (BG+PSR)	1600.00	50.12	50.12
Vehicle Loan	183.17	115.19	100.20
Unsecured			
Term Loans	Nil	Nil	Nil
Working Capital Loans			
a) Fund Based	Nil	Nil	Nil
Factoring of Trade Receivables	USD 2,500,000	Nil	Nil
Loans from Related Parties/Others	NA	1807.18	1772.11
Total Borrowings		**16389.47**	**19053.25**

** As certified by our Statutory Auditor- Kanu Doshi Associates LLP, Chatered Accountants pursuant to their certificate dated March 29, 2024.*

1) Sanctioned amounts of borrowings as mentioned above are from various banks as detailed below:

Borrowing Type	Bank Name	Amount (₹ in Lakhs)
Secured Loans		
Term Loans	HDFC	3594.00
Working Capital Loans (Includes Packing Credit, Cash Credit, WCDL)	HDFC	8150.00
	YES	8170.00
Vehicle Loans	HDFC	133.01
	Bank of Baroda	49.00
Bank Guarantee	HDFC	100.00
PSR (Pre-Settlement Risk)	HDFC	1500.00
Unsecured Loans		
Factoring of Trade Receivables	DRIP Capital	$25.00

Principal terms of the borrowings availed by our Company

Brief details of the terms of our various borrowing arrangements are provided below and there may be similar / additional terms, conditions and requirements under the borrowing arrangements entered into by our Company with their lenders:

1. Interest

The interest rate for our working capital facilities and Term loans typically ranges between 8.25% to 10.15% perannum, for various fund and Non fund based facilities such as Pre-shipment finance, Post-shipment finance, Letter of Credit, Cash Credit etc., and are linked to benchmark rates along with a spread and as specified by the lenders during the time of disbursement. The interest rates for the vehicle loans availed by our Company typically range from 7% to 9% per annum.

2. Penal Interest

We are bound to pay additional interest to our lenders for defaults in the payment of interest or other monies due and payable. This additional interest is charged as per the terms of our sanction letters and is typically 2% to 18% on overdue/ delays/ defaults of monies payable.

3. Tenor

Our facilities are typically repayable within three (3) months to six (6) years or are repayable on demand.

4. Security

In terms of our borrowings where security needs to be created, the Company is typically required to, *inter alia*:
(i) Create charge by way of hypothecation on entire current assets, both present and future; and
(ii) Create charge by way of hypothecation over all moveable and immovable fixed assets, both present and future;
(iii) Create charge by way of mortgage over immovable fixed assets
(iv) Execute corporate and personal guarantees

Further facilities availed by our Company are secured by personal guarantees of Dhanji Raghavji Patel, Smita Dhanji Patel, Bechar Raghavji Patel and Hiren Bechar Patel.

5. Pre-payment

Prepayment charges @ 2% or as per the bank policy at the time of prepayment of loan.

6. Key covenants

a) Enter into any scheme of merger, amalgamation, compromise or reconstruction without prior approval of lender;
b) Obtain a no objection certificate from the lender prior to opening of current account with any other bank outside multiple banking arrangement;
c) Take prior consent from the lenders to effect any dividend pay-out;
d) Promptly inform the lenders for filing or initiation of insolvency, winding up or corporate insolvency resolution process;
e) Not to transfer, sell, lease, grant on license or create any third party interest of any nature whatsoever on the security without the prior consent of the lenders;
f) Guarantors not to issue any personal guarantee for any other loans without prior written permission of the lenders with certain exceptions;
g) Take prior consent of the lenders for diversion of funds to any purpose and launch of any new scheme of expansion.

7. Events of default

(i) Change in constitution, management or existing ownership or control of the borrower including by any reason of liquidation, amalgamation, merger or reconstruction;
(ii) Failure and inability to pay amounts on the due date by our Company;
(iii) Breach in any other loan/ facility agreement;
(iv) Our Company's failure to furnish additional security as required by lender;
(v) Hypothicated asset is destroyed, or is stolen or untraceable;

(vi) Death of any one of the Borrower;
(vii) Failure in the business of our Company;
(viii) Dissolution of our Company;
(ix) Insolvency or bankruptcy proceedings against our Company;
(x) An assignment made by our Company for the benefit of the creditors or taking advantage of any insolvency Law;
(xi) Any other occurrence or existence of one or more events, conditions or circumstances (including any change in law), which in opinion.

8. Consequences of events of default

(i) Terminate the sanctioned facilities;
(ii) levy penal charges including interest;
(iii) Enforce their security over the hypothecated / mortgaged assets without notice to the Company.

Unsecured loans by shareholders

The following shareholders have advanced unsecured loans to our Company. The company shall pay an interest not exceeding 12% per anum on the amounts payable to the shareholders by our Company are as follows:

(₹ in Lakhs)

Sr. No.	Name of the Shareholder	Amount outstanding as on September 30, 2023
1	Dhanji Raghavji Patel	1,171.96
2	Bechar Raghavji Patel	566.32
3	Hiren Bechar Patel	68.90
	Total	**1,807.18**

Unsecured loans by person other than shareholders

(₹ in Lakhs)

Sr. No.	Name of the Person	Amount outstanding as on September 30, 2023
1	Nil	Nil

SECTION VI- LEGAL AND OTHER INFORMATION

OUTSTANDING LITIGATION AND MATERIAL DEVELOPMENTS

*Except as stated below, there are no outstanding (i) criminal proceedings involving our Company, Directors or Promoters (collectively, the "**Relevant Parties**"); (ii) actions taken by statutory or regulatory authorities involving the Relevant Parties; (iii) claims relating to direct and indirect taxes involving the Relevant Parties; and (iv) other pending litigations or arbitration proceedings involving the Relevant Parties which has been determined to be material by our Board pursuant to the Materiality Policy (as disclosed herein below) in accordance with the SEBI ICDR Regulations. Further, there are no disciplinary actions (including penalties) imposed by SEBI or the Stock Exchanges against our Promoters in the last five (5) FYs, including any outstanding action.*

*For the purpose of material litigation in (iv) above, our Board in its meeting held on December 30, 2023 has considered and adopted the following policy on materiality for identification of material outstanding litigation involving the Relevant Parties ("**Materiality Policy**"). In accordance with the Materiality Policy, all outstanding litigation, including any litigation involving the Relevant Parties, other than criminal proceedings and actions by regulatory authorities and statutory authorities, will be considered material if: (i) the monetary amount of claim, to the extent quantifiable, in any such outstanding litigation is equivalent to or exceeds 1% of the total revenue or 5% of the trade payables, whichever is lower as per the Restated Financial Statements; (ii) where the monetary impact is not quantifiable or the amount involved may not exceed the Materiality threshold, the outcome in any such litigation/ arbitration proceeding(s) would materially and adversely affect our Company's business, operations, cash flows, financial position or reputation.*

It is clarified that for the purposes of the above, pre-litigation notices received by the Relevant Parties from third parties (excluding those notices issued by statutory, governmental, judicial or regulatory or taxation authorities threatening criminal action) shall not, unless otherwise decided by our Board, be considered as material until such time that the Relevant Party, is impleaded as defendant in litigation proceedings before any judicial forum.

Further, in accordance with the Materiality Policy, our Company has considered such creditors to be 'material' if amounts due to such creditor is equivalent to or in excess of 2% of the trade payables of the Company as at the end of the most recent financial period covered in the Restated Financial Statements, as of September 30, 2023.

For outstanding dues to any micro, small or medium enterprise, the disclosure shall be based on information available with our Company regarding the status of the creditor as defined under the Micro, Small and Medium Enterprises Development Act, 2006 as amended, read with the rules and notification thereunder.

Unless stated to the contrary, the information provided below is as of the date of this Draft Red Herring Prospectus.

I. LITIGATION INVOLVING OUR COMPANY

1. <u>Outstanding litigation against our Company</u>

(i) All criminal proceedings against our Company

Except as stated in "***All actions by regulatory and statutory authorities against our Company***" below, there are no outstanding criminal proceedings against our Company.

(ii) All actions by regulatory and statutory authorities against our Company

Except as stated below in "***Litigation involving our Directors- All criminal proceedings against our Directors*** on page 416, no other actions have been taken by regulatory and statutory authorities against our Company.

(a) Point (c)- State of Maharashtra, Ambernath Police Station ("Complainant") vs. Bechar Raghavji Patel, Dhanji Raghavji Patel, Bharat Haribhai Patel [In the Civil and Criminal Court, Ulhasnagar, Summons/ Summary Criminal Case (S.C.C.) no. 1720 of 2020];

(b) Point (f) - N. U. Pawar, Inspector of Legal Metrology ("Complainant") vs. Dhanji Raghavji Patel, Bechar Raghavji Patel, Hiren Bechar Patel, Yashwant Suresh Bhojwani, Nitin

Pandurang Patil, Harshini Vikas Jadhav and our Company (In the Court of Additional Chief Metropolitan Magistrate, Borivali, Mumbai, Summons Case - SS Cases S/2600105/2024);

(c) ***Point (g) - S. N. Dhotre, Inspector of Legal Metrology ("Complainant") vs. Dhanji Raghavji Patel, Bechar Raghavji Patel, Hiren Bechar Patel and our Company (In the Court of Additional Chief Metropolitan Magistrate, Borivali, Mumbai, Summons Case - SS Cases S/39/2020)***;

(d) ***Point (h)- H. P. Kulthe, Inspector of Legal Metrology vs. Bechar Raghavji Patel, Dhanji Raghavji Patel, Hiren Bechar Patel, Yashwant Suresh Bhojwani, Nitin Pandurang Patil, Harshini Vikas Jadhav and Patel Retail Limited (In the Court of Judicial Magistrate First Class, Khalapur, Raigad, Summons/ Summary Criminal Case – (S.C.C.) no. 276 of 2024),***

(iii) ***Other pending material litigation against our Company***

LT Foods Limited & Anr. vs. Patel Retail Private Limited & Anr [CS (Comm) 475/ 2023, I.A. 12901/ 2023, I.A. 12902/ 2023, I.A. 12903/ 2023, I.A. 12904/ 2023, I.A. 12905/ 2023, I.A. 12906/ 2023 & I.A 12907/ 2023] ***(In the High Court of Delhi, New Delhi)***

LT Foods Limited ("**Plaintiff 1**") is the proprietor of the registered trademark HERITAGE BASMATI RICE bearing registration number 799246, and INDIAN HERITAGE SELECT (word mark), bearing registration number 1149872, both under class 30. LT Foods Middle East DMCC ("**Plaintiff 2**") is the proprietor of the registered trademark ROZANA (word mark) bearing registration numbers 628523 and 1241342 under classes 30 and 42, respectively. The Plaintiffs are in the business *inter alia* of processing, marketing, and exporting rice.

The Plaintiffs alleged infringement of the registered trademarks HERITAGE and ROZANA by our Company ("**Defendant 1**"), through its sale and export of basmati rice in large quantities under the name INDIAN HERITAGE ROZANA to MZ Holdings Limited, New Zealand ("**Defendant 2**"). Hence, the Plaintiffs filed a suit before the Delhi High Court, New Delhi ("**DHC**") seeking certain reliefs which *inter alia* included (i) a decree of permanent injunction restraining Defendant 1, its officers, directors etc. from producing, selling, offering for sale or advertising, promoting its goods or services, exporting or enabling advertising campaigns of any product bearing the mark/ label 'INDIAN HERITAGE ROZANA' or its related marks; (ii) a decree of damages to the tune of ₹200 Lakhs.

Additionally, the Plaintiffs filed several interim applications in relation to the said suit, which were allowed or disposed of vide DHC order dated July 18, 2023. In Interim Application No. 12901 of 2023 seeking ex-parte ad-interim and interim injunction against the Defendants from using the mark 'INDIAN HERITAGE ROZANA', the DHC granted an injunction in favour of Plaintiffs since it observed a prima facie case of infringement to have been made out. Accordingly, it restrained the Defendants from producing, selling, offering for sale, advertising, promoting, exporting, dealing or otherwise, in physical or electronic form, of the mark INDIAN HERITAGE ROZANA or any other mark which is confusingly or deceptively similar to the registered marks of the Plaintiff, in the context of Basmati rice or in the context of any other allied product.

In response to the aforestated order, our Company has executed a Settlement Agreement dated March 1, 2024 with the Plaintiffs, whereby we have acknowledged the Plaintiffs to be the proprietors of the well-known trademark/ label HERITAGE, HERITAGE BASMATI RICE and ROZANA. Further, we have undertaken to (i) not use the mark / label HERITAGE, HERITAGE BASMATI RICE and ROZANA in conjunction with any word which is identical or deceptively similar to the Plaintiffs' marks/ labels or related marks or (ii) so as to result in passing off. The matter is currently pending.

2. **<u>Outstanding litigation by our Company</u>**

(i) ***All criminal proceedings by our Company***

As on the date of this Draft Red Herring Prospectus, there are no outstanding criminal proceedings by our Company.

(ii) ***Other pending material litigation by our Company***

As on the date of this Draft Red Herring Prospectus, there are no other outstanding material litigations by our Company.

II. LITIGATIONS INVOLVING OUR DIRECTORS

1. Outstanding litigation against our Directors

(i) All criminal proceedings against our Directors

(a) Nilesh Sonubal Vishe, Food Safety Officer, Food and Drug Administration, Thane ("Complainant") vs. Paresh Jayantilal Chande ("Accused 1"), Bechar Raghavji Patel ("Accused 2") and Kirti Gunwant Vithlani ("Accused 3") ***[In the Court of Judicial Magistrate, First Class, First Court, Kalyan, Thane, Regular Criminal Case (R.C.C.) no. 803 / 2016]***

(Accused 1, Accused 2 and Accused 3 are collectively referred to as "Accused Persons")

Our Company's Store- Patel R Mart situated at Shop no. 1, 2, 3, 4, Omkar Complex, Kalyan, Murbad Road, Shahad, Kalyan (West) ("**Company Store**") received a letter dated December 3, 2015 from the Complainant enquiring particulars of our Company and purchase bill of mukwas (Royal Fresh Tip Top) ("**Food Article**"). In response to the letter, the Company Store stated that it had purchased the said Food Article from M/s. Royal Mouth Fresheners.

Thereafter, the Designated Officer and Assistant Commissioner (Food), Thane (Zone VIII), Food and Drug Administration, M.S. Thane ordered the Complainant to launch prosecution against the Accused Persons through his letter dated September 23, 2016, since the said Food Article was declared to be unsafe. Its sample contained synthetic food colors such as brilliant blue FCF, tartrazine, sunset yellow FCF and carmoisine. Therefore, the Complainant filed a complaint before the Court of Judicial Magistrate, First Class, First Court, Kalyan, Thane ("**JMFC Kalyan**") dated September 27, 2016, alleging commission of offence by Accused 1 and Accused 2, of selling the aforesaid unsafe Food Article, in contravention of sections 26(1), 26(2)(i), 27(3)(c), 23(1), 23(2) read with section 3(1)(zz)(viii) read with section 3(1)(zf)(A)(i)(a) of the Food Safety & Standards Act, 2006 read with regulation 3.1.2(6) of the Food Safety & Standards (Food Products Standards and Food Additives) Regulations, 2011 read with regulation 2.2.2.9 of the Food Safety & Standards (Packaging and Labelling) Regulations, 2011. The learned JMFC Kalyan in its order dated October 12, 2016, found the allegations to be *prima facie* made out against the Accused Persons and directed issue of process against the said persons. The matter is currently pending.

(b) Nilesh Sonubal Vishe, Food Safety Officer, Food and Drug Administration, Thane, ("Complainant") vs. Paresh Jayantilal Chande ("Accused 1"), Bechar Raghavji Patel ("Accused 2") and Kirti Gunwant Vithlani ("Accused 3") ***[In the Court of Judicial Magistrate, First Class, First Court, Kalyan, Thane, Regular Criminal Case (R.C.C.) no. 804 of 2016]***

(Accused 1, Accused 2 and Accused 3 are collectively referred to as "Accused Persons")

Our Company's Store- Patel R Mart situated at Shop no. 1, 2, 3, 4, Omkar Complex, Kalyan, Murbad Road, Shahad, Kalyan (West) ("**Company Store**") received a letter dated December 3, 2015 from the Complainant enquiring particulars of our Company and purchase bill of mukwas (Royal Fresh Pass Pass) ("**Food Article**"). In response to the letter, the Company Store stated that it had purchased the said Food Article from M/s. Royal Mouth Fresheners.

Thereafter, the Designated Officer and Assistant Commissioner (Food), Thane (Zone VIII), Food and Drug Administration, M.S. Thane ordered the Complainant to launch prosecution against the Accused Persons through his letter dated September 23, 2016, since the said Food Article was declared to be unsafe. Its sample contained synthetic food colors such as brilliant blue FCF, tartrazine, sunset yellow FCF and carmoisine. Therefore, the Complainant filed a complaint before the Court of Judicial Magistrate, First Class, First Court, Kalyan, Thane ("**JMFC Kalyan**") dated September 27, 2016, alleging commission of offence by Accused 1 and Accused 2, of selling the aforesaid unsafe Food Article, in contravention of sections 26(1), 26(2)(i), 27(3)(c), 23(1), 23(2) read with section 3(1)(zz)(viii) read with section 3(1)(zf)(A)(i)(a) of the Food Safety & Standards Act, 2006 read with regulation 3.1.2(6) of the Food Safety & Standards (Food Products Standards and Food Additives) Regulations, 2011 read with regulation 2.2.2.9 of the Food Safety & Standards

(Packaging and Labelling) Regulations, 2011. The order copy pertaining to the matter is unavailable. Please see *"**Risk Factors- Certain corporate records and an order copy in relation to a litigation matter involving our Promoter are not traceable**"* on page 53. The matter is currently pending.

(c) State of Maharashtra, Ambernath Police Station vs. Bechar Raghavji Patel, Dhanji Raghavji Patel, Bharat Haribhai Patel *[In the Civil and Criminal Court, Ulhasnagar, Summons/ Summary Criminal Case (S.C.C.) no. 1720 of 2020]*

The Inspector of Legal Metrology, Ulhasnagar Division- Shriniwas B. Jadhavkar ("**Complainant**") filed a complaint against Bechar Raghavji Patel, Dhanji Raghavji Patel, our Company and Bharat Haribhai Patel (collectively, "**Accused Persons**") before the Ambernath (East) Police Station. The Complainant alleged violation of section 18(1) of the Legal Metrology Act, 2009 read with rules 6(1)(d)(e), 6(2), 10(1) of the Legal Metrology (Packaged Commodities) Rules, 2011 by the Accused Persons.

The Complainant inspected the premises of our store- Patel R Mart situated at Shiv Ganga Nagar, Ambernath (East)- 421501, Thane and seized certain goods namely, dryfruit packages, Blender packages and Elegance packages. The Complainant observed the following (i) the dryfruit packages did not contain declarations as to the complete address of the manufacturer/ packer, customer care number, e-mail address and Maximum Retail Price ("**MRP**"); (ii) the Blender packages did not contain declarations as to the month and year of manufacturing/ packer and e-mail address; (iii) the Elegance packages did not contain declarations as to the customer care number, e-mail address, month and year of manufacturing/ packer and MRP. The matter is currently pending before the Civil and Criminal Court, Ulhasnagar.

(d) State of Maharashtra, Shildaighar Police Station vs. Bechar Raghavji Patel, Dhanji Raghavji Patel, Hiren Bechar Patel and Others *[In the District and Sessions Court, Thane, Regular Criminal Case (R.C.C.) no. 1453 of 2020]*

Rajendra Hiraman Jadhav, Assistant Rationing Officer ("**Complainant**") filed a First Information Report ("**FIR**") bearing number II 68/2015 before the Shildaighar Police Station, Thane against our Directors- Dhanji Raghavji Patel, Bechar Raghavji Patel and Hiren Bechar Patel and other persons (collectively referred to as "**Accused Persons**") dated October 20, 2015 alleging commission of offences under section 3 (Powers to control production, supply, distribution etc. of essential commodities) and section 7 (Penalties) of the Essential Commodities Act, 1955 ("**ECA Act**") and the Maharashtra Scheduled Commodities Whole-sale Dealers' Licensing Order, 2015 ("**2015 Licensing Order**").

The Complainant conducted a search and inspection at R. P. Warehouse situated at Thane ("**Premises**"). During the inspection of the said Premises, the Complainant *inter alia* found 71.780 metric tonnes of toor (whole) ("**Commodity**") belonging to our Company stored in the said Premises. The Complainant alleged that the said Commodity was intentionally hoarded for a period exceeding thirty (30) days, to increase its price. Therefore, the Complainant alleged commission of an offence by the Accused Persons under sections 3 and 7 of the ECA Act and the 2015 Licensing Order. The Controller (Ration and Directorate of Civil Supplies), Mumbai vide order dated January 18, 2024 directed that the seized stock of toor i.e., 450 gunny bags containing 22.46 metric tonnes of stock be deposited with the State government. A copy of the final report/ charge sheet under section 173 of the Criminal Procedure Code, 1973 ("**CrPC**") has been filed before the First Class Magistrate, 9th Court, Thane. The matter is currently pending.

(e) State of Maharashtra vs. Hiren Bechar Patel and Others *[In the Civil and Criminal Court, Ulhasnagar, Summons / Summary Criminal Case (S.C.C.) no. 3951 of 2017]*

Siddharth Shahaji Kamble ("**Complainant**") filed a FIR bearing number I 39/ 2017 ("**FIR**") before the Ambernath Police Station, Thane against our Director, Hiren Bechar Patel, Dasi Mohan Kotya, Bharat Bhagwan Patil, Vinay Hariram Pillay, Nagarjun Shekhar Badgu and others ("**Accused Persons**") dated February 2, 2017 alleging commission of offences under sections 448 (Punishment for house trespass), 427 (Mischief causing damage to the amount of fifty rupees) and 143 (Punishment) of the Indian Penal Code, 1860 ("**IPC**").

The Complainant's father, late Shahji Babu Kamble purchased a plot of land (1.50 gunnta) situated at Mahatma Jotiba Phule Nagar, Javsai Pada, Ambernath (West) and constructed a house on the said plot. The Complainant alleged criminal trespassing and destruction of the house by the Accused Persons on September 17, 2016. One Arvind Walekar, partner at M/s. Elite Infrastructure (promoter group entity), over a telephonic conversation with the Complainant, offered an amicable settlement whereby the Complainant would receive two (2) flats, with no registration cost. Relying on the promise, the Complainant did not file a complaint against the Accused Persons. However, since the said promise was not made good, the Complainant filed the aforesaid FIR. The matter is currently pending.

(f) N. U. Pawar, Inspector of Legal Metrology vs. Dhanji Raghavji Patel, Bechar Raghavji Patel, Hiren Bechar Patel, Yashwant Suresh Bhojwani, Nitin Pandurang Patil, Harshini Vikas Jadhav and our Company *(In the Court of Additional Chief Metropolitan Magistrate, Borivali, Mumbai, Summons Case - SS Cases S/2600105/2024)*

The Inspector of Legal Metrology, Borivali Division- N. U. Pawar ("**Complainant**") filed a complaint against Bechar Raghavji Patel, Dhanji Raghavji Patel, Hiren Bechar Patel, Yashwant Suresh Bhojwani, Nitin Pandurang Patil, Harshini Vikas Jadhav and our Company (collectively, "**Accused Persons**") before the Court of Additional Chief Metropolitan Magistrate, Borivali. The Complainant alleged violation of section 18(1) of the Legal Metrology Act, 2009 read with rules 6(1)(e) and 10 of the Legal Metrology (Packaged Commodities) Rules, 2011 by the Accused Persons.

The Complainant inspected the premises of Ravariya Traders situated at Sayani Compound, Suhasini Pawaskar Road, Vaishali Nagar, opposite Cresent Sky Heights, Dahisar (East), Mumbai 400 068 and seized goods manufactured and marketed by our Company namely, 'Akshar Chakki Fresh Atta -5 kg'. The Complainant observed that the packages did not contain declarations as to the retail sale price as inclusive of all taxes, consumer complaint address and manufacturing State. The matter is currently pending before the Court of Additional Chief Metropolitan Magistrate, Borivali.

(g) S. N. Dhotre, Inspector of Legal Metrology ("Complainant") vs. Bechar Raghavji Patel, Dhanji Raghavji Patel, Hiren Bechar Patel and Patel Retail Private Limited *(In the Court of Additional Chief Metropolitan Magistrate, Borivali, Mumbai, Summons Case - SS Cases S/39/2020)*

The Inspector of Legal Metrology, Malad Division- S. N. Dhotre filed a complaint against Bechar Raghavji Patel, Dhanji Raghavji Patel, Hiren Bechar Patel, and our Company (collectively, "**Accused Persons**") before the Court of Additional Chief Metropolitan Magistrate, Borivali. The Complainant alleged violation of Rule 31(2), punishable under rule 32 of the Legal Metrology (Packaged Commodities) Rules, 2011 ("**LM Rules**") by the Accused Persons.

The Complainant inspected the advertisement published in the daily newspaper and found that certain third party products sold by our Company were not in conformity with the LM Rules i.e., the font size of net quantity were not the same as that of retail sale price. The matter is currently pending.

(h) H. P. Kulthe, Inspector of Legal Metrology vs. Bechar Raghavji Patel, Dhanji Raghavji Patel, Hiren Bechar Patel, Yashwant Suresh Bhojwani, Nitin Pandurang Patil, Harshini Vikas Jadhav and our Company *(In the Court of Judicial Magistrate First Class, Khalapur, Raigad, Summons/ Summary Criminal Case (S.C.C.) no. 276 of 2024)*

The Inspector of Legal Metrology, Karjat Division- H. P. Kulthe ("**Complainant**") filed a criminal case against Bechar Raghavji Patel, Dhanji Raghavji Patel, Hiren Bechar Patel, Yashwant Suresh Bhojwani, Nitin Pandurang Patil, Harshini Vikas Jadhav and our Company (collectively, "**Accused Persons**") before the Court of Judicial Magistrate First Class, Khalapur District, Raigad. The Complainant alleged violation of sections 18(1), 36 of the Legal Metrology Act, 2009 read with rules 2(m), 6(2) and (3) of the Legal Metrology (Packaged Commodities) Rules, 2011 by the Accused Persons.

The Complainant inspected the premises of our store, Patel R Mart situated at S. No. 1873, Ward No. 21, House no. 78/1 Shilphata, Mulgaon. Taluka Khalapur, District Raigad, and seized certain goods namely, D/F Premium Combi – 1 kg (processed and packed by our Company) ("**Seized Goods 1**") and Oreo Plast Little Hearts Pudding set packages ("**Seized Goods 2**"). The Complainant observed that (i) Seized Goods 1 did not contain declarations as to the retail sale price, and the name, address and e-mail address of the person to be contacted in case of consumer complaints; (ii) Seized Goods 2 did not contain declarations as to the name and address of manufacturer/ packer, the month and year of manufacture/ pre-packing, retail sale price, and name, address, telephone number and e-mail address of the person to be contacted in case of consumer complaints. Further, individual stickers were affixed on the packages of Seized Goods 2 for altering/ making declaration as required under the said rules. The matter is currently pending.

(ii) All actions by regulatory and statutory authorities against our Directors

Except as stated above in *"**All criminal proceedings against our Directors**"* on page 416, there are no other actions by regulatory and statutory authorities against our Directors.

(iii) Other pending material litigation against our Directors

Mukul Developers vs. Jamiat Co-Op Housing Society Ltd, Bechar Raghavji Patel and Ors *[In the Court of Jt. Civil Judge (S.D.), Kalyan (Special Civil Suit S.C.S. / 387/ 2021)]*

Mukul Developers ("**Plaintiff**") filed a Special Civil Suit ("**Suit**") for declaration and injunction under section 34 of the Special Relief Act, 1963 against Jamiat Co-op Housing Society Ltd ("**Defendant 1**"), Bechar Raghavji Patel ("**Defendant 2**") and others, as regards Land bearing Survey No. 02, Hissa No. 01 (Part), City Survey No. 53/2, Survey No. 5. Hissa No. 02 (Part), City Survey No. 55- admeasuring 13,552 sq. yards (11,331.2 sq. metres) ("**Suit Property**").

The Plaintiff submitted that it had executed a Development Agreement dated February 27, 2008 ("**Development Agreement**") with Defendant 1, with respect to three (3) properties including the Suit Property. The said Development Agreement granted rights of development and construction to the Plaintiff. However, at the time of execution of the said Development Agreement, Defendant 1 stated to the Plaintiff that the sale deed in respect of the Suit Property was not complete and that it had filed one special suit bearing no. 167/ 1980 before the Civil Judge (Sr. Dn.) [C.J.S.D.], Thane, decree for which had been granted in the Defendant 1's favour ("**Decree**"). On the strength of the Development Agreement and Decree, the Plaintiff commenced construction work.

On the other hand, Defendant 2 claimed ownership of the Suit Property on the basis of a Sale Agreement dated April 14, 1974 ("**Sale Agreement**") executed between the Defendant 2 and one Gopal Kalu Bhoir. Since Gopal Kalu Bhoir expired on May 22, 1958, the rights to said Suit Property vested with his sons i.e., Krishna G. Bhoir ("**KGB**") and Tanaji G. Bhoir ("**TGB**"). The said Suit Property was divided amongst his sons in two portions ("**KGB Portion**" and "**TGB Portion**"). Thereafter, since KBG expired in 2008, Defendant 2 approached two of his legal heirs, and executed two sale deeds dated December 8, 2014 ("**Sale Deeds**") in his favour, with respect to the KGB Portion. However, since TGB refused to execute a sale deed with respect to his portion, Defendant 2 filed a Regular Civil Suit (R.C.S.) No. 214/15 before the Ld. Civil Judge (Jr. Dn.), Ulhasnagar. TGB was served with summons, but since he remained absent, it led to passing of an ex-parte decree. For execution of the said ex-parte decree, Defendant 2 filed an execution proceeding bearing Reg. Darkhast No. 14/15, but on account of TGB's absence, the Ld. C.J. of Ulhasnagar appointed a Court Commissioner which executed and entered into a registered sale deed on behalf of TGB (in respect of the balance portion of the Suit Property). The Plaintiff alleges collusion and fraud by Defendant 2 as regards the Sale Agreement executed and the ex-parte decree obtained in his favour.

Thereafter, the Plaintiff alleged that Defendant 2 with the help of the chairman and other members of Defendant 1, forcefully and unlawfully entered the Suit Property and carried out excavation works. The Plaintiff valued the suit at ₹3,88,00,000/- i.e. ₹388.00 Lakhs.

In light of the aforesaid, the Plaintiff filed the said Suit seeking *inter alia* the following reliefs: (i) to declare the Sale Deeds with respect to KGB's Portion of Suit Property as null and void; (ii) to declare Defendant 2 as a trespasser, not having any right to make excavation works on the Suit Property; (iii) to pass an order directing the Defendant 2, its agents, assignees to stop excavation work on the Suit Property. Various interim applications and civil revision applications have been filed by and against our Company in relation to the said matter. The Plaintiff has also filed a miscellaneous application in relation to the said matter against our Company. The matter is currently pending.

2. Outstanding litigation by our Directors

(i) All criminal proceedings by our Directors

<u>Hiren Bechar Patel, Non-Executive Director</u>

(a) M/s. Jay Garibdas Translink (proprietary firm of Hiren Bechar Patel) ("Complainant") vs. Nagji Ambavi Duboriya ("Respondent") ***[In the Court of Judicial Magistrate First Class, Ulhasnagar, Summary Criminal Case (S.C.C.) No. 4366/ 2021]***

The Complainant filed a criminal complaint under section 138 of the Negotiable Instruments Act, 1881 against the Respondent before the Court of Judicial Magistrate First Class, Ulhasnagar, claiming an amount of ₹50,000 for dishonour of a cheque bearing no. 000097 and failure to make payment by the Respondent as regards transportation services provided by the Complainant. The matter is currently pending.

(b) M/s. Jay Garibdas BMS (partnership firm, through one of its partners- Hiren Bechar Patel) ("Complainant") vs. Nagji Ambavi Duboriya ("Respondent") ***[In the Court of Judicial Magistrate First Class, Ulhasnagar, Summary Criminal Case (S.C.C.) No. 4368/ 2021]***

The Complainant filed a criminal complaint under section 138 of the Negotiable Instruments Act, 1881 against the Respondent before the Court of Judicial Magistrate First Class, Ulhasnagar, claiming an amount of ₹50,000 for dishonour of a cheque bearing no. 000105 and failure to make payment by the Respondent as regards goods supplied by the Complainant. The matter is currently pending.

(c) M/s. Jay Garibdas Translink (proprietary firm of Hiren Bechar Patel) ("Complainant") vs. Nagji Ambavi Duboriya ("Respondent") ***[In the Court of Judicial Magistrate First Class, Ulhasnagar, Summary Criminal Case (S.C.C.) No. 4383/ 2021]***

The Complainant filed a criminal complaint under section 138 of the Negotiable Instruments Act, 1881 against the Respondent before the Court of Judicial Magistrate First Class, Ulhasnagar, claiming an amount of ₹50,000 for dishonour of a cheque bearing no. 000100 and failure to make payment by the Respondent as regards transportation services provided by the Complainant. The matter is currently pending.

(d) M/s. Jay Garibdas Translink (proprietary firm of Hiren Bechar Patel) ("Complainant") vs. Nagji Ambavi Duboriya ("Respondent") ***[In the Court of Judicial Magistrate First Class, Ulhasnagar, Summary Criminal Case (S.C.C.) No. 4381/ 2021]***

The Complainant filed a criminal complaint under section 138 of the Negotiable Instruments Act, 1881 against the Respondent before the Court of Judicial Magistrate First Class, Ulhasnagar, claiming an amount of ₹50,000 for dishonour of a cheque bearing no. 000101 and failure to make payment by the Respondent as regards transportation services provided by the Complainant. The matter is currently pending.

(e) M/s. Jay Garibdas Translink (proprietary firm of Hiren Bechar Patel) ("Complainant") vs. Nagji Ambavi Duboriya ("Respondent") ***[In the Court of Judicial Magistrate First Class, Ulhasnagar, Summary Criminal Case (S.C.C.) No. 4365/ 2021]***

The Complainant filed a criminal complaint under section 138 of the Negotiable Instruments Act, 1881 against the Respondent before the Court of Judicial Magistrate First Class, Ulhasnagar, claiming an amount of ₹50,000 for dishonour of a cheque bearing no. 000099 and failure to make payment by the Respondent as regards transportation services provided by the Complainant. The matter is currently pending.

(f) M/s. Jay Garibdas Translink (proprietary firm of Hiren Bechar Patel) ("Complainant") vs. Nagji Ambavi Duboriya ("Respondent") ***[In the Court of Judicial Magistrate First Class, Ulhasnagar, Summary Criminal Case (S.C.C.) No. 4382/ 2021]***

The Complainant filed a criminal complaint under section 138 of the Negotiable Instruments Act, 1881 against the Respondent before the Court of Judicial Magistrate First Class, Ulhasnagar, claiming an amount of ₹50,000 for dishonour of a cheque bearing no. 000102 and failure to make payment by the Respondent as regards transportation services provided by the Complainant. The matter is currently pending.

(g) M/s. Jay Garibdas Translink (proprietary firm of Hiren Bechar Patel) ("Complainant") vs. Nagji Ambavi Duboriya ("Respondent") ***[In the Court of Judicial Magistrate First Class, Ulhasnagar, Summary Criminal Case (S.C.C.) No. 4374/ 2021]***

The Complainant filed a criminal complaint under section 138 of the Negotiable Instruments Act, 1881 against the Respondent before the Court of Judicial Magistrate First Class, Ulhasnagar, claiming an amount of ₹50,000 for dishonour of a cheque bearing no. 000093 and failure to make payment by the Respondent as regards transportation services provided by the Complainant. The matter is currently pending.

(h) M/s. Jay Garibdas Translink (proprietary firm of Hiren Bechar Patel) ("Complainant") vs. Nagji Ambavi Duboriya ("Respondent") ***[In the Court of Judicial Magistrate First Class, Ulhasnagar, Summary Criminal Case (S.C.C.) No. 4372/ 2021]***

The Complainant filed a criminal complaint under section 138 of the Negotiable Instruments Act, 1881 against the Respondent before the Court of Judicial Magistrate First Class, Ulhasnagar, claiming an amount of ₹50,000 for dishonour of a cheque bearing no. 000095 and failure to make payment by the Respondent as regards transportation services provided by the Complainant. The matter is currently pending.

(i) M/s. Jay Garibdas Translink (proprietary firm of Hiren Bechar Patel) ("Complainant") vs. Nagji Ambavi Duboriya ("Respondent") ***[In the Court of Judicial Magistrate First Class, Ulhasnagar, Summary Criminal Case (S.C.C.) No. 4369/ 2021]***

The Complainant filed a criminal complaint under section 138 of the Negotiable Instruments Act, 1881 against the Respondent before the Court of Judicial Magistrate First Class, Ulhasnagar, claiming an amount of ₹50,000 for dishonour of a cheque bearing no. 000096 and failure to make payment by the Respondent as regards transportation services provided by the Complainant. The matter is currently pending.

(j) M/s. Jay Garibdas BMS (partnership firm, through one of its partners- Hiren Bechar Patel) ("Complainant") vs. Nagji Ambavi Duboriya ("Respondent") ***[In the Court of Judicial Magistrate First Class, Ulhasnagar, Summary Criminal Case (S.C.C.) No. 4370/ 2021]***

The Complainant filed a criminal complaint under section 138 of the Negotiable Instruments Act, 1881 against the Respondent before the Court of Judicial Magistrate First Class, Ulhasnagar, claiming an amount of ₹50,000 for dishonour of a cheque bearing no. 000105 and failure to make payment by the Respondent as regards goods supplied by the Complainant. The matter is currently pending.

(k) M/s. Jay Garibdas Translink (proprietary firm of Hiren Bechar Patel) ("Complainant") vs. Nagji Ambavi Duboriya ("Respondent") ***(In the Court of Judicial Magistrate First Class, Ulhasnagar, Summary Criminal Case (S.C.C.) No. 4373/ 2021)***

The Complainant filed a criminal complaint under section 138 of the Negotiable Instruments Act, 1881 against the Respondent before the Court of Judicial Magistrate First Class, Ulhasnagar, claiming an amount of ₹50,000 for dishonour of a cheque bearing no. 000094 and failure to make payment by the Respondent as regards transportation services provided by the Complainant. The matter is currently pending.

(l) M/s. Jay Garibdas Translink (proprietary firm of Hiren Bechar Patel) ("Complainant") vs. Nagji Ambavi Duboriya ("Respondent") ***(In the Court of Judicial Magistrate First Class, Ulhasnagar, Summary Criminal Case (S.C.C.) No. 4380/ 2021)***

The Complainant filed a criminal complaint under section 138 of the Negotiable Instruments Act, 1881 against the Respondent before the Court of Judicial Magistrate First Class, Ulhasnagar, claiming an amount of ₹50,000 for dishonour of a cheque bearing no. 000103 and failure to make payment by the Respondent as regards transportation services provided by the Complainant. The matter is currently pending.

Dhanji Raghavji Patel, Chairman and Managing Director

Dhanji Patel ("Petitioner"/ "Managing Director") vs. State of Madhya Pradesh through Sanyogitaganj Police Station, Madhya Pradesh ("Respondent 1") and Nikhil Agarwal ("Respondent 2") ***(In the High Court of Madhya Pradesh, Indore Bench, Miscellaneous Criminal Case (MCRC) 23346/ 2021)***

Our Managing Director filed a petition under section 482 of the CrPC before the High Court of Madhya Pradesh, Indore Bench ("**MP High Court**") for (i) quashing the Order dated April 1, 2021 ("**Impugned Order**") passed by the Judicial Magistrate First Class, Indore ("**JMFC Indore**") in Case No. UN CR 140/ 21; and (ii) quashing the First Information Report ("**FIR**") bearing Crime No. 127/ 21 ("**Impugned FIR**") registered before the Respondent 1 under sections 406 (Punishment for criminal breach of trust), 409 (Criminal breach of trust by public servant, or by banker, merchant or agent), 385 (Putting person in fear of injury in order to commit extortion), 389 (Putting person in fear of accusation of offence, in order to commit extortion) and 120B (Punishment of criminal conspiracy) of the IPC against him. Vide the Impugned FIR, Respondent 2 raised three (3) major concerns against the Petitioner: (i) that the Petitioner withheld his brokerage amount of ₹3,38,400 for various years; (ii) that the Petitioner registered false cases against Respondent 2 in order to create pressure and extract money from him; and (iii) that the Petitioner along with the other accused persons, conspired to harass Respondent 2 by stating that in case of failure to return the amount, they would register false cases against him.

Brief background of the case

Vaibhav Agarwal and Respondent 2, both partners of M/s. Nikhil International, provided services as broker, for sale of pulses, food grains etc. to our Company. During the period- March 2016 till May 2016, the aforesaid persons took delivery of 500 quintals of food grains (matki) amounting to ₹3.39 million from our Company, by placing an order in the name of a fake entity- M/s. Savitri Enterprises, Sindhudurg. The said quantity was sold to Prafulchand Vasantaji, proprietor of M/s. P.V. Broker directly, without any intimation to our Company. Further, the aforesaid persons took delivery of 502.5 quintals of pulses (matki), 1171.7 quintals of pulses (mung) and 612.9 quintals of pulses (matki) from our Company, amounting to ₹3.41 million, 3.39 million and 4.16 million respectively, and sold it to M/s. S.A. Agro, M/s. Shivshakti Pulses and M/s. S.A. Agro International Delhi respectively. However, our Company did not receive the outstanding amount to the tune of ₹14.77 million against the goods supplied and lodged FIR No. I-285/ 2017 on October 29, 2017 against the aforesaid persons at Shivaji Nagar Police Station, Thane, Maharashtra ("**Police Station**"). However, by way of mediation (through close associates of Vaibhav Agarwal), the proprietors of M/s. A. S. Agro and M/s. Shivshakti Pulses respectively, agreed to pay a sum of ₹10.16 million to us and in return, requested us to waive the balance amount and withdraw the FIR / complaint against Vaibhav Agarwal and Respondent 2. Accordingly, our Company received a sum of ₹6.80 million from M/s. ETG Agro and ₹3.35 million from M/s. Shivshakti Pulses. However, the police authorities arrested Vaibhav Agarwal and the Respondent 2 and our Company received a notice from the Police Station requiring presence for further statement. Thereafter, the fact of the compromise reached at and the fact of receipt of ₹10.15 million was communicated to the police authorities by Dhanji Raghavji Patel (Managing Director) and one Ramvilas Attal.

Post his arrest and release, Respondent 2 was unable to get a FIR registered on the basis of his complaints. Thereafter, Respondent 2 filed a Writ Petition bearing no. 24015/ 2018 before the MP High Court, which was disposed of, with a direction to the police authorities to make inquiry against his complaints. It is to be noted that no relief was sought against the Petitioner and the Chief Superintendent of Police (CSP) vide his report June 22, 2019 gave an opinion that the matter was of civil nature. Thereafter, Respondent 2 filed an application under section 156(3) of the CrPC before the JMFC Indore. The JMFC Indore allowed the application and directed the police authorities to register an FIR and investigate the matter. Thus, basis the Impugned Order, the Impugned FIR was registered on April 2, 2021 at Sanyogitaganj Police Station, Indore under sections 406 (Punishment for criminal breach of trust), 409 (Criminal breach of trust by public servant, or by banker, merchant or agent), 385 (Putting person in fear of injury in order to commit extortion), 389 (Putting person in fear of accusation of offence, in order to commit extortion) and 120B (Punishment of criminal conspiracy) of the IPC. The matter is currently pending before the MP High Court.

(ii) ***Other pending material litigation by our Directors***

As on the date of this Draft Red Herring Prospectus, there are no other outstanding material litigation by our Directors.

III. LITIGATIONS INVOLVING OUR PROMOTERS

1. Outstanding litigation against our Promoters

(i) All criminal proceedings against our Promoters

Except as stated above in *"**All criminal proceedings against our Directors**"* on page 416, there are no criminal proceedings against our Promoters.

(ii) All actions by regulatory and statutory authorities against our Promoters

Except as stated above in *"**All criminal proceedings against our Directors**"* on page 416, there are no other actions by regulatory and statutory authorities against our Promoters.

(iii) Disciplinary action including penalty imposed by SEBI or stock exchanges against our Promoters in the last five (5) financial years including outstanding action

As on the date of this Draft Red Herring Prospectus there is no outstanding disciplinary action and there was no disciplinary action including penalty imposed by SEBI or Stock Exchanges in the last five (5) financial years.

(iv) Other pending material litigation against our Promoters

Except as stated in *"**Other pending material litigation against our Directors**"* on page 419, there are no other material litigation pending against our Promoters.

2. Outstanding litigation by our Promoters

(i) All criminal proceedings by our Promoters

Except as stated above in *"**All criminal proceedings by our Directors- Dhanji Raghavji Patel (Chairman and Managing Director)**"* on page 422, there are no other criminal proceedings by our Promoters.

(ii) Other pending material litigation by our Promoters

As on the date of this Draft Red Herring Prospectus, there are no pending material litigation by our Promoters.

IV. TAX CLAIMS AGAINST OUR COMPANY, PROMOTERS, AND DIRECTORS

Set out herein below are details of claims relating to direct and indirect taxes involving our Company, Promoters and Directors:

Nature of the matter	**Number of matters**	**Demand amount involved (₹ in Lakhs)**
Our Company		
Direct Tax	6	1610.99
Indirect Tax	5	1320.08
Promoters		
Direct Tax	10	1290.32
Indirect Tax	Nil	Nil
Directors (other than Promoters)		
Direct Tax	10	541.72
Indirect Tax	Nil	Nil

Notes: *Amounts involved are to the extent quantifiable.*

V. LITIGATION INVOLVING OUR GROUP COMPANY

As on the date of this Draft Red Herring Prospectus, there are no outstanding litigations involving our Group Company which has a material impact on our Company.

VI. OUTSTANDING DUES TO CREDITORS

As per our Materiality Policy, as at December 30, 2023, we had 3 material creditor(s) to whom an aggregate amount of ₹906.95 Lakhs was outstanding on a consolidated basis. In terms of the Materiality Policy, creditors of our Company to whom an amount exceeding 2% of our total trade payables as on March 31, 2023 was outstanding, were considered 'material' creditors. As per the Restated Financial Statements, our total trade payables as on September 30, 2023, was ₹ 3173.37 Lakhs and accordingly, creditors to whom outstanding dues exceed ₹ 85.64 Lakhs (2% of ₹4282.07 Lakhs of the Company's trade payables for the last audited financial statements i.e. March 31, 2023) have been considered as material creditors for the purposes of disclosure in this Draft Red Herring Prospectus.

The details of outstanding dues owned by our Company as at September 30, 2023 is as under:

Type of Creditors	Number of Creditors	Amount involved (₹ in Lakhs)
Micro, Small and Medium Enterprises	-	-
Material creditors	3	906.95
Other creditors	739	2,266.42
Total	**742**	**3173.37**

The details pertaining to outstanding overdues to the material creditors along with names and amounts involved for each such material creditor are available on the website of our Company at https://patelrpl.in/.

VII. MATERIAL DEVELOPMENTS SINCE THE DATE OF THE LAST BALANCE SHEET

Except as disclosed in *"**Management's Discussion and Analysis of Financial Condition and Results of Operation**"* on page 378, there have been material developments nor have any circumstances arisen, since the date of the last Restated Financial Statements disclosed in this Draft Red Herring Prospectus, which may materially and adversely affect or are likely to affect our trading or profitability taken as a whole or the value of our assets or our ability to pay our liabilities within the next twelve (12) months.

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GOVERNMENT AND OTHER STATUTORY APPROVALS

*Set out below is an indicative list of consents, licenses, registrations, permissions, and approvals obtained by our Company, which are considered material and necessary for the purposes of undertaking our businesses and operations. Except as mentioned below, no other material consents, licenses, registrations, permissions, and approvals are required to undertake the Offer or to carry on the business and operations of our Company. Unless otherwise stated, these material approvals are valid as on the date of this Draft Red Herring Prospectus, and in case of licenses and approvals which have expired in the ordinary course of business, we have either made an application for renewal, or are in the process of making an application for renewal. For further details in connection with the regulatory and legal framework within which we operate, please see "**Key Regulations and Policies in India**" on page 336.*

A. Approvals relating to the Offer

For details regarding approval and authorisations obtained by our Company in relation to the Offer, please see *"**Other Regulatory and Statutory Disclosures- Authority for the Offer**"* on page 433.

B. Material approvals obtained in relation to our Business

(i) ***Incorporation details***

1. Certificate of incorporation dated June 13, 2007, issued to our Company under the name *'Patel Retail Private Limited'* by the Registrar of Companies, Maharashtra, Mumbai bearing Corporate Identity Number: U52100MH2007PTC171625.

2. Fresh certificate of incorporation dated August 28, 2023 issued to our Company by the Registrar of Companies, Maharashtra, Mumbai, pursuant to conversion of our Company to a public limited company and consequential change in our name from *'Patel Retail Private Limited'* to '*Patel Retail Limited'.*

3. The CIN of our Company upon conversion is U52100MH2007PLC171625;

4. Certificate issuing Legal Entity Identification ("**LEI**") number: 335800Y5VKRMWG77OA62, which is valid till May 18, 2024.
*[**Note:** The said certificate stands in the name of Patel Retail Private Limited (erstwhile name)].*

(ii) ***Labour related approvals***

(i) Registrations for employees' provident fund under the Employees' Provident Fund Organization under the Employees' Provident Funds and Miscellaneous Provisions Act, 1952 with code numbers THTHA0201421000 and GJRAJ3213299000 for the states of Maharashtra and Gujarat respectively, which is a one-time registration;

(ii) Registration for employees' insurance* with the relevant regional office of the Employees State Insurance Corporation under the Employees' State Insurance Act, 1948, which is a one-time registration;
*[***Note:** The said registration stands in the name of Patel Retail Private Limited (erstwhile name)]*

(iii) Registration certificate under the Contract Labour (Regulation and Abolition) Act, 1970 issued by the Office of the Assistant Commissioner of Labour, Kalyan, Maharashtra for Facility 1, which is valid till December 31, 2024;
*(**Note:** The said registration stands in the name of Patel Retail Private Limited (erstwhile name). Further, the maximum number of contract labour that can be employed on any day is 250 i.e., 125 each through two contractors)*

(iv) Registrations under the Maharashtra Shops and Establishments (Regulation of Employment and Conditions of Service) Act, 2017 granted in relations to our stores situated in the state of Maharashtra.

(iii) ***Tax related registrations of our Company***

(i) Permanent account number of our Company being AAECP3782B issued by the Income Tax Department, Government of India under the Income Tax Act, 1961;

(ii) Tax deduction account number of our Company being PNEP13056B issued by the Income Tax Department, Government of India under the Income Tax Act, 1961;

(iii) Identification numbers issued under the Goods and Service Tax Act, 2017 in the states of Maharashtra and Gujarat, where our business operations are situated;

(iv) Professional tax registration certificate and certificate of enrolment under the Maharashtra State Tax on Professions, Trades, Callings and Employment Act, 1975.
*[**Note:** The aforesaid certificates are in the name of Patel Retail Private Limited (erstwhile name). Our Company has made applications for (a) change of name and address appearing in the profession tax enrolment certificate; and (b) change of name appearing in the profession tax registration certificate]*

(iv) ***Material approvals in relation to our Manufacturing Facilities***

Facility situated at Plot no. M-2, Anand Nagar, Additional MIDC, Ambernath (East), Thane-421506, Maharashtra ("Facility 1")

(i) Factory license issued by the Directorate of Industrial Safety and Health, Government of Maharashtra under the Factories Act, 1948 and rules made thereunder, which is valid till December 31, 2027;
*[**Note:** The said license stands in the name of Patel Retail Private Limited (erstwhile name)]*

(ii) Consent to operate issued by the Maharashtra Pollution Control Board ("**MPCB**") under the provisions of the Water (Prevention and Control of Pollution) Act, 1974 ("**Water Act**"), Air (Prevention and Control of Pollution) Act, 1981 ("**Air Act**") and Hazardous Wastes (Management, Handling and Transboundary Movement) Rules, 2008, which is valid till March 31, 2025;

(iii) Central license (Trade/ Retail- Importer) issued by the Food Safety and Standards Authority of India, Government of India under the Food Safety and Standards Act, 2006 ("**FSS Act**"), which is valid till December 31, 2025;

(iv) Central license [(a) Manufacturer- General manufacturing; (b) Repacker- General manufacturing; (c) Manufacturer- Exporter- Manufacturer; (d) Trade/ Retail- Trader/ Merchant- Exporter; (e) Trade/ Retail- Wholesaler; (f) Trade/ Retail- Retailer; (g) Trade/ Retail- Storage (Controlled atmosphere + Cold)] issued by the Food Safety and Standards Authority of India, Government of India under the FSS Act, which is valid till March 21, 2029;

(v) State licenses (Trade/ Retail- Transportation) issued by the Food and Drug Administration, Government of Maharashtra under the FSS Act, which us valid till February 28, 2029 (obtained for six trucks);

(vi) Certificates of verification issued by the Inspector of Legal Metrology, Food, Civil Supplies and Consumer Protection, Government of Maharashtra under the Legal Metrology Act, 2009;

(vii) Certificate of registration as packer of packaged commodities issued by the Legal Metrology Organisation under rule 27 of the Legal Metrology (Packaged Commodities) Rules, 2011, which is until suspended or wound-up.
*[**Note:** The said license stands in the name of Patel Retail Private Limited (erstwhile name)]*

(viii) Certificate of approval on compliance of requirements of Food Safety Management System (ISO 22000:2018) issued by IR Class Systems and Solutions Private Limited, which is valid till March 13, 2027.

(ix) Plan approval for DG set issued by the Industries, Energy and Labour Department, Government of Maharashtra.

Facility situated at R.S. 145/1, Village- Dudhai, Taluka- Anjar, District- Kutch- 370020, Gujarat ("Facility 2")

(i) Certificate of registration on compliance of requirements of Food Safety Management System (ISO 22000:2018) issued by Assurance Quality Certification LLC, which is valid till October 8, 2025;

(ii) Certificate of registration on compliance of requirements of Quality Management System (ISO 9001:2015) issued by Assurance Quality Certification LLC, which is valid till March 25, 2027;

(iii) Central license [(a) Manufacturer- General Manufacturing and (b) Manufacturer- Exporter-Manufacturer] issued by the Food Safety and Standards Authority of India, Government of India under the FSS Act, which is valid till August 17, 2024.
*[**Note:** The said license is in the name of Patel Retail Private Limited (erstwhile name) and our Company has applied for change of name vide application dated March 22, 2024]*

Facility situated at Survey no. 170/Paiki 2, Village- Dudhai, Taluka- Anjar, District- Kutch, Gujarat ("Facility 3")

(i) Factory license* issued by the Directorate of Industrial Safety and Health, Gujarat State under the Factories Act, 1948 and rules made thereunder, which is valid till December 31, 2026;

(ii) Consent to Establish* issued by the Gujarat Pollution Control Board under the provisions of the Water Act and Air Act, which us valid till January 19, 2027;

(iii) Consolidated consent and authorisation* issued by the Gujarat Pollution Control Board under the provisions of the Water Act, Air Act and the Hazardous and Other Wastes (Management and Transboundary Movement) Rules, 2016, which is valid till September 30, 2031;

(iv) Fire safety certificate* issued by the Regional Fire Officer, Gujarat State Fire Prevention Services, which is valid till September 14, 2024;

(v) Certificate of registration on compliance of requirements of Food Safety Management System (ISO 22000:2018) issued to our Company (Unit IV) by Assurance Quality Certification LLC, which is valid till October 11, 2025;

(vi) Certificate for use of a boiler issued by the Assistant Director of Boilers, Kutch, Gujarat, which is valid till June 5, 2024;

(vii) Central license for Facility 3 (Unit I)* [(a) Manufacturer- General Manufacturing and (b) Manufacturer- Exporter- Manufacturer] issued by the Food Safety and Standards Authority of India, Government of India under the FSS Act, which is valid till February 23, 2026;

(viii) Central license for Facility 3 (Unit II)* [(a) Manufacturer- General Manufacturing and (b) Manufacturer- Exporter- Manufacturer] issued by the Food Safety and Standards Authority of India, Government of India under the FSS Act, which is valid till February 11, 2025;

(ix) Central license for Facility 3 (Unit III)* [(a) Manufacturer- General Manufacturing; (b) Manufacturer- Exporter- Manufacturer; (c) Trade/ Retail- Importer and (d) Trade/ Retail-Wholesaler] issued by the Food Safety and Standards Authority of India, Government of India under the FSS Act, which is valid till May 29, 2026;

(x) Central license for Facility 3 (Unit IV)* [Manufacturer- General Manufacturing)] issued by the Food Safety and Standards Authority of India, Government of India under the FSS Act, which is valid till May 30, 2026;

(xi) Central license for Facility 3 (Unit V))* [(a) Manufacturer- Exporter- Manufacturer; (b) Trade/ Retail- Trader/ Merchant- Exporter; (c) Trade/ Retail- Wholesaler] issued by the Food Safety and

Standards Authority of India, Government of India under the FSS Act, which is valid till January 31, 2025.

*[*__Note:__ The said registrations/ certificates stand in the name of Patel Retail Private Limited (Formerly known as Patel Retail Private Limited)].*

(v) ***Material approvals in relation to our stores***

(i) State licenses issued by the Food and Drug Administration, Government of Maharashtra under the FSSA for the purposes of operating as a: (a) retailer; (b) wholesaler; (c) food business operator; (d) retailer, wholesaler; (e) trade/ retail- retailer and trade/retail- wholesaler in respect of our stores situated in the state of Maharashtra;

(ii) Certificates of verification issued by the Inspector of Legal Metrology, Food, Civil Supply and Consumer Protection, Government of Maharashtra under the Legal Metrology Act, 2009 and rules made thereunder in respect of our stores situated in the state of Maharashtra;

(iii) Licenses to sell, stock or exhibit for sale or distribution of insecticides issued by the Licensing Authority (Agriculture Officer), Government of Maharashtra under the Insecticides Act, 1968 in respect of our stores situated in the state of Maharashtra;

(iv) Market Parwana licenses issued by the Kalyan Dombivali Municipal Corporation for our stores located at Dombivali and Kalyan.

(vi) ***Miscellaneous***

(i) Registration-cum-membership certificate issued by the Indian Oil Seeds & Produce Export Promotion Council, Mumbai as *merchant-cum-manufacturer exporter* under the provisions of the Foreign Trade Policy, Government of India, which is valid till March 31, 2025;

(ii) Business license for carrying on business as Exporter issued by the Tea Board, Kolkata under the provisions of the Tea (Distributions and Export) Control Order, 2005, which is valid till September 29, 2027;

(iii) Registration-cum-membership certificate issued by the Agricultural and Processed Foods Export Development Authority, Ministry of Commerce and Industry as *manufacturer cum merchant* of seeds, animal products, cashew, processed fruits and vegetables etc. under the provisions of the Agricultural and Processed Food Products Export Development Authority Act, 1985, which is valid till May 29, 2024;

(iv) Registration-cum-membership certificate issued by the Agricultural and Processed Food Products Export Development Authority, Mumbai as *manufacturer cum merchant exporter* of groundnuts, pulses, rice, wheat, fruits and vegetables etc. under the provisions of the Foreign Trade Policy, Government of India, which is valid till March 31, 2028;

(v) Kosher certificate issued by International Quality Certification Services UK Ltd., which is valid till July 17, 2026;

(vi) BRCGS Food safety certificate* issued by FoodChain ID Certification Ltd., which is valid till April 4, 2024;

(vii) Halal certificate* issued by Revolutionary Certification Services, United Kingdom, which is valid till January 27, 2025;

(viii) Certificate issuing LEI number 335800Y5VKRMWG77OA62*, which is valid till May 18, 2024;

(ix) License for Direct marketing of agricultural produce* (condiments and spices, cereals) issued by the Director of Agricultural Marketing, Maharashtra, which is valid until surrendered or cancelled.
[__Note:__ The said certificates stand in the name of Patel Retail Private Limited (erstwhile name)]

(vii) ***Trade related approvals***

Our Company has obtained an importer exporter code (IEC) bearing number 0309022746 from the Office of Additional Director General of Foreign Trade, Mumbai, Ministry of Commerce and Industry on July 3, 2009.

(viii) ***Intellectual property***

(1) Trademarks (Registered)

For details on our intellectual property, please see *"**Our Business- Intellectual Property**"* on page 324.

(2) Trademarks (Applied for and objected)

Sr. No.	Trademark applied for	Logo	Class	Application no.
1	Patel Retail Limited with logo… Trust & Togetherness under class 35		Class 35	6102469
2	Mumbai Chaska		Class 32	4116707
3	Royal Chaska		Class 29	5292612
4	Royal Chaska		Class 30	5292616
5	In-Din Chaska		Class 29	5292614
6	In-Din Chaska		Class 30	5292617
7	Indian Chaska		Class 30	6133747

*[**Note:** Trademarks mentioned in Sr. nos. 3, 4, 5, and 6 are abandoned, as on date of this Draft Red Herring Prospectus]*

C. Material approvals or renewals for which applications are currently pending before relevant authorities

Except as disclosed below, there are no material approvals or renewals which have been applied for and have not been received by our Company:

Name of approval	Name of the Unit	Date of Application	Authority applied to
Factory License	Facility 2	December 28, 2023	Deputy Director, Industrial Safety and Health, Adipur, Kutch, Gujarat
Application for amendment to registration of establishments employing contract labour *(**Note:** Through the amendment application, the maximum number of contract labour that can be employed on any day is proposed to be increased from 250 to 400)*	Facility 1	February 29, 2024	Office of the Assistant Commissioner of Labour, Kalyan, Maharashtra

D. Material approvals expired and renewals to be applied for

(i) No objection certificate for fire safety for Facility 1;

(ii) License to operate lift for Facility 1.

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OUR GROUP COMPANIES

In terms of the SEBI ICDR Regulations, the term 'group companies' for the purpose of disclosure in this Draft Red Herring Prospectus, includes:

(i) such companies (other than promoters and subsidiaries, if any) with which there were related party transactions during the period for which the Restated Financial Statements has been included in this Draft Red Herring Prospectus, i.e., financial years 2021, 2022 and 2023, as covered under the applicable accounting standards; and
(ii) such other companies as considered material by the Board, pursuant to the Materiality Policy.

For the purposes of (ii) above, our Board in its meeting held on December 30, 2023 has adopted the Materiality Policy and has considered group companies of our Company to be such companies (other than the companies covered under (i) above) that are a part of the Promoter Group (in terms of Regulation 2(1)(pp) of the SEBI ICDR Regulations), with which there were transactions with our Company in the most recent financial year and stub period, if any, to be included in the Offer Documents ("**Test Period**") which individually or cumulatively in value, exceed 5% of the total restated revenue from operations of our Company from the Test Period or 10% of the net-worth of our Company during the Test Period, whichever is lower.

Accordingly, basis the parameters outlined above, as on the date of this Draft Red Herring Prospectus, the following company has been identified as our Group Company:

1. PRPL Garments Private Limited

Details of our Group Companies

The details of our Group Company are provided below:

In terms of the SEBI ICDR Regulations, the following information based on the audited financial statements of our Group Company for the preceding three (3) years shall be hosted on the website of our Company:

(i) Reserves (excluding revaluation reserves);
(ii) Sales;
(iii) Profit after tax;
(iv) Earnings per share;
(v) Diluted earnings per share; and
(vi) Net asset value.

Registered Office

The registered office of PRPL Garments Private Limited is situated at FL No-11, Shidhi Vinayak Aprt, Wadavali Section, Ambernath (East), Ambernath- 421501, Maharashtra, India.

Financial Information

The financial information derived from the audited financial statements of PRPL Garments Private Limited for the last three (3) financial years i.e., March 31, 2023, March 31, 2022 and March 31, 2021, as required by the SEBI ICDR Regulations, is available on our Company's website at https://patelrpl.in/, since it does not have its own website.

Nature and extent of interest of Group Companies

In the promotion of our Company

Our Group Company does not have any interest in the promotion of our Company.

In the properties acquired by our Company in the past three (3) years prior to filing this Draft Red Herring Prospectus or proposed to be acquired by our Company

Our Group Company does not have any interest in the properties acquired by our Company in the past three (3) years preceding the filing of this Draft Red Herring Prospectus or proposed to be acquired by our Company.

In transactions for acquisition of land, construction of building and supply of machinery, etc.

Our Group Company is not interested in any transactions for acquisition of land, construction of building, or supply of machinery.

Common pursuits among the Group Companies and our Company

There are no common pursuits among our Company and our Group Company.

Related Business Transactions within the Group and their significance on the financial performance of our Company

Except as disclosed in *"**Restated Financial Statements- Note 44 - Related party disclosures**"* and *"**Summary of the Offer Document**"* on pages 376 and 26, there are no other related business transactions within the Group which are significant to the financial performance of our Company.

Litigation

As on the date of this Draft Red Herring Prospectus, there is no pending litigation involving our Group Company which will have a material impact on our Company.

Business interest of Group Companies

Except in the ordinary course of business and as stated in *"**Restated Financial Statements- Note 44 - Related party disclosures**"* on page376, respectively, our Group Company does not have any business interest in our Company.

Other confirmations

As on the date of this Draft Red Herring Prospectus, our Group Company does not have its securities listed on a stock exchange. Further, our Group Company has not made any public or rights issue (as defined under SEBI ICDR Regulations) of securities in the three (3) years preceding the date of this Draft Red Herring Prospectus. For further details, please see *"**Other Regulatory and Statutory Disclosures- Capital issues in the preceding three (3) years by our Company, its listed group companies/ subsidiaries/ associates**"* on page 440.

OTHER REGULATORY AND STATUTORY DISCLOSURES

Authority for the Offer

Corporate Approvals

(i) The Offer has been authorised by our Board pursuant to a resolution passed at its meeting held on March 01, 2024.

(ii) The Fresh Issue has been authorised by our Board pursuant to the resolution passed at its meeting dated March 01, 2024 and by our Shareholders pursuant to a special resolution dated March 07, 2024.

(iii) Our Board and the IPO Committee have approved this Draft Red Herring Prospectus for filing with SEBI pursuant to their resolutions dated March 29, 2024 and March 29, 2024, respectively.

(iv) Our Company, in consultation with the BRLM, may consider undertaking a further issue of Equity Shares of the Company, as may be permissible through a preferential issue, private placement, right issue or any other method as may be permitted in accordance with applicable law to any person(s), of up to 5,00,000 Equity Shares, aggregating up to ₹ [●] Lakhs, between the date of this Draft Red Herring Prospectus till the filing of the Red Herring Prospectus with the RoC, subject to appropriate approvals ("**Pre-IPO Placement**"). The Pre-IPO Placement, if undertaken, will be at a price to be decided by our Company in consultation with the BRLM, and the Pre-IPO Placement will be completed prior to filing of the Red Herring Prospectus with the RoC. If the Pre-IPO Placement is undertaken, the amount raised from the Pre-IPO Placement will be reduced from the Fresh Issue, subject to compliance with Rule 19(2)(b) of the SCRR.

Authorisations by the Promoter Selling Shareholders

The Promoter Selling Shareholders have, jointly and not severally, confirmed and approved their participation in the Offer in relation to their respective portion of Offered Shares, as set out below:

Sr. No.	Name of the Promoter Selling Shareholder	Date of consent letters	Total number of Offered Shares
1	Dhanji Raghavji Patel	March 1, 2024	Up to 7,68,000 Equity Shares, aggregating up to ₹ [●] Lakhs
2	Bechar Raghavji Patel	March 1, 2024	Up to 2,34,000 Equity Shares, aggregating up to ₹ [●] Lakhs

For details, please see *"**The Offer**"* on page 82.

In-principle Listing Approvals

Our Company has received in-principle approvals from BSE and NSE for the listing of our Equity Shares pursuant to their letters dated [●] and [●], respectively.

Prohibition by SEBI or other Governmental Authorities

Our Company, our Promoter Selling Shareholders (severally and not jointly), members of our Promoter Group, Directors are not prohibited from accessing the capital market or debarred from buying, selling or dealing in securities under any order or direction passed by SEBI or any securities market regulator in any other jurisdiction or any other authority/ court.

Our Promoters and Directors are not promoters or directors of any other company which is debarred from accessing the capital market by SEBI.

Our Company, Promoters and Directors have not been declared as wilful defaulters.

Our Company, Promoters and Directors have not been declared as fraudulent borrowers.

Our Promoters or Directors have not been declared as fugitive economic offenders under the Fugitive Economic Offenders Act, 2018.

There are no outstanding convertible securities or any other right which would entitle any person with any option to receive Equity Shares of our Company, as on the date of this Draft Red Herring Prospectus.

Compliance with the Companies (Significant Beneficial Owners) Rules, 2018

Our Company, Promoter Selling Shareholders (severally and not jointly), members of our Promoter Group, confirm that they are in compliance with the Companies (Significant Beneficial Owners) Rules, 2018, as amended, to the extent applicable to them, as on the date of this Draft Red Herring Prospectus.

Directors associated with securities market

None of our Directors are, in any manner, associated with the securities market. Further, there are no outstanding actions initiated by SEBI against any of our Directors, in the five (5) years preceding the date of this Draft Red Herring Prospectus.

Eligibility for the Offer

Our Company is eligible for the Offer in accordance with Regulation 6(1) of the SEBI ICDR Regulations, and is in compliance with the conditions specified therein in the following manner:

(i) Our Company has net tangible assets of at least ₹300 Lakhs, calculated on a restated basis, in each of the preceding three full years (of 12 months each), of which not more than fifty percent (50%) are held in monetary assets;

(ii) Our Company has an average operating profit of at least ₹1500 Lakhs, calculated on a restated basis, during the preceding three years (of 12 months each), with operating profit in each of these preceding three years;

(iii) Our Company has a net worth of atleast ₹100 Lakhs, in each of the preceding three full years (of 12 months each), calculated on a restated basis,

(iv) Our Company has not changed its name in the last one year*, other than for deletion of the word "private" consequent to the conversion from a private limited company to a public limited company.

Note:

*Our Company was converted into a public limited company, approved vide shareholders' resolution dated July 18, 2023, pursuant to which the name of our Company was changed to "Patel Retail Limited" and a fresh certificate of incorporation consequent upon change of name on conversion to public limited company was issued by the Registrar of Companies, Maharashtra, Mumbai dated August 28, 2023. For further details, please see "**History and Certain Corporate Matters- Brief History of our Company**" on page* 342.

Set forth below are our Company's net tangible assets, monetary assets as a percentage of the net tangible assets, operating profit and net worth, derived from the Restated Financial Information included in the Draft Red Herring Prospectus, as at and for the three immediately preceding FYs ended 2023, 2022 and 2021:

(₹ in Lakhs)

Particulars	As at/ for the FY ended		
	March 31, 2023	March 31, 2022	March 31, 2021
Restated net tangible assets (A)(1)	7,016.38	5,502.99	4,441.79
Restated pre-tax operating profit (B)(2)	3,212.60	1,640.42	1,874.89
Average restated pre-tax operating profit for the FY ended March 31, 2023, 2022 and 2021 (C) (5)	2,242.64		
Net worth (D)(3) as restated	7,186.92	5,584.24	4,450.03
Monetary assets(4)(E)	264.62	1,293.54	165.50
Monetary assets as a Percentage of the Net Tangible Assets (E/A)	3.77%	23.51%	3.73%

Notes:

(1)Net tangible assets as restated, has been defined as the sum of total assets of the issuer, excluding right of use assets and other intangible assets reduced by total liabilities excluding current and non-current lease liabilities and deferred tax liabilities (net)

(2) Restated pre-tax operating profit represents the profit after tax for the year before finance costs, other income and tax expenses.

(3) Net worth means the aggregate value of the paid-up share capital and all reserves created out of the profits and securities premium account and debit or credit balance of profit and loss, after deducting the aggregate value of the accumulated losses, deferred expenditure and miscellaneous expenditure not written off, as per the restated financial information, but does not include reserves created out of revaluation of assets, write-back of depreciation and amalgamation as per Regulation 2(1)(hh) of the SEBI ICDR Regulations.

[4]"Monetary Assets" means cash in hand, balance with bank in current and deposit account (net of bank deposits remaining maturity of more than twelve (12) months and fixed deposit held as margin money.
[5] The average restated operating profit of the Company for the preceding three financial years, i.e., financial years ended March 31, 2021, March 31, 2022 and March 31, 2023

We are currently eligible to undertake the Offer as per rule 19(2)(b) of the SCRR read with regulation 6(1) of the SEBI ICDR Regulations. Accordingly, in terms of Regulation 32(1) of the SEBI ICDR Regulations, we are required to allocate: (i) not more than 50% of the Net Offer to QIBs, 5% of which shall be allocated to Mutual Funds exclusively; (ii) not less than 15% of the Net Offer to Non-Institutional Bidders; and (iii) not less than 35% of the Net Offer to RIBs, subject to valid Bids being received at or above the Offer Price. In the event we fail to do so, the full application money shall be refunded to the Bidders.

Each of the Promoter Selling Shareholders has, severally and not jointly, confirmed that it has held its respective portion of Offered Shares in accordance with applicable law, and that it is in compliance with Regulation 8 of the SEBI ICDR Regulations and are eligible for being offered in the Offer for Sale.

Further, in accordance with regulation 49(1) of the SEBI ICDR Regulations, our Company shall ensure that the number of prospective Allottees to whom the Equity Shares will be Allotted shall be not less than 1,000, failing which, the entire application monies will be refunded forthwith, in accordance with the SEBI ICDR Regulations and applicable law.

Our Company confirms that it is not ineligible to undertake the Offer in terms of regulations 5 and 7(1) of the SEBI ICDR Regulations, to the extent applicable.

Our Company confirms that it is in compliance with the conditions specified in regulation 7(1) of the SEBI ICDR Regulations, to the extent applicable, and will ensure compliance with the conditions specified in regulation 7(2) of the SEBI ICDR Regulations, to the extent applicable.

The details of compliance with regulations 5 and 7(1) of the SEBI ICDR Regulations are as follows:

(i) Our Company, our Promoter Selling Shareholders, members of our Promoter Group, our Directors are not debarred from accessing the capital market by SEBI.

(ii) None of our Promoters or Directors are promoters or directors of any other company which is debarred from accessing the capital market by SEBI.

(iii) None of our Company, our Promoters or Directors have been identified as a wilful defaulter or a fraudulent borrower (as defined under the SEBI ICDR Regulations).

(iv) None of our Promoters or Directors have been declared as fugitive economic offenders.

(v) As on the date of this Draft Red Herring Prospectus, there are no outstanding convertible securities or any right which would entitle any person with any option to receive Equity Shares of our Company.

(vi) Our Company, along with the Registrar to the Offer has entered into tripartite agreements dated September 14, 2023 with NSDL and CDSL, respectively, for dematerialization of the Equity Shares.

(vii) The Equity Shares of our Company held by our Promoter Selling Shareholders are in the dematerialised form; and

(viii) All the Equity Shares are fully paid-up and there are no partly paid-up Equity Shares existing as on the date of filing of this Draft Red Herring Prospectus.

DISCLAIMER CLAUSE OF SEBI

IT IS TO BE DISTINCTLY UNDERSTOOD THAT SUBMISSION OF THIS DRAFT RED HERRING PROSPECTUS TO 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 THIS DRAFT RED HERRING PROSPECTUS. THE BOOK RUNNING LEAD MANAGER, BEING FEDEX SECURITIES PRIVATE LIMITED ("BRLM"), HAS CERTIFIED THAT THE DISCLOSURES MADE IN THIS DRAFT RED HERRING PROSPECTUS ARE GENERALLY ADEQUATE AND ARE IN CONFORMITY WITH THE SECURITIES AND EXCHANGE BOARD OF INDIA (ISSUE OF CAPITAL AND DISCLOSURE REQUIREMENTS) REGULATIONS, 2018, AS AMENDED. THIS REQUIREMENT IS TO FACILITATE INVESTORS TO TAKE AN INFORMED DECISION FOR MAKING AN INVESTMENT IN THE PROPOSED OFFER.

IT SHOULD ALSO BE CLEARLY UNDERSTOOD THAT WHILE THE COMPANY IS PRIMARILY RESPONSIBLE FOR THE CORRECTNESS, ADEQUACY AND DISCLOSURE OF ALL RELEVANT INFORMATION IN THIS DRAFT RED HERRING PROSPECTUS, THE BOOK RUNNING LEAD MANAGER IS EXPECTED TO EXERCISE DUE DILIGENCE TO ENSURE THAT THE COMPANY AND THE PROMOTER SELLING SHAREHOLDERS DISCHARGE THEIR RESPONSIBILITY ADEQUATELY IN THIS BEHALF AND TOWARDS THIS PURPOSE, THE BOOK RUNNING LEAD MANAGER HAS FURNISHED TO SEBI, A DUE DILIGENCE CERTIFICATE DATED MARCH 29, 2024 IN THE FORMAT PRESCRIBED UNDER SCHEDULE V(A) OF THE SECURITIES AND EXCHANGE BOARD OF INDIA (ISSUE OF CAPITAL AND DISCLOSURE REQUIREMENTS) REGULATIONS, 2018, AS AMENDED.

THE FILING OF THIS DRAFT RED HERRING PROSPECTUS DOES NOT, HOWEVER, ABSOLVE THE COMPANY FROM ANY LIABILITIES UNDER THE COMPANIES ACT, 2013, AS AMENDED OR FROM THE REQUIREMENT OF OBTAINING SUCH STATUTORY AND/OR OTHER CLEARANCES AS MAY BE REQUIRED FOR THE PURPOSE OF THE PROPOSED OFFER. SEBI FURTHER RESERVES THE RIGHT TO TAKE UP, AT ANY POINT OF TIME, WITH THE BOOK RUNNING LEAD MANAGER, ANY IRREGULARITIES OR LAPSES IN THIS DRAFT RED HERRING PROSPECTUS.

All applicable legal requirements pertaining to this Offer will be complied with at the time of filing of the Red Herring Prospectus with the RoC in terms of section 32 of the Companies Act and at the time of filing of the Prospectus with the RoC in terms of sections 26, 32, 33(1) and 33(2) of the Companies Act.

Disclaimer from our Company, Promoter Selling Shareholders, Directors and the Book Running Lead Manager

Our Company, our Directors, our Promoter Selling Shareholders and the BRLM accept no responsibility for statements made otherwise than in this Draft Red Herring Prospectus or in the advertisements or any other material issued by or at our Company's instance and anyone placing reliance any other source of information, including our Company's website- https://patelrpl.in/, would be doing so at their own risk.

The Promoter Selling Shareholders accept no responsibility for any statements made in this Draft Red Herring Prospectus other than those statements or undertakings specifically made or confirmed by such Promoter Selling Shareholders in relation to themselves or their portion of Offered Shares.

The BRLM accepts no responsibility, save to the limited extent as provided in the Offer Agreement and as will be provided in the Underwriting Agreement.

All information, to the extent required in relation to this Offer, shall be made available by our Company, the Promoter Selling Shareholders and the BRLM to the Bidders and public 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 Bidding Centres or elsewhere.

Bidders who Bid in the Offer will be required to confirm and will be deemed to have represented to our Company, the Promoter Selling Shareholders, the Underwriters and their respective directors, partners, designated partners, trustees, officers, agents, affiliates, and representatives that they are eligible under all applicable laws, rules, regulations, guidelines and approvals to acquire the Equity Shares and will not sell, pledge, or transfer the Equity Shares to any person who is not eligible under any applicable laws, rules, regulations, guidelines and approvals to acquire the Equity Shares. Our Company, our Promoter Selling Shareholders, the Underwriters and their respective directors, partners, designated partners, trustees, 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.

Neither our Company or BRLM or any member of the Syndicate shall be liable for any failure in (i) uploading the Bids due to faults in any software or hardware system or otherwise or (ii) the blocking of Bid Amount in the ASBA Account on receipt of instructions from the Sponsor Banks on account of any errors, omissions or non-compliance by various parties involved in, or any other fault, malfunctioning or breakdown in, or otherwise, in the UPI Mechanism.

The BRLM and its respective associates and affiliates in their capacity as principals or agents may engage in transactions with, and perform services for our Company, our Promoter Selling Shareholders and their respective affiliates or associates or third parties in the ordinary course of business and have engaged, or may in the future engage, in commercial banking and investment banking transactions with our Company, our Promoter Selling Shareholders, and their respective affiliates or associates or third parties, for which they have received, and may in the future receive compensation.

Disclaimer in respect of Jurisdiction

This Offer is being made in India to persons resident in India (including Indian nationals resident in India who are competent to contract under the Indian Contract Act, 1872, as amended), HUFs, companies, corporate bodies and societies registered under applicable laws in India and authorised to invest in equity shares, domestic Mutual Funds registered with SEBI, domestic financial institutions, commercial banks, regional rural banks, co-operative banks (subject to permission from RBI), systemically important NBFCs or trusts under applicable trust law and who are authorised under their constitution to hold and invest in equity shares, public financial institutions as specified in section 2(72) of the Companies Act, 2013, multilateral and bilateral development financial institutions, state industrial development corporations, insurance companies registered with IRDAI, provident funds (subject to applicable law) and pension funds (subject to applicable law), National Investment Fund, insurance funds set up and managed by army, navy or air force of Union of India, insurance funds set up and managed by the Department of Posts, GoI, and permitted Non-Residents including FPIs and Eligible NRIs, AIFs, FVCIs (under Schedule I of the FEM NDI Rules) and other eligible foreign investors, if any, provided that they are eligible under all applicable laws and regulations to purchase the Equity Shares.

This Draft Red Herring Prospectus does not, however, constitute an offer to sell or an invitation to subscribe to or purchase the Equity Shares offered hereby, in any jurisdiction to any person to whom it is unlawful to make an offer or invitation in such jurisdiction. Any person in whose possession this Draft Red Herring Prospectus comes is required to inform himself or herself about, and to observe, any such restrictions.

Invitations to subscribe to or purchase the Equity Shares in the Offer will be made only pursuant to the Red Herring Prospectus, if the recipient is in India or the preliminary offering memorandum for the Offer, which comprises the Red Herring Prospectus and the preliminary international wrap for the Offer, if the recipient is outside India.

Any dispute arising out of the Offer will be subject to the jurisdiction of the appropriate 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, except that this Draft Red Herring Prospectus has been filed with SEBI for its observations. Accordingly, the Equity Shares represented hereby may not be offered or sold, directly or indirectly, and this Draft Red Herring Prospectus may not be distributed, in any jurisdiction, except in accordance with the legal requirements applicable in such jurisdiction. Neither the delivery of this Draft Red Herring Prospectus nor any offer or sale hereunder, shall, under any circumstances, create any implication that there has been no change in the affairs of our Company since the date of this Draft Red Herring Prospectus or that the information contained herein is correct as of any time subsequent to this date.

Bidders are advised to ensure that any Bid from them does not exceed the investment limits or maximum number of Equity Shares that can be held by them under applicable law.

No person outside India is eligible to Bid for Equity Shares in the Offer unless that person has received the preliminary offering memorandum for the Offer, which contains the selling restrictions for the Offer outside India.

Eligibility and Transfer Restrictions

The Equity Shares offered in the Offer have not been and will not be registered under the U.S. Securities Act, as amended or any other applicable law of the United States and, unless so registered, may not be offered or sold within the United States, except pursuant to an exemption from, or in a transaction not subject to, the registration requirements of the U.S. Securities Act and applicable state securities laws. Accordingly, such Equity Shares are being offered and sold outside of the United States in "offshore transactions", as defined in and in reliance on Regulation S of the U.S. Securities Act and the applicable laws of the jurisdiction where those offers and sales occur / are made.

Bidders are advised to ensure that any Bid from them does not exceed investment limits or the maximum number of Equity Shares that can be held by them under applicable law. Further, each Bidder where required must agree in the Allotment Advice that such Bidder will not sell or transfer any Equity Shares or 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 in accordance with applicable laws.

The Equity Shares have not been and will not be registered, listed or otherwise qualified in any other jurisdiction outside India and may not be offered or sold, and Bids may not be made by persons in any such jurisdiction, except in compliance with the applicable laws of such jurisdiction.

Disclaimer Clause of BSE

As required, a copy of this Draft Red Herring Prospectus shall be submitted to BSE. The disclaimer clause as intimated by BSE to our Company, post scrutiny of this Draft Red Herring Prospectus, shall be included in the Red Herring Prospectus and the Prospectus prior to filing with the RoC.

Disclaimer Clause of the NSE

As required, a copy of this Draft Red Herring Prospectus shall be submitted to NSE. The disclaimer clause as intimated by NSE to our Company, post scrutiny of this Draft Red Herring Prospectus, shall be included in the Red Herring Prospectus and the Prospectus prior to filing with the RoC.

Disclaimer from the Promoters Selling Shareholders

The Promoter Selling Shareholders accept no responsibility for statements made otherwise than in this Draft Red Herring Prospectus or in the advertisements or any other material issued by or at our Company's instance and anyone placing reliance on any other source of information would be doing so at his or her own risk. Each of the Promoter Selling Shareholder, its directors, affiliates, associates, and officers, as applicable, accept no responsibility for any statements made in this Draft Red Herring Prospectus other than those specifically made or confirmed by such Promoter Selling Shareholder in relation to itself as a Promoter Selling Shareholder and with respect to its Offered Shares.

The Promoter Selling Shareholders shall not be liable for any failure in (i) uploading the Bids due to faults in any software/ hardware system or otherwise; or (ii) the blocking of Bid Amount in the ASBA Account on receipt of instructions from the Sponsor Banks on account of any errors, omissions or non-compliance by various parties involved in, or any other fault, malfunctioning or breakdown in, or otherwise, in the UPI Mechanism.

Bidders will be required to confirm and will be deemed to have represented to each of the Promoter Selling Shareholder and/or its respective directors, officers, agents, affiliates, and representatives that they are eligible under all applicable laws, rules, regulations, guidelines and approvals to acquire the Equity Shares and will not sell, pledge, or transfer the Equity Shares to any person who is not eligible under any applicable laws, rules, regulations, guidelines and approvals to acquire the Equity Shares. The Promoter Selling Shareholders and/or its 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.

Listing

The Equity Shares offered through the Red Herring Prospectus and the Prospectus are proposed to be listed on BSE and the NSE ("**Stock Exchanges**"). Applications will be made to the Stock Exchanges for obtaining permission for listing and trading of the Equity Shares. [●] will be the Designated Stock Exchange, with which the Basis of Allotment will be finalised.

Our Company shall ensure that all steps for the completion of the necessary formalities for listing and commencement of trading of Equity Shares at the Stock Exchanges are taken within three (3) Working Days from the Bid/ Offer Closing Date or within such period as may be prescribed by SEBI.

If the permission to deal in and for an official quotation of the Equity Shares is not granted by the Stock Exchanges, our Company shall forthwith repay, without interest, all monies received from the applicants in pursuance of the Red Herring Prospectus in accordance with applicable law. Each of the Promoter Selling Shareholders, severally and not jointly, confirm that it shall extend reasonable support and co-operation (to the extent of its portion of the Offered Shares) as required by law for the completion of necessary formalities for listing and commencement of trading of the Equity Shares on the Stock Exchanges, within three (3) Working Days from the Bid/ Offer Closing Date or within such other period as may be prescribed by SEBI.

If our Company does not Allot the Equity Shares pursuant to the Offer within such within such timeline as prescribed by SEBI, all amounts received in the Public Offer Accounts will be transferred to the Refund Account and it shall be utilised to repay, without interest, all monies received from Bidders, failing which interest shall be due to be paid to the Bidders at the rate of 15% per annum for the delayed period or such other rate prescribed under applicable law. For avoidance of doubt, no liability to make any payment of interest or expenses shall accrue to any Promoter Selling Shareholder unless the delay in making any of the payments/refund hereunder or the delay in obtaining listing or trading approvals or any other approvals in relation to the Offer is caused solely by, and is directly attributable to, an act or omission of such Promoter Selling Shareholder and to the extent of their portion of the Offered Shares.

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 –

1. *makes or abets making of an application in a fictitious name to a company for acquiring, or subscribing for, its securities, or*
2. *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*
3. *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".

The liability prescribed under Section 447 of the Companies Act includes imprisonment for a term of not less than six (6) months extending up to ten (10) years (provided that where the fraud involves public interest, such term shall not be less than three (3) years) and fine of an amount not less than the amount involved in the fraud, extending up to three times of such amount.

Consents

Consents in writing of the (a) Promoter Selling Shareholders, our Directors, our Company Secretary and Compliance Officer, our Statutory Auditor, Independent Chartered Engineer, Chief Executive Officer, Chief Financial Officer, Legal Counsel to our Company as to Indian law, the Bankers to our Company, the BRLM, D&B and Registrar to the Offer, in their respective capacities, have been obtained; and (b) the Syndicate Members, Banker to the Offer (Escrow Collection Bank, Public Offer Account Bank, Sponsor Bank(s) and Refund Bank(s)) and Monitoring Agency to act in their respective capacities, will be obtained and filed along with a copy of the Red Herring Prospectus with the RoC as required under Companies Act. Further, consents received prior to filing of this Draft Red Herring Prospectus have not been withdrawn up to the time of delivery of this Draft Red Herring Prospectus with SEBI.

Experts to the Offer

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

(i) Our Company has received written consent dated March 20, 2024 from Kanu Doshi Associates LLP, Chartered Accountants, to include their name as required under section 26 of the Companies Act, 2013 read with the SEBI ICDR Regulations, in this Draft Red Herring Prospectus, and as an *"expert"* as defined under section 2(38) of the Companies Act, 2013 to the extent and in their capacity as our Statutory Auditors, and in respect of their (i) certificate on Key Performance Indicators dated March 29, 2024, (ii) examination report dated March 20, 2024 relating to the Restated Financial Information; and (iii) report dated March 20, 2024 on the statement of possible special tax benefits, included in this Draft Red Herring Prospectus and such consent has not been withdrawn as on the date of this Draft Red Herring Prospectus. However, the term "expert" shall not be construed to mean an "expert" as defined under the U.S. Securities Act.

(ii) Our Company has also received written consent dated March 21, 2024 from V N Talithaya, Chartered Engineer to include their name as required under section 26 of the Companies Act, 2013 read with the SEBI ICDR Regulations, in this Draft Red Herring Prospectus, and as an *"expert"* as defined under section 2(38) of the Companies Act, 2013, and in their capacity as independent chartered engineer in respect to their certificate dated March 21, 2024 on our Company's manufacturingcapacity and its utilization at our manufacturing facilities. Such consent has not been withdrawn as on the date of this Draft Red Herring Prospectus.

However, the term "expert" shall not be construed to mean an 'expert' under the U.S. Securities Act.

Particulars regarding public or rights issues by our Company during the last five (5) years

Our Company has not made any public issue or rights issue during the last 5 (five) years immediately preceding the date of this Draft Red Herring Prospectus. For details, please see *"**Capital Structure**"* on page 96.

Commission or brokerage paid on previous issues in the last five (5) years

Since this is the initial public offering of the Equity Shares, no sum has been paid or is payable as commission or brokerage by our Company for subscribing to or procuring or agreeing to procure public subscription for any of our Equity Shares in the last five (5) years preceding the date of this Draft Red Herring Prospectus.

Capital issues in the preceding three (3) years by our Company, its listed group companies / subsidiaries / associates

Except as disclosed in *"**Capital Structure- Notes to Capital Structure- Share Capital of our Company**"* on page 97, our Company has not made any capital issuances during the three (3) years preceding the date of this Draft Red Herring Prospectus.

As on the date of this Draft Red Herring Prospectus, our Company does not have any listed subsidiary or group company or associate.

Performance vis-à-vis Objects- Public / Rights issue of our Company

Our Company has not made any public issue or rights issue in the last five (5) years immediately preceding the date of this Draft Red Herring Prospectus.

Performance vis-à-vis Objects –Public / Rights issue of listed subsidiaries/ listed promoters

As on the date of this Draft Red Herring Prospectus, our Company does not have a listed subsidiary or a listed Promoter.

Price Information of past issues handled by the Book Running Lead Manager- Fedex Securities Private Limited

<u>Fedex Securities Private Limited</u>

1. Price information of past issues handled by Fedex Securities Private Limited (during the current Financial Year and two Financial Years preceding the current Financial Year)

Sr. No.	Issue Name	Issue Size (Cr)	Issue Price (₹)	Listing date	Opening price on listing date	+/- % change in closing price, [+/- % change in closing benchmark]- 30th calendar days from listing	+/- % change in closing price, [+/- % change in closing benchmark]- 90th calendar days from listing	+/- % change in closing price, [+/- % change in closing benchmark]- 180th calendar days from listing
MAINBOARD IPO								
1.	Mukka Proteins Limited	224	28	March 07, 2024	40.00	Not Applicable	Not Applicable	Not Applicable
SME IPO								
1.	Kundan Edifice Limited	25.22	91.00	September 26, 2023	75.00	(23.13%) (2.76%)	163.41% 9.03%	61.48% (12.37%)
2.	Oneclick Logistics India Limited	9.90	99.00	October 11, 2023	140.00	(30.91%) (2.10%)	(21.87%) 8.59%	Not Applicable
3.	Sharp Chucks and Machines Limited	16.84	58.00	October 12, 2023	66.00	43.71% (1.86%)	26.64% 8.85%	Not Applicable
4.	Committed Cargo Care Limited	24.94	77.00	October 18, 2023	82.00	(11.95%) 0.48%	(21.30%) 12.33%	Not Applicable
5.	KK Shah Hospital	8.78	45.00	November 6, 2023	56.10	84.00% 6.68%	59.89% 10.43%	Not Applicable
6.	IBL Finance Limited	33.40	51	January 16, 2024	56.00	22.35% (0.87%)	Not Applicable	Not Applicable
7.	Docmode Health Technologies Limited	6.71	79	February 02, 2024	190.25	162.03% 2.52%	Not Applicable	Not Applicable
8.	Baweja Studios Limited	97.20	180	February 06, 2024	183	23.94% 2.48%	Not Applicable	Not Applicable
9.	Polysil Irrigation Systems Limited	17.43	54	February 16, 2024	56	(34.63%) 0.07%	Not Applicable	Not Applicable
10.	Deem Roll-Tech Limited	29.26	129	February 27, 2024	200	(29.15%) (0.16%)	Not Applicable	Not Applicable

Source: *www.nseindia.com and www.bseindia.com*

Notes:

(a) Issue size derived from prospectus / basis of allotment advertisement, as applicable

(b) Price on NSE or BSE is considered for the above calculations as per the designated stock exchange disclosed by the respective issuer at the time of the issue, as applicable

(c) % of change in closing price on 30th / 90th / 180th calendar day from listing day is calculated vs issue price. % change in closing benchmark index is calculated based on closing index on listing day vs closing index on 30th/ 90th / 180th calendar day from listing day.

(d) Wherever 30th/ 90th / 180th calendar day from listing day is a holiday, the closing data of the previous trading day has been considered.

(e) The Nifty 50 or S&P BSE SENSEX index is considered as the benchmark index as per the designated stock exchange disclosed by the respective issuer at the time of the issue, as applicable.

2. Summary statement of price information of past issues handled by Fedex Securities Private Limited

Financial year	Total no. of IPO	Total funds Raised (Rs. Cr)	Nos of IPOs trading at discount on 30th Calendar Day from listing date			Nos of IPOs trading at premium on 30th Calendar Day from listing date			Nos of IPOs trading at discount on 180th Calendar Day from listing date			Nos of IPOs trading at premium on 180th Calendar Day from listing date		
			Over 50%	Between 25-50%	Less than 25%	Over 50%	Between 25-50%	Less than 25%	Over 50%	Between 25-50%	Less than 25%	Over 50%	Between 25-50%	Less Than 25%
2020-21	*2	49.64	-	-	1	-	-	1	-	-	1	1	-	-
2021-22	**5	153.99	1	-	2	1	-	1	1	1	-	-	1	2
2022-23	***7	131.26	-	1	1	1	2	2	-	-	3	3	-	1
2023-24	****14	541.52	-	4	3	3	2	1	-	-	1	1	-	1

**The script of Atam Valves Limited and Rangoli Tradecomm Limited were listed on October 06, 2020 and March 22, 2021 respectively.*

*** The script of Rajeshwari Cans Limited, Kuberan Global Edu Solutions Limited, Aashka Hospitals Limited Euro Panel Products Limited and Wherrelz IT Solutions Limited were listed on April 15, 2021, May 05, 2021, September 01, 2021, December 24, 2021 and December 29, 2021 respectively.*

**** The scripts of Sunrise Efficient Marketing Limited, Le Merite Exports Limited, Kesar India Limited, Virtuoso Optoelectronics Limited, Tapi Fruit Processing Limited, Moxsh Overseas Educon Limited and Lead Reclaim and Rubber Products Limited were listed on April 12, 2022, May 09, 2022, July 12, 2022, September 15, 2022, September 22, 2022, December 30, 2022 and February 21, 2023 respectively.*

***** The scripts of Pattech Fitwell Tube Components Limited and Yasons Chemex Care Limited and Pramara Promotions Limited were listed on April 21, 2023, August 03, 2023 and September 13, 2023, respectively.*

*****The scripts of Kundan Edifice Limited, Oneclick Logistics India Limited, Sharp Chucks and Machines Limited, Committed Cargo Care Limited and KK shah Hospitals were listed on September 26, 2023, October 11, 2023, October 12, 2023, October 18, 2023 and November 6, 2023, respectively, and have not completed 180 calendar days. The scripts of IBL Finance Limited, Docmode Health Technologies Limited and Baweja Studios Limited were listed on January 16, 2024, February 02, 2024 and*

February 06, 2024 and have not completed 90 calendar days. The scripts of Polysil Irrigation Systems Limited, Deem Roll-Tech Limited and Mukka Proteins Limited were listed on, February 16, 2024, February 27, 2024 and March 07, 2024, respectively. The scripts of Mukka Proteins Limited have not completed 30 calendar days.

Source: *www.nseindia.com and www.bseindia.com*

Notes:

(a) The information is as on the date of this Issue document

(b) The information for each of the financial years is based on issues listed during such financial year.

(c) Since 30 or 180 calendar days from listing date has not elapsed for few issues, hence data for same is not available.

Track record of past issues handled by the Book Running Lead Manager

For details regarding the track record of the BRLM, as specified in circular reference CIR/MIRSD/1/2012 dated January 10, 2012 issued by SEBI, please see the website of the BRLM, as set forth in the table below:

Sr. No.	Name of the BRLM	Website
1	Fedex Securities Private Limited	http://www.fedsec.in/

For further details in relation to the BRLM, please see *"**General Information- Book Running Lead Manager**"* on page 87.

Stock Market Data of the Equity Shares

This being an initial public offer of our Company, the Equity Shares are not listed on any stock exchange as on the date of this Draft Red Herring Prospectus, and accordingly, no stock market data is available for the Equity Shares.

Mechanism for redressal of Investor Grievances

SEBI, by way of its Master Circular No: SEBI/HO/CFD/PoD-2/P/CIR/2023/00094 dated June 21, 2023 ("**June 2023 Circular**"), Circular No: SEBI/HO/CFD/DIL2/CIR/P/2021/2480/1/M dated March 16, 2021 ("**March 2021 Circular**") as amended by its circular dated April 20, 2022, has identified the need to put in place measures, in order to manage and handle investor issues arising out of the UPI Mechanism inter alia in relation to delay in receipt of mandates by Bidders for blocking of funds due to systemic issues faced by Designated Intermediaries/ SCSBs and failure to unblock funds in cases of partial allotment/ non allotment within prescribed timelines and procedures. Subsequently, by way of its Circular dated June 2, 2021 ("**June 2021 Circular**") and its Circular dated April 20, 2022 ("**April 2022 Circular**"), SEBI modified the process timelines and extended the implementation timelines for certain measures introduced by the March 2021 Circular.

Pursuant to the March 2021 Circular read with the June 2021 Circular and the April 2022 Circular, SEBI has prescribed certain mechanisms to ensure proper management of investor issues arising out of the UPI Mechanism, including: (i) identification of a nodal officer by SCSBs for the UPI Mechanism; (ii) delivery of SMS alerts and invoice in the inbox by SCSBs for blocking and unblocking of UPI Mandate Requests; (iii) hosting of a web portal by the Sponsor Bank(s) containing statistical details of mandate blocks/unblocks; (iv) limiting the facility of reinitiating UPI Bids to Syndicate Members only to once per Bid; and (v) mandating SCSBs to ensure that the unblock process for non-allotted/ partially allotted applications is completed by the closing hours of one (1) Working Day subsequent to the finalisation of the Basis of Allotment.

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 the SEBI Circular No: SEBI/HO/CFD/DIL2/CIR/P/2018/22 dated February 15, 2018; 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 and SEBI Circular No: SEBI/HO/CFD/DIL2/CIR/P/2022/51 dated April 20, 2022 and SEBI Circular no. SEBI/HO/CFD/DIL2/P/CIR/2022/75 Dated May 30, 2022.

Separately, pursuant to the March 2021 Circular, the following compensation mechanism shall be applicable for investor grievances in relation to Bids made through the UPI Mechanism, for which the relevant SCSBs shall be liable to compensate the investor:

Scenario	Compensation amount	Compensation period
Delayed unblock for cancelled / withdrawn / deleted applications	₹100 per day or 15% per annum of the Bid Amount, whichever is higher	From the date on which the request for cancellation / withdrawal / deletion is placed on the bidding platform of the Stock Exchanges till the date of actual unblock
Blocking of multiple amounts for the same Bid made through the UPI Mechanism	1. Instantly revoke the blocked funds other than the original application amount; and 2. ₹100/- per day or 15% per annum of the total cumulative blocked amount except the original Bid Amount, whichever is higher	From the date on which multiple amounts were blocked till the date of actual unblock
Blocking more than the Bid Amount	1. Instantly revoke the difference amount i.e., blocked amount less the Bid Amount; and 2. ₹100/- per day or 15% per annum of the difference amount, whichever is higher	From the date on which the funds to the excess of the Bid Amount were blocked till the date of actual unblock
Delayed unblock for non- Allotted / partially Allotted applications	₹100 per day or 15% per annum of the Bid Amount, whichever is higher	From the Working Day subsequent to the finalisation of the Basis of Allotment till the date of actual unblock

Further, in the event there are any delays in resolving the investor grievance beyond the date of receipt of the complaint from the investor, for each day delayed, the post-Offer BRLM shall be liable to compensate the investor by ₹100/- per day or 15% per annum of the Bid Amount, whichever is higher. The compensation shall be payable for the period ranging from the day on which the investor grievance is received till the date of actual unblock.

The Registrar Agreement provides for the retention of records with the Registrar to the Offer for a period of at least eight (8) years from the date of listing and commencement of trading of the Equity Shares, or any such other later period as may be prescribed under the applicable law, to enable the Bidders to approach the Registrar to the Offer for redressal of their grievances.

All grievances in relation to the Bidding process (other than of Anchor Investors) may be addressed to the Registrar to the Offer with a copy to the relevant Designated Intermediary to whom the Bid cum Application Form was submitted. The Bidder should give full details such as name of the sole or first Bidder, Bid cum Application Form number, Bidder's DP ID, Client ID, UPI ID (for UPI Bidders who make the payment of Bid Amount through the UPI Mechanism), PAN, date of the submission of Bid cum Application Form, address of the Bidder, number of the Equity Shares applied for, ASBA Account number in which the amount equivalent to the Bid Amount was blocked, and the name and address of the Designated Intermediary where the Bid cum Application Form was submitted by the Bidder. Further, the Bidder shall also enclose a copy of the Acknowledgment Slip duly received from the concerned Designated Intermediary in addition to the information mentioned hereinabove.

All grievances relating to Bids submitted with Registered Brokers, may be addressed to the Stock Exchanges, with a copy to the Registrar to the Offer .

Anchor Investors are required to address all grievances in relation to the Offer to the BRLM.

The Registrar to the Offer shall obtain the required information from the SCSBs and Sponsor Banks for addressing any clarifications or grievances of ASBA Bidders.

Our Company, the BRLM and the Registrar to the Offer accept no responsibility for errors, omissions, commission or any acts of SCSBs including any defaults in complying with their obligations under the applicable SEBI ICDR Regulations. **Bidders/ Investors can contact our Company Secretary and Compliance Officer or the Registrar to the Offer in case any pre-Offer or post-Offer related problem such as non-receipt of letter of Allotment, non-credit of Allotted Equity Shares in the respective beneficiary account, non-receipt of refund intimations and non-receipt of funds by electronic mode. For all Offer related queries and for redressal of complaints, Bidders may also write to the BRLM.** For helpline details of the BRLM pursuant to the March 2021 Circular, please see *"**General Information- Book Running Lead Managers**"* on page 87.

Disposal of Investor Grievances by our Company

Our Company has obtained SCORES authentication in compliance with the SEBI Circular No: CIR/OIAE/1/2013 dated April 17, 2013 read with SEBI Circular No: SEBI/HO/OIAE/IGRD/P/CIR/2022/0150 dated November 7, 2022 in relation to redressal of investor grievances through SCORES.

Our Company has also constituted a Stakeholders Relationship Committee to review and redress the grievances of the security holders of our Company. For further details, please see *"**Our Management – Board Committees – Stakeholders Relationship Committee**"* on page 359.

Our Company has also appointed Deepesh Sanjay Somani, Company Secretary of our Company, as the Compliance Officer for the Offer. For further details, please see *"**General Information- Company Secretary and Compliance Officer**"* on page 87.

Our Company has not received any investor grievances in the last three (3) Financial Years preceding the date of this Draft Red Herring Prospectus. Further, there are no investor complaints in relation to our Company pending as on the date of this Draft Red Herring Prospectus. Our Company estimates that the average time required by our Company or the Registrar to the Offer or the relevant Designated Intermediary, for the redressal of routine investor grievances shall be ten (10) Working Days from the date of receipt of the complaint. In case of non-routine complaints and complaints where external agencies are involved, our Company will seek to redress these complaints as expeditiously as possible. Each of the Promoter Selling Shareholders, severally and not jointly, has authorised our Company Secretary and Compliance Officer of the Company, and the Registrar to the Offer to redress any complaints received from the Bidders in respect of the Offer for Sale.

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

Outstanding Debentures, Bonds or Redeemable Preference Shares

As on the date of this Draft Red Herring Prospectus, our Company does not have any outstanding debentures, bonds or redeemable preference shares.

Partly Paid-Up Shares

As on the date of this Draft Red Herring Prospectus, there are no partly paid-up Equity Shares of our Company.

Fees Payable to the Syndicate

The total fees payable to the Syndicate (including underwriting commission and selling commission and reimbursement of their out-of-pocket expense) will be as per the Syndicate Agreement. For details of the Offer expenses, please see "***Objects of the Offer***" on page 114.

Commission payable to SCSBs, Registered Brokers, CRTAs and CDPs

For details of the commission payable to SCBS, Registered Brokers, CRTAs and CDPs, please see "***Objects of***

the Offer" on page 114.

Disposal of investor grievances by listed subsidiary(ies)

As on the date of this Draft Red Herring Prospectus, our Company does not have a listed subsidiary.

Capitalization of Reserves or Profits

Except for bonus issue of its Equity Shares, our Company has not capitalized its reserves or profits at any time during the 5 (five) years immediately preceding the date of this Draft Red Herring Prospectus

Revaluation of Assets

Our Company has not revalued its assets since its incorporation.

Other confirmation

Any person connected with the Offer shall not offer any incentive, whether direct or indirect, in any manner, whether in cash or kind or services or otherwise, to any person for making a Bid in the initial public offer, except for fees or commission for services rendered in relation to the Offer.

Exemption from complying with the provisions of securities laws, if any, granted by SEBI

As on the date of this Draft Red Herring Prospectus, our Company has not sought any exemption nor has been granted any exemption from complying with any provisions of securities laws from SEBI.

SECTION VII- OFFER RELATED INFORMATION

TERMS OF THE OFFER

The Equity Shares being issued, offered, Allotted and transferred pursuant to the Offer will be subject to the provisions of the Companies Act, the SEBI ICDR Regulations, the SEBI Listing Regulations, the SCRA, the SCRR, our Memorandum of Association and Articles of Association, the terms of this Draft Red Herring Prospectus, the Red Herring Prospectus and the Prospectus, the Abridged Prospectus, the Bid cum Application Form, the Revision Form, CAN, any other terms and conditions as may be incorporated in the CAN, Allotment Advice and other documents and certificates that may be executed in respect of the Offer. 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 the SEBI, GoI, Stock Exchanges, the RoC, the RBI and/or other authorities, as in force on the date of this Offer and to the extent applicable, or such other conditions as maybe prescribed by such governmental, statutory and/or regulatory authority while granting their approval for the Offer.

The Offer

The Offer comprises of a Fresh Issue by our Company and an Offer for Sale by the Promoter Selling Shareholders.

Expenses for the Offer shall be shared amongst our Company and each of the Promoter Selling Shareholders in the manner agreed to among our Company and the Promoter Selling Shareholders and in accordance with applicable law. For further details, please see *"**Objects of the Offer**"* on page 114.

Employee Discount

Employee Discount of up to [●]% to the Offer Price (equivalent to ₹[●] per Equity Share) may be offered to the Eligible Employees Bidding in the Employee Reservation Portion in accordance with the SEBI ICDR Regulations and details of which will be announced at least two (2) Working Days prior to the Bid/Offer Opening Date.

Ranking of the Equity Shares

The Equity Shares being offered, Allotted and transferred pursuant to the Offer shall be subject to the provisions of the Companies Act, the SEBI ICDR Regulations, SCRA, SCRR, our Memorandum and Articles of Association and shall rank *pari passu* in all respects with the existing Equity Shares of our Company, including in respect of rights to receive dividends, voting and other corporate benefits, if any, declared by our Company after the date of Allotment, in accordance with applicable law. For further details, please see *"**Description of Equity Shares and Terms of the Articles of Association**"* on page 491.

Mode of Payment of Dividend

Our Company shall pay dividends, if declared, to the Shareholders of our Company, as per the provisions of the Companies Act, the SEBI Listing Regulations, our Memorandum of Association and Articles of Association, and other applicable law. All dividends, if any, declared by our Company after the date of Allotment (including pursuant to the transfer of Equity Shares in the Offer for Sale in this Offer), will be payable to the Allottees who have been Allotted Equity Shares in the Offer, in accordance with applicable law. For further details in relation to dividends, please see *"**Dividend Policy**"* and *"**Description of Equity Shares and Terms of the Articles of Association**"* on pages 375 and 491, respectively.

Face Value, Offer Price, Floor Price and Price Band

The face value of each Equity Share is ₹10 and the Offer Price is ₹ [●] per Equity Share. The Floor Price is ₹ [●] per Equity Share and the Cap Price is ₹ [●] per Equity Share, being the Price Band. The Anchor Investor Price is ₹ [●] per Equity Share.

The Offer Price, Price Band and the minimum Bid Lot for the Offer will be decided by our Company in accordance with applicable law, and in consultation with the BRLM, and shall be published at least two (2) Working Days prior to the Bid/Offer Opening Date, in [●] editions of [●] (a widely circulated English national daily newspaper), [●] editions of [●] (a widely circulated Hindi national daily newspaper) and [●] editions of [●] (a widely circulated Marathi daily newspaper, Marathi being the regional language of Maharashtra, where our Registered Office is located) respectively, and shall be made available to the Stock Exchanges for the purpose of uploading the same on their respective websites. 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 at the respective websites of the Stock Exchanges. The Cap Price shall be atleast 105% of the Floor Price.

The Offer Price shall be determined by our Company in compliance with the SEBI ICDR Regulations, and in consultation with the BRLM, after the Bid/Offer Closing Date, on the basis of assessment of market demand for the Equity Shares offered by way of the Book Building Process.

At any given point in time, there will be only one denomination for the Equity Shares.

Compliance with SEBI ICDR Regulations

Our Company shall comply with all applicable requirements of the SEBI ICDR Regulations from time to time.

Compliance with disclosure and accounting norms

Our Company shall comply with all applicable disclosure and accounting norms as specified by SEBI from time to time.

Rights of the Shareholders

Subject to applicable laws, rules, regulations and guidelines and the provisions of our Articles of Association, our Shareholders will have the following rights:

(i) Right to receive dividends, if declared;
(ii) Right to attend general meetings and exercise voting powers, unless prohibited by law;
(iii) Right to vote on a poll either in person or by proxy or e-voting in accordance with the provisions of the Companies Act;
(iv) Right to receive offers for rights shares and be allotted bonus shares, if announced;
(v) Right to receive any surplus on liquidation subject to any statutory and preferential claims being satisfied;
(vi) Right of free transferability of their Equity Shares, subject to applicable foreign exchange regulations and other applicable laws including rules framed by RBI; and
(vii) Such other rights as may be available to a shareholder of a listed public company under applicable law including the Companies Act, the SEBI Listing Regulations, and our Memorandum of Association and Articles of Association.

For a detailed description of the main provisions of our Articles of Association of our Company relating to voting rights, dividend, forfeiture, lien, transfer, transmission, and/or consolidation/ splitting, please see *“**Description of Equity Shares and Terms of the Articles of Association**”* on page 491.

Allotment of Equity Shares only in Dematerialised Form

Pursuant to section 29 of the Companies Act and the SEBI ICDR Regulations, the Equity Shares shall be Allotted only in dematerialised form. Hence, the Equity Shares offered through the Red Herring Prospectus can be applied for in dematerialised form only. As per the SEBI ICDR Regulations and the SEBI Listing Regulations, the trading of the Equity Shares shall only be in dematerialised form on the Stock Exchanges. In this context, our Company has entered into the following agreements:

(i) Tripartite agreement dated September 14, 2023 among NSDL, our Company and the Registrar to the Offer; and

(ii) Tripartite agreement dated September 14, 2023 among CDSL, our Company and Registrar to the Offer.

The Company's Equity Shares bear ISIN INE0R8B01010.

For details in relation to the Basis of Allotment, please see *"**Offer Procedure**"* on page 462.

Market Lot and Trading Lot

Since the trading of our Equity Shares is in dematerialised form, the tradable lot is one Equity Share. Allotment of Equity Shares in the Offer will be only in dematerialised form in multiples of [●] Equity Shares, subject to a minimum Allotment of [●] Equity Shares. For further details, please see *"**Offer Procedure**"* on page 462.

Jurisdiction

The courts of Mumbai, Maharashtra, India will have exclusive jurisdiction in relation to this Offer.

Joint holders

Subject to the provisions contained in our Articles of Association, where two or more persons are registered as the holders of any Equity Share, they shall be deemed to hold such Equity Shares as joint holders with benefits of survivorship.

Period of operation of subscription list

Please see *"**Bid/ Offer Programme**"* on page 450.

Nomination facility to Bidders

In accordance with section 72 of the Companies Act, read with Companies (Share Capital and Debentures) Rules, 2014, as amended, the sole or the first Bidder, along with other joint Bidders, may nominate any one person in whom, in the event of the death of sole Bidder or in case of joint Bidders, the death of all the Bidders, as the case may be, the Equity Shares Allotted, if any, shall vest, to the exclusion of all other persons, unless the nomination is varied or cancelled in the prescribed manner.

A person, being a nominee, entitled to the Equity Shares by reason of death of the original holder(s), shall in accordance with section 72 of the Companies Act, be entitled to the same advantages/ benefits to which such person would be entitled if such person 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 the Equity Share(s), in the event of the holder's death during the minority. A nomination shall stand rescinded upon a sale, transfer or alienation of Equity Share(s) by the holder of such Equity Share(s)/person nominating. A nomination may be cancelled or varied by nominating any other person in place of the present nominee, by the holder of the Equity Shares who has made the nomination, by giving a notice of such cancellation. A buyer will be entitled to make a fresh nomination in the manner prescribed. A fresh nomination can be made only on the prescribed form, which is available on request at our Registered and Corporate Office or with the Registrar and Share transfer agent.

Any person who becomes a nominee by virtue of section 72 of the Companies Act as mentioned above, shall, upon the production of such evidence as may be required by our Board, elect either:

(i) to register himself or herself as holder of Equity Shares; or
(ii) to make such transfer of the Equity Shares, as the deceased holder could have made.

Further, our Board may at any time give notice requiring any nominee to choose either to be registered himself or herself or to transfer the Equity Shares, and if the notice is not complied with within a period of 90 days, our Board may thereafter withhold payment of all dividends, bonuses or other monies 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 Offer will be made only in dematerialised form, there shall be no requirement for a separate nomination with our Company. Nominations registered with the respective

Depository Participant of the Bidder will prevail. If Bidders want to change their nomination, they are advised to inform their respective Collecting Depository Participants.

Bid/Offer Programme

BID/OFFER OPENS ON	[●](1)
BID/OFFER CLOSES ON	[●](2)(3)

(1) Our Company in consultation with the BRLM, may consider participation by Anchor Investors in accordance with the SEBI ICDR Regulations. The Anchor Investor Bid/Offer Period shall be one (1) Working Day prior to the Bid/Offer Opening Date in accordance with the SEBI ICDR Regulations.

(2) Our Company, in consultation with the BRLM, may consider closing the Bid/Offer Period for QIBs one (1) Working Day prior to the Bid/Offer Closing Date in accordance with the SEBI ICDR Regulations.

(3) UPI mandate end time and date shall be 5.00 p.m. on Bid/Offer Closing Date.

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

Event	Indicative Date
Bid/ Offer Closing Date	[●]
Finalisation of Basis of Allotment with the Designated Stock Exchange	On or about [●]
Initiation of refunds (if any, for Anchor Investors)/ Unblocking of Funds from ASBA Account*	On or about [●]
Credit of Equity Shares to demat accounts of Allottees	On or about [●]
Commencement of trading of the Equity Shares on the Stock Exchanges	On or about [●]

**In case of (i) any delay in unblocking of amounts in the ASBA Accounts (including amounts blocked through the UPI Mechanism) exceeding two Working Days from the Bid/Offer Closing Date for cancelled / withdrawn / deleted ASBA Forms, the Bidder shall be compensated at a uniform rate of ₹ 100 per day or 15% per annum of the Bid Amount, whichever is higher from the date on which the request for cancellation / withdrawal / deletion is placed in the Stock Exchanges bidding platform until the date on which the amounts are unblocked; (ii) any blocking of multiple amounts for the same ASBA Form (for amounts blocked through the UPI Mechanism), the Bidder shall be compensated at a uniform rate of ₹ 100 per day or 15% per annum of the total cumulative blocked amount except the original application amount, whichever is higher from the date on which such multiple amounts were blocked till the date of actual unblock; (iii) any blocking of amounts more than the Bid Amount, the Bidder shall be compensated at a uniform rate of ₹ 100 per day or 15% per annum of the difference in amount, whichever is higher from the date on which such excess amounts were blocked till the date of actual unblock; (iv) any delay in unblocking of non-Allotted / partially Allotted Bids, exceeding two Working Days from the Bid/Offer Closing Date, the Bidder shall be compensated at a uniform rate of ₹ 100 per day or 15% per annum of the Bid Amount, whichever is higher for the entire duration of delay exceeding two Working Days from the Bid /Offer Closing Date by the SCSB responsible for causing such delay in unblocking. The BRLM shall, in its sole discretion, identify and fix the liability on such intermediary or entity responsible for such delay in unblocking. The Bidder shall be compensated in the manner specified in the SEBI Circular No: SEBI/HO/CFD/DIL2/CIR/P/2021/2480/1/M dated March 16, 2021, as amended, SEBI Circular No: SEBI/HO/CFD/DIL2/P/CIR/2021/570 dated June 2, 2021 and 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 SEBI Master Circular No: SEBI/HO/CFD/PoD-2/P/CIR/ 2023/00094 dated June 21, 2023 and SEBI Circular No: SEBI/HO/CFD/TPD1/CIR/P/2023/140 dated August 9, 2023, which for the avoidance of doubt, shall be deemed to be incorporated in the deemed agreement of the Company with the SCSBs, to the extent applicable.*

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/CIR/P/2021/2480/1/M dated March 16, 2021 read with SEBI Circular No: SEBI/HO/CFD/DIL2/P/CIR/2021/570 dated June 2, 2021 and SEBI Circular No: SEBI/HO/CFD/DIL2/CIR/P/2022/51 dated April 20, 2022 and SEBI Circular No: SEBI/HO/CFD/DIL2/P/CIR/2022/75 dated May 30, 2022.

The above timetable is indicative and does not constitute any obligation or liability on our Company, the Promoter Selling Shareholders or the BRLM.

While our Company and the Promoter Selling Shareholders 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 Exchanges are taken within three Working Days of the Bid/ Offer Closing Date or such period as may be prescribed by SEBI, the timetable may be extended due to various factors, such as extension of

the Bid/Offer Period by our Company, in consultation with the BRLM, revision of the Price Band or any delay in receiving the final listing and trading approval from the Stock Exchanges, and delay in respect of final certificates from SCSBs. The commencement of trading of the Equity Shares will be entirely at the discretion of the Stock Exchanges and in accordance with the applicable laws. Each Promoter Selling Shareholder, severally and not jointly, confirms that they shall extend such reasonable co-operation requested by our Company and/or the BRLM, for the timely completion of the necessary formalities for listing and commencement of trading of the Equity Shares at the Stock Exchanges within three Working Days from the Bid/Offer Closing Date or within such other period, as may be prescribed by SEBI.

SEBI vide Circular No: SEBI/HO/CFD/TPD1/CIR/P/2023/140 dated August 9, 2023 has reduced the post issue timeline for initial public offerings ("**IPO**"). The revised timeline of T+3 days has been made applicable in two phases, i.e., voluntary for all public issues opening on or after September 1, 2023 and mandatory on or after December 1, 2023. Accordingly, the Offer will be made under UPI Phase III on mandatory basis, subject to the timing of the Offer and any circulars, clarification or notification issued by the SEBI from time to time, including with respect to SEBI Circular No: SEBI/HO/CFD/TPD1/CIR/P/2023/140 dated August 9, 2023.

In terms of the UPI Circulars, in relation to the Offer, the BRLM will be required to submit reports of compliance with timelines and activities prescribed by SEBI in connection with the allotment and listing procedure within three (3) Working Days from the Bid/Offer Closing Date or such other time as prescribed by SEBI, identifying non-adherence to timelines and processes and an analysis of entities responsible for the delay and the reasons associated with it.

Any circulars or notifications from SEBI after the date of this Draft Red Herring Prospectus may result in changes to the above-mentioned timelines. Further, the offer procedure is subject to change based on any revised SEBI circulars to this effect.

Submission of Bids (other than Bids from Anchor Investors)

Bid/ Offer Period (except the Bid/Offer Closing Date)*	
Submission and Revision in Bids	Only between 10.00 a.m. and 5:00 p.m. IST
Bid/ Offer Closing Date	
Submission of electronic applications (Online ASBA through 3-in-1 accounts) for RIBs and Eligible Employees Bidding in the Employee Reservation Portion	Only between 10.00 a.m. and up to 5:00 p.m. IST
Submission of electronic applications (Bank ASBA through online channels like internet banking, mobile banking and syndicate ASBA applications through UPI as a payment mechanism where Bid Amount is up to ₹5,00,000)	Only between 10.00 a.m. and up to 4:00 p.m. IST
Submission of electronic applications (Syndicate Non-Retail, Non-Individual applications)	Only between 10.00 a.m. and up to 3:00 p.m. IST
Submission of physical applications	Only between 10.00 a.m. and up to 1:00 p.m. IST
Submission of physical applications (Syndicate Non-Retail, Non-Individual applications where Bid amount is more than ₹5,00,000)	Only between 10.00 a.m. and up to 12:00 p.m. IST
Modification / Revision / Cancellation of Bids	
Upward Revision of Bids by QIBs and Non-Institutional Bidders categories#	Only between 10.00 a.m. and up to 5.00 p.m. IST on Bid/ Offer Closing Date
Upward or downward Revision of Bids or cancellation of Bids by RIBs and Eligible	Only between 10:00 a.m. and up to 5:00 p.m. IST

Employees Bidding in the Employee Reservation Portion	

**UPI mandate end time shall be 5:00 p.m. on the Bid/Offer Closing Date.*
#QIBs and Non-Institutional Bidders can neither revise their Bids downwards nor cancel/ withdraw their Bids.

On the Bid/Offer Closing Date, the Bids shall be uploaded until:

(i) 4.00 p.m. IST in case of Bids by QIBs and Non-Institutional Bidders; and
(ii) until 5.00 p.m. IST or such extended time as permitted by the Stock Exchanges, in case of Bids by RIBs and Eligible Employees Bidding in the Employee Reservation Portion.

On the Bid/Offer Closing Date, extension of time may be granted by the Stock Exchanges only for uploading Bids received by Retail Individual Bidders and Eligible Employees Bidding in the Employee Reservation Portion, after taking into account the total number of Bids received and as reported by the BRLM to the Stock Exchanges.

The Registrar to the Offer shall submit the details of cancelled / withdrawn / deleted applications to the SCSBs on a daily basis within 60 minutes of the Bid closure time from the Bid/Offer Opening Date till the Bid/Offer Closing Date by obtaining the same from the Stock Exchanges. The SCSBs shall unblock such applications by the closing hours of the Working Day and submit the confirmation to the BRLM and the Registrar to the Offer on a daily basis, as per the format prescribed in March 2021 Circular and SEBI Circular No: SEBI/HO/CFD/DIL2/CIR/P/2022/51 dated April 20, 2022.

To avoid duplication, the facility of re-initiation provided to Syndicate Members shall preferably be allowed only once per Bid/batch and as deemed fit by the Stock Exchanges, after closure of the time for uploading Bids.

It is clarified that Bids shall be processed only after the application monies are blocked in the ASBA Account and Bids not uploaded on the electronic bidding system or in respect of which the full Bid Amount is not blocked by SCSBs, or not blocked under the UPI Mechanism in the relevant ASBA Account, as the case may be, would be rejected.

Due to limitation of time available for uploading the Bids on the Bid/Offer Closing Date, Bidders are advised to submit their Bids one day prior to the Bid/Offer Closing Date, and in any case, no later than 1:00 p.m. IST on the Bid/Offer Closing Date. Any reference to a particular time mentioned in this Draft Red Herring Prospectus is a reference to IST. Bidders are cautioned that, in the event a large number of Bids are received on the Bid/Offer Closing Date, as is typically experienced in public offerings in India, it may lead to some Bids not being uploaded due to lack of sufficient time to upload. Such Bids that cannot be uploaded on the electronic bidding system will not be considered for allocation under this Offer. Bids and any revision to the Bids will be accepted only during Working Days, during the Bid/Offer Period. Bids will be accepted only during Monday to Friday (excluding any public holiday), during the Bid/Offer Period. Investors may please note that as per letter no. List/SMD/SM/2006 dated July 3, 2006 and letter no. NSE/IPO/25101- 6 dated July 6, 2006 issued by BSE and NSE respectively, Bids and any revision in Bids shall not be accepted on Saturdays, Sundays and public holidays as declared by the Stock Exchanges. Bids by ASBA Bidders shall be uploaded by the relevant Designated Intermediary in the electronic system to be provided by the Stock Exchanges.

The Designated Intermediaries shall modify select fields uploaded in the Stock Exchange Platform during the Bid/Offer Period till 5.00 p.m. on the Bid/Offer Closing Date after which the Stock Exchange(s) send the bid information to the Registrar to the Offer for further processing.

Our Company, in consultation with the BRLM, reserves the right to revise the Price Band during the Bid/Offer Period, in accordance with the SEBI ICDR Regulations. The revision in the Price Band shall not exceed 20% on either side i.e., the Floor Price can move up or down to the extent of 20% of the Floor Price and the Cap Price will be revised accordingly. The Floor Price shall not be less than the face value of the Equity Shares. In all circumstances, the Cap Price shall be atleast 105% of the Floor Price and less than or equal to 120% of the Floor Price.

Employee Discount

Employee Discount, if any, will be offered to Eligible Employees bidding in the Employee Reservation Portion, and, at the time of making a Bid. Eligible Employees bidding in the Employee Reservation Portion at a price within the Price Band can make payment based on Bid Amount net of Employee Discount, if any, at the time of making a Bid. Eligible Employees bidding in the Employee Reservation Portion at the Cut-Off Price have to ensure payment at the Cap Price, less Employee Discount, at the time of making a Bid.

In case of any revision in the Price Band, the Bid/Offer Period shall be extended by at least three (3) additional Working Days after such revision of the Price Band, subject to the total Bid/Offer Period not exceeding ten (10) Working Days. In cases of force majeure, banking strike or similar circumstances, our Company, in consultation with the BRLM may, for reasons to be recorded in writing, extend the Bid/Offer Period for a minimum of three (3) Working Days, subject to the Bid/Offer Period not exceeding ten (10) Working Days, in compliance with the SEBI ICDR Regulations. Any revision in the Price Band and the revised Bid/Offer Period, if applicable, shall be widely disseminated by notification to the Stock Exchanges, by issuing a press release, and also by indicating the change on the websites of the BRLM and at the terminals of the Syndicate Members and by intimation to the Self Certified Syndicate Banks, other Designated Intermediaries and the Sponsor Bank(s), as applicable. In case of revision of Price Band, the Bid lot shall remain the same.

In case of discrepancy in data entered in the electronic book *vis-à-vis* data contained in the Bid cum Application Form for a particular Bidder, the details as per the Bid file received from the Stock Exchanges shall be taken as the final data for the purpose of Allotment.

Minimum Subscription

In the event our Company does not receive (i) the minimum subscription in the Offer as specified under Rule 19(2)(b) of the SCRR, including through devolvement of underwriters, as applicable, within sixty (60) days from the date of Bid/Offer Closing Date; or (ii) a minimum subscription of 90% of the Fresh Issue on the Bid/Offer Closing Date; or (iii) if the subscription level falls below aforementioned minimum subscription after the Bid/ Offer Closing Date, due to withdrawal of Bids; or after technical rejections or any other reason; or (iv) if the listing or trading permission is not obtained from the Stock Exchanges for the Equity Shares so offered under the Red Herring Prospectus, our Company shall forthwith refund the entire subscription amount received, in accordance with applicable law including the SEBI Circular No: SEBI/HO/CFD/DIL1/CIR/P/2021/47 dated March 31, 2021 and the SEBI Master Circular No: SEBI/HO/CFD/PoD-2/P/CIR/2023/00094 dated June 21, 2023. If there is a delay beyond the prescribed time after our Company becomes liable to pay the amount, our Company and the Promoter Selling Shareholders to the extent applicable, shall pay interest prescribed under the applicable law. No liability to make any payment of interest shall accrue to any Promoter Selling Shareholder unless any delay in making any of the payments hereunder or any delay in obtaining listing and/or trading approvals or any other approvals in relation to the Offer is caused solely by, and is directly attributable to, an act or omission of such Promoter Selling Shareholder and to the extent of its portion of the Offered Shares

Further, in terms of Regulation 49(1) of the SEBI ICDR Regulations, our Company shall ensure that the number of Bidders to whom the Equity Shares will be Allotted will be not less than 1,000, failing which the entire application money shall be unblocked in the respective ASBA Accounts of the Bidders. In case of undersubscription in the Offer, Equity Shares up to 90% of the Fresh Issue ("Minimum Subscription") will be issued prior to the sale of Equity Shares in the Offer for Sale, provided that the balance subscription in the Offer will be met in the following order of priority (i) such number of Equity Shares will first be Allotted by the Company such that 90% of the Fresh Issue portion is subscribed; (ii) upon (i), all the Equity Shares held by the Promoter Selling Shareholders and offered for sale in the Offer for Sale will be Allotted (in proportion to the Offered Shares being offered by each Promoter Selling Shareholder); and (iii) once Equity Shares have been Allotted as per (i) and (ii) above, such number of Equity Shares will be Allotted by the Company towards the balance 10% of the Fresh Issue portion..

Further, in terms of Regulation 49(1) of the SEBI ICDR Regulations, our Company shall ensure that the number of prospective Bidders to whom the Equity Shares will be Allotted will be not less than 1,000, failing which the entire application money shall be unblocked in the respective ASBA Accounts of the Bidders and subscription money will be refunded. In case of delay, if any, in unblocking the ASBA Accounts within such timeline as prescribed under applicable laws, our Company and the Promoter Selling Shareholders shall be liable to pay interest on the application money in accordance with applicable laws.

Arrangements for disposal of odd lots

Since our Equity Shares will be traded in dematerialised form only, and the market lot for the Equity Shares will be one Equity Share, there are no arrangements for disposal of odd lots.

New Financial Instruments

Our Company is not issuing any new financial instruments through this Offer.

Option to receive Equity Shares in Dematerialized Form

Allotment of Equity Shares to successful Bidders will only be in the dematerialized form. Bidders will not have the option of Allotment of the Equity Shares in physical form. The Equity Shares on Allotment will be traded only in the dematerialized segment of the Stock Exchanges.

Restrictions, if any, on Transfer and Transmission of Equity Shares

Except for the lock-in of pre-Offer Equity Share capital of our Company, the Promoters' Contribution and Equity Shares allotted to Anchor Investors pursuant to the Offer, as detailed in *"**Capital Structure**"* on page 96 and except as provided in our Articles of Association as detailed in *"**Description of Equity Shares and Terms of the Articles of Association**"* on page 491, there are no restrictions on transfers and transmission of Equity Shares and on their consolidation or splitting.

Withdrawal of the Offer

The Offer will be withdrawn in the event that 90% of the Fresh Issue portion of the Offer is not subscribed.

Our Company in consultation with the BRLM, reserves the right not to proceed with the entire or portion of the Offer for any reason at any time, after the Bid/Offer Opening Date but before the Allotment. The Book Running Lead Manager through the Registrar to the Offer, shall notify the SCSBs and the Sponsor Banks (in case of UPI Bidders using the UPI Mechanism), to unblock the bank accounts of the ASBA Bidders and the Escrow Collection Bank to release the Bid Amounts to the Anchor Investors, within one Working Day from the date of receipt of such notification. Our Company shall also inform the same to the Stock Exchanges on which the Equity Shares are proposed to be listed. In terms of the UPI Circulars, in relation to the Offer, the Book Running Lead Manager will submit reports of compliance with applicable listing timelines and activities, identifying non-adherence to timelines and processes and an analysis of entities responsible for the delay and the reasons associated with it. Further, in case of any delay in unblocking of amounts in the ASBA Accounts (including amounts blocked through the UPI Mechanism) exceeding three Working Days from the Bid/Offer Closing Date, the Bidder shall be compensated at a uniform rate of ₹100 per day for the entire duration of delay exceeding three Working Days from the Bid/Offer Closing Date by the intermediary responsible for causing such delay in unblocking. The Book Running Lead Managers shall, in their sole discretion, identify and fix the liability on such intermediary or entity responsible for such delay in unblocking.

In such an event, our Company would issue a public notice in the same newspapers in which the pre-Offer advertisements were published, within two (2) days of the Bid/ Offer Closing Date or such other time as may be prescribed by SEBI, providing reasons for not proceeding with the Offer. Further, the Stock Exchanges shall be informed promptly in this regard by our Company and the BRLM, through the Registrar to the Offer, shall notify the SCSBs and the Sponsor Bank(s), in case of the UPI Bidders using the UPI Mechanism, to unblock the bank accounts of the ASBA Bidders within one (1) Working Day from the date of receipt of such notification and also inform the Bankers to the Offer to process refunds to the Anchor Investors, as the case may be. In the event of withdrawal of the Offer and subsequently, plans of a fresh offer by our Company, a fresh draft red herring prospectus will be submitted again to SEBI.

Notwithstanding the foregoing, this Offer is also subject to obtaining (i) the final listing and trading approvals of the Stock Exchanges, which our Company shall apply for after Allotment and within three (3) Working Days or such other period as may be prescribed; and (ii) the final RoC approval of the Prospectus after it is filed with the RoC. 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.

OFFER STRUCTURE

This Offer is being made through the Book Building Process. The Offer of up to 1,00,20,000 Equity Shares of face value of ₹10/- each, for cash at an Offer price of ₹ [●] per Equity Share (including a premium of ₹ [●] per Equity Share) aggregating up to ₹ [●] Lakhs comprising a Fresh Issue of up to 90,18,000 Equity Shares by our Company aggregating to ₹ [●] Lakhs and an Offer for Sale of up to 10,02,000 Equity Shares by the Promoter Selling Shareholders aggregating to ₹ [●] Lakhs, details of which are set out below:

Sr. No.	Name of the Promoter Selling Shareholders	Number of Offered Shares
Promoter Selling Shareholder		
1.	Dhanji Raghavji Patel	Up to 7,68,000 Equity Shares
2	Bechar Raghavji Patel	Up to 2,34,000 Equity Shares

The Offer comprises a Net Offer of up to [●] Equity Shares, aggregating to ₹ [●] Lakhs and the Employee Reservation Portion of up to 51,000 Equity Shares, aggregating to ₹ [●] Lakhs. The Employee Reservation Portion shall not exceed 5% of the post-Offer paid-up Equity Share capital of our Company. A discount of up to [●] % to the Offer Price (equivalent to ₹ [●] per Equity Share) may be offered to the Eligible Employees bidding in the Employee Reservation Portion in accordance with the SEBI ICDR Regulations and details of which will be announced at least two (2) Working Days prior to the Bid/ Offer Opening Date.

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

Our Company, in consultation with the BRLM, may consider undertaking a further issue of Equity Shares of the Company, as may be permissible through a preferential issue, , rights issue or any other method as may be permitted in accordance with applicable law to any person(s), of up to 5,00,000 Equity Shares for a cash consideration aggregating up to ₹ [●] Lakhs, between the date of this Draft Red Herring Prospectus till the filing of the Red Herring Prospectus with the RoC, subject to appropriate approvals. The Pre-IPO Placement, if undertaken, will be at a price to be decided by our Company in consultation with the BRLM, and the Pre-IPO Placement will be completed prior to filing of the Red Herring Prospectus with the RoC. If the Pre-IPO Placement is undertaken, the amount raised from the Pre-IPO Placement will be reduced from the Fresh Issue, subject to compliance with Rule 19(2)(b) of the SCRR.

Further, if the Pre-IPO Placement is undertaken, our Company is required to intimate the Stock Exchanges with the details of such Pre-IPO Placement and shall make a public announcement which shall be published in [●] editions of [●] (a widely circulated English national daily newspaper), [●] editions of [●] (a widely circulated Hindi national daily newspaper) and [●] editions of [●] (a widely circulated Marathi daily newspaper, Marathi being the regional language of Maharashtra, where our Registered Office is located). On utilization of proceeds from the Pre-IPO Placement (if undertaken) prior to the completion of the Offer, our Company shall appropriately intimate the subscribers to the Pre-IPO Placement that there is no guarantee that our Company may proceed with the Offer or the Offer may be successful and will result into listing of the Equity Shares on the Stock Exchanges. Further, relevant disclosures in relation to such intimation to the subscribers to the Pre-IPO Placement (if undertaken) shall be appropriately made in the relevant sections of the Red Herring Prospectus and Prospectus.

In terms of rule 19(2)(b) of the SCRR, the Offer is being made through the Book Building Process, in compliance with regulation 31 of the SEBI ICDR Regulations

Particulars	Eligible Employees	QIBs [(1)]	Non-Institutional Bidders / Investors	Retail Individual Bidders / Investors
Number of Equity Shares available for Allotment/ allocation* [(2)]	Up to [●] Equity Shares, aggregating up to ₹ [●] Lakhs	Not more than [●] Equity Shares	Not less than [●] Equity Shares available for allocation or Net Offer less allocation to QIB Bidders and Retail Individual Bidders	Not less than [●] Equity Shares available for allocation or Net Offer less allocation to QIB Bidders and Non-Institutional Bidders
Percentage of Offer Size available for Allotment/ allocation	The Employee Reservation Portion shall constitute up to [●] % of the post-Offer paid-up Equity Share capital of our Company.	Not more than 50% of the Net Offer size shall be available for allocation to QIB Bidders. However, up to 5% of the Net QIB Portion will be available for allocation proportionately to Mutual Funds only. Mutual Funds participating in the Mutual Fund Portion will also be eligible for allocation in the remaining Net QIB Portion. The unsubscribed portion in the Mutual Fund Portion will be added to the Net QIB Portion.	Not less than 15% of the Net Offer, or the Net Offer less allocation to QIB Bidders and Retail Individual Bidders will be available for allocation, subject to the following: (a) one-third of the Non-Institutional Portion will be available for allocation to Bidders with an application size of more than ₹2,00,000 and up to ₹ 10,00,000; and (b) two- third of the Non-Institutional Portion will be available for allocation to Bidders with an application size of more than ₹ 10,00,000. Under-subscription in either of these two sub-categories of the Non-Institutional Portion may be allocated to Bidders in the other sub-category of the Non-Institutional Portion in accordance with the SEBI ICDR Regulations, subject to valid Bids being	Not less than 35% of the Net Offer, or the Net Offer less allocation to QIB Bidders and Non-Institutional Bidders.

Particulars	Eligible Employees	QIBs (1)	Non-Institutional Bidders / Investors	Retail Individual Bidders / Investors
			received at or above the Offer Price.	
Basis of Allotment/ allocation, if respective category is oversubscribed*	Proportionate# unless the Employee Reservation Portion is undersubscribed, the value of allocation to an Eligible Employee shall not exceed ₹2,00,000 (net of Employee Discount). In the event of under subscription in the Employee Reservation Portion, the unsubscribed portion may be Allocated, on a proportionate basis, to Eligible Employees bidding in the Employee Reservation Portion, for a value exceeding ₹2,00,000 (net of Employee Discount) subject to total Allotment to an Eligible Employee not exceeding ₹5,00,000 (net of Employee Discount).	Proportionate as follows (excluding the Anchor Investor Portion): (a) up to [●] Equity Shares shall be available for allocation on a proportionate basis to Mutual Funds only; and (b) up to [●] Equity Shares shall be Allotted on a proportionate basis to all QIBs, including Mutual Funds receiving allocation as per (a) above. Up to 60% of the QIB Portion may be allocated on a discretionary basis to Anchor Investors of which one-third shall be available for allocation to Mutual Funds only, subject to valid Bid received from Mutual Funds at or above the Anchor Investor Allocation Price.	The allotment of specified securities to each Non-Institutional Investor shall not be less than the minimum application size, subject to availability of Equity Shares in the Non-Institutional Portion, and the remainder, if any, shall be allocated on a proportionate basis, in accordance with the conditions specified in the SEBI ICDR Regulations. For further details, please see *"**Offer Procedure**"* on page 462.	The Allotment to each Retail Individual Bidder shall not be less than the minimum Bid Lot, subject to availability of Equity Shares in the Retail Portion and the remaining available Equity Shares if any, shall be allotted on a proportionate basis. For further details, please see *"**Offer Procedure**"* on page 462.
Mode of Bidding ^	Through ASBA process only (including the UPI Mechanism)	Through ASBA process only (excluding the UPI Mechanism) except for Anchor Investors	Through ASBA process only (including the UPI Mechanism for a Bid size of up to ₹5,00,000)	Through ASBA process only (including the UPI Mechanism)
Minimum Bid	[●] Equity Shares	Such number of [●] Equity Shares in multiples of [●]	Such number of Equity Shares such that the Bid Amount exceeds	[●] Equity Shares and in multiples of [●] Equity Shares

Particulars	Eligible Employees	QIBs [1]	Non-Institutional Bidders / Investors	Retail Individual Bidders / Investors
		Equity Shares, such that the Bid Amount exceeds ₹2,00,000 and in multiples of [●] Equity Shares thereafter	₹2,00,000 and in multiples of [●] Equity Shares thereafter.	thereafter, such that the Bid Amount does not exceed ₹2,00,000
Maximum Bid	Such number of Equity Shares in multiples of [●] Equity Shares, so that the maximum Bid Amount by each Eligible Employee in Eligible Employee Portion does not exceed ₹5,00,000 (net of Employee Discount, if any).	Such number of Equity Shares in multiples of [●] Equity Shares not exceeding the size of the Offer (excluding the Anchor Investor Portion), subject to applicable limits under applicable law.	Such number of Equity Shares in multiples of [●] Equity Shares not exceeding the size of the Offer (excluding the QIB Portion), subject to limits prescribed under applicable law.	Such number of Equity Shares in multiples of [●] Equity Shares so that the Bid Amount does not exceed ₹2,00,000.
Mode of Allotment	Compulsorily in dematerialised form			
Bid Lot	[●] Equity Shares and in multiples of [●] Equity Shares thereafter			
Allotment Lot	A minimum of [●] Equity Shares and in multiples of [●] Equity Share thereafter			
Trading Lot	One Equity Share			
Who can apply[3][4]	Eligible Employees (such that the Bid Amount does not exceed ₹5,00,000)	Public financial institutions as specified in section 2(72) of the Companies Act, scheduled commercial banks, Mutual Funds, Eligible FPIs, VCFs, AIFs, FVCIs registered with SEBI, multilateral and bilateral development financial institutions, state industrial development corporation, insurance companies registered with IRDAI, provident funds (subject to applicable law) with minimum corpus of ₹2500 Lakhs, pension funds (subject to applicable law) with	Resident Indian individuals, Eligible NRIs, HUFs (in the name of the karta), companies, corporate bodies, scientific institutions, societies, and trusts and any individuals, corporate bodies and family offices which are re-categorised as category II FPIs and registered with SEBI.	Resident Indian individuals, Eligible NRIs and HUFs (in the name of the karta)

Particulars	Eligible Employees	QIBs [(1)]	Non-Institutional Bidders / Investors	Retail Individual Bidders / Investors
		minimum corpus of ₹2500 Lakhs, National Investment Fund set up by the Government of India, the insurance funds set up and managed by army, navy or air force of the Union of India, insurance funds set up and managed by the Department of Posts, India and Systemically Important Non-Banking Financial Companies		
Terms of Payment	**In case of Anchor Investors[(4)]:** Full Bid Amount shall be payable by the Anchor Investors at the time of submission of their Bids. **In case of all other Bidders:** 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(s) through the UPI mechanism, that is specified in the Bid cum Application Form at the time of submission of the Bid cum Application Form.			

* *Assuming full subscription in the Offer.*

^ *SEBI vide its Circular No: SEBI/HO/CFD/DIL2/P/CIR/2022/75 dated May 30, 2022 and NSE vide its Circular No: 25/2022 dated August 3, 2022 has mandated that ASBA applications in public issues shall be processed only after the application monies are blocked in the investors' bank accounts. Accordingly, Stock Exchanges shall, for all categories of investors viz. QIB, NIB and RIB and also for all modes through which the applications are processed, accept the ASBA applications in their electronic book building platform only with a mandatory confirmation on the application monies blocked.*

Eligible Employees Bidding in the Employee Reservation portion can Bid up to a Bid Amount of ₹5,00,000. However, a Bid by an Eligible Employee Bidding in the Employee Reservation Portion will be considered for allocation, in the first instance, for a Bid Amount of up to ₹2,00,000. In the event of under-subscription in the Employee Reservation Portion, the unsubscribed portion will be available for allocation and Allotment, proportionately to all Eligible Employees Bidding in the Employee Reservation Portion who have Bid in excess of ₹2,00,000, subject to the maximum value of Allotment made to such Eligible Employee not exceeding ₹5,00,000. Further, an Eligible Employee Bidding in the Employee Reservation Portion can also Bid under the Net Offer and such Bids will not be treated as multiple Bids. However, Bids by Eligible Employees in the Employee Reservation Portion and in the Non-Institutional Portion shall be treated as multiple Bids, only if an Eligible Employee has made an application of more than ₹2,00,000 in the Employee Reservation Portion. The unsubscribed portion if any, in the Employee Reservation Portion shall be added back to the Net Offer. In case of under-subscription in the Net Offer, spill-over to the extent of such under subscription shall be permitted from the Employee Reservation Portion. Our Company in consultation with the BRLM, and subject to Applicable Law, may offer a discount of up to [●]% on the Offer Price (equivalent of ₹[●] per Equity Share) to Eligible Employees bidding in the Employee Reservation Portion which shall be announced two Working Days prior to the Bid/Offer Opening Date

(1) *Our Company may, in consultation with the BRLM, allocate up to 60% of the QIB Portion to the Anchor Investors at the Anchor Investor Allocation Price, on a discretionary basis, subject to there being (i) a maximum of two Anchor Investors, where allocation in the Anchor Investor Portion is up to ₹1000 Lakhs, (ii) minimum of two and maximum of 15 Anchor Investors, where the allocation under the Anchor Investor Portion is more than ₹1000 Lakhs but up to ₹25,000 Lakhs under the Anchor Investor Portion, subject to a minimum Allotment of ₹500 Lakhs per Anchor Investor, and (iii) in case of allocation above ₹25,000 Lakhs under the Anchor Investor Portion, a minimum of five such investors and a maximum of 15 Anchor Investors for allocation up to ₹25,000 Lakhs, and an additional 10 Anchor Investors for every additional ₹25,000 Lakhs or part thereof will be permitted, subject to minimum allotment of ₹500 Lakhs per Anchor Investor. An Anchor Investor will make a minimum Bid of such number of Equity Shares, that the Bid Amount is at least ₹1000 Lakhs. One-third of the Anchor Investor Portion will be reserved for domestic Mutual Funds, subject to valid Bids being received 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 in the Anchor Investor Portion shall be added to the Net QIB Portion.* For further details, please see *"**Offer Procedure**"* on page 462.

(2) *Subject to valid Bids being received at or above the Offer Price. This Offer is being made in accordance with rule 19(2)(b) of the SCRR read with regulation 45 of the SEBI ICDR Regulations. The Offer is being made through the Book Building Process in accordance with regulation 6(1) of the SEBI ICDR Regulations, wherein not more than 50% of the Net Offer shall be available for allocation to QIBs on a proportionate basis. Such number of Equity Shares representing 5% of the Net QIB Portion shall be available for allocation on a proportionate basis to Mutual Funds only. The remainder of the Net QIB Portion shall be available for allocation on a proportionate basis to QIBs, including Mutual Funds, subject to valid Bids being received from them at or above the Offer Price. However, if the aggregate demand from Mutual Funds is less than 5% of the Net QIB Portion, the balance Equity Shares available for allocation in the Mutual Fund Portion will be added to the remaining Net QIB Portion for proportionate allocation to all QIBs. Further, not less than 15% of the Offer will be available for allocation to Non-Institutional Bidders, of which one-third of the Non-Institutional Portion will be available for allocation to Bidders with an application size exceeding ₹2,00,000 and up to ₹10,00,000 and two-third of the Non-Institutional Portion will be available for allocation to Bidders with an application size of more than ₹10,00,000 and under-subscription in either of these two sub-categories of Non-Institutional Portion may be allocated to Bidders in the other sub-category of Non-Institutional Portion in accordance with SEBI ICDR Regulations, subject to valid Bids being received at or above the Offer Price. Further, not less than 35% of the Net Offer will be available for allocation to Retail Individual Bidders in accordance with SEBI ICDR Regulations, subject to valid Bids being received at or above the Offer Price. Under-subscription, if any, in any category (Non-Institutional Portion or Retail Portion), except the QIB Portion, would be met with spill-over from any other category or a combination of categories, as applicable, at the discretion of our Company, in consultation with the BRLM and the Designated Stock Exchange, subject to valid Bids being received at or above the Offer Price and in accordance with applicable laws. Under-subscription, if any, in the Net QIB Portion will not be allowed to be met with spill-over from other categories or a combination of categories. For further details, please see "**Terms of the Offer**" and "**Offer Procedure**" on pages 447 and 462 respectively.*

(3) *In the event that a Bid is submitted in joint names, the relevant Bidders should ensure that the depository account is also held in the same joint names and the names are in the same sequence in which they appear in the Bid cum Application Form. 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. The signature of only such first Bidder would be required in the Bid cum Application Form and such first Bidder would be deemed to have signed on behalf of the joint holders. Our Company reserves the right to reject, in its absolute discretion, all or multiple Bids in any or all categories.*

(4) *Anchor Investors are not permitted to use the ASBA process. Full Bid Amount shall be payable by the Anchor Investors at the time of submission of the Anchor Investor Bid, provided that any positive difference between the Anchor Investor Allocation Price and the Offer Price, shall be payable by the Anchor Investor Pay-in Date as mentioned in the CAN. For details of terms of payment applicable to Anchor Investors, please see "General Information Document" available on the websites of the Stock Exchanges and the BRLM. Further, the Bidders will be required to confirm and will be deemed to have represented to our Company, the Promoter Selling Shareholders, the Underwriters, their respective directors, officers, agents, affiliates and representatives that they are eligible under applicable law, rules, regulations, guidelines and approvals to acquire the Equity Shares.*

Bids by FPIs with certain structures as described under *"**Offer Procedure- Bids by FPIs**"* on page 471 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.

Eligible Employees bidding in the Employee Reservation Portion at a price within the Price Band can make payment based on Bid Amount, at the time of making a Bid. Eligible Employees bidding in the Employee Reservation Portion at the Cut-Off Price have to ensure payment at the Cap Price, at the time of making a Bid.

Subject to valid Bids being received at or above the Offer Price, under-subscription, if any, in the Non-Institutional Portion or the Retail Portion would be allowed to be met with spill-over from other category or a combination of categories at the discretion of our Company, in consultation with the BRLM and the Designated Stock Exchange, on a proportionate basis. However, under-subscription, if any, in the QIB Portion will not be allowed to be met with spill-over from other categories or a combination of categories. For further details, please see *"**Terms of the Offer**"* on page 447.

OFFER PROCEDURE

*All Bidders should read the General Information Document for Investing in Public Issues prepared and issued in accordance with the circular no. SEBI/HO/CFD/DIL1/CIR/P/2020/37 dated March 17, 2020 and the UPI Circulars ("**General Information Document**") which highlights the key rules, processes and procedures applicable to public issues in general in accordance with the provisions of the Companies Act, the SCRA, the SCRR and the SEBI ICDR Regulations which is part of the Abridged Prospectus accompanying the Bid cum Application Form. The General Information Document is available on the websites of the Stock Exchanges and the Book Running Lead Manager. Please refer to the relevant provisions of the General Information Document which are applicable to the Offer especially in relation to the process for Bids by UPI Bidders through UPI Mechanism. The investors should note that the details and process provided in the General Information Document should be read along with this section.*

Additionally, all Bidders could refer to the General Information Document for information in relation to (i) category of investors eligible to participate in the Offer; (ii) maximum and minimum Bid size; (iii) price discovery and allocation; (iv) payment instructions for ASBA Bidders; (v) issuance of CAN and Allotment in the Offer; (vi) general instructions (limited to instructions for completing the Bid cum Application Form); (vii) submission of Bid cum Application Form; (viii) other instructions (limited to joint bids in cases of individual, multiple bids and instances when an application would be rejected on technical grounds); (ix) applicable provisions of the Companies Act, 2013 relating to punishment for fictitious applications; (x) mode of making refunds; (xi) Designated Date; (xii) interest in case of delay in Allotment or refund; and (xiii) disposal of applications and electronic registration of Bids.

*SEBI vide 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, had 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 UPI Bidders 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, SEBI vide its circular no. SEBI/HO/CFD/DIL2/CIR/P/2019/76 dated June 28, 2019, read with circular bearing number SEBI/HO/CFD/DIL2/CIR/P/2019/85 dated July 26, 2019 with respect to Bids by UPI Bidders through Designated Intermediaries (other than SCSBs), the existing process of physical movement of forms from such Designated Intermediaries to SCSBs for blocking of funds has been discontinued and only the UPI Mechanism for such Bids with existing timeline of T+6 days was mandated for a period of three months or launch of five main board public issues, whichever is later ("**UPI Phase II**").*

*Subsequently, however, SEBI vide its circular no. SEBI/HO/CFD/DCR2/CIR/P/2019/133 dated November 8, 2019 extended the timeline for implementation of UPI Phase II till March 31, 2020. However, given the prevailing uncertainty due to the COVID-19 pandemic, SEBI vide its circular no. SEBI/HO/CFD/DIL2/CIR/P/2020/50 dated March 30, 2020, had decided to continue with the UPI Phase II till further notice. The final reduced timeline of T+3 days will be made effective using the UPI Mechanism for applications by RIBs ("**UPI Phase III**"), and modalities of the implementation of UPI Phase III was notified by SEBI vide its circular no. SEBI/HO/CFD/TPD1/CIR/P/2023/140 dated August 9, 2023 and made effective on a voluntary basis for all issues opening on or after September 1, 2023 and on a mandatory basis for all issues opening on or after December 1, 2023. The Offer will be undertaken pursuant to the processes and procedures under UPI Phase III on a mandatory basis, subject to any circulars, clarification or notification issued by the SEBI from time to time.*

Further, SEBI vide its circular no. SEBI/HO/CFD/DIL2/CIR/P/2021/2480/1/M dated March 16, 2021 as amended pursuant to SEBI circular no. SEBI/HO/CFD/DIL2/P/CIR/2021/570 dated June 2, 2021, and SEBI circular no. SEBI/HO/CFD/DIL2/CIR/P/2022/51 dated April 20, 2022, and SEBI circular no. SEBI/HO/MIRSD/MIRSD_RTAMB/P/CIR/2022/76 dated May 30, 2022 and SEBI circular no. SEBI/HO/CFD/TPD1/CIR/P/2023/140 dated August 9, 2023 had introduced certain additional measures for streamlining the process of initial public issues and redressing investor grievances. Subsequently, the SEBI RTA Master Circular consolidated the aforementioned circulars (excluding SEBI circular no.

SEBI/HO/CFD/TPD1/CIR/P/2023/140 dated August 9, 2023) to the extent relevant for the RTAs, and rescinded these circulars. The provisions of these circulars, as amended, are deemed to form part of this Draft Red Herring Prospectus. Please note that we may need to make appropriate changes in the Red Herring Prospectus and the Prospectus depending upon the prevailing conditions at the time of the opening of the Offer.

In terms of Regulation 23(5) and Regulation 52 of SEBI ICDR Regulations, the timelines and processes mentioned in the SEBI RTA Master Circular shall continue to form part of the agreements being signed between the intermediaries involved in the public issuance process and lead manager shall continue to coordinate with intermediaries involved in the said process. In case of any delay in unblocking of amounts in the ASBA Accounts (including amounts blocked through the UPI Mechanism) exceeding two Working Days from the Bid/Offer Closing Date, the Bidder shall be compensated at a uniform rate of ₹100 per day for the entire duration of delay exceeding two Working Days from the Bid/Offer Closing Date by the intermediary responsible for causing such delay in unblocking.

Further, Investors shall be entitled to compensation in the manner specified in the SEBI circular no. SEBI/HO/CFD/DIL2/CIR/P/2021/2480/1/M dated March 16, 2021, in case of delays in resolving investor grievances in relation to blocking/unblocking of funds.

Further, our Company, the Promoter Selling Shareholders and the Syndicate are not liable for any amendment, modification or any responsibility for the completeness and accuracy of the information stated in this section and the General Information Document or change in the applicable law which may occur after the date of this Draft Red Herring Prospectus. Bidders are advised to make their independent investigations and ensure that their Bids are submitted in accordance with applicable laws and do not exceed the investment limits or maximum number of the Equity Shares that can be held by them under applicable law or as specified in the Red Herring Prospectus and the Prospectus. Further, our Company, the Promoter Selling Shareholders and the Members of Syndicate are not liable for any adverse occurrences consequent to the implementation of the UPI Mechanism for application in this Offer.

Book Building Procedure

The Offer is being made through the Book Building Process, in terms of Rule 19(2)(b) of the SCRR read with Regulation 31 of the SEBI ICDR Regulations and in compliance with Regulation 6(1) of the SEBI ICDR Regulations, wherein not more than 50% of the Offer shall be allocated on a proportionate basis to the QIBs, provided that our Company in consultation with the BRLM, may 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/ 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 having been received at or above the Offer Price.

Further, not less than 15% of the Net Offer shall be available for allocation on a proportionate basis to Non-Institutional Bidders, out of which: (i) one-third of the portion available to Non-Institutional Bidders shall be reserved for applicants with an application size of more than ₹ 2,00,000 and up to ₹ 1,00,00,000 and (ii) two-third of the portion available to Non-Institutional Bidders shall be reserved for applicants with application size of more than ₹1,00,00,000 , provided that the unsubscribed portion in either of the aforementioned sub-categories may be allocated to applicants in the other sub-category of Non- Institutional Bidders and not less than 35% of the Net Offer will be made available for allocation to Retail Individual Bidders in accordance with the SEBI ICDR Regulations, subject to valid Bids having been received at or above the Offer Price.

Furthermore, up to 51,000 Equity Shares, aggregating to ₹ [●] Lakhs shall be made available for allocation on a proportionate basis only to Eligible Employees Bidding in the Employee Reservation Portion, subject to valid Bids being received at or above the Offer Price, if any. The Employee Reservation Portion shall not exceed 5%

of our post - Offer paid-up equity share capital subject to valid Bids being received at or above the Offer Price, net of Employee Discount, if any.
Under-subscription, if any, in any category including Employee Reservation Portion, except the QIB Portion, would be allowed to be met with spill-over from any other category or categories, as applicable, at the discretion of our Company, in consultation with the BRLM and the Designated Stock Exchange, subject to receipt of valid Bids received at or above the Offer Price. Under-subscription, if any, in the Net QIB Portion, will not be allowed to be met with spill-over from any other category or a combination of categories. Further, in the event of an under-subscription in the Employee Reservation Portion, such unsubscribed portion may be Allotted on a proportionate basis to Eligible Employees Bidding in the Employee Reservation Portion, for a value in excess of ₹ 2,00,000 (net of Employee Discount) subject to the total Allotment to an Eligible Employee not exceeding ₹ 5,00,000 (net of Employee Discount). The unsubscribed portion, if any, in the Employee Reservation Portion shall be added to the Net Offer.

The Equity Shares, on Allotment, shall be traded only in the dematerialized segment of the Stock Exchanges.

Bidders must ensure that their PAN is linked with Aadhaar and are in compliance with the notification by the Central Board of Direct Taxes dated February 13, 2020 read with press releases dated June 25, 2021 and September 17, 2021, CBDT circular no. 7 of 2022, dated March 30, 2022, read with press release dated March 28, 2023.

Bidders should note that the Equity Shares will be allotted to all successful Bidders only in dematerialised form. The Bid cum Application Forms which do not have the details of the Bidders' depository account, including DP ID, Client ID, PAN and UPI ID (in case of UPI Bidders using the UPI Mechanism), as applicable, shall be treated as incomplete and will be rejected. Bidders will not have the option of being Allotted Equity Shares in physical form. However, they may get the Equity Shares rematerialized subsequent to Allotment of the Equity Shares in the Offer, subject to applicable laws.

Phased implementation of UPI for Bids by UPI Bidders as per the UPI Circulars

SEBI has issued UPI circulars in relation to streamlining the process of public issue of equity shares and convertibles by introducing an alternate payment mechanism using UPI. Pursuant to the 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 bearing number SEBI/HO/CFD/DIL2/CIR/P/2019/85 dated July 26, 2019, SEBI circular no. SEBI/HO/CFD/DIL2/CIR/P/2020/50 dated March 30, 2020 ("**Previous UPI Circulars"**) and the UPI Circulars, UPI Mechanism has been introduced in a phased manner as a payment mechanism (in addition to mechanism of blocking funds in the account maintained with SCSBs under the ASBA) for applications by UPI Bidders 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 payment mechanism, the UPI Circulars and the Previous UPI Circulars have introduced and implemented the UPI payment mechanism in three phases in the following manner:

Phase I: This phase was applicable from January 1, 2019 until March 31, 2019 or floating of five main board public issues, whichever was later. Subsequently, the timeline for implementation of Phase I was extended till June 30, 2019. Under this phase, an RIB had the option to submit the ASBA Form with any of the Designated Intermediary and use his/ her UPI ID for the purpose of blocking of funds. The time duration from public issue closure to listing continued to be six Working Days.

Phase II: This phase has become applicable from July 1, 2019 and was to initially continue for a period of three months or floating of five main board public issues, whichever is later. SEBI, vide its circular no. SEBI/HO/CFD/DCR2/CIR/P/2019/133 dated November 8, 2019, decided to extend the timeline for implementation of UPI Phase II until March 31, 2020. Subsequently, SEBI, vide its circular no.

SEBI/HO/CFD/DIL2/CIR/P/2020/50 dated March 30, 2020, extended the timeline for implementation of UPI Phase II until further notice. Under this phase, submission of the physical ASBA Form by RIBs through Designated Intermediaries (other than SCSBs) to SCSBs for blocking of funds has been discontinued and replaced by the UPI Mechanism. However, the time duration from public issue closure to listing continues to be six Working Days during this phase.

NPCI *vide* circular reference no. NPCI/UPI/OC No. 127/ 2021-22 dated December 09, 2021, inter alia, has enhanced the per transaction limit in UPI from ₹ 2,00,000 and up to ₹ 5,00,000 for UPI based Application Supported by Blocked Amount (ASBA) in initial public offerings.

Phase III: Pursuant to SEBI circular no. SEBI/HO/CFD/TPD1/CIR/P/2023/140 dated August 9, 2023, Phase III has been notified, and accordingly the revised timeline of T+3 days has been made applicable in two phases i.e., (i) voluntary for all public issues opening on or after September 1, 2023; and (ii) mandatory on or after December 1, 2023. The Offer shall be undertaken pursuant to the processes and procedures as notified in the T+3 Circular as applicable, subject to any circulars, clarification or notification issued by the SEBI from time to time, including any circular, clarification or notification which may be issued by SEBI.

The processing fees for applications made by UPI Bidders using the UPI Mechanism may be released to the SCSBs only after such banks provide a written confirmation, in compliance with the SEBI RTA Master Circular in a format as prescribed by SEBI, from time to time, and such payment of processing fees to the SCSBs shall be made in compliance with circulars prescribed by SEBI and applicable law.

Pursuant to the SEBI circular no. SEBI/HO/CFD/DIL2/CIR/P/2021/2480/1/M dated March 16, 2021 issued by SEBI, as amended by the SEBI circular no. SEBI/HO/CFD/DIL2/P/CIR/2021/570 dated June 2, 2021, the SEBI circular no. SEBI/HO/CFD/DIL2/CIR/P/2021/2480/1/M dated April 20, 2022, and SEBI circular no. SEBI/HO/CFD/TPD1/CIR/P/2023/140 dated August 9, 2023 ("**UPI Streamlining Circular**"), SEBI has set out specific requirements for redressal of investor grievances for applications that have been made through the UPI Mechanism. The requirements of the UPI Streaming Circular include, appointment of a nodal officer by the SCSB and submission of their details to SEBI, the requirement for SCSBs to send SMS alerts for the blocking and unblocking of UPI mandates, the requirement for the Registrar to submit details of cancelled, withdrawn or deleted applications, and the requirement for the bank accounts of unsuccessful Bidders to be unblocked no later than one day from the date on which the Basis of Allotment is finalised. Failure to unblock the accounts within the timeline would result in the SCSBs being penalised under the relevant securities law. Additionally, if there is any delay in the redressal of investors' complaints, the relevant SCSB as well as the post – Offer Book Running Lead Manager will be required to compensate the concerned investor.

All SCSBs offering facility of making application in public issues shall also provide facility to make application using UPI. The Offer is being made under Phase II of the UPI, unless Phase III of the UPI becomes effective and applicable on or prior to the Bid/Offer Opening Date. Our Company 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 UPI Bidders.

SEBI through its circular (SEBI/HO/CFD/DIL2/CIR/P/2022/45) dated April 5, 2022, has prescribed that all individual investors applying in initial public offerings opening on or after May 1, 2022, where the application amount is up to ₹5,00,000 shall use UPI. Individual investors bidding under the Non-Institutional Portion bidding for more than ₹ 2,00,000 and up to ₹ 5,00,000, using the UPI Mechanism, shall provide their UPI ID in the Bid cum Application Form for Bidding through 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.

For further details, please refer to the General Information Document available on the websites of the Stock Exchanges, and the BRLM.

Bid cum Application Form

Copies of the Bid cum Application Form (other than for Anchor Investors) and the Abridged Prospectus will be available with the Designated Intermediaries at relevant Bidding Centres, and at our Registered and Corporate Office. An electronic copy of the Bid cum Application Forms will also be available for download on the websites of NSE (www.nseindia.com) and BSE (www.bseindia.com) at least one day prior to the Bid/Offer Opening Date.

Copies of the Anchor Investors' Application Form will be available at the offices of the BRLM.

All Bidders (other than Anchor Investors) shall mandatorily participate in the Offer only through the ASBA process. Anchor Investors are not permitted to participate in the Offer through the ASBA process. The UPI Bidders can additionally Bid through the UPI Mechanism.

Bidders (other than Anchor Investors and UPI Bidders) must provide bank account details and authorisation by the ASBA account holder to block funds in their respective ASBA Accounts in the relevant space provided in the ASBA Form and the ASBA Form that does not contain such detail are liable to be rejected. The ASBA Bidders shall ensure that they have sufficient balance in their bank accounts to be blocked through ASBA for their respective Bid as the application made by a Bidder shall only be processed after the Bid amount is blocked in the ASBA account of the Bidder pursuant to SEBI circular number SEBI/HO/CFD/DIL2/P/CIR/2022/75 dated May 30, 2022, which shall be effective from September 1, 2022.

UPI Bidders must provide the valid UPI ID in the relevant space provided in the Bid cum Application Form and the Bid cum Application Form that does not contain the UPI ID are liable to be rejected. UPI Bidders bidding using the UPI Mechanism may also apply through the SCSBs and mobile applications using the UPI handles as provided on the website of the SEBI. ASBA Bidders must provide either (i) the bank account details or authorisation to block funds in the ASBA Form; or (ii) the UPI ID (in case of UPI Bidders) as applicable, in the relevant space provided in the ASBA Form. The ASBA Forms that do not contain such details will be rejected. Applications made by the UPI Bidders 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.

ASBA Bidders are also required to ensure that the ASBA Account has sufficient credit balance as an amount equivalent to the full Bid Amount which can be blocked by the SCSB or the Sponsor Bank(s), as applicable, at the time of submitting the Bid. In order to ensure timely information to investors, SCSBs are required to send SMS alerts to investors intimating them about Bid Amounts blocked / unblocked including details as prescribed in Annexure II of SEBI circular no. SEBI/HO/CFD/DIL2/CIR/P/2022/51 dated April 20, 2022.

For all IPOs opening on or after September 1, 2022, as specified in SEBI circular no. SEBI/HO/CFD/DIL2/P/CIR/2022/75 dated May 30, 2022, all the ASBA applications in public issues shall be processed only after the application monies are blocked in the investors' bank accounts. Stock Exchanges shall accept the ASBA applications in their electronic book building platform only with a mandatory confirmation on the application monies blocked. The circular shall be applicable for all categories of investors i.e., RIB, QIB and NIB and also for all modes through which the applications are processed. In order to ensure timely information to Bidders, SCSBs are required to send SMS alerts to investors intimating them about Bid Amounts blocked/ unblocked

Non-Institutional Bidders Bidding through UPI Mechanism must provide the UPI ID in the relevant space provided in the Bid cum Application Form. UPI Bidders Bidding using the UPI Mechanism may also apply through the SCSBs and mobile applications using the UPI handles as provided on the website of SEBI. For Anchor Investor, the Anchor Investor Application Form will be available at the offices of the BRLM.

The prescribed colour of the Bid cum Application Form for the various categories is as follows:

Category	Colour of Bid cum Application Form*
Resident Indians, including resident QIBs, Non-Institutional Investors, Retail Individual Bidders and Eligible NRIs applying on a non-repatriation basis	[●]
Non – Residents including Eligible NRIs, FVCIs, FPIs and registered bilateral and multilateral institutions applying on a repatriation basis	[●]
Anchor Investors	[●]
Eligible Employees Bidding in the Employee Reservation Portion	[●]

** Excluding electronic Bid cum Application Forms.*

Notes:

(1) Electronic Bid cum Application forms and the Abridged Prospectus will also be available for download on the website of NSE (www.nseindia.com) and BSE (www.bseindia.com).

(2) Bid cum Application Forms for Anchor Investors will be made available at the offices of the BRLM.

The Designated Intermediaries (other than SCSBs) shall submit/deliver the Bid cum Application Form to the respective SCSB, where the Bidder has a bank account and shall not submit it to any non-SCSB bank or any Escrow Bank. Further, SCSBs shall upload the relevant Bid details (including UPI ID in case of ASBA Forms under the UPI Mechanism) in the electronic bidding system of the Stock Exchanges. Stock Exchanges shall validate the electronic bids with the records of the CDP for DP ID/Client ID and PAN, on a real time basis and bring inconsistencies to the notice of the relevant Designated Intermediaries, for rectification and re-submission within the time specified by Stock Exchanges. Stock Exchanges shall allow modification of either DP ID/Client ID or PAN ID, bank code and location code in the Bid details already uploaded.

In case of ASBA Forms, the relevant Designated Intermediaries shall upload the relevant bid details in the electronic bidding system of the Stock Exchanges and the Stock Exchanges shall accept the ASBA applications in their electronic bidding system only with a mandatory confirmation on the application monies blocked. For UPI Bidders using the UPI Mechanism, the Stock Exchanges shall share the Bid details (including UPI ID) with the Sponsor Bank on a continuous basis to enable the Sponsor Bank to initiate UPI Mandate Request to UPI Bidders for blocking of funds.

In case of ASBA Forms, the relevant Designated Intermediaries shall capture and upload the relevant bid details (including UPI ID in case of ASBA Forms under the UPI Mechanism) in the electronic bidding system of the Stock Exchanges.

For UPI Bidders using UPI Mechanism, the Stock Exchanges shall share the Bid details (including UPI ID) with the Sponsor Bank on a basis through API integration to enable the Sponsor Bank to initiate UPI Mandate Request to UPI Bidders, for blocking of funds. Stock Exchanges shall validate the electronic bids with the records of the CDP for DP ID/Client ID and PAN, on a real time basis and bring inconsistencies to the notice of the relevant Designated Intermediaries, for rectification and re-submission within the time specified by Stock Exchanges. Stock Exchanges shall allow modification of either DP ID/Client ID or PAN ID, bank code and location code in the Bid details already uploaded.

The Sponsor Bank shall initiate request for blocking of funds through NPCI to UPI Bidders, who shall accept the UPI Mandate Request for blocking of funds on their respective mobile applications associated with UPI ID linked bank account.

In accordance with circular issued by the National Stock Exchange of India Limited having reference no. 25/2022 dated August 3, 2022, and the notice issued by BSE Limited having reference no. 20220803- 40 dated August 3, 2022, for all pending UPI Mandate Requests, the Sponsor Bank shall initiate requests for blocking of funds in the ASBA Accounts of relevant Bidders with a confirmation cut-off time of 5:00 pm on the Bid/Offer Closing Date (“**Cut-Off Time**”). Accordingly, UPI Bidders Bidding using through the UPI Mechanism should accept UPI Mandate Requests for blocking off funds prior to the Cut-Off Time and all pending UPI Mandate

Requests at the Cut-Off Time shall lapse. Further, modification of Bids shall be allowed in parallel during the Bid/Offer Period until the Cut-Off Time. The NPCI shall maintain an audit trail for every Bid entered in the Stock Exchanges bidding platform, and the liability to compensate UPI Bidders (Bidding through UPI Mechanism) in case of failed transactions shall be with the concerned entity (i.e., the Sponsor Bank, NPCI or the issuer bank) at whose end the lifecycle of the transaction has come to a halt. The NPCI shall share the audit trail of all disputed transactions/ investor complaints to the Sponsor Banks and the issuer bank.

The Sponsor Banks and the Bankers to the Offer shall provide the audit trail to the BRLM for analysing the same and fixing liability. For ensuring timely information to investors, SCSBs shall send SMS alerts for mandate block and unblock including details specified in SEBI circular no. SEBI/HO/CFD/DIL2/CIR/P/2021/2480/1/M dated March 16, 2021 as amended pursuant to SEBI circular no. SEBI/HO/CFD/DIL2/P/CIR/2021/570 dated June 2, 2021 and SEBI circular no. SEBI/HO/CFD/DIL2/CIR/P/2021/2480/1/M dated April 20, 2022.

Pursuant to NSE circular dated August 3, 2022 with reference no. 25/2022, the following is applicable to all initial public offers opening on or after September 1, 2022:

(i) Cut-off time for acceptance of UPI Mandate shall be up to 5:00 pm on the initial public offer closure date and existing process of UPI bid entry by syndicate members, registrars to the offer and depository participants shall continue till further notice.

(ii) There shall be no T+1 mismatch modification session for PAN-DP mismatch and bank/ location code on T+1 day for already uploaded bids. The dedicated window provided for mismatch modification on T+1 day shall be discontinued.

(iii) Bid entry and modification/ cancellation (if any) shall be allowed in parallel to the regular bidding period up to 5:00 pm on the initial public offer closure day.

(iv) Exchanges shall display initial public offer demand details on its website and for UPI bids the demand shall include/consider UPI bids only with latest status as RC 100 – Black Request Accepted by Investor/ Client, based on responses/status received from the Sponsor Bank.

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 BRLM 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 UPI switch data, CBS data and UPI raw data. NPCI is to coordinate with issuer banks and Sponsor Banks on a continuous basis.

The Sponsor Bank shall host a web portal for intermediaries (closed user group) from the date of Bid/Offer Opening Date till the date of listing of the Equity Shares with details of statistics of mandate blocks/unblocks, performance of apps and UPI handles, down-time/network latency (if any) across intermediaries and any such processes having an impact/bearing on the Offer Bidding process.

Electronic registration of Bids

(i) The Designated Intermediary may register the Bids using the on-line facilities of the Stock Exchanges. The Designated Intermediaries can also set up facilities for off-line electronic registration of Bids, subject to the condition that they may subsequently upload the off-line data file into the on-line facilities for Book Building on a regular basis before the closure of the Offer.

(ii) On the Bid/Offer Closing Date, the Designated Intermediaries may upload the Bids till such time as may be permitted by the Stock Exchanges and as disclosed in the Red Herring Prospectus.

(iii) Only Bids that are uploaded on the Stock Exchanges platform are considered for allocation/Allotment. The Designated Intermediaries shall modify select fields uploaded in the Stock Exchange Platform during the Bid/Offer Period till 5.00 pm on the Bid/Offer Closing Date after which the Stock Exchange(s) send the bid information to the Registrar to the Offer for further processing.

Participation by our Promoters, Promoter Group, the BRLM and the Syndicate Members and persons related to Promoters/Promoter Group/ the BRLM and Syndicate Members

The BRLM and the Syndicate Members shall not be allowed to purchase Equity Shares in this Offer in any manner, except towards fulfilling their underwriting obligations. However, the respective associates and affiliates of the BRLM and the Syndicate Members may Bid for Equity Shares in the Offer, either in the QIB Portion or in the Non-Institutional Portion as may be applicable to such Bidders, where the allocation is on a proportionate basis and such subscription may be on their own account or on behalf of their clients. All categories of investors, including the respective associates or affiliates of the BRLM and Syndicate Members, shall be treated equally for the purpose of allocation to be made on a proportionate basis.

Except as stated below, neither the BRLM nor any associate of the BRLM can apply in the Offer under the Anchor Investor Portion:

(i) mutual funds sponsored by entities which are associate of the BRLM;

(ii) insurance companies promoted by entities which are associate of the BRLM;

(iii) AIFs sponsored by the entities which are associate of the BRLM; or

(iv) FPIs (other than individuals, corporate bodies and family offices) sponsored by the entities which are associate of the BRLM.

Except to the extent of participation in the Offer for Sale by the Promoter Selling Shareholder, shall not participate by applying for Equity Shares in the Offer. Furthermore, the persons related to the Promoters and their respective Promoter Groups shall not apply in the Offer under the Anchor Investor Portion.

For the purposes of this section, a QIB who has any of the following rights shall be deemed to be a person related to our Promoters or Promoter Group of our Company:

(i) rights under a shareholders' agreement or voting agreement entered into with the Promoters or Promoter Group of our Company;

(ii) veto rights; or

(iii) right to appoint any nominee director on our Board.

Further, an Anchor Investor shall be deemed to be an associate of the BRLM, if:

(i) 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

(ii) either of them, directly or indirectly, by itself or in combination with other persons, exercises control over the other; or

(iii) there is a common director, excluding a nominee director, amongst the Anchor Investors and the BRLM.

Bids by Mutual Funds

With respect to Bids by Mutual Funds, a certified copy of their SEBI registration certificate must be lodged along with the Bid cum Application Form. Failing this, our Company, in consultation with the BRLM, reserve the right to reject any Bid without assigning any reason thereof, subject to applicable law.

Bids made by asset management companies or custodians of Mutual Funds shall specifically state names of the concerned schemes for which such Bids are made.

In case of a Mutual Fund, a separate Bid can be made in respect of each scheme of the Mutual Fund registered with SEBI and such Bids in respect of more than one scheme of the Mutual Fund will not be treated as multiple Bids provided that the Bids clearly indicate the scheme concerned for which the Bid has been made.

No Mutual Fund scheme shall invest more than 10% of its NAV in equity shares or equity related instruments of any single company, provided that the limit of 10% shall not be applicable for investments in case of index funds or sector or industry specific schemes. No Mutual Fund under all its schemes should own more than 10% of any company's paid-up share capital carrying voting rights.

Bids by Eligible NRIs

Eligible NRIs may obtain copies of Bid cum Application Form from the offices of the Designated Intermediaries. Only Bids accompanied by payment in Indian Rupees or freely convertible foreign exchange will be considered for Allotment.

Eligible NRI Bidders Bidding on a repatriation basis by using the Non-Resident Forms should authorise their SCSB (if they are Bidding directly through the SCSB) or confirm or accept the UPI Mandate Request (in case of UPI Bidders Bidding through the UPI Mechanism) to block their Non-Resident External ("**NRE**") accounts (including UPI ID, if activated), or Foreign Currency Non-Resident ("**FCNR**") Accounts, and Eligible NRI Bidders Bidding on a non-repatriation basis by using Resident Forms should authorise their respective SCSBs (if they are Bidding directly through SCSB) or confirm or accept the UPI Mandate Request (in case of UPI Bidders Bidding through the UPI Mechanism) 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. NRIs applying in the Offer through the UPI Mechanism are advised to enquire with the relevant bank, whether their account is UPI linked, prior to submitting a Bid cum Application Form.

Eligible NRIs Bidding on non-repatriation basis are advised to use the Bid cum Application Form for residents ([●] in colour). Eligible NRIs Bidding on a repatriation basis are advised to use the Bid cum Application Form meant for Non-Residents ([●] in colour).

Participation of Eligible NRIs in the Offer shall be subject to the Foreign Exchange Management Act ("FEMA") Non-debt Instrument Rules. Only bids accompanied by payment in Indian rupees or fully convertible foreign exchange will be considered for allotment.

Eligible NRIs will be permitted to apply in the Offer through Channel I or Channel II (as specified in the SEBI UPI Circulars). Further, subject to applicable law, Eligible NRIs may use Channel IV (as specified in the SEBI UPI Circulars) to apply in the Offer, provided the UPI facility is enabled for their NRE/NRO accounts. In accordance with the FEMA Rules, the total holding by any individual NRI, on a repatriation basis, shall not exceed 5% of the total paid-up equity capital on a fully diluted basis or shall 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 warrant. 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.

NRIs applying in the Offer using UPI Mechanism are advised to enquire with the relevant bank whether their bank account is UPI linked prior to making such applications.

For details of restrictions on investment by NRIs, please see *"**Restrictions on Foreign Ownership of Indian Securities**"* on page 489.

Bids by FPIs

In terms of the SEBI FPI Regulations, the issue of Equity Shares to a single FPI or an investor group (which means the same multiple entities having common ownership directly or indirectly of more than 50% or common control) must be below 10% of the post-Offer paid-up capital.

In case of Bids made by FPIs, a certified copy of the certificate of registration issued under the SEBI FPI Regulations is required to be attached to the Bid cum Application Form, failing which our Company in consultation with the BRLM, reserves the right to reject any Bid without assigning any reason, subject to applicable laws.

If the total holding of an FPI increases beyond 10% of the total paid-up Equity Share capital, on a fully diluted basis or 10% or more of the paid-up value of any series of debentures or preference shares or share warrants issued that may be issued by our Company, the total investment made by the FPI will be re-classified as FDI subject to the conditions as specified by SEBI and the RBI in this regard and our Company and the investor will be required to comply with applicable reporting requirements. Further, in terms of the FEMA Rules, the total holdings of all FPIs put together, with effect from April 1, 2020, can be up to the sectoral cap applicable to the sector in which our Company operates (i.e., up to 51%).

FPIs are permitted to participate in the Offer subject to compliance with conditions and restrictions which may be specified by the Government from time to time. In terms of the FEMA Rules, for calculating the aggregate holding of FPIs in a company, holding of all registered FPIs shall be included.

To ensure compliance with the above requirement, SEBI, pursuant to its circular dated July 13, 2018, has directed that at the time of finalisation of the Basis of Allotment, the Registrar shall (i) use the PAN issued by the Income Tax Department of India for checking compliance for a single FPI; and (ii) obtain validation from Depositories for the FPIs who have invested in the Offer to ensure there is no breach of the investment limit, within the timelines for issue procedure, as prescribed by SEBI from time to time.

Subject to compliance with all applicable Indian laws, rules, regulations, guidelines and approvals in terms of regulation 21 of the SEBI FPI Regulations, an FPI is permitted to issue, subscribe to 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 a FPI against securities held by it in India, as its underlying asset) directly or indirectly, only if it complies with the following conditions: (i) such offshore derivative instruments are issued only by persons registered as Category I FPIs; (ii) such offshore derivative instruments are issued only to persons eligible for registration as Category I FPIs; (iii) such offshore derivative instruments are issued after compliance with 'know your client' norms as specified by SEBI; and (iv) such other conditions as may be specified by SEBI from time to time.

An FPI issuing offshore derivative instruments is also required to ensure that any transfer of offshore derivative instruments issued by, or on behalf of it is subject to, *inter alia*, the following conditions:

(i) such offshore derivative instruments are transferred to persons subject to fulfilment of the criteria provided under the SEBI FPI Regulations; and

(ii) prior consent of the FPI is obtained for such transfer, except in cases, where the persons to whom the offshore derivative instruments are to be transferred to, are pre-approved by the FPI.

Further, Bids received from FPIs bearing the same PAN will be treated as multiple Bids and are liable to be rejected, except for Bids from FPIs that utilize the multiple investment manager structure in accordance with SEBI master circular bearing reference number SEBI/HO/AFD-2/CIR/P/2022/175 dated December 19, 2022 (such structure "**MIM Structure**") provided such Bids have been made with different beneficiary account numbers, Client IDs and DP IDs. Accordingly, it should be noted that multiple Bids received from FPIs, who do not utilize the MIM Structure, and bear the same PAN, are liable to be rejected. Further, in the following cases, Bids by FPIs shall not be treated as multiple Bids:

(i) FPIs which utilise the multi investment manager ("**MIM**") structure

(ii) Offshore derivative instruments which have obtained separate FPI registration for ODI and proprietary derivative investments

(iii) Sub funds or separate class of investors with segregated portfolio who obtain separate FPI registration

(iv) FPI registrations granted at investment strategy level/sub fund level where a collective investment scheme or fund has multiple investment strategies/sub-funds with identifiable differences and managed by a single investment manager

(v) Multiple branches in different jurisdictions of foreign bank registered as FPIs

(vi) Government and Government related investors registered as Category 1 FPIs; and

(vii) Entities registered as collective investment scheme having multiple share classes.

A. The Bids belonging to any of the above mentioned seven structures and having same PAN may be collated and identified as a single Bid in the Bidding process. The Equity Shares allotted in the Bid may be proportionately distributed to the applicant FPIs (with same PAN).

B. In order to ensure valid Bids, FPIs making multiple Bids using the same PAN, and with different beneficiary account numbers, Client IDs and DP IDs, are required to provide a confirmation along with each of their Bid cum Application Forms that the relevant FPIs making multiple Bids utilize any of the above-mentioned structures and indicate the name of their respective investment managers in such confirmation. In the absence of such confirmation from the relevant FPIs, such multiple Bids shall be rejected.

C. The FPIs who wish to participate in the Offer are advised to use the Bid cum Application Form for non-residents (in [●] colour). For details of restrictions on investment by NRIs, please see *"**Restrictions on Foreign Ownership of Indian Securities**"* on page 489.

Bids by HUFs

Bids by Hindu Undivided Families or HUFs, should be made in the individual name of the karta. The Bidder/Applicant should specify that the Bid is being made in the name of the HUF in the Bid cum Application Form/Application Form as follows: "**Name of sole or first Bidder/Applicant: XYZ Hindu Undivided Family applying through XYZ, where XYZ is the name of the karta**". Bids/Applications by HUFs will be considered at par with Bids/Applications from individuals.

Bids by SEBI registered AIFs, VCFs and FVCIs

The SEBI FVCI Regulations, SEBI VCF Regulations and the SEBI AIF Regulations prescribe, *inter alia*, the investment restrictions on the FVCIs, VCFs and AIFs registered with SEBI respectively. While the SEBI VCF Regulations have since been repealed, the funds registered as VCFs under the SEBI VCF Regulations continue to be regulated by such regulations until the existing fund or scheme managed by the fund is wound up.

Subject to compliance with applicable law and investment restrictions, the holding in any company by any individual VCF or FVCIs registered with SEBI should not exceed 25% of the corpus of the VCF or FVCI. Further, FVCIs and VCF's can invest only up to 33.33% of the investible funds by way of subscription to an initial public offering. Category I AIF and Category II AIF cannot invest more than 25% of the investible funds in one investee company directly or through investment in the units of other AIFs. A Category III AIF cannot invest more than 10% of the investible funds in one investee company directly or through investment in the units of other AIFs. A VCF registered as a Category I AIF, as defined in the SEBI AIF Regulations, cannot invest more than one-third of its investible funds by way of subscription to an initial public offering of a venture capital undertaking whose shares are proposed to be listed. AIFs which are authorised under the fund documents to invest in units of AIFs are prohibited from offering their units for subscription to other AIFs. Additionally, a VCF that has not re- registered as an AIF under the SEBI AIF Regulations shall continue to be regulated by the SEBI VCF Regulations (and accordingly shall not be allowed to participate in the Offer) 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.

Participation of VCFs, AIFs or FVCIs in the Offer shall be subject to the FEMA Rules. Further, VCFs, Category I AIFs or Category II AIFs and FVCIs holding Equity Shares of the Company, shall be exempt from lock-in requirements, provided that such Equity Shares shall be locked in for a period of at least six months from the date of purchase by the venture capital fund or alternative investment fund of Category I or II or foreign venture capital investor.

There is no reservation for Eligible NRIs, AIFs, FPIs and FVCIs, and all Bidders will be treated on the same basis with other categories for the purpose of allocation.

All non-resident investors should note that refunds (in case of Anchor Investors), dividends and other distributions, if any, will be payable in Indian Rupees only and net of bank charges and commission.

Our Company, or the BRLM will not be responsible for loss, if any, incurred by the Bidder on account of conversion of foreign currency.

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, in consultation with the BRLM, reserve the right to reject any Bid without assigning any reason thereof.

Bids by banking companies

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, in consultation with the BRLM reserve the right to reject any Bid without assigning any reason thereof, subject to applicable law.

The investment limit for banking companies in non-financial services companies as per the Banking Regulation Act, 1949 ("**Banking Regulation Act**") and the Master Direction – Reserve Bank of India (Financial Services provided by Banks) Directions, 2016 ("**RBI Master Directions**"), as amended, 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 bank's own paid-up share capital and reserves, whichever is lower. Further, the aggregate investment by a banking company in subsidiaries and other entities engaged in financial and non-financial services company cannot exceed 20% of the bank's paid up share capital and reserves.

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, or to protect the bank's 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 the RBI. A banking company would require a prior approval of the RBI to make (i) investment in excess of 30% of the paid-up share capital of the investee company; (ii) investment in a subsidiary and a financial services company that is not a subsidiary (with certain exceptions prescribed); and (iii) investment in a non-financial 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 RBI Master Directions, as amended.

Bids by SCSBs

SCSBs participating in the Offer are required to comply with the terms of the SEBI circulars bearing numbers CIR/CFD/DIL/12/2012 and CIR/CFD/DIL/1/2013 dated September 13, 2012 and January 2, 2013, respectively issued by SEBI. Such SCSBs are required to ensure that for making applications on their own account using ASBA, they should have a separate account in their own name with any other SEBI registered SCSBs. Further, such account shall be used solely for the purpose of making application in public issues and clear demarcated funds should be available in such account for such applications.

Bids by Eligible Employees

The Bid must be for a minimum of [●] Equity Shares and in multiples of [●] Equity Shares thereafter so as to ensure that the Bid Amount payable by the Eligible Employee does not exceed ₹ 5,00,000 (net of Employee Discount). The Allotment in the Employee Reservation Portion will be on a proportionate basis. Eligible Employees under the Employee Reservation Portion may Bid at Cut-off Price provided that the Bid does not exceed ₹ 5,00,000 (net of Employee Discount).

However, Allotments to Eligible Employees in excess of ₹ 2,00,000 (net of Employee Discount) shall be considered on a proportionate basis, in the event of under-subscription in the Employee Reservation Portion, subject to the total Allotment to an Eligible Employee not exceeding ₹ 5,00,000 (net of Employee Discount) (which will be less Employee Discount). Subsequent under-subscription, if any, in the Employee Reservation Portion shall be added back to the Net Offer. Eligible Employees Bidding in the Employee Reservation Portion may Bid at the Cut-off Price.

Bids under Employee Reservation Portion by Eligible Employees shall be:

a) Made only in the prescribed Bid cum Application Form or Revision Form (i.e. [●] colour form).

b) The Bidder should be an Eligible Employee as defined. In case of joint bids, the first Bidder shall be an Eligible Employee.

c) Only Eligible Employees would be eligible to apply in the Offer under the Employee Reservation Portion.

d) Only those Bids, which are received at or above the Offer Price, net of Employee Discount, if any would be considered for Allotment under this category.

e) Eligible Employees can apply at Cut-off Price.

f) If the aggregate demand in this category is less than or equal to 51,000 Equity Shares at or above the Offer Price, full allocation shall be made to the Eligible Employees to the extent of their demand.

g) As per the SEBI circular SEBI/HO/CFD/DIL2/CIR/P/2022/45 dated April 5, 2022, Eligible Employees bidding in the Employee Reservation Portion can also Bid through the UPI Mechanism.

h) The Bids must be for a minimum of [●] Equity Shares and in multiples of [●] Equity Shares thereafter so as to ensure that the Bid Amount payable by the Eligible Employee subject to a maximum Bid Amount of ₹ 5,00,000 (net of Employee Discount).

i) Bids by Eligible Employees in the Employee Reservation Portion and in the Net Offer portion shall not be treated as multiple Bids. Our Company reserves the right to reject, in its absolute discretion, all or any multiple Bids in any or all categories.

j) Under-subscription, if any, in the Employee Reservation Portion will be added back to the Net Offer.

In case of under-subscription in the Net Offer, spill over to the extent of under-subscription shall be permitted from the Employee Reservation Portion. If the aggregate demand in this category is greater than [●] Equity Shares at or above the Offer Price, the allocation shall be made on a proportionate basis. Please note that any individuals who are directors, employees or promoters of (a) the BRLM, Registrar to the Offer, or the Syndicate Members, or of the (b) 'associate companies' (as defined in the Companies Act, 2013, as amended) and group companies of such BRLM, Registrar to the Offer or Syndicate Members are not eligible to bid in the Employee Reservation Portion.

Bids by Insurance Companies

In case of Bids made by insurance companies registered with the IRDAI, a certified copy of certificate of registration issued by IRDAI must be attached to the Bid cum Application Form. Failing this, our Company, in consultation with the BRLM, reserves the right to reject any Bid without assigning any reason thereof, subject to applicable law.

The exposure norms for insurers are prescribed under the Insurance Regulatory and Development Authority of India (Investment) Regulations, 2016 read with the Investments- Master Circular dated October 27, 2022, each as amended ("**IRDAI Investment Regulations**") are broadly set below:

(a) equity shares of a company: the lower of 10%* of the outstanding equity shares (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 or health insurer;

(b) 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 health insurer or 15% of the investment assets in all companies belonging to the group, whichever is lower; and

(c) the industry sector in which the investee company operates: not more than 15% of the fund of a life insurer

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 (a), (b) and (c) above, as the case may be.

**The above limit of 10% shall stand substituted as 15% of outstanding equity shares (face value) for insurance companies with investment assets of ₹ 25,00,000 or more and 12% of outstanding equity shares (face value) for insurers with investment assets of ₹ 5,00,000 or more but less than ₹ 25,00,000.*

Insurance companies participating in the Offer shall comply with all applicable regulations, guidelines and circulars issued by IRDAI from time to time.

Bids by provident funds/pension funds

In case of Bids made by provident funds/pension funds, with minimum corpus of ₹ 2,500 Lakhs, registered with the Pension Fund Regulatory and Development Authority established under sub-section (1) of section 3 of the Pension Fund Regulatory and Development Authority Act, 2013, subject to applicable law, a certified copy of a certificate from a chartered accountant certifying the corpus of the provident fund/pension fund must be attached to the Bid cum Application Form. Failing this, our Company in consultation with the BRLM reserves the right to reject any Bid, without assigning any reason thereof.

Bids under power of attorney

In case of Bids made pursuant to a power of attorney or by limited companies, corporate bodies, registered societies, Eligible FPIs, AIFs, Mutual Funds, NBFC-SI, insurance companies, insurance funds set up by the army, navy or air force of India, insurance funds set up by the Department of Posts, India or the National Investment Fund and provident funds with a minimum corpus of ₹ 2,500 Lakhs and pension funds with a minimum corpus of ₹ 2,500 Lakhs (in each case, subject to applicable law and in accordance with their respective constitutional documents), a certified copy of the power of attorney or the relevant resolution or authority, as the case may be, along with a certified copy of the memorandum of association and articles of association and/or bye laws, as applicable, must be lodged along with the Bid cum Application Form. Failing this, our Company in consultation with the BRLM, reserves the right to accept or reject any Bid in whole or in part, in either case, without assigning any reason thereof.

Our Company, in consultation with the BRLM in their absolute discretion, reserve the right to relax the above condition of simultaneous lodging of the power of attorney along with the Bid cum Application Form subject to the terms and conditions that our Company in consultation with the BRLM may deem fit.

Bids by Systemically Important NBFCs

In case of Bids made by Systemically Important NBFCs registered with RBI, certified copies of the (i) certificate of registration issued by RBI; (ii) certified copy of its last audited financial statements on a standalone basis; (iii) a net worth certificate from its statutory auditors; and (iv) such other approval as may be required by the Systemically Important NBFCs, are required to be attached to the Bid cum Application Form. Failing this, our Company in consultation with the BRLM, reserves the right to reject any Bid, without assigning any reason thereof. Systemically Important NBFCs participating in the Offer shall comply with all applicable regulations, directions, guidelines and circulars issued by RBI from time to time. The investment limit for Systemically Important NBFCs shall be as prescribed by RBI from time to time**.**

Bids by Anchor Investors

In accordance with the SEBI ICDR Regulations, in addition to details and conditions mentioned in this section, the key terms for participation by Anchor Investors are provided below:

(i) Anchor Investor Application Forms will be made available for the Anchor Investor Portion at the offices of the BRLM.

(ii) The Bid must be for a minimum of such number of Equity Shares so that the Bid Amount exceeds ₹1,000 Lakhs. A Bid cannot be submitted for over 60% of the QIB Portion. In case of a Mutual Fund, separate Bids by individual schemes of a Mutual Fund will be aggregated to determine the minimum application size of ₹1,000 Lakhs.

(iii) One-third of the Anchor Investor Portion will be reserved for allocation to domestic Mutual Funds.

(iv) Bidding for Anchor Investors will open one Working Day before the Bid/ Offer Opening Date and will be completed on the same day.

(v) Our Company in consultation with the BRLM will finalise allocation to the Anchor Investors on a discretionary basis, provided that the minimum number of Allottees in the Anchor Investor Portion will not be less than: (a) maximum of two Anchor Investors, where allocation under the Anchor Investor Portion is up to ₹1,000 Lakhs; (b) minimum of two and maximum of 15 Anchor Investors, where the allocation under the Anchor Investor Portion is more than ₹1,000 Lakhs but up to ₹25,000 Lakhs, subject to a minimum Allotment of ₹500 Lakhs per Anchor Investor; and (c) in case of allocation above ₹25,000 Lakhs under the Anchor Investor Portion, a minimum of five such investors and a maximum of 15 Anchor Investors for allocation up to ₹25,000 Lakhs, and an additional 10 Anchor Investors for every additional ₹25,000 Lakhs, subject to minimum allotment of ₹500 Lakhs per Anchor Investor.

(vi) Allocation to Anchor Investors will be completed on the Anchor Investor Bidding Date. The number of Equity Shares allocated to Anchor Investors and the price at which the allocation is made, will be made available in the public domain by the BRLM before the Bid/ Offer Opening Date, through intimation to the Stock Exchanges.

(vii) Anchor Investors cannot withdraw or lower the size of their Bids at any stage after submission of the Bid.

(viii) If the Offer Price is greater than the Anchor Investor Allocation Price, the additional amount being the difference between the Offer Price and the Anchor Investor Allocation Price will be payable by the Anchor Investors on the Anchor Investor Pay-in Date specified in the CAN. If the Offer Price is lower than the Anchor Investor Allocation Price, Allotment to successful Anchor Investors will be at the higher price, i.e., the Anchor Investor Offer Price.

(ix) 50% 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 and the remaining 50% shall be locked – in for a period of 30 days from the date of Allotment.

(x) Neither the (a) the BRLM nor any associate of the BRLM (except mutual funds sponsored by entities which are associate of the BRLM or insurance companies promoted by entities which are associate of the BRLM or AIFs sponsored by the entities which are associates of the BRLM or FPIs, other than individuals, corporate bodies and family offices, sponsored by the entities which are associate of the BRLM) nor (b) the Promoters, Promoter Group or any person related to the Promoters or members of the Promoter Group shall apply under the Anchor Investors category.

(xi) Bids made by QIBs under both the Anchor Investor Portion and the QIB Portion will not be considered multiple Bids.

In accordance with the RBI regulations, OCBs cannot participate in the Offer.

The information set out above is given for the benefit of the Bidders. Our Company and the BRLM are not liable for any amendments or modification or changes to applicable laws or regulations, which may occur after the date of this Draft Red Herring Prospectus. Bidders are advised to make their independent investigations and ensure that any single Bid from them does not exceed the applicable investment limits or maximum number of the Equity Shares that can be held by them under applicable law or regulations, or as specified in this Draft Red Herring Prospectus, or as will be specified in the Red Herring Prospectus and the Prospectus. Further, each Bidder where required must agree in the Allotment Advice that such Bidder will not sell or transfer any Equity Shares or 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 in accordance with applicable laws.

Certain Information for Bidders

The relevant Designated Intermediary will 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 is 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 shall surrender the earlier Acknowledgement Slip and may 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 Promoter Selling Shareholders and/or the BRLM 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, nor does it warrant that the Equity Shares will be listed or will continue to be listed on the Stock Exchanges.

General instructions

Please note that QIBs and Non-Institutional Bidders are not permitted to withdraw their Bid(s) or lower the size of their Bid(s) (in terms of quantity of Equity Shares or the Bid Amount) at any stage. Retail Individual Bidders and Eligible Employees Bidding in the Employee Reservation Portion can revise their Bid(s) during the Bid/Offer Period and withdraw or lower the size of their Bid(s) until Bid/Offer Closing Date. Anchor Investors are not allowed to withdraw their Bids after the Anchor Investor Bidding Date.

D. ***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. All Bidders (other than Anchor Investors) should submit their Bids through the ASBA process only;
3. Ensure that you have Bid within the Price Band;
4. Read all the instructions carefully and complete the Bid cum Application Form, as the case may be, in the prescribed form;
5. Ensure that you (other than Anchor Investors) have mentioned the correct details of ASBA Account (i.e., bank account number or UPI ID, as applicable) in the Bid cum Application Form if you are not an UPI Bidder using the UPI Mechanism and if you are an UPI Bidder using the UPI Mechanism ensure that you have mentioned the correct UPI ID (with maximum length of 45 characters including the handle), in the Bid cum Application Form;
6. UPI Bidders using UPI Mechanism through the SCSBs and mobile applications shall ensure that the name of the bank appears in the list of SCSBs which are live on UPI, as displayed on the SEBI website. UPI Bidders shall ensure that the name of the app and the UPI handle which is used for making the application appears in Annexure 'A' to the SEBI circular no. SEBI/HO/CFD/DIL2/COR/P/2019/85 dated July 26, 2019
7. Ensure that your Bid cum Application Form bearing the stamp of a Designated Intermediary is submitted to the Designated Intermediary at the relevant Bidding Centre (except in case of electronic bids) within the prescribed time. Bidders (other than Anchor Investors) shall submit the Bid cum Application Form in the manner set out in the General Information Document. UPI Bidders using UPI Mechanism, may submit their ASBA Forms with Syndicate, sub-Syndicate Members, Registered Brokers, RTA or CDP
8. Ensure that you have funds equal to or more than the Bid Amount in the ASBA Account maintained with the SCSB, before submitting the ASBA Form to the relevant Designated Intermediaries;
9. In case of joint Bids, ensure that 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;
10. Ensure that you request for and receive a stamped acknowledgement in the form of a counterfoil or acknowledgement specifying the application number as proof of having accepted the Bid cum Application Form for all your Bid options from the concerned Designated Intermediary;
11. 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. Ensure that the signature of the First Bidder is included in the Bid cum Application Forms. PAN of the First Bidder is required to be specified in case of joint Bids;

12. UPI Bidders bidding in the Offer shall ensure that they use only their own ASBA Account or only their own bank account linked UPI ID which is UPI 2.0 certified by NPCI (only for UPI Bidders using the UPI Mechanism) to make an application in the Offer and not ASBA Account or bank account linked UPI ID of any third party;

13. Ensure that you submit the revised Bids to the same Designated Intermediary, through whom the original Bid was placed and obtain a revised acknowledgment;

14. Retail Individual Bidders not using the UPI Mechanism, should submit their Bid cum Application Form directly with SCSBs and not with any other Designated Intermediary;

15. Ensure that you have correctly signed the authorisation/undertaking box in the Bid cum Application Form, or have otherwise provided an authorisation to the SCSB or Sponsor Bank(s), as applicable, via the electronic mode, for blocking funds in the ASBA Account equivalent to the Bid Amount mentioned in the Bid cum Application Form, as the case may be, at the time of submission of the Bid. In case of UPI Bidders submitting their Bids and participating in the Offer through the UPI Mechanism, ensure that you authorise the UPI Mandate Request, including in case of any revisions of Bids, raised by the Sponsor Bank(s) for blocking of funds equivalent to Bid Amount and subsequent debit of funds in case of Allotment;

16. Except for Bids (i) on behalf of the Central or State Governments and the officials appointed by the courts, who, in terms of the SEBI circular dated June 30, 2008, may be exempt from specifying their PAN for transacting in the securities market, (ii) submitted by investors who are exempt from the requirement of obtaining/specifying their PAN for transacting in the securities market, and (iii) Bids by persons resident in the state of Sikkim, who, in terms of a SEBI circulars dated July 20, 2006 and September 26, 2008 respectively, 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;

17. Ensure that the Demographic Details are updated, true and correct in all respects;

18. 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;

19. Ensure that the category and the investor status is indicated in the Bid cum Application Form to ensure proper upload of your Bid in the electronic Bidding system of the Stock Exchanges;

20. Ensure that in case of Bids under power of attorney or by limited companies, corporates, trust, etc., relevant documents are submitted including a copy of the power of attorney, if applicable, are submitted;

21. Ensure that Bids submitted by any person resident outside India is in compliance with applicable foreign and Indian laws;

22. Since the Allotment will be in dematerialised form only, ensure that the Bidder's depository account is active, the correct DP ID, Client ID, the PAN, UPI ID (for Bidders bidding through UPI Mechanism) are mentioned in their Bid cum Application Form and that the name of the Bidder, the DP ID, Client ID, the PAN and UPI ID (for Bidders bidding through UPI Mechanism), if applicable, entered into the online IPO system of the Stock Exchanges by the relevant Designated Intermediary, as applicable, matches

with the name, DP ID, Client ID, PAN and UPI ID (for Bidders bidding through UPI Mechanism) available in the Depository database;

23. Ensure that when applying in the Offer using UPI, the name of your SCSB appears in the list of SCSBs displayed on the SEBI website which are live on UPI. Further, also ensure that the name of the mobile application and the UPI handle being used for making the application in the Offer is also appearing in the "list of mobile applications for using UPI in public issues" displayed on the SEBI website and is also appearing in Annexure 'A' to the SEBI circular no. SEBI/HO/CFD/DIL2/CIR/P/2019/85 dated July 26, 2019;

24. UPI Bidders who wish to revise their Bids using the UPI Mechanism, should submit the revised Bid with the Designated Intermediaries, pursuant to which UPI Bidders should ensure acceptance of the UPI Mandate Request received from the Sponsor Banks to authorise blocking of funds equivalent to the revised Bid Amount and subsequent debit of funds in case of Allotment in a timely manner;

25. UPI Bidders Bidding through UPI Mechanism shall ensure that details of the Bid are reviewed and verified by opening the attachment in the UPI Mandate Request and then proceed to authorize the UPI Mandate Request using his/her UPI PIN. Upon the authorization of the mandate using his/her UPI PIN, a UPI Bidder Bidding through UPI Mechanism shall be deemed to have verified the attachment containing the application details of the UPI Bidder Bidding through UPI Mechanism in the UPI Mandate Request and have agreed to block the entire Bid Amount and authorized the Sponsor Bank(s) to block the Bid Amount mentioned in the Bid Cum Application Form in his/her ASBA Account;

26. The ASBA bidders shall ensure that bids above ₹5,00,000 are uploaded only by the SCSBs;

27. Ensure that Anchor Investors submit their Bid cum Application Forms only to the BRLM;

28. FPIs making MIM Bids using the same PAN, and different beneficiary account numbers, Client IDs and DP IDs, are required to submit a confirmation that their Bids are under the MIM structure and indicate the name of their investment managers in such confirmation which shall be submitted along with each of their Bid cum Application Forms. In the absence of such confirmation from the relevant FPIs, such MIM Bids shall be rejected;

29. Ensure that while Bidding through a Designated Intermediary, the Bid cum Application Form (other than for Anchor Investors and UPI Bidders bidding using the UPI Mechanism) is submitted to a Designated Intermediary in a Bidding Centre and that the SCSB where the ASBA Account, as specified in the ASBA Form, is maintained has named at least one branch at that location for the Designated Intermediary to deposit ASBA Forms (a list of such branches is available on the website of SEBI at www.sebi.gov.in).

30. Ensure that your PAN is linked with your Aadhaar card, and that you are in compliance with notification dated Feb 13, 2020 and press release dated June 25, 2021 and September 17, 2021, each issued by the Central Board of Direct Taxes.

31. The ASBA Bidders shall use only their own bank account or only their own bank account linked UPI ID for the purposes of making application in the Offer, which is UPI 2.0 certified by NPCI.

32. Bidders (except UPI Bidders Bidding through the UPI Mechanism) should instruct their respective banks to release the funds blocked in the ASBA Account under the ASBA process. In case of UPI Bidders, once the Sponsor Bank issues the Mandate Request, the UPI Bidders would be required to proceed to authorize the blocking of funds by confirming or accepting the UPI Mandate Request to authorize the blocking of funds equivalent to application amount and subsequent debit of funds in case of Allotment, in a timely manner;

33. UPI Bidders Bidding using the UPI Mechanism should mention valid UPI ID of only the Bidder (in case of single account) and of the first Bidder (in case of joint account) in the Bid cum Application Form.

34. Bids by Eligible NRIs for a Bid Amount of less than ₹2,00,000 would be considered under the Retail Category for the purposes of allocation and Bids for a Bid Amount exceeding ₹2,00,000 would be considered under the Non-Institutional Category for allocation in the Offer.

35. Ensure that the Anchor Investors submit their Bid cum Application Forms only to the BRLM.

E. The Bid cum Application Form is liable to be rejected if the above instructions, as applicable, are not complied with. Application made using incorrect UPI handle or using a bank account of an SCSB or SCSBs which is not mentioned in the list available on the website of SEBI at www.sebi.gov.in/sebiweb/other/OtherAction.do?doRecognisedFpi=yes&intmId=43 and updated from time to time and at such other websites as may be prescribed by SEBI from time to time and also specified in Annexure 'A' to the SEBI circular no. SEBI/HO/CFD/DIL2/CIR/P/2019/85 dated July 26, 2019 is liable to be rejected.

Don'ts:

1. Do not Bid for lower than the minimum Bid Lot;

2. Do not submit a Bid using UPI ID, if you are not a UPI Bidder;

3. Do not Bid/revise Bid Amount to less than the Floor Price or higher than the Cap Price;

4. Do not Bid for a Bid Amount exceeding ₹2,00,000 (for Bids by Retail Individual Bidders); and ₹5,00,000 for Bids by Eligible Employees Bidding in the Employee Reservation Portion (net of Employee Discount);;

5. Do not Bid on another Bid cum Application Form and the Anchor Investor Application Form, as the case may be, after you have submitted a Bid to any of the Designated Intermediary;

6. Do not pay the Bid Amount in cheques, demand drafts or by cash, money order, postal order or by stock invest;

7. Do not send Bid cum Application Forms by post; instead submit the same to the Designated Intermediary only;

8. Do not Bid at Cut-off Price (for Bids by QIBs and Non-Institutional Bidders);

9. Do not instruct your respective banks to release the funds blocked in the ASBA Account under the ASBA process;

10. Do not submit the Bid for an amount more than funds available in your ASBA account.

11. 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 a Bidder;

12. In case of ASBA Bidders (other than UPI Bidders using the UPI Mechanism), do not submit more than one Bid cum Application Form per ASBA Account;

13. If you are a UPI Bidder and are using UPI mechanism, do not submit more than one ASBA Form for each UPI ID;

14. Anchor Investors should not Bid through the ASBA process;

15. Do not submit the Bid cum Application Form to any non-SCSB or our Company.

16. Do not submit the ASBA Forms to any Designated Intermediary that is not authorised to collect the relevant ASBA Forms or to our Company;

17. Do not Bid on a Bid cum Application Form that does not have the stamp of the relevant Designated Intermediary;

18. Do not submit the General Index Register (GIR) number instead of the PAN;

19. Do not submit incorrect details of the DP ID, Client ID, PAN and UPI ID details (if you are a UPI Bidder Bidding through the UPI Mechanism). Further, do not provide details for a beneficiary account which is suspended or for which details cannot be verified by the Registrar to the Offer;

20. 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;

21. 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);

22. Do not submit a Bid/revise a Bid Amount, with a price less than the Floor Price or higher than the Cap Price;

23. Do not submit your Bid after 3.00 pm on the Bid/Offer Closing Date;

24. If you are a QIB, do not submit your Bid after 3 p.m. on the QIB Bid/Offer Closing Date; (for online applications) and after 12:00 p.m. on the Bid/ Offer Closing Date (for Physical Applications);;

25. Do not Bid on another ASBA Form or the Anchor Investor Application Form, as the case may be, after you have submitted a Bid to any of the Designated Intermediaries;

26. Do not Bid for Equity Shares in excess of what is specified for each category;

27. In case of ASBA Bidders (other than 3 in 1 Bids) Syndicate Members shall ensure that they do not upload any bids above ₹5,00,000 ;

28. Do not fill up the Bid cum Application Form such that the Equity Shares Bid for, exceeds the Offer size and/or investment limit or maximum number of the Equity Shares that can be held under applicable laws or regulations or maximum amount permissible under applicable laws or regulations, or under the terms of the Red Herring Prospectus;

29. Do not withdraw your Bid or lower the size of your Bid (in terms of quantity of the Equity Shares or the Bid Amount) at any stage, if you are a QIB or a Non-Institutional Bidder. Retail Individual Bidders or or Eligible Employees bidding in the Employee Reservation Portion can revise or withdraw their Bids on or before the Bid/ Offer Closing Date;

30. Do not submit Bids to a Designated Intermediary at a location other than at the relevant Bidding Centres. If you are a UPI Bidder using the UPI Mechanism, do not submit the ASBA Form directly with the SCSBs;

31. If you are an UPI Bidder which is submitting the ASBA Form with any of the Designated Intermediaries and using your UPI ID for the purpose of blocking of funds, do not use any third party bank account or third party linked bank account UPI ID;

32. Do not Bid if you are an OCB;

33. Do not link the UPI ID with a bank account maintained with a bank that is not UPI 2.0 certified by the NPCI in case of Bids submitted by UPI Bidders using the UPI Mechanism;

34. Do not submit more than one Bid cum Application Form for each UPI ID in case of UPI Bidders Bidding using the UPI Mechanism;

35. Do not submit a Bid cum Application Form with a third party UPI ID or using a third party bank account (in case of Bids submitted by Retail Individual Bidders using the UPI Mechanism); and

36. UPI Bidders Bidding through the UPI Mechanism using the incorrect UPI handle or using a bank account of an SCSB or a bank which is not mentioned in the list provided in the SEBI website is liable to be rejected.

37. Do not submit the Bid without ensuring that funds equivalent to the entire Bid Amount are available for blocking in the relevant ASBA Account.

The Bid cum Application Form is liable to be rejected if the above instructions, as applicable, are not complied with.

Further, in case of any pre-Offer or post-Offer related issues regarding share certificates/demat credit/refund orders/unblocking etc., investors shall reach out to the Company Secretary and Compliance Officer. For details of the Company Secretary and Compliance Officer, please see *"**General Information**"* on page 86.

For helpline details of the BRLM pursuant to SEBI circular SEBI/HO/CFD/DIL2/CIR/P/2021/2480/1/M dated March 16, 2021, please see *"**General Information**"* on page 86.

For details of grounds for rejections of a Bid cum Application Form, please see the General Information Document. Further, Bid cum Application Forms are liable to be rejected if they do not comply with the criteria set out under "***Restrictions on Foreign Ownership of Indian Securities***" on page 489.

Grounds for technical rejection

In addition to the grounds for rejection of Bids on technical grounds as provided in the General Information Document, Bidders are requested to note that Bids maybe rejected on the following additional technical grounds:

1. Bids submitted without instruction to the SCSBs to block the entire Bid Amount;

2. Bids which do not contain details of the Bid Amount and the bank account details in the ASBA Form;

3. Bids submitted on a plain paper;

4. Bids submitted by UPI Bidders using the UPI Mechanism through an SCSB and/or using a mobile application or UPI handle, not listed on the website of SEBI;

5. Bids under the UPI Mechanism submitted by UPI Bidders using third party bank accounts or using a third party linked bank account UPI ID (subject to availability of information regarding third party account from Sponsor Bank(s));

6. ASBA Form submitted to a Designated Intermediary does not bear the stamp of the Designated Intermediary;

7. Bids submitted without the signature of the First Bidder or sole Bidder;

8. The ASBA Form not being signed by the account holders, if the account holder is different from the Bidder;

9. ASBA Form by the UPI Bidders by using third party bank accounts or using third party linked bank account UPI IDs;

10. Bids by persons for whom PAN details have not been verified and whose beneficiary accounts are "suspended for credit" in terms of SEBI circular CIR/MRD/DP/ 22 /2010 dated July 29, 2010;

11. GIR number furnished instead of PAN;

12. Bids by UPI Bidders with Bid Amount of a value of more than ₹2,00,000 (net of retail discount);

13. Bids by persons who are not eligible to acquire Equity Shares in terms of all applicable laws, rules, regulations, guidelines and approvals;

14. Bids accompanied by stock invest, money order, postal order or cash; and

15. Bids by QIBs uploaded after 4.00 pm on the QIB Bid/Offer Closing Date and by Non-Institutional Bidders uploaded after 4.00 p.m. on the Bid/Offer Closing Date, and Bids by UPI Bidders uploaded after 5.00 p.m. on the Bid/Offer Closing Date, unless extended by the Stock Exchanges. On the Bid/Offer Closing Date, extension of time may be granted by the Stock Exchanges only for uploading Bids received from Retail Individual Bidders, after taking into account the total number of Bids received up to closure of timings for acceptance of Bid cum Application Forms as stated herein and as informed to the Stock Exchanges.

Further, in case of any pre-Offer or post-Offer related matters regarding share certificates/demat credit/refund orders/unblocking etc., investors shall reach out to our Company Secretary and Compliance Officer. For details of our Company Secretary and Compliance Officer, please see *"**General Information**"* on page 86.

Further, Bidders shall be entitled to compensation in the manner specified in the SEBI circular dated March 16, 2021, June 2, 2021, April 20, 2022 and the SEBI Master Circular for Issue of Capital and Disclosure Requirements in case of delays in resolving investor grievances in relation to blocking/unblocking of funds. The BRLM shall, in their sole discretion, identify and fix the liability on such intermediary or entity responsible for such delay in unblocking.

Names of entities responsible for finalising the Basis of Allotment in a fair and proper manner

The authorised employees of the Stock Exchanges, along with the BRLM and the Registrar to the Offer, shall ensure that the Basis of Allotment is finalised in a fair and proper manner in accordance with the procedure specified in SEBI ICDR Regulations.

Method of Allotment as may be prescribed by SEBI from time to time

Our Company will not make an Allotment if the number of prospective allottees is less than one thousand. Our Company will not make any Allotment in excess of the Equity Shares issued through the Offer through the Red Herring Prospectus 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 than 1% of the Offer may be made for the purpose of making Allotment in minimum lots.

The Allotment of Equity Shares to Bidders/ applicants other than to the Retail Individual Bidders, Non-Institutional Bidders and Anchor 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 Bidder shall not be less than the minimum Bid Lot, subject to the availability of shares in Retail Individual Bidders Portion, and the remaining available shares, if any, shall be allotted on a proportionate basis. The Equity Shares available for allocation to Non-Institutional Bidders under the Non-Institutional Portion shall be subject to the following: (i) one-third of the portion available to Non-Institutional Bidders shall be reserved for applicants with an application size of more than ₹2,00,000 and up to ₹10,00,000; and (ii) two-third of the portion available to Non-Institutional Bidders shall be reserved for applicants with an application size of more than ₹10,00,000 , provided that the unsubscribed portion in either of the aforementioned sub-categories may be allocated to applicants in the other sub-category of Non-Institutional Bidders.

The Allotment to each Non-Institutional Bidder shall not be less than the Minimum NIB Application Size, subject to availability of Equity Shares in the Non-Institutional Portion and the remaining available Equity Shares, if any, shall be allocated on a proportionate basis in accordance with the conditions specified in this regard in Schedule XIII of the SEBI ICDR Regulations.

Payment into Escrow Account(s) for Anchor Investors

Our Company in consultation with the BRLM, in their absolute discretion, will decide the list of Anchor Investors to whom the CAN will be sent, pursuant to which the details of the Equity Shares allocated to them in their respective names will be notified to such Anchor Investors. Anchor Investors are not permitted to Bid in the Offer through the ASBA process. Instead, Anchor Investors should transfer the Bid Amount (through direct credit, RTGS, NACH or NEFT) to the Escrow Accounts. For Anchor Investors, the payment instruments for payment into the Escrow Account(s) should be drawn in favour of:

(a) In case of resident Anchor Investors: "[●]"

(b) In case of Non-Resident Anchor Investors: "[●]"

Anchor Investors should note that the escrow mechanism is not prescribed by SEBI and has been established as an arrangement between our Company, the BRLM, the Escrow Collection Bank and the Registrar to the Offer to facilitate collections of Bid Amounts from Anchor Investors.

Pre-Offer Advertisement

Subject to Section 30 of the Companies Act, our Company shall, after filing the Red Herring Prospectus with the RoC, publish a pre-Offer advertisement, in the form prescribed under the SEBI ICDR Regulations, in: (i) [●] editions of [●], a widely circulated English national daily newspaper; (ii) all editions of [●], a widely circulated Hindi national daily newspaper; and (iii) [●] edition of [●], a widely circulated Marathi daily newspaper, Marathi also being the regional language of Maharashtra, where our Registered Office is located).

In the pre-Offer advertisement, we shall state the Bid/ Offer Opening Date, the Bid/ Offer Closing Date and the QIB Bid/Offer Closing Date. This advertisement, subject to the provisions of Section 30 of the Companies Act, shall be in the format prescribed in Part A of Schedule X of the SEBI ICDR Regulations.

Allotment Advertisement

The Allotment Advertisement shall be uploaded on the websites of our Company, BRLM and Registrar to the Offer, before 9 p.m. IST, on the date of receipt of the final listing and trading approval from all the Stock Exchanges where the equity shares of the Issuer are proposed to be listed, provided such final listing and trading approval from all the Stock Exchanges is received prior to 9:00 p.m. IST on that day. In an event, if final listing and trading approval from all the Stock Exchanges is received post 9:00 p.m. IST on the date of receipt of the final listing and trading approval from all the Stock Exchanges where the equity shares of the Issuer are proposed to be listed, then the Allotment Advertisement shall be uploaded on the websites of our Company, BRLM and Registrar to the Offer, following the receipt of final listing and trading approval from all the Stock Exchanges.

Our Company, the BRLM and the Registrar shall publish an allotment advertisement before commencement of trading, disclosing the date of commencement of trading in [●] editions of [●] (a widely circulated English national daily newspaper); [●] editions of [●] (a widely circulated Hindi national daily newspaper); and [●]

editions of [●] (a widely circulated Marathi daily newspaper, Marathi being the regional language of Maharashtra where our Registered Office is located).

The information set out above is given for the benefit of the Bidders/applicants. Our Company, the Promoter Selling Shareholders, and the BRLM are not liable for any amendments or modification or changes in applicable laws or regulations, which may occur after the date of this Draft Red Herring Prospectus. Bidders/applicants are advised to make their independent investigations and ensure that the number of Equity Shares Bid for do not exceed the prescribed limits under applicable laws or regulations.

Signing of the Underwriting Agreement and Filing with the RoC

(a) Our Company, the Promoter Selling Shareholders and the Underwriters intend to enter into an Underwriting Agreement on or immediately after the finalization of the Offer Price but prior to the filing of Prospectus.

(b) After signing the Underwriting Agreement, the Prospectus will be filed with the RoC in accordance with applicable law. The Prospectus will contain details of the Offer Price, the Anchor Investor Offer Price, Offer size, and underwriting arrangements and will be complete in all material respects.

Impersonation

Attention of the Bidders/ applicants is specifically drawn to the provisions of sub-section (1) of Section 38 of the Companies Act, 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."

The liability prescribed under Section 447 of the Companies Act, for fraud involving an amount of at least ₹10,00,000 or 1% of the turnover of the Company, whichever is lower, includes imprisonment for a term which shall not be less than six months extending up to ten years and fine of an amount not less than the amount involved in the fraud, extending up to three times such amount (provided that where the fraud involves public interest, such term shall not be less than three years.) Further, where the fraud involves an amount less than ₹10,00,000 or one per cent of the turnover of a company, whichever is lower, and does not involve public interest, any person guilty of such fraud shall be punishable with imprisonment for a term which may extend to five years or with fine which may extend to ₹50,00,000 or with both.

Undertakings by our Company

Our Company undertakes the following:

(i) adequate arrangements shall be made to collect all Bid cum Application Forms;

(ii) the complaints received in respect of the Offer shall be attended to by our Company expeditiously and satisfactorily;

(iii) all steps for completion of the necessary formalities for listing and commencement of trading at the Stock Exchanges where the Equity Shares are proposed to be listed shall be taken in consultation with the BRLM within such period as may be prescribed under applicable law;

(iv) 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, the SEBI ICDR Regulations and applicable law for the delayed period;

(v) it shall not offer any incentive, whether direct or indirect, in any manner, whether in cash or kind or services or otherwise to the Bidder for making a Bid in the Offer, and shall not make any payment, direct or indirect, in the nature of discounts, commission, allowance or otherwise to any person who makes a Bid in the Offer;

(vi) the funds required for making refunds/ unblocking (to the extent applicable) as per the mode(s) disclosed shall be made available to the Registrar to the Offer by our Company;

(vii) where refunds (to the extent applicable) are made through electronic transfer of funds, a suitable communication shall be sent to the Bidder within the time prescribed under applicable law, giving details of the bank where refunds shall be credited along with amount and expected date of electronic credit of refund;

(viii) ensure compliance with all disclosure and accounting norms as may be prescribed by SEBI from time to time;

(ix) Promoter's contribution, if any, shall be brought in advance before the Bid/ Offer Opening Date and the balance, if any, shall be brought in on a pro rata basis before calls are made on the Allottees;

(x) Except for Pre-IPO Placement, no further issue of Equity Shares shall be made till the Equity Shares offered through the Red Herring Prospectus are listed or until the Bid monies are unblocked in ASBA Account/refunded on account of non-listing, under-subscription, etc.; and

(xi) Our Company in consultation with the BRLM, reserves the right not to proceed with the Offer, in whole or in part thereof, after the Bid/Offer Opening Date but before the Allotment. In such an event, the reason thereof shall be given as a public notice within two days of the Bid/Offer Closing Date, or such other time as may be prescribed by SEBI. The public notice shall be issued in the same newspapers where the pre-Offer advertisements were published. The Stock Exchanges on which the Equity Shares are proposed to be listed shall also be informed promptly;

(xii) that if the Offer is withdrawn after the Bid/Offer Closing Date, our Company shall be required to file a fresh offer document with SEBI, in the event a decision is taken to proceed with the Offer subsequently and

(xiii) that our Company shall not have recourse to the Net Proceeds until the final approval for listing and trading of the Equity Shares from all the Stock Exchanges where listing is sought has been received;

Undertakings by the Promoter Selling Shareholders

Each Promoter Selling Shareholder, severally and not jointly undertakes and/or confirms the following in respect to himself as a Promoter Selling Shareholder and his respective portion of Offered Shares:

(i) that the Offered Shares have been held for a minimum period of one year prior to the date of filing of this Draft Red Herring Prospectus with SEBI, in accordance with Regulation 8 of the SEBI ICDR Regulations;

(ii) they are the legal and beneficial holders of and have full title to the Offered Shares, which have been acquired and held by them in full compliance with applicable law;

(iii) the Offered Shares shall be transferred pursuant to the Offer, free and clear of any liens, charges, encumbrances and transfer restrictions of any kind whatsoever;

(iv) they shall not offer any incentive, whether direct or indirect, in any manner, whether in cash or kind or services or otherwise to any Bidder for making a Bid in the Offer, except for fees or commission for services rendered in relation to the Offer;

(v) that they shall provide all reasonable co-operation as requested by our Company to the extent of the Offered Shares of each Promoter Selling Shareholder in relation to the completion of Allotment and dispatch of the Allotment Advice and CAN, if required, and completion of the necessary formalities for listing and commencement of trading of its portion of the Offered Shares on the Stock Exchanges and refund orders to the extent of its portion of the Offered Shares;

(vi) that they will provide such reasonable support and extend such reasonable cooperation as may be required by our Company and the BRLM in redressal of such investor grievances that pertain to their portion of the Offered Shares;

(vii) they shall not have recourse to the proceeds from the Offer for Sale, which shall be held in escrow in their favour, until receipt by our Company of the final listing and trading approvals from all the Stock Exchanges; and

(viii) his respective portion of the Offered Shares are fully paid-up, in dematerialised form.

The statements and undertakings provided above, in relation to the Promoter Selling Shareholders, are statements which are specifically confirmed or undertaken by the Promoter Selling Shareholders in relation to themselves and the Offered Shares. All other statements or undertakings or both in this Draft Red Herring Prospectus in relation to the Promoter Selling Shareholders, shall be statements made by our Company, even if the same relate to the Promoter Selling Shareholders.

Utilization of Offer Proceeds

Our Board certifies that:

(i) all monies received out of the Fresh Offer 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;

(ii) details of all monies utilised out of the Fresh Issue shall be disclosed, and continue to be disclosed till the time any part of the Fresh Issue proceeds remains unutilised, under an appropriate head in the balance sheet of our Company indicating the purpose for which such monies have been utilised; and

(iii) details of all unutilised monies out of the Fresh Issue, if any shall be disclosed under an appropriate separate head in the balance sheet indicating the form in which such unutilised monies have been invested.

RESTRICTIONS ON FOREIGN OWNERSHIP OF INDIAN SECURITIES

Foreign investment in Indian securities is regulated through the Industrial Policy, 1991 of the Government of India and FEMA. While the Industrial Policy, 1991 prescribes the limits and the conditions subject to which foreign investment can be made in different sectors of the Indian economy, FEMA regulates the precise manner in which such investment may be made. The RBI and the concerned ministries/ departments are responsible for granting approval for foreign investment.

The Government of India, from time to time, has made policy announcements on Foreign Direct Investment ("**FDI**") through press notes and press releases. The Department for Promotion of Industry and Internal Trade, Ministry of Commerce and Industry (formerly Department of Industrial Policy and Promotion), Government of India ("**DPIIT**") issued the Consolidated FDI Policy Circular dated October 15, 2020, with effect from October 15, 2020 ("**Consolidated FDI Policy**"), which consolidates and supersedes all previous press notes, press releases and clarifications on FDI issued by the DPIIT that were in force and effect prior to October 15, 2020. The Consolidated FDI Policy will be valid until the DPIIT issues an updated circular.

The transfer of shares between an Indian resident and a non-resident does not require the prior approval of the RBI, provided that (i) the activities of the investee company are under the automatic route under the Consolidated FDI Policy and such transfer does not attract the provisions of the SEBI Takeover Regulations; (ii) the non-resident shareholding is within the sectoral limits under the Consolidated FDI Policy; and (iii) the pricing is in accordance with the guidelines prescribed by the SEBI / RBI.

On October 17, 2019, Department of Economic Affairs, Ministry of Finance, had notified the FEM NDI Rules, which had replaced the Foreign Exchange Management (Transfer and Issue of Security by a Person Resident outside India) Regulations, 2017. Foreign investment in this Offer shall be on the basis of the FEM Rules. Further, in accordance with Press Note No. 3 (2020 Series), dated April 17, 2020 issued by the DPIIT and the Foreign Exchange Management (Non-debt Instruments) Amendment Rules, 2020 which came into effect from April 22, 2020, any investment, subscription, purchase or sale of equity instruments by entities of a country which shares land border with India or where the beneficial owner of an investment into India is situated in or is a citizen of any such country ("**Restricted Investors**") will require prior approval of the Government of India, as prescribed in the Consolidated FDI Policy and the FEM 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 of India. Pursuant to the Foreign Exchange Management (Non-debt Instruments) (Fourth Amendment) Rules, 2020 issued on December 8, 2020, a multilateral bank or fund, of which India is a member, shall not be treated as an entity of a particular country nor shall any country be treated as the beneficial owner of the investments of such bank or fund in India. Each Bidder should seek independent legal advice about its ability to participate in the Offer. In the event such prior approval of the Government of India and/or RBI 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 Bid/ Offer Period.

In terms of the FEM NDI Rules, a FPI may purchase or sell equity instruments of an Indian company subject to certain limits: the total holding by each FPI or an investor group, shall be less than 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, including any other direct and indirect foreign investments in the Indian company, shall not exceed 24% of the paid-up equity capital on a 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% shall be called the individual and aggregate limit, respectively. The aggregate limit of 24% may be increased by the Indian company concerned up to the sectoral cap/ statutory ceiling, with the approval of the board of directors and passing of a special resolution. As on the date of this Draft Red Herring Prospectus, our Company has not passed a resolution for revision of sectoral caps.

The transfer of Equity Shares between an Indian resident and a non-resident does not require approval of the RBI, provided that (i) the activities of the investee company are under the automatic route under the Consolidated FDI Policy and such transfer does not attract the provisions of the SEBI Takeover Regulations;

(ii) the non-resident shareholding is within the sectoral limits under the Consolidated FDI Policy; and (iii) the pricing is in accordance with the guidelines prescribed by SEBI/ RBI. For further details on the aggregate limit for investments by NRIs and FPIs in our Company, please see *“**Offer Procedure**”* on page 462.

As per the existing policy of the Government of India, OCBs cannot participate in this Offer.

Foreign Exchange Laws

The foreign investment in our Company is governed by *inter alia* the FEMA, the FEM Rules and the Consolidated FDI Policy issued and amended by way of press notes.

Under the Consolidated FDI Policy, up to 51% FDI is permitted in our Company which is engaged in multi-brand retail trading, under Government route.

For more information on Bids by FPIs and Eligible NRIs, please see *“**Offer Procedure**”* on page 462. For further details of the aggregate limit for investments by NRIs and FPIs in our Company, please see *“**Offer Procedure- Bids by Eligible NRIs**”* and *“**Offer Procedure – Bids by FPIs**”* on pages 470 and 471 respectively.

The Equity Shares offered in the Offer have not been and will not be registered under the U.S. Securities Act or any other applicable law of the United States and, unless so registered, may not be offered or sold within the United States, except pursuant to an exemption from, or in a transaction not subject to, the registration requirements of the U.S. Securities Act and applicable state securities laws. Accordingly, the Equity Shares are only proposed to be offered and sold outside the United States in “offshore transactions”, as defined in and in reliance on Regulation S of the U.S. Securities Act and the applicable laws of the jurisdiction where those offers and sales occur/ are made.

The Equity Shares have not been and will not be registered, listed or otherwise qualified in any other jurisdiction outside India and may not be offered or sold, and Bids may not be made by persons in any such jurisdiction, except in compliance with the applicable laws of such jurisdiction.

For further details, please see *“**Offer Procedure**”* on page 462.

The above information is given for the benefit of the Bidders. Our Company, the Promoter Selling Shareholders, severally and not jointly, and the BRLM are not liable for any amendments or modification or changes in applicable laws or regulations, which may occur after the date of this Draft Red Herring Prospectus. Bidders are advised to make their independent investigations and ensure that the number of Equity Shares Bid for do not exceed the applicable limits under laws or regulations.

SECTION VIII- DESCRIPTION OF EQUITY SHARES AND TERMS OF ARTICLES OF ASSOCIATION

Pursuant to the Companies Act and the SEBI ICDR Regulations, the main provisions of the Articles of Association are detailed below. Capitalised terms used in this section have the meaning given to them in the Articles of Association.

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.

THE COMPANIES ACT, 2013
(COMPANY LIMITED BY SHARES)
ARTICLES OF ASSOCIATION[31]
OF
PATEL RETAIL LIMITED[32]
(FORMERLY KNOWN AS PATEL RETAIL PRIVATE LIMITED)

A. PRELIMINARY

(i) Subject as hereinafter provided and in so far as these presents do not modify or exclude them, the regulations contained in the Table marked 'F' in Schedule I to the Companies Act, 2013, as amended from time to time, shall apply to the Company only so far as they are not inconsistent with any of the provisions contained in these Articles or modification thereof or are not expressly or by implication excluded from these Articles.

(ii) The regulations contained in the Table marked 'F' in Schedule I to the Companies Act, 2013, as amended from time to time, shall not apply to the Company, except in so far as the same are repeated, contained or expressly made applicable in these Articles or by the said Act.

(iii) The regulations for the management of the Company and for the observance by the members thereto and their representatives, shall, subject to any exercise of the statutory powers of the Company with reference to the deletion or alteration of or addition to its regulations by resolution as prescribed or permitted by the Companies Act, 2013, as amended from time to time, be such as are contained in these Articles.

B. DEFINITIONS AND INTERPRETATION

(iv) In these Articles, the following words and expressions, unless repugnant to the subject, shall mean the following:

(a) "**Act**" means the Companies Act, 2013 or any amendments, statutory modification or re-enactment thereof for the time being in force and the term shall be deemed to refer to the applicable section thereof which is relatable to the relevant Article in which the said term appears in these Articles and any previous company law, so far as may be applicable.

[31] This set of Articles of Association has been approved pursuant by a special resolution passed at the Extraordinary General Meeting of the Company held on January 25, 2024. These Articles have been adopted as the Articles of Association of the Company in substitution for and to the exclusion of all the existing Articles of Association thereof.
[32] The Members have consented by way of passing a Special Resolution in an Extra General Meeting held on July 18, 2023, to convert the Private Limited Company into Public Company and to change the name from "Patel Retail Private Limited" to "Patel Retail Limited".

(b) "**Annual General Meeting**" means the annual general meeting of the Company convened and held in accordance with the Act.

(c) "**Articles of Association**" or "**Articles**" mean these articles of association of the Company, as may be altered from time to time in accordance with the Act.

(d) "**Board**" or "**Board of Directors**" means the board of directors of the Company in office at applicable times.

(e) "**Company**" means Patel Retail Limited, a company incorporated under the laws of India.

(f) "**Depositories Act**" means the Depositories Act, 1996 or any statutory modification or re- enactment thereof for the time being in force.

(g) "**Depository**" means a depository, as defined in clause (e) of sub-section (1) of Section 2 of the Depositories Act, 1996 and a company formed and registered under the Act and which has been granted a certificate of registration under sub-section (1A) of Section 12 of the Securities and Exchange Board of India Act, 1992.

(h) "**Director**" means any director of the Company, including alternate directors, Independent Directors and nominee directors appointed in accordance with and the provisions of these Articles.

(i) "**Equity Shares or Shares**" means the issued, subscribed and fully paid-up equity shares of the Company of ₹10 (Rupee Ten only) each;

(j) "**Exchange**" means BSE Limited and the National Stock Exchange of India Limited.

(k) "**Extraordinary General Meeting**" means an extraordinary general meeting of the Company convened and held in accordance with the Act;

(l) "**General Meeting**" means any duly convened meeting of the shareholders of the Company and any adjournments thereof;

(m) "**Independent Director**" shall have the meaning assigned to the said term under the Act and the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015;

(n) "**Member**" means a member of the Company within the meaning of sub-Section 55 of Section 2 of the Act, as amended from time to time;

(o) "**Memorandum**" or "**Memorandum of Association**" means the memorandum of association of the Company, as may be altered from time to time;

(p) "**Office**" means the registered office, for the time being, of the Company;

(q) "**Officer**" shall have the meaning assigned thereto by the Act;

(r) "**Ordinary Resolution**" shall have the meaning assigned thereto by the Act;

(s) "**Register of Members**" means the register of members to be maintained pursuant to the provisions of the Act and the register of beneficial owners pursuant to Section 11 of the Depositories Act, 1996, in case of shares held in a Depository; and

(t) "**Special Resolution**" shall have the meaning assigned thereto by the Act.

(v) Except where the context requires otherwise, these Articles will be interpreted as follows:

(a) headings are for convenience only and shall not affect the construction or interpretation of any provision of these Articles;

(b) where a word or phrase is defined, other parts of speech and grammatical forms and the cognate variations of that word or phrase shall have corresponding meanings;

(c) words importing the singular shall include the plural and vice versa;

(d) all words (whether gender-specific or gender neutral) shall be deemed to include each of the masculine, feminine and neuter genders;

(e) the expressions "hereof", "herein" and similar expressions shall be construed as references to these Articles as a whole and not limited to the particular Article in which the relevant expression appears;

(f) the ejusdem generis (of the same kind) rule will not apply to the interpretation of these Articles. Accordingly, include and including will be read without limitation;

(g) any reference to a person includes any individual, sole proprietorship firm, unincorporated organization, corporation, partnership, , unlimited or limited liability company, trust, association, joint venture, government (or agency or political subdivision thereof)Hindu undivided family, trust, union, organization or other entity of any kind, that may be treated as a person under applicable law. A reference to any person in these Articles shall, where the context permits, include such person's executors, administrators, heirs, legal representatives and permitted successors and assigns;

(h) a reference to any document (including these Articles) is to that document as amended, consolidated, supplemented, novated or replaced from time to time;

(i) references made to any provision of the Act shall be construed as meaning and including the references to the rules and regulations made in relation to the same by the Ministry of Corporate Affairs. The applicable provisions of the Companies Act, 1956 shall cease to have effect from the date on which the corresponding provisions under the Companies Act, 2013 have been notified.

(j) a reference to a statute or statutory provision includes, to the extent applicable at any relevant time:

- that statute or statutory provision as from time to time consolidated, modified, re-enacted or replaced by any other statute or statutory provision; and

- any subordinate legislation or regulation made under the relevant statute or statutory provision.

(k) references to 'writing' or 'written' include any mode of reproducing words in a legible and non- transitory form; and

(l) references to **Rupees, Re., Rs., INR, ₹** are references to the lawful currency of India.

C. PUBLIC COMPANY

(vi) The Company is a public company within the meaning of the Act.

1. SHARE CAPITAL AND VARIATION OF RIGHTS

AUTHORISED SHARE CAPITAL

(i) The authorized share capital of the Company shall be such amount, divided into such class(es), denomination(s) and number of shares in the Company as stated in Clause V of the Memorandum of Association, with power to increase or reduce such capital from time to time and power to divide the shares in the capital for the time being into other classes and to attach thereto respectively such preferential, convertible, deferred, qualified, or other special rights, privileges, conditions or restrictions and to vary, modify or abrogate the same in such manner as may be determined by or in accordance with the Articles of the Company, subject to the provisions of applicable law for the time being in force.

NEW CAPITAL PART OF THE EXISTING CAPITAL

(ii) Except so far as otherwise provided by the conditions of issue or by these Articles, any capital raised by the creation of new shares shall be considered as part of the existing capital, and shall be subject to the provisions herein contained, with reference to the payment of calls and installments, forfeiture, lien, surrender, transfer and transmission, voting and otherwise.

KINDS OF SHARE CAPITAL

(iii) The Company may issue the following kinds of shares in accordance with these Articles, the Act and other applicable laws and subject to such other approvals, permissions or sanctions as may be necessary:

a) Equity share capital:

- with voting rights; and/or
- with differential rights as to dividend, voting or otherwise in accordance with the Actor guidelines issued by the statutory authorities and/or listing requirements and that the provisions of these Articles; and

b) Preference share capital.

SHARES AT THE DISPOSAL OF THE DIRECTORS

(iv) Subject to the provisions of Section 62 and other applicable provisions of the Act, and these Articles, the shares in the capital of the Company shall be under the control of the Board of Directors who may issue, allot or otherwise dispose of all or any of such shares to such persons, in such proportion and on such terms and conditions and either at a premium or at par or (subject to the compliance with the provision of section 53 of the Act) at a discount and at such time as they may from time to time think fit and with the sanction of the Company in General Meeting give to any person the option or right to call for any shares either at par or at a premium during such time and for such consideration as the Board of Directors think fit. Provided that option or right to call for Shares shall not be given to any person or persons without the sanction of the Company in the General Meeting.

CONSIDERATION FOR ALLOTMENT

(v) The Board of Directors may issue and allot shares of the Company as payment in full or in part, for any property purchased by the Company or in respect of goods sold or transferred or machinery or appliances supplied or for services rendered to the Company in the acquisition and/or in the conduct of its business; and any shares which may be so allotted may be issued as fully paid up shares and if so issued shall be deemed as fully paid up shares. However, the aforesaid shall be subject to the approval of shareholders under the relevant provisions of the Act and Rules.

FURTHER ISSUE OF SHARES

(vi) Where at any time the Board or the Company, as the case may be, propose to increase the subscribed capital, either out of the unissued capital or increased Share Capital, by the issue of further shares then such shares shall be offered, subject to the provisions of section 62 of the Act, and the rules made thereunder:

(i) To the persons who at the date of the offer are holders of the Equity Shares of the Company, in proportion as nearly as circumstances admit, to the paid-up share capital on those shares by sending a letter of offer subject to the conditions mentioned in (ii) to (iv) below;

(ii) The offer aforesaid shall be made by notice specifying the number of shares offered and limiting a time not being less than fifteen days or such lesser number of days as may be prescribed under applicable Indian law and not exceeding thirty days from the date of the offer, within which the offer if not accepted, shall be deemed to have been declined.

Provided that the notice shall be dispatched through registered post or speed post or through electronic mode or courier or any other mode having proof of delivery to all the existing shareholders at least three days before the opening of the issue;

(iii) The offer aforesaid shall be deemed to include a right exercisable by the person concerned to renounce the shares offered to him or any of them in favor of any other person and the notice referred to in sub-clause (ii) shall contain a statement of this right;

(iv) After the expiry of time specified in the notice aforesaid or on receipt of earlier intimation from the person to whom such notice is given that the person declines to accept the shares offered, the Board of Directors may dispose of them in such manner which is not disadvantageous to the Members and the Company;

a) to employees under any scheme of employees' stock option subject to Special Resolution passed by the Company and subject to the rules and such other conditions, as may be prescribed under applicable law; or

b) to any person(s), if it is authorised by a Special Resolution, whether or not those persons include the persons referred to in clause (A) or clause (B) above either for cash or for a consideration other than cash, if the price of such shares is determined by the valuation report of a registered valuer (where such valuation is required under the Act), subject to compliance with the applicable conditions of Chapter III of the Act and any other conditions as may be prescribed under the Act, the rules made thereunder and other applicable laws;

(vii) Nothing in sub-clause(iii)of Clause (1)(A) shall be deemed:

a) To extend the time within which the offer should be accepted; or

b) To authorize any person to exercise the right of renunciation for a second time on the ground that the person in whose favour the renunciation was first made has declined to take the shares compromised in the renunciation.

(viii) Nothing in this Article shall apply to the increase of the subscribed capital of the Company caused by the exercise of an option as a term attached to the debentures issued or loans raised by the Company to convert such debentures or loans into shares in the Company or to subscribe for shares of the Company:

Provided that the terms of issue of such debentures or loans containing such an option have been approved before the issue of such debentures or the raising of such loans by a Special Resolution passed by the Company in a General Meeting.

(ix) Notwithstanding anything contained in Article 13(3) hereof, where any debentures have been issued, or loan has been obtained from any government by the Company, and if that government considers it necessary in the public interest so to do, it may, by order, direct that such debentures or loans or any part thereof shall be converted into shares in the Company on such terms and conditions as appear to the Government to be reasonable in the circumstances of the case even if terms of the issue of such debentures or the raising of such loans do not include a term for providing for an option for such conversion:

Provided that where the terms and conditions of such conversion are not acceptable to the Company, it may, within sixty days from the date of communication of such order, appeal to National Company Law Tribunal which shall after hearing the Company and the Government pass such order as it deems fit.

Where the Government has, by an order made under Article 12 (4), directed that any debenture or loan or any part thereof shall be converted into shares in the Company and where no appeal has been preferred to the Tribunal under Article 12 (4) or where such appeal has been dismissed, the memorandum of the Company shall, where such order has the effect of increasing the authorised share capital of the Company, stand altered and the authorised share capital of the Company shall stand increased by an amount equal to the amount of the value of shares which such debentures or loans or part thereof has been converted into

A further issue of shares may be made in any manner whatsoever as the Board may determine including by way of preferential offer or private placement, subject to and in accordance with the Act and the rules made thereunder.

(x) In determining the terms and conditions of conversion under Article 12 (4), the Government shall have due regard to the financial position of the Company, the terms of issue of debentures or loans, as the case may be, the rate of interest payable on such debentures or loans and such other matters as it may consider necessary.

(xi) Where the Government has, by an order made under Article 12 (4), directed that any debenture or loan or any part thereof shall be converted into shares in the Company and where no appeal has been preferred to the Tribunal under Article 12 (4) or where such appeal has been dismissed, the memorandum of the Company shall, where such order has the effect of increasing the authorised share capital of the Company, stand altered and the authorised share capital of the Company shall stand increased by an amount equal to the amount of the value of shares which such debentures or loans or part thereof has been converted into.

ALLOTMENT ON APPLICATION TO BE ACCEPTANCE OF SHARES

(xii) Any application signed by or on behalf of an applicant for shares in the Company followed by an allotment of any shares therein, shall be an acceptance of shares within the meaning of these Articles, and every person who thus or otherwise accepts any shares and whose name is on the Register of Members, shall, for the purpose of these Articles, be a Member.

RETURN ON ALLOTMENTS TO BE MADE OR RESTRICTIONS ON ALLOTMENT

(xiii) The Board shall observe the restrictions as regards allotment of shares to the public contained in the Act, and as regards return on allotments, the Directors shall comply with applicable provisions of the Act.

MONEY DUE ON SHARES TO BE A DEBT TO THE COMPANY

(xiv) The money (if any) which the Board shall, on the allotment of any shares being made by them, require or direct to be paid by way of deposit, call or otherwise in respect of any shares allotted by them, shall immediately on the inscription of the name of allottee in the Register as the name of the holder of such shares, become a debt due to and recoverable by the Company from the allottee thereof, and shall be paid by him accordingly.

INSTALLMENTS ON SHARES

(xv) If, by the conditions of allotment of any shares, whole or part of the amount or issue price thereof shall be payable by installments, every such installment shall, when due, be paid to the Company by the person who, for the time being and from time to time, shall be the registered holder of the share or his legal representative.

MEMBERS OR HEIRS TO PAY UNPAID AMOUNTS

(xvi) Every Member or his heirs, executors or administrators shall pay to the Company the portion of the capital represented by his share or shares which may, for the time being remain unpaid thereon, in such amounts, at such time or times and in such manner, as the Board shall from time to time, in accordance with these Articles require or fix for the payment thereof.

VARIATION OF SHAREHOLDERS' RIGHTS

(xvii) If at any time the share capital of the Company is divided into different classes of shares, the rights attached to the shares of any class (unless otherwise provided by the terms of issue of the shares of that class) may, subject to provisions of the Act and whether or not the Company is being wound up, be varied with the consent in writing of the holders of not less than three-fourth 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 issued shares of that class, as prescribed by the Act.

(xviii) Subject to the provisions of the Act, to every such separate meeting, the provisions of these Articles relating to meeting shall *mutatis mutandis* apply.

PREFERENCE SHARES

(xix) Redeemable Preference Shares

The Company, subject to the applicable provisions of the Act and the consent of the Board and subject to such other approvals, permissions or sanctions as may be necessary, shall have the power to issue on a cumulative or non-cumulative basis, preference shares liable to be redeemed in such manner as the Company may determine before the issue of such preference shares and in any manner permissible under the Act, and the Directors may, subject to the applicable provisions of the Act, exercise such power in any manner as they deem fit and provide for redemption of such shares on such terms including the right to redeem at a premium or otherwise as they deem fit.

(xx) Convertible Redeemable Preference Shares

The Company, subject to the applicable provisions of the Act and the consent of the Board, shall have power to issue on a cumulative or non-cumulative basis convertible redeemable preference shares liable to be redeemed in any manner permissible under the Act and the Directors may, subject to the applicable provisions of the Act, exercise such power as they deem fit and provide for redemption at a premium or otherwise and/or conversion of such shares into such securities on such terms as they may deem fit.

(xxi) The period of redemption of such preference shares shall not exceed the maximum period for redemption provided under the Act.

PAYMENTS OF INTEREST OUT OF CAPITAL

(xxii) The Company shall have the power to pay interest out of its capital on so much of the shares which have been issued for the purpose of raising money to defray the expenses of the construction of any work or building for the Company in accordance with the Act.

AMALGAMATION

(xxiii) Subject to provisions of these Articles, the Company may amalgamate or cause itself to be amalgamated with any other person, firm or body corporate subject to the provisions of the Act.

ISSUE OF CERTIFICATE

(xxiv) Every Member shall be entitled, without payment to one or more certificates in marketable lots, for all the shares of each class or denomination registered in his name, or if the Directors so approve (upon paying ₹20 (Indian Rupees Twenty)) to several certificates, each for one or more of such shares and the Company shall complete and have ready for delivery such certificates, unless prohibited by any provision of law or any order of court, tribunal or other authority having jurisdiction, within two (2) months from the date of allotment, or within one (1) month of the receipt of application of registration of transfer, transmission, sub division, consolidation or renewal of any of its shares as the case maybe or within a period of six (6) months from the date of allotment in the case of any allotment of debenture. 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 joint holders.

Every certificate thereon and shall be signed by two directors or by a director and the company secretary and the common seal it shall be affixed in the presence of the persons required to sign the certificate.

RULES TO ISSUE SHARE CERTIFICATES

(xxv) The Act shall be complied with in respect of the issue, reissue, renewal of share certificates and the format, sealing and signing of the certificates and records of the certificates issued shall be maintained in accordance with the Act.

ISSUE OF NEW CERTIFICATE IN PLACE OF ONE DEFACED, LOST OR DESTROYED

(xxvi) If any certificate be worn out, defaced, mutilated or torn or if there be no further space on the back thereof for endorsement of transfer, then upon production and surrender thereof to the Company, a new certificate may be issued in lieu thereof, and if any certificate 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, being given, a new certificate in lieu thereof shall be given to the party entitled to such lost or destroyed certificate. Every certificate under this Article shall be issued upon payment of such fees for each certificate as may be specified by the Board (which fees shall not exceed the maximum amount permitted under the applicable law). Provided that no fee shall be charged for issue of new certificates in replacement of those which are old, defaced or worn out or where there is no further space on the back thereof for endorsement of transfer.

Provided that notwithstanding what is stated above, the Directors shall comply with such rules or regulation or requirements of any stock exchange or the rules made under the Act or the rules made under Securities Contracts (Regulation) Act, 1956 or any other act or rules applicable in this behalf. The provision of this Article shall mutatis mutandis apply to debentures of the Company.

COMMISSION FOR PLACING SHARES, DEBENTURES, ETC.

(xxvii) The Company may exercise the powers of paying commissions conferred by sub-Section (6) of Section 40 or the Act (as amended from time to time), provided that the rate per cent or amount of the commission paid or agreed to be paid shall be disclosed in the manner required by that section and rules made thereunder.

(xxviii) The rate or amount of the commission shall not exceed the rate or amount prescribed under the applicable rules made under sub-Section (6) of Section 40 or the Act (as amended from time to time).

(xxix) 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.

2. LIEN

COMPANY'S LIEN ON SHARES / DEBENTURES

(i) The Company shall subject to applicable law have a first and paramount lien on every share / debenture (not being a fully paid share / debenture) registered in the name of each Member (whether solely or jointly with others) and upon the proceeds of sale thereof for all moneys (whether presently payable or not) called, or payable at a fixed time, in respect of that share / debenture. Unless otherwise agreed, the registration of transfer of shares / debentures shall operate as a waiver of the Company's lien, if any, on such shares / debentures.

Provided that the Board may at any time declare any share to be wholly or in part exempt from the provisions of this Article.

The fully paid up shares shall be free from all lien on any account whatsoever and in the case of partly paid up shares, if any, the Company's lien shall be restricted to moneys called or payable at a fixed time in respect of such shares.

LIEN TO EXTEND TO DIVIDENDS, ETC.

(ii) The Company's lien, if any, on a share shall extend to all dividends or interest, as the case may be, payable and bonuses declared from time to time in respect of such shares / debentures.

ENFORCING LIEN BY SALE

(iii) Subject to the provisions of the Act, 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—

- unless a sum in respect of which the lien exists is presently payable; or

- until the expiration of fourteen (14) 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 to the person entitled thereto by reason of his death or insolvency or otherwise.

No Member shall exercise any voting right in respect of any shares registered in his name on which any calls or other sums presently payable by him have not been paid, or in regard to which the Company has exercised any right of lien.

VALIDITY OF SALE

(iv) To give effect to any such sale, the Board may authorise some person to transfer the shares sold to the purchaser thereof. The purchaser shall be registered as the holder of the shares comprised in any such transfer. The purchaser shall not be bound to see to the application of the purchase money, nor shall his title to the shares be affected by any irregularity or invalidity in the proceedings with reference to the sale.

VALIDITY OF COMPANY'S RECEIPT

(v) The receipt of the Company for the consideration (if any) given for the share on the sale thereof shall (if necessary, to execution of an instrument of transfer or a transfer by relevant system, as the case maybe) constitute a good title to the share and the purchaser shall be registered as the holder of the share.

APPLICATION OF SALE PROCEEDS

(vi) The proceeds of any such 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 and 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.

OUTSIDER'S LIEN NOT TO AFFECT COMPANY'S LIEN

(vii) In exercising its lien, the Company shall be entitled to treat the registered holder of any share as the absolute owner thereof and accordingly shall not (except as ordered by a court of competent jurisdiction or unless required by law) be bound to recognise any equitable or other claim to, or interest in, such share on the part of any other person, whether a creditor of the registered holder or otherwise. The Company's lien shall prevail notwithstanding that it has received notice of any such claim.

PROVISIONS AS TO LIEN TO APPLY MUTATIS MUTANDIS TO DEBENTURES, ETC.

(viii) The provisions of these Articles relating to lien shall *mutatis mutandis* apply to any other securities, including debentures, of the Company.

3. CALLS ON SHARES

BOARD TO HAVE RIGHT TO MAKE CALLS ON SHARES

(i) The Board may subject to the provisions of the Act and any other applicable law, from time to time, make such call as it thinks fit upon the Members in respect of all moneys unpaid on the shares (whether on account of the nominal value of the shares or by 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. A call may be revoked or postponed at the discretion of the Board. The power to call on shares shall not be delegated to any other person except with the approval of the shareholders' in a General Meeting.

NOTICE FOR CALL

(ii) Each Member shall, subject to receiving at least fourteen (14) 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.

The Board may, from time to time, at its discretion, extend the time fixed for the payment of any call in respect of one or more Members as the Board may deem appropriate in any circumstances.

CALL WHEN MADE

(iii) The Board of Directors may, when making a call by resolution, determine the date on which such call shall be deemed to have been made, not being earlier than the date of resolution making such call, and thereupon the call shall be deemed to have been made on the date so determined and if no such date is so determined a call shall be deemed to have been made at the date when the resolution authorizing such call was passed at the meeting of the Board and may be required to be paid in installments.

LIABILITY OF JOINT HOLDERS FOR A CALL

(iv) The joint holders of a share shall be jointly and severally liable to pay all calls in respect thereof.

CALLS TO CARRY INTEREST

(v) If a Member fails to pay any call due from him on the day appointed for payment thereof, or any such extension thereof as aforesaid, he shall be liable to pay interest on the same from the day appointed for the payment thereof to the time of actual payment at the rate of ten percent or such other lower rate as shall from time to time be fixed by the Board but nothing in this Article shall render it obligatory for the Board to demand or recover any interest from any such Member. The Board shall be at liberty to waive payment of any such interest wholly or in part.

DUES DEEMED TO BE CALLS

(vi) 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 Articles, be deemed to be a call duly made and payable on the date on which by the terms of issue such sum becomes payable.

EFFECT OF NON-PAYMENT OF SUMS

(vii) In case of non-payment of such sum, all the relevant provisions of these Articles 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.

PAYMENT IN ANTICIPATION OF CALL MAY CARRY INTEREST

(viii) The Board –

a) may, subject to provisions of the Act, if it thinks fit, agree to and 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 as as may be agreed upon between the Board and the Member paying the sum in advance. Nothing contained in this Article shall confer on the Member

(i) any right to participate in profits or dividends; or (ii) any voting rights in respect of the moneys so paid by him, until the same would, but for such payment, become presently payable by him. The Directors may at any times repay the amount so advanced.

PROVISIONS AS TO CALLS TO APPLY MUTATIS MUTANDIS TO DEBENTURES, ETC.

(ix) The provisions of these Articles relating to calls shall mutatis mutandis apply to any other securities, including debentures, of the Company.

4. TRANSFER OF SHARES

REGISTER OF TRANSFERS

(i) The Company shall keep a "Register of Transfers" and therein shall be fairly and distinctly entered particulars of every transfer or transmission of any shares. The Company shall also use a common form of transfer.

ENDORSEMENT OF TRANSFER

(ii) In respect of any transfer of shares registered in accordance with the provisions of these Articles, the Board may, at its discretion, direct an endorsement of the transfer and the name of the transferee and other particulars on the existing share certificate and authorize any Director or Officer of the Company to authenticate such endorsement on behalf of the Company or direct the issue of a fresh share certificate, in lieu of and in cancellation of the existing certificate in the name of the transferee.

INSTRUMENT OF TRANSFER

(iii) The instrument of transfer of any share shall be in writing and all the provisions of the Act, and of any statutory modification thereof for the time being shall be duly complied with in respect of all transfer of shares and registration thereof. The Company shall use the form of transfer, as prescribed under the Act, in all cases. In case of transfer of shares, where the Company has not issued any certificates and where the shares are held in dematerialized form, the provisions of the Depositories Act, 1996 shall apply.

(iv) The Board may decline to recognize any instrument of transfer unless-

a) the instrument of transfer is in the form prescribed under the Act;

b) the instrument of transfer is accompanied by the certificate of shares to which it relates, and such other evidence as the Board may reasonably require to show the right of the transferor to make the transfer; and

c) the instrument of transfer is in respect of only one class of shares.

(v) No fee shall be charged for registration of transfer, transmission, probate, succession certificate and letters of administration, certificate of death or marriage, power of attorney or similar other document.

EXECUTION OF TRANSFER INSTRUMENT

(vi) Every such instrument of transfer shall be executed, both, by or on behalf of both the transferor and the transferee and the transferor shall be deemed to remain holder of the shares until the name of the transferee is entered in the Register of Members in respect thereof.

CLOSING REGISTER OF TRANSFERS AND OF MEMBERS

(vii) Subject to compliance with the Act and other applicable law, the Board shall be empowered, on giving not less than seven (7) days' notice or such period as may be prescribed, to close the transfer books, Register of Members, the register of debenture holders at such time or times, and for such period or periods, not exceeding thirty (30) days at a time and not exceeding an aggregate forty five (45) days in each year as it may seem expedient.

DIRECTORS MAY REFUSE TO REGISTER TRANSFER

(viii) Subject to the provisions of these Articles and other applicable provisions of the Act or any other law for the time being in force, the Board may (at its own absolute and uncontrolled discretion) decline or refuse by giving reasons, whether in pursuance of any power of the Company under these Articles or otherwise, to register or acknowledge any transfer of, or the transmission by operation of law of the right to, any securities or interest of a Member in the Company, after providing sufficient cause, within a period of thirty days from the date on which the instrument of transfer, or the intimation of such transmission, as the case may be, was delivered to the Company. Provided that the registration of transfer of any securities shall not be refused on the ground of the transferor being alone or jointly with any other person or persons, indebted to the Company on any account whatsoever except where the Company has a lien on shares.

TRANSFER OF PARTLY PAID SHARES

(ix) Where in the case of partly paid shares, an application for registration is made by the transferor alone, the transfer shall not be registered, unless the Company gives the notice of the application to the transferee in accordance with the provisions of the Act and the transferee gives no objection to the transfer within the time period prescribed under the Act.

TITLE TO SHARES OF DECEASED MEMBERS

(x) The executors or administrators or the holders of a succession certificate issued in respect of the shares of a deceased Member and not being one of several joint holders shall be the only person whom the Company shall recognize as having any title to the shares registered in the name of such Members and in case of the death of one or more of the joint holders of any registered share, the survivor or survivors shall be entitled to the title or interest in such shares but nothing herein contained shall be taken to release the estate of a deceased joint holder from any liability on shares held by him jointly with any other person. Provided nevertheless that in case the Directors, in their absolute discretion think fit, it shall be lawful for the Directors to dispense with the production of a probate or letters of administration or a succession certificate or such other legal representation upon such terms (if any) (as to indemnify or otherwise) as the Directors may consider necessary or desirable.

TRANSFERS NOT PERMITTED

(xi) No share shall in any circumstances be transferred to any infant, insolvent or a person of unsound mind, except fully paid shares through a legal guardian.

5. TRANSMISSION OF SHARES

TRANSMISSION OF SHARES

(i) Subject to the provisions of the Act and these Articles, any person becoming entitled to shares in consequence of the death, lunacy, bankruptcy or insolvency of any Members, or by any lawful means other than by a transfer in accordance with these Articles, may with the consent of the Board (which it shall not be under any obligation to give), upon producing such evidence as the Board thinks sufficient, that he sustains the character in respect of which he proposes to act under this Article, or of his title, elect to either be registered himself as holder of the shares or elect to have some person nominated by him and approved by the Board, registered as such holder or to make such transfer of the share as the deceased or insolvent member could have made. 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. Provided, nevertheless, if such person shall elect to have his nominee registered, he shall testify that election by executing in favour of his nominee an instrument of transfer in accordance with the provision herein contained and until he does so he shall not be freed from any liability in respect of the shares. Further, all limitations, restrictions and provisions of these regulations relating to the right to transfer and the registration of transfer 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.

RIGHTS ON TRANSMISSION

(ii) A person becoming entitled to a share by reason of the death or insolvency of the holder shall, subject to the Directors' right to retain such dividends or money, 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.

(iii) Provided that the Board may at any time give a 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 (90) days, the Board may thereafter withhold payment of all dividends, bonus or other moneys payable in respect of such share, until the requirements of notice have been complied with.

SHARE CERTIFICATES TO BE SURRENDERED

(iv) Before the registration of a transfer, the certificate or certificates of the share or shares to be transferred must be delivered to the Company along with (save as provided in the Act) properly stamped and executed instrument of transfer.

COMPANY NOT LIABLE TO NOTICE OF EQUITABLE RIGHTS

(v) The Company shall incur no liability or responsibility whatever in consequence of its registering or giving effect to any transfer of shares made or purporting to be made by any apparent legal owner thereof (as shown or appearing in the Register) to the prejudice of persons having or claiming any equitable rights, title or interest in the said shares, notwithstanding that the Company may have had notice of such equitable rights referred thereto in any books of the Company and the Company shall not be bound by or required to regard or attend to or give effect to any notice which may be given to it of any equitable rights, title or interest or be under any liability whatsoever for refusing or neglecting to do so, though it may have been entered or referred to in some book of the Company but the Company shall nevertheless be at liberty to regard and attend to any such notice and give effect thereto if the Board shall so think fit.

TRANSFER AND TRANSMISSION OF DEBENTURES

(vi) The provisions of these Articles, shall, mutatis mutandis, apply to the transfer of or the transmission by law of the right to any securities including, debentures of the Company.

6. FORFEITURE OF SHARES

BOARD TO HAVE A RIGHT TO FORFEIT SHARES

(i) If a Member fails to pay any call, or installment of a call or any money due in respect of any share, 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 or a judgment or decree in respect thereof remains unsatisfied in whole or in part, serve a notice on him requiring payment of so much of the call or installment or other money as is unpaid, together with any interest which may have accrued and all expenses that may have been incurred by the Company by reason of non-payment.

NOTICE FOR FORFEITURE OF SHARES

(ii) The notice aforesaid shall:

a) name a further day (not being earlier than the expiry of fourteen days from the date of services 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.

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.

RECEIPT OF PART AMOUNT OR GRANT OF INDULGENCE NOT TO AFFECT FORFEITURE

(iii) Neither a judgment nor a decree in favour of the Company for calls or other moneys due in respect of any shares nor any part payment or satisfaction thereof nor the receipt by the Company of a portion of any money which shall from time to time be due from any Member in respect of any shares either by way of principal or interest nor any indulgence granted by the Company in respect of payment of any such money shall preclude the forfeiture of such shares as herein provided. There shall be no forfeiture of unclaimed dividends before the claim becomes barred by applicable law.

FORFEITED SHARE TO BE THE PROPERTY OF THE COMPANY

(iv) Any share forfeited in accordance with these Articles, shall be deemed to be the property of the Company and may be sold, re-allocated or otherwise disposed of either to the original holder thereof or to any other person upon such terms and in such manner as the Board thinks fit.

ENTRY OF FORFEITURE IN REGISTER OF MEMBERS

(v) When any share shall have been so forfeited, notice of the forfeiture shall be given to the defaulting member and any entry of the forfeiture with the date thereof, shall forthwith be made in the Register of Members but no forfeiture shall be invalidated by any omission or neglect or any failure to give such notice or make such entry as aforesaid.

MEMBER TO BE LIABLE EVEN AFTER FORFEITURE

(vi) 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, and shall 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. All such monies payable shall be paid together with interest thereon at such rate as the Board may determine, from the time of forfeiture until payment or realization. The Board may, if it thinks fit, but without being under any obligation to do so, enforce the payment of the whole or any portion of the monies due, without any allowance for the value of the shares at the time of forfeiture or waive payment in whole or in part. 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.

EFFECT OF FORFEITURE

(vii) The forfeiture of a share shall involve extinction at the time of forfeiture, of all interest in and all claims and demands against the Company, in respect of the share and all other rights incidental to the share, except only such of those rights as by these Articles expressly saved.

CERTIFICATE OF FORFEITURE

(viii) 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.

TITLE OF PURCHASER AND TRANSFEREE OF FORFEITED SHARES

(ix) The Company may receive the consideration, if any, given for the share on any sale, re-allotment 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. The transferee shall thereupon be registered as the holder of the share and 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, re- allotment or disposal of the share.

VALIDITY OF SALES

(x) Upon any sale after forfeiture or for enforcing a lien in exercise of the powers hereinabove given, the Board may, if necessary, appoint some person to execute an instrument for transfer of the shares sold and cause the purchaser's name to be entered in the Register of Members in respect of the shares sold and after his name has been entered in the Register of Members in respect of such shares the validity of the sale shall not be impeached by any person.

CANCELLATION OF SHARE CERTIFICATE IN RESPECT OF FORFEITED SHARES

(xi) Upon any sale, re-allotment or other disposal under the provisions of the preceding Articles, the certificate(s), if any, originally issued in respect of the relative shares shall (unless the same shall on demand by the Company has been previously surrendered to it by the defaulting member) stand cancelled and become null and void and be of no effect, and the Board shall be entitled to issue a duplicate certificate(s) in respect of the said shares to the person(s) entitled thereto. The Board may at any time before any share so forfeited shall have them sold, reallotted or otherwise disposed of, cancel the forfeiture thereof upon such conditions at it thinks fit.

BOARD ENTITLED TO CANCEL FORFEITURE

(xii) The Board may at any time before any share so forfeited shall have them sold, reallotted or otherwise disposed of, cancel the forfeiture thereof upon such conditions at it thinks fit.

SURRENDER OF SHARE CERTIFICATES

(xiii) The Board may, subject to the provisions of the Act, accept a surrender of any share from or by any Member desirous of surrendering them on such terms as they think fit.

SUMS DEEMED TO BE CALLS

(xiv) The provisions of these Articles 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.

PROVISIONS AS TO FORFEITURE OF SHARES TO APPLY MUTATIS MUTANDIS TO DEBENTURES, ETC.

(xv) The provisions of these Articles relating to forfeiture of shares shall *mutatis mutandis* apply to any other securities, including debentures, of the Company.

7. ALTERATION OF CAPITAL

SUB-DIVISION, CONSOLIDATION AND CANCELLATION OF SHARE CERTIFICATE

(i) Subject to the provisions of the Act, the Company in its General Meetings may, by an Ordinary Resolution, from time to time:

a) Increase, reduce or otherwise alter the share capital by such sum, to be divided into shares of such amount as it thinks expedient;

b) divide, sub-divide or consolidate its shares, or any of them, and the resolution whereby any share is sub-divided, may determine that as between the holders of the shares resulting from such sub- division one or more of such shares have some preference or special advantage in relation to dividend, capital or otherwise as compared with the others;

c) cancel shares which at the date of such General Meeting have not been taken or agreed to be taken by any person and diminish the amount of its share capital by the amount of the shares so cancelled. A cancellation of Shares pursuant to this Article shall not be deemed to be a reduction of the Share Capital within the meaning of the Act;

d) consolidate and divide all or any of its share capital into shares of larger amount than its existing shares; provided that any consolidation and division which results in changes in the voting percentage of Members shall require applicable approvals under the Act; and

e) convert all or any of its fully paid-up shares into stock, and reconvert that stock into fully paid-up shares of any denomination.

RIGHTS TO ISSUE SHARE WARRANTS

(ii) The Company may issue share warrants subject to, and in accordance with provisions of the Act. The Board may, in its discretion, with respect to any share which is fully paid up on application in writing signed by the person registered as holder of the share, and authenticated by such evidence (if any) as the Board may from time to time require as to the identity of the person signing the application, and the amount of the stamp duty on the warrant and such fee as the Board may from time to time require having been paid, issue a warrant.

BOARD TO MAKE RULES

(iii) The Board may, from time to time, make rules as to the terms on which it shall think fit, a new share warrant or coupon may be issued by way of renewal in case of defacement, loss or destruction.

SHARES MAY BE CONVERTED INTO STOCK

(iv) Where shares are converted into stock:

a) the holders of stock may transfer the same or any part thereof in the same manner as, and subject to the same Articles under which, the shares from which the stock arose might before the conversion have been transferred, or as near thereto as circumstances admit:

   Provided that the Board may, from time to time, fix the minimum amount of stock transferable, so, however, that such minimum shall not exceed the nominal amount of the shares from which the stock arose;

b) 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;

c) such of the Articles of the Company as are applicable to paid-up shares shall apply to stock and the words “share” and “shareholder”/“Member” shall include “stock” and “stock-holder” respectively.

REDUCTION OF CAPITAL

(v) The Company may, by a Special Resolution as prescribed by the Act, reduce in any manner and in accordance with the provisions of the Act—

a) its share capital; and/or
b) any capital redemption reserve account; and/or
c) any share premium account

and in particular without prejudice to the generality of the foregoing power may be: (i) extinguishing or reducing the liability on any of its shares in respect of share capital not paid up; (ii) either with or without extinguishing or reducing liability on any of its shares, (a) cancel paid up share capital which is lost or is unrepresented by available assets; or (b) pay off any paid up share capital which is in excess of the wants of the Company; and may, if and so far as is necessary, alter its Memorandum, by reducing the amount of its share capital and of its shares accordingly.

DEMATERIALISATION OF SECURITIES

(vi) The Company shall be entitled to treat the person whose name appears on the register of members as the holder of any Share or whose name appears as the Beneficial Owner of Shares in the records of the depository, as the absolute owner thereof.

Provided however that provisions of the Act or these Articles relating to distinctive numbering shall not apply to the shares of the Company, which have been dematerialized.

(vii) The Company shall recognise interest in dematerialised securities under the Depositories Act, 1996.

Subject to the provisions of the Act, either the Company or the investor may exercise an option to issue (in case of the Company only), deal in, hold the securities (including shares) with a Depository in electronic form and the certificates in respect thereof shall be dematerialized, in which event, the rights and obligations of the parties concerned and matters connected therewith or incidental thereof shall be governed by the provisions of the Depositories Act, 1996 as amended from time to time or any statutory modification(s) thereto or re-enactment thereof, the Securities and Exchange Board of India (Depositories and Participants) Regulations, 2018 and other applicable law.

(viii) Dematerialisation/Re-materialisation of securities:

Notwithstanding anything to the contrary or inconsistent contained in these Articles, the Company shall be entitled to dematerialise its existing securities, re materialise its securities held in Depositories and/or offer its fresh securities in the dematerialised form pursuant to the Depositories Act, 1996 and the rules framed thereunder, if any.

Notwithstanding anything contained herein, the Company shall be entitled to dematerialize its shares, debentures and other Securities pursuant to the Depositories Act and offer its shares, debentures and other Securities for subscription in a dematerialized form. The Company shall be further entitled to maintain a register of members with the details of members holding shares both in material and dematerialized form in any medium as permitted by Law including any form of electronic medium.

Notwithstanding anything contained in the Articles, and subject to the provisions of the law for the time being in force, the Company shall on a request made by a Beneficial Owner, re-materialize the shares, which are in dematerialized form.

(ix) Option to receive security certificate or hold securities with the Depository

Every person subscribing to or holding securities of the Company shall have the option to receive the security certificate or hold securities with a Depository. Where a person opts to hold a security with the Depository, the Company shall intimate such Depository of the details of allotment of the security and on receipt of such information, the Depository shall enter in its Record, the name of the allottees as the beneficial owner of that Security.

In the case of transfer of shares or other marketable Securities where the Company has not issued any certificates and where such shares or Securities are being held in an electronic and fungible form, the provisions of the Depositories Act shall apply.

Every person subscribing to the shares offered by the Company shall receive such shares in dematerialized form. Such a person who is the Beneficial Owner of the shares can at any time opt out of a depository, if permitted by the law, in respect of any shares in the manner provided by the Depositories Act and the regulations made thereunder and the Company shall in the manner and within the time prescribed, issue to the Beneficial Owner the required certificate of shares.

If a person opts to hold his shares with a depository, the Company shall intimate such depository the details of allotment of the shares, and on receipt of the information, the depository shall enter in its record the name of the allottee as the Beneficial Owner of the shares.

(x) Securities in electronic form

All securities held by a Depository shall be dematerialized and held in electronic form. No certificate shall be issued for the securities held by the Depository.

(xi) Beneficial owner deemed as absolute owner

Except as ordered by a court of competent jurisdiction or by applicable law required and subject to the provisions of the Act, the Company shall be entitled to treat the person whose name appears on the applicable register as the holder of any security or whose name appears as the beneficial owner of any security in the records of the Depository as the absolute owner thereof and accordingly shall not be bound to recognize any benami trust or equity, equitable contingent, future, partial interest, other claim to or interest in respect of such securities or (except only as by these Articles otherwise expressly provided) any right in respect of a security other than an absolute right thereto in accordance with these Articles, on the part of any other person whether or not it has expressed or implied notice thereof but the Board shall at their sole discretion register any security in the joint names of any two or more persons or the survivor or survivors of them.

All shares held by a depository shall be dematerialized and shall be in a fungible form. (i) Notwithstanding anything to the contrary contained in the Act or the Articles, a depository shall be deemed to be the registered owner for the purposes of effecting any transfer of ownership of shares on behalf of the Beneficial Owner. (ii) Save as otherwise provided in (i) above, the depository as the registered owner of the shares shall not have any voting rights or any other rights in respect of shares held by it.

Every person holding shares of the Company and whose name is entered as the Beneficial Owner in the records of the depository shall be deemed to be the owner of such shares and shall also be deemed to be a Shareholder of the Company. The Beneficial Owner of the Shares shall be entitled to all the liabilities in respect of his Shares which are held by a Depository. Notwithstanding anything in the Act or the Articles to the contrary, where shares are held in a depository, the records of the Beneficial Ownership may be served by such depository on the Company by means of electronic mode or any other mode as prescribed by law from time to time.

In the case of transfer of shares or other marketable Securities where the Company has not issued any certificates and where such shares or Securities are being held in an electronic and fungible form, the provisions of the Depositories Act shall apply.

(xii) Register and index of beneficial owners

The Company shall cause to be kept a register and index of members with details of securities held in materialized and dematerialised forms in any media as may be permitted by law including any form of electronic media. The register and index of beneficial owners maintained by a Depository under the Depositories Act, 1996 shall be deemed to be a register and index of members for the purposes of this Act. The Company shall have the power to keep in any state or country outside India, a Register of Members, resident in that state or country.

8. CAPITALISATION OF PROFITS

CAPITALISATION OF PROFITS

(i) The Company in General Meeting, may, on recommendation of the Board resolve:

a) that it is desirable to capitalise any part of the amount for the time being standing to the credit of the Company's reserve accounts or securities premium account or to the credit of the profit and loss account or otherwise available for distribution; and

b) that such sum be accordingly set free for distribution in the manner specified in the sub-clause (ii) amongst the Members who would have been entitled thereto if distributed by way of dividend and in the same proportion.

(ii) The sum aforesaid shall not be paid in cash but shall be applied, either in or towards:

a) paying up any amounts for the time being unpaid on shares held by such Members respectively;

b) paying up in full, unissued share of the Company to be allotted and distributed, credited as fully paid up, to and amongst such Members in the proportions aforesaid; or

c) partly in the way specified in sub-clause (a) and partly that specified in sub -clause (b).

d) A securities premium account and a capital redemption reserve account or any other permissible reserve account may be applied as permitted under the Act in the paying up of unissued shares to be issued to Members of the Company as fully paid bonus shares.

e) The Board shall give effect to the resolution passed by the Company in pursuance of these Articles.

POWER OF DIRECTORS FOR DECLARATION OF BONUS ISSUE

(iii) Whenever such a resolution as aforesaid shall have been passed, the Board shall:

a) make all appropriations and applications of the undivided profits resolved to be capitalized thereby, and all allotments and issues of fully paid shares or other securities, if any; and

b) generally do all acts and things required to give effect thereto.

(iv) The Board shall have full power:

a) to make such provisions, by the issue of fractional certificates or by payments in cash or otherwise as it thinks fit, in the case of shares or debentures becoming distributable in fractions; and

b) to authorize any person to enter, on behalf of all the Members entitled thereto, into an agreement with the Company providing for the allotment to them respectively, credited as fully paid up, of any further shares or other securities to which they may be entitled upon such capitalization or as the case may require, for the payment by the Company on their behalf, by the application thereto of their respective proportions of the profits resolved to be capitalized, of the amount or any parts of the amounts remaining unpaid on their existing shares.

(v) Any agreement made under such authority shall be effective and binding on such Members.

9. BUY-BACK OF SHARES

BUY BACK OF SHARES

(i) Notwithstanding anything contained in these Articles, but subject to all applicable provisions of the Act or any other law for the time being in force, the Company may purchase its own shares or other specified securities.

10. GENERAL MEETINGS

ANNUAL GENERAL MEETINGS

(i) The Company shall in each year hold a General Meeting as its Annual General Meeting in addition to any other meeting in that year.

(ii) An Annual General Meeting of the Company shall be held in accordance with the provisions of the Act.

EXTRAORDINARY GENERAL MEETINGS

(iii) All General Meetings other than the Annual General Meeting shall be called "Extraordinary General Meeting". Provided that, the Board may, whenever it thinks fit, call an Extraordinary General Meeting.

EXTRAORDINARY MEETINGS ON REQUISITION

(iv) The Board shall, on the requisition of Members, convene an Extraordinary General Meeting of the Company in the circumstances and in the manner provided under the Act.

NOTICE FOR GENERAL MEETINGS

(v) All General Meetings shall be convened by giving not less than clear twenty one (21) days' notice, in such manner as is prescribed under the Act, specifying the place, date and hour of the meeting and a statement of the business proposed to be transacted at such a meeting, in the manner mentioned in the Act. Notice shall be given to all the Members and to such persons as are under the Act and/or these Articles entitled to receive such notice from the Company but any accidental omission to give notice to or non-receipt of the notice by any Member or other person to whom it should be given shall not invalidate the proceedings of any General Meetings.

The Members may participate in General Meetings through such modes as permitted by applicable laws.

PERSONS ENTITLED TO NOTICE OF GENERAL MEETINGS

(vi) Subject to the provisions of the Act and these Articles, notice of General Meeting shall be given:

a) To the Members of the Company as provided by these Articles.

b) To the persons entitled to a share in consequence of the death or insolvency of a Member.

c) To the Directors of the Company.

d) To the auditors for the time being of the Company; in the manner authorized by as in the case of any Member or Members of the Company.

SHORTER NOTICE ADMISSIBLE

(vii) Upon Compliance with the relevant provisions of the Act, an Annual General Meeting or any General Meeting may be convened by giving a shorter notice than twenty one (21) days.

CIRCULATION OF MEMBERS' RESOLUTION

(viii) The Company shall comply with provisions of Section 111 of the Act, as to giving notice of resolutions and circulating statements on the requisition of Members.

SPECIAL AND ORDINARY BUSINESS

(ix) Subject to the provisions of the Act, all business shall be deemed special that is transacted at the Annual General Meeting with the exception of declaration of any dividend, the consideration of financial statements and reports of the Directors and auditors, the appointment of Directors in place of those retiring and the appointment of and fixing of the remuneration of the auditors. In case of any other meeting, all business shall be deemed to be special.

(x) In case of special business as aforesaid, an explanatory statement as required under the applicable provisions of the Act shall be annexed to the notice of the meeting.

11. PROCEEDINGS AT GENERAL MEETINGS

QUORUM FOR GENERAL MEETING

(i) Five (5) Members or such other number of Members as required under the Act or the applicable law for the time being in force prescribes, personally present shall be quorum for a General Meeting and no business shall be transacted at any General Meeting unless the requisite quorum is present at the commencement of the meeting.

TIME FOR QUORUM AND ADJOURNMENT

(ii) Subject to the provisions of the Act, if within half an hour from the time appointed for a meeting, a quorum is not present, the meeting, if called upon the requisition of Members, shall be cancelled and in any other case, it shall stand adjourned to the same day in the next week at the same time and place or to such other day and at such other time and place as the Directors may determine. If at the adjourned meeting also a quorum is not present within half an hour from the time appointed for the meeting, the Members present shall be quorum and may transact the business for which the meeting was called.

CHAIRMAN OF GENERAL MEETING

(iii) The chairman, if any, of the Board of Directors shall preside as chairman at every General Meeting of the Company.

ELECTION OF CHAIRMAN

(iv) Subject to the provisions of the Act, if there is no such chairman or if at any meeting he is not present within fifteen minutes after the time appointed for holding the meeting or is unwilling to act as chairman, the Directors present shall elect another Director as chairman and if no Director be present or if all the Directors decline to take the chair, then the Members present shall choose a Member to be the chairman.

12. ADJOURNMENT OF MEETING

ADJOURNMENT OF MEETING

(i) Subject to the provisions of the Act, the chairman of a General Meeting may, with the consent given in the meeting at which a quorum is present (and shall if so directed by the meeting) adjourn that meeting from time to time and from place to place, but no business shall be transacted at any adjourned meeting other than the business left unfinished at the meeting from which the adjournment took place. When the meeting is adjourned for thirty (30) days or more, notice of the adjourned meeting shall be given as nearly to the original meeting, as may be possible. Save as aforesaid and as provided in Section 103 of the Act, it shall not be necessary to give any notice of adjournment of the business to be transacted at an adjourned meeting.

13. VOTING RIGHTS

VOTING RIGHTS OF MEMBERS

(i) Subject to any rights or restrictions for the time being attached to any class or classes of shares:

a) On a show of hands every Member holding Equity Shares and present in person shall have one vote.

b) On a poll, every Member holding Equity Shares therein shall have voting rights in proportion to his share in the paid up equity share capital.

c) A Member may exercise his vote at a meeting by electronic means in accordance with the Act and shall vote only once.

VOTING BY JOINT-HOLDERS

(ii) In case of joint holders the vote of first named of such joint holders in the Register of Members who tender a vote whether in person or by proxy shall be accepted, to the exclusion of the votes of other joint holders

VOTING BY MEMBER OF UNSOUND MIND

(iii) 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 legal guardian may, on a poll, vote by proxy.

NO RIGHT TO VOTE UNLESS CALLS ARE PAID

(iv) No Member shall be entitled to vote at any General Meeting unless all calls or other sums presently payable by him have been paid, or in regard to which the Company has lien and has exercised any right of lien

VOTING AT MEETING

(v) At any General Meeting, a demand for a poll shall not prevent the continuance of a meeting for the transaction of any business other than that on which a poll has been demanded. The demand for a poll may be withdrawn at any time by the person or persons who made the demand. Further, no objection shall be raised to the qualification of any voter except at the General Meeting or adjourned General 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. Any such objection made in due time shall be referred to the chairperson of the General Meeting, whose decision shall be final and conclusive.

DECISION BY POLL

(vi) If a poll is duly demanded in accordance with the provisions of the Act, it shall be taken in such manner as the chairman directs and the results of the poll shall be deemed to be the decision of the meeting on the resolution in respect of which the poll was demanded.

CASTING VOTE OF CHAIRMAN

(vii) In case of equal votes, whether on a show of hands or on a poll, the chairman of the General Meeting at which the show of hands takes place or at which the poll is demanded shall be entitled to a second or casting vote in addition to the vote or votes to which he may be entitled to as a Member.

PASSING RESOLUTIONS BY POSTAL BALLOT

(viii) Notwithstanding any of the provisions of these Articles, the Company may, and in the case of resolutions relating to such business as notified under the Act, to be passed by postal ballot, shall get any resolution passed by means of a postal ballot, instead of transacting the business in the General Meeting of the Company.

(ix) Where the Company decides to pass any resolution by resorting to postal ballot, it shall follow the procedures as prescribed under the Act.

(x) If a resolution is assented to by the requisite majority of the shareholders by means of postal ballot, it shall be deemed to have been duly passed at a General Meeting convened in that behalf.

14. PROXY

PROXY

(i) Any Member entitled to attend and vote at a General Meeting may do so either personally or through his constituted attorney or through another person as a proxy on his behalf, for that meeting.

INSTRUMENT OF PROXY

(ii) An instrument appointing a proxy shall be in the form as prescribed under the Act for this purpose. The instrument appointing a proxy shall be in writing under the hand of appointer or of his attorney duly authorized in writing or if appointed by a body corporate either under its common seal or under the hand of its officer or attorney duly authorized in writing by it. Any person whether or not he is a Member of the Company may be appointed as a proxy.

The instrument appointing a proxy and power of attorney or other authority (if any) under which it is signed or a notarized copy of that power or authority must be deposited at the Office of the Company not less than forty eight (48) hours prior to the time fixed for holding the meeting or adjourned meeting at which the person named in the instrument proposes to vote, or, in case of a poll, not less than twenty four (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.

VALIDITY OF PROXY

(iii) 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 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.

CORPORATE MEMBERS

(iv) Any corporation which is a Member of the Company may, by resolution of its Board of Directors or other governing body, authorize such person as it thinks fit to act as its representative at any meeting of the Company and the said person so authorized shall be entitled to exercise the same powers on behalf of the corporation which he represents as that corporation could have exercised if it were an individual Member of the Company (including the right to vote by proxy).

15. BOARD OF DIRECTORS

NUMBER OF DIRECTORS

(i) Unless otherwise determined by General Meeting, the number of Directors shall not be less than three (3) and not more than fifteen (15), and at least one (1) Director shall be resident of India in the previous year.

Provided that the Company may appoint more than fifteen (15) directors after passing a Special Resolution.

The following were the first Directors of the Company:

- Bechar Raghavji Patel
- Dhanji Raghavji Patel

SHARE QUALIFICATION NOT NECESSARY

(ii) Any person whether a Member of the Company or not may be appointed as Director and no qualification by way of holding shares shall be required of any Director.

INDEPENDENT DIRECTORS

(iii) The Company shall have such number of Independent Directors on the Board of the Company, as may be required to comply with applicable laws, including the Act and the Securities and Exchange Board of India (Listing and Disclosure Requirements) Regulations, 2015, as amended.

ADDITIONAL DIRECTORS

(iv) Subject to the provisions of the Act, 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.

ALTERNATE DIRECTORS

(v) The Board may, subject to provisions of the Act, appoint a person, not being a person holding any alternate directorship for any other director in the Company or holding directorship in the Company, to act as an alternate director for a director during his absence for a period of not less than 3 (three) months from India (hereinafter in this Article called the "**Original Director**").

(vi) An alternate director shall not hold office for a period longer than that permissible to the Original Director in whose place he has been appointed and shall vacate the office if and when the Original Director returns to India. If the term of office of the Original Director is determined before he returns to India the automatic re-appointment of retiring directors in default of another appointment shall apply to the Original Director and not to the alternate director.

APPOINTMENT OF DIRECTOR TO FILL A CASUAL VACANCY

(vii) If the office of any Director appointed by the Company in General Meeting is vacated before his term of office expires in the normal course, the resulting casual vacancy may, be filled by the Board of Directors at a meeting of the Board which shall be subsequently approved by members in the immediate next general meeting. The director so appointed shall hold office only up to the date which the director in whose place he is appointed would have held office if it had not been vacated.

REMUNERATION OF DIRECTORS

(viii) A Director (other than a managing Director or whole-time Director) may receive a sitting fee not exceeding such sum as may be prescribed by the Act or the Central Government from time to time for each meeting of the Board of Directors or any committee thereof attended by him. The remuneration of Directors including managing Director and/or whole-time Director may be paid in accordance with the applicable provisions of the Act.

(ix) The Board of Directors may allow and pay or reimburse any Director who is not a bona fide resident of the place where a meeting of the Board or of any committee is held and who shall come to such place for the purpose of attending such meeting or for attending its business at the request of the Company, such sum as the Board may consider fair compensation for travelling, and out-of-pocket expenses and if any Director be called upon to go or reside out of the ordinary place of his residence on the Company's business he shall be entitled to be reimbursed any travelling or other expenses incurred in connection with the business of the Company.

(x) The managing Directors/ whole-time Directors shall be entitled to charge and be paid for all actual expenses, if any, which they may incur for or in connection with the business of the Company. They shall be entitled to appoint part time employees in connection with the management of the affairs of the Company and shall be entitled to be paid by the Company any remuneration that they may pay to such part time employees.

REMUNERATION FOR EXTRA SERVICES

(xi) If any Director, being willing, shall be called upon to perform extra services or to make any special exertions (which expression shall include work done by Director as a Member of any committee formed by the Directors) in going or residing away from the town in which the Office of the Company may be situated for any purposes of the Company or in giving any special attention to the business of the Company or as member of the Board, then subject to the provisions of the Act, the Board may remunerate the Director so doing either by a fixed sum, or by a percentage of profits or otherwise and such remuneration, may be either in addition to or in substitution for any other remuneration to which he may be entitled.

CONTINUING DIRECTOR MAY ACT

(xii) The continuing Directors may act notwithstanding any vacancy in the Board, but if the number is reduced below three, the continuing Directors or Director may act for the purpose of increasing the number of Directors to three or for summoning a General Meeting of the Company, but for no other purpose.

VACATION OF OFFICE OF DIRECTOR

(xiii) The office of a Director shall be deemed to have been vacated under the circumstances enumerated under Act.

ONE-THIRD OF DIRECTORS TO RETIRE EVERY YEAR

(xiv) At the Annual General Meeting of the Company to be held every year, one third of such of the Directors as are liable to retire by rotation for time being, or, if their number is not three or a multiple of three then the number nearest to one third shall retire from office, and they will be eligible for re-election. Provided nevertheless that the managing director appointed or the Directors appointed as a debenture director under Articles hereto shall not retire by rotation under this Article nor shall they be included in calculating the total number of Directors of whom one third shall retire from office under this Article.

RETIRING DIRECTORS ELIGIBLE FOR RE-ELECTION

(xv) A retiring Director shall be eligible for re-election and the Company, at the Annual General Meeting at which a Director retires in the manner aforesaid, may fill up the vacated office by electing a person thereto.

WHICH DIRECTOR TO RETIRE

(xvi) The Directors to retire in every year shall be those who have been longest in office since their last election, but as between persons who became Directors on the same day, those to retire shall (unless they otherwise agree among themselves) be determined by lots.

POWER TO REMOVE DIRECTOR BY ORDINARY RESOLUTION

(xvii) Subject to the provisions of the Act, the Company may by an Ordinary Resolution in General Meeting, remove any Director before the expiration of his period of office and may, by an Ordinary Resolution, appoint another person instead.

Provided that an independent director re-appointed for second term under the provisions of the Act shall be removed by the company only by passing a Special Resolution and after giving him a reasonable opportunity of being heard.

DIRECTORS NOT LIABLE FOR RETIREMENT

(xviii) The Company in General Meeting may, when appointing a person as a Director declare that his continued presence on the Board of Directors is of advantage to the Company and that his office as Director shall not be liable to be determined by retirement by rotation for such period until the happening of any event of contingency set out in the said resolution.

DIRECTOR FOR COMPANIES PROMOTED BY THE COMPANY

(xix) Directors of the Company may be or become a director of any company promoted by the Company or in which it may be interested as vendor, shareholder or otherwise and no such Director shall be accountable for any benefits received as a director or member of such company subject to compliance with applicable provisions of the Act.

MAINTENANCE OF FOREIGN REGISTER

(xx) The Company may exercise the powers conferred on it by the Act with regard to the keeping of a foreign register; and the Board may (subject to the provisions of those Sections) make and vary such regulations as it may think fit respecting the keeping of any register.

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 maybe, by such person and in such manner as the Board shall from time to time by resolution determine.

16. PROCEEDINGS OF THE BOARD

MEETINGS OF THE BOARD

(i) The Board of Directors shall meet at least once in every three (3) months with a maximum gap of One Hundred and Twenty (120) days between two (2) meetings of the Board for the dispatch of business, adjourn and otherwise regulate its meetings and proceedings as it thinks fit in accordance with the Act, provided that at least four (4) such meetings shall be held in every year. Place of meetings of the Board shall be at a location determined by the Board at its previous meeting, or if no such determination is made, then as determined by the chairman of the Board.

(ii) The chairman may, at any time, and the secretary or such other Officer of the Company as may be authorised in this behalf on the requisition of Director shall at any time summon a meeting of the Board.

Notice of at least seven (7) days in writing of every meeting of the Board shall be given to every Director and every alternate Director at his usual address whether in India or abroad, provided always that a meeting may be convened by a shorter notice to transact urgent business subject to the condition that at least one independent director, if any, shall be present at the meeting and in case of absence of independent directors from such a meeting of the Board, decisions taken at such a meeting shall be circulated to all the directors and shall be final only on ratification thereof by at least one independent director, if any.

(iii) The notice of each meeting of the Board shall include (i) the time for the proposed meeting; (ii) the venue for the proposed meeting; and (iii) an agenda setting out the business proposed to be transacted at the meeting.

(iv) To the extent permissible by applicable law, the Directors may participate in a meeting of the Board or any committee thereof, through electronic mode, that is, by way of video conferencing i.e., audio visual electronic communication facility. The notice of the meeting must inform the Directors regarding the availability of participation through video conferencing. Any Director participating in a meeting through the use of video conferencing shall be counted for the purpose of quorum.

QUESTIONS AT BOARD MEETING HOW DECIDED

(v) Questions arising at any time at a meeting of the Board shall be decided by majority of votes and in case of equality of votes, the Chairman, in his absence the Vice Chairman or the Director presiding shall have a second or casting vote.

QUORUM

(vi) Subject to the provisions of the Act and other applicable law, the quorum for a meeting of the Board shall be one third of its total strength (any fraction contained in that one-third being rounded off as one) or two Directors whichever is higher and the participation of the directors by video conferencing or by other audio visual means shall also be counted for the purposes of quorum.

At any time the number of interested Directors is equal to or exceeds two-thirds of total strength, the number of remaining Directors, that is to say the number of Directors who are not interested, present at the meeting being not less than two, shall be the quorum during such time. The total strength of the Board shall mean the number of Directors actually holding office as Directors on the date of the resolution or meeting, that is to say, the total strength of Board after deducting there from the number of Directors, if any, whose places are vacant at the time. The term ‘interested director’ means any Director whose presence cannot, by reason of applicable provisions of the Act be counted for the purpose of forming a quorum at meeting of the Board, at the time of the discussion or vote on the concerned matter or resolution.

ADJOURNED MEETING

(vii) Subject to the provisions of the Act, if within half an hour from the time appointed for a meeting of the Board, a quorum is not present, the meeting, shall stand adjourned to the same day in the next week at the same time and place or to such other day and at such other time and place as the Directors may determine.

ELECTION OF CHAIRMAN OF BOARD

(viii) The Board may elect a chairman of its meeting and determine the period for which he is to hold office.

(ix) If no such chairman is elected or at any meeting the chairman is not present within five minutes after the time appointed for holding the meeting the Directors present may choose one among themselves to be the chairman of the meeting.

POWERS OF DIRECTORS

(x) The Board may exercise all such powers of the Company and do all such acts and things as are not, by the Act or any other applicable law, or by the Memorandum or by the Articles required to be exercised by the Company in a General Meeting, subject nevertheless to these Articles, to the provisions of the Act or any other applicable law and to such regulations being not inconsistent with the aforesaid regulationsor provisions, as may be prescribed by the Company in a General Meeting; but no regulation made by the Company in a General Meeting shall invalidate any prior act of the Board which would have been valid if that regulation had not been made.

DELEGATION OF POWERS AND CONSTITUTION OF COMMITTEES OF THE BOARD

(xi) Subject to Section 179 of the Act, the Board shall have the right to delegate any of their powers to such managers, agents or other Persons as they may deem fit and may at their own discretion revoke, vary or withdraw such powers.

(xii) The Board may, subject to the provisions of the Act, delegate any of its powers to committees consisting of such members of its body as it thinks fit.

(xiii) Any committee so formed shall, in the exercise of the power so delegated conform to any regulations that may be imposed on it by the Board.

ELECTION OF CHAIRMAN OF COMMITTEE

(xiv) A committee may elect a chairman of its meeting. If no such chairman is elected or if at any meeting the chairman 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 the chairman of the committee meeting.

(xv) The quorum of a committee may be fixed by the Board of Directors

QUESTIONS HOW DETERMINED

(xvi) A committee may meet and adjourn as it thinks proper.

(xvii) Questions arising at any meeting of a committee shall be determined by a majority of votes of the members present as the case may be and in case of equality of vote, the chairman shall have a second or casting vote, in addition to his vote as a member of the committee.

VALIDITY OF ACTS DONE BY BOARD OR A COMMITTEE

(xviii) All acts done by any meeting of the Board, 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 even such Director or such person has been duly appointed and was qualified to be a Director.

RESOLUTION BY CIRCULATION

(xix) Save as otherwise expressly provided in the Act, a resolution in writing circulated in draft together with the necessary papers, if any, to all the Directors or to all the members of the committee then in India, not being less in number than the quorum fixed of the meeting of the Board or the committee, as the case may be and to all other Directors or Members at their usual address in India and approved by such of the Directors as are then in India or by a majority of such of them as are entitled to vote at the resolution shall be valid and effectual as if it had been a resolution duly passed at a meeting of the Board or committee duly convened and held.

BORROWING POWERS

(xx) Subject to the provisions of the Act and these Articles, the Board may from time to time at their discretion raise or borrow or secure the payment of any such sum of money for the purpose of the Company, in such manner and upon such terms and conditions in all respects as they think fit, and in particular, by promissory notes or by receiving deposits and advances with or without security or by the issue of bonds, debentures, perpetual or otherwise, including debentures convertible into shares of this Company or any other company or perpetual annuities and to secure any such money so borrowed, raised or received, mortgage, pledge or charge the whole or any part of the property, assets or revenue of the Company present or future, including its uncalled capital by special assignment or otherwise or to transfer or convey the same absolutely or in trust and to give the lenders powers of sale and other powers as may be expedient and to purchase, redeem or pay off any such securities; provided however, that the moneys tobe borrowed, together with the money already borrowed by the Company apart from temporary loans (as defined under Section 180(1) of the Act) obtained from the Company's bankers in the ordinary course of business shall not, without the sanction of the Company by a Special Resolution at a General Meeting, exceed the aggregate of the paid up capital of the Company, its free reserves and securities premium. Provided that every Special Resolution passed by the Company in General Meeting in relation to the exercise of the power to borrow shall specify the total amount up to which moneys may be borrowed by the Board of Directors.

(xxi) The Directors may by resolution at a meeting of the Board delegate the above power to borrow money otherwise than on debentures to a committee of Directors or managing Director or to any other person permitted by applicable law, if any, within the limits prescribed.

(xxii) To the extent permitted under the applicable law and subject to compliance with the requirements thereof, the Directors shall be empowered to grant loans to such entities at such terms as they may deem to be appropriate and the same shall be in the interests of the Company.

(xxiii) Any bonds, debentures, debenture-stock or other securities may if permissible under applicable law be issued at a discount, premium or otherwise by the Company and shall with the consent of the Board be issued upon such terms and conditions and in such manner and for such consideration as the Board shall consider to be for the benefit of the Company, and on the condition that they or any part of them may be convertible into Equity Shares of any denomination, and with any privileges and conditions as to the redemption, surrender, allotment of shares, attending (but not voting) in the General Meeting, appointment of Directors or otherwise. Provided that debentures with rights to allotment of or conversion into Equity Shares shall not be issued except with, the sanction of the Company in General Meeting accorded by a Special Resolution.

NOMINEE DIRECTORS

(xxiv) Subject to the provisions of the Act, so long as any moneys remain owing by the Company to Financial Institutions regulated by the Reserve Bank of India, State Financial Corporation or any financial institution owned or controlled by the Central Government or State Government or any Non-Banking Financial Company regulated by the Reserve Bank of India or any such company from whom the Company has borrowed for the purpose of carrying on its objects or each of the above has granted any loans / or subscribes to the debentures of the Company or so long as any of the aforementioned companies of financial institutions holds or continues to hold debentures /shares in the Company as a result of underwriting or by direct subscription or private placement or so long as any liability of the Company arising out of any guarantee furnished on behalf of the Company remains outstanding, and if the loan or other agreement with such institution/ corporation/ company (hereinafter referred to as the "**Corporation**") so provides, the Corporation may, in pursuance of the provisions of any law for the time being in force or of any agreement, have a right to appoint from time to time any person or persons as a Director or Directors whole-time or non-whole-time (which Director or Director/s is/are hereinafter referred to as "**Nominee Directors/s**") on the Board of the Company and to remove from such office any person or person so appointed and to appoint any person or persons in his /their place(s).

(xxv) The Nominee Director/s appointed under this Article shall be entitled to receive all notices of and attend all General Meetings, Board meetings and of the meetings of the committee of which Nominee Director/s is/are member/s as also the minutes of such Meetings. The Corporation shall also be entitled to receive all such notices and minutes.

(xxvi) The Company may pay the Nominee Director/s sitting fees and expenses to which the other Directors of the Company are entitled, but if any other fees commission, monies or remuneration in any form is payable to the Directors of the Company the fees, commission, monies and remuneration in relation to such Nominee Director/s may accrue to the nominee appointer and same shall accordingly be paid by the Company directly to the Corporation.

(xxvii) Provided that the sitting fees, in relation to such Nominee Director/s shall also accrue to the appointer and same shall accordingly be paid by the Company directly to the appointer.

MANAGING DIRECTOR(S) AND / OR WHOLE TIME DIRECTORS

(xxviii) The Board may from time to time and with such sanction of the Central Government as may be required by the Act, appoint one or more of the Directors to the office of the managing director and/ or whole time directors for such term and subject to such remuneration, terms and conditions as they may think fit.

(xxix) The Directors may from time to time resolve that there shall be either one or more managing directors and/ or whole-time directors.

(xxx) In the event of any vacancy arising in the office of a managing director and/or whole time director, the vacancy shall be filled by the Board of Directors subject to the approval of the Members.

(xxxi) If a managing director and/or whole time director ceases to hold office as Director, he shall ipso facto and immediately cease to be managing director/whole time director.

(xxxii) The managing director shall not be liable to retirement by rotation as long as he holds office as managing director.

POWERS AND DUTIES OF MANAGING DIRECTOR OR WHOLE – TIME DIRECTOR

(xxxiii) The managing director/whole time director shall subject to the supervision, control and direction of the Board and subject to the provisions of the Act, exercise such powers as are exercisable under these Articles by the Board of Directors, as they may think fit and confer such power for such time and to be exercised as they may think expedient and they may confer such power either collaterally with or to the exclusion of any such substitution for all or any of the powers of the Board of Directors in that behalf and may from time to time revoke, withdraw, alter or vary all or any such powers. The managing Directors/ whole time Directors may exercise all the powers entrusted to them by the Board of Directors in accordance with the Board’s direction.

REGISTER OF CHARGES

(xxxiv) The Directors shall cause a proper register to be kept, in accordance with the Act, of all mortgages and charges specifically affecting the property of the Company and shall duly comply with the requirements of the Act in regard to the registration of mortgages and charges therein specified.

REIMBURSEMENT OF EXPENSES

(xxxv) The managing Directors/whole-time Directors shall be entitled to charge and be paid for all actual expenses, if any, which they may incur for or in connection with the business of the Company. They shall be entitled to appoint part time employees in connection with the management of the affairs of the Company and shall be entitled to be paid by the Company any remuneration that they may pay to such part time employees.

17. CHIEF EXECUTIVE OFFICER, MANAGER, COMPANY SECRETARY OR CHIEF FINANCIAL OFFICER

(i) Subject to the provisions of the Act —

(a) A chief executive officer, manager, company secretary and 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 and chief financial officer so appointed may be removed by means of a resolution of the Board.

(b) A director may be appointed as chief executive officer, manager, company secretary or chief financial officer. Further, an individual may be appointed or reappointed as the chairperson of the Company as well as the managing Director or chief executive officer of the Company at the same time.

(ii) A provision of the Act or the Articles 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 a Director and as, or in place of, chief executive officer, manager, company secretary or chief financial officer.

18. THE SEAL

CUSTODY OF COMMON SEAL

(i) The Board shall provide for the safe custody of the common seal, if any for the Company and they shall have power from time to time to destroy the same and/or substitute a new seal in lieu thereof.

SEAL HOW AFFIXED

(ii) The Directors shall provide a common seal, if any, for the purpose of the Company and shall have power from time to time to destroy the same and/or substitute a new seal in lieu thereof, and the Directors shall provide for the safe custody of the seal, if any, for the time being and the seal shall never be used except by or under the authority of the Directors or a committee of the Directors previously given, and in the presence of at least (1) one Director and of the company secretary or such other person duly authorised by the Directors or a committee of the Directors, who shall sign every instrument to which the seal is so affixed in his presence.

The Company may exercise the powers conferred by the Act with regard to having an official seal for use abroad and such powers shall accordingly be vested in the Directors or any other person duly authorized for the purpose.

19. DIVIDENDS AND RESERVE

COMPANY IN GENERAL MEETING MAY DECLARE DIVIDENDS

(i) The Company in General Meeting may declare dividends, but no dividend shall exceed the amount recommended by the Board.

INTERIM DIVIDENDS

(ii) Subject to the provisions of the Act, the Board may from time to time pay to the members such interim dividends of such amount on such class of shares and at such times as it may think fit and as appear to it to be justified by the profits of the company.

RIGHT TO DIVDEND AND UNPAID OR UNCLAIMED DIVIDEND

(iii) Where capital is paid in advance of calls, such capital, whilst carrying interest, shall not confer a right to dividend or to participate in the profits.

(iv) Where the Company has declared a dividend but which has not been paid or claimed within thirty (30) days from the date of declaration, the Company shall within seven (7) days from the date of expiry of the said period of thirty (30) days, transfer the total amount of dividend which remains unpaid or unclaimed within the said period of thirty (30) days, to a special account to be opened by the Company in that behalf in any scheduled bank to be called "Unpaid Dividend Account".

(v) Any money transferred to the unpaid dividend account of the Company which remains unpaid or unclaimed for a period of seven (7) years from the date of such transfer, shall be transferred by the Company to the fund known as Investor Education and Protection Fund established under the Actand the Company shall send a statement in the prescribed form of the details of such transfer to the authority which administers the said fund and that authority shall issue a receipt to the Company as evidence of such transfer.

(vi) No unclaimed or unpaid dividend shall be forfeited by the Board before the claim becomes barred by law and no unpaid dividend shall bear interest as against the Company.

All other provisions under the Act will be complied with in relation to the unpaid or unclaimed dividend.

DIVISION OF PROFITS

(vii) 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.

DIVIDEDS TO BE APPORTIONED

(viii) 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.

RESERVE FUNDS

(ix) The Board may, before recommending any dividends, set aside out of the profits of the Company such sums as it thinks proper as a reserve or reserves which shall at the discretion of the Board, be applied for any purpose to which the profits of the Company may be properly applied, including provision for meeting contingencies or for equalizing dividends and pending such application, may, at the like discretion either be employed in the business of the Company or be invested in such investments (other than shares of the Company) as the Board may, from time to time think fit.

(x) The Board may also carry forward any profits when it may consider necessary not to divide, without setting them aside as a reserve.

DEDUCTION OF ARREARS

(xi) Subject to the Act, no Member shall be entitled to receive payment of any interest or dividend in respect of his share or shares whilst any money may be due or owing from him to the Company in respect of such share or shares of or otherwise howsoever whether alone or jointly with any other person or persons and the Board may deduct from any dividend payable to any Members all sums of money, if any, presently payable by him to the Company on account of the calls or otherwise in relation to the shares of the Company.

RETENTION OF DIVIDENDS

(xii) The Board may retain dividends payable upon shares in respect of which any person is, under Articles 57 to 70 hereinbefore contained, entitled to become a Member, until such person shall become a Member in respect of such shares.

RECEIPT OF JOINT HOLDER

(xiii) Any one of two or more joint holders of a share may give effective receipt for any dividends, bonuses or other moneys payable in respect of such shares.

DIVIDEND HOW REMITTED

(xiv) Any dividend, interest or other monies payable in cash in respect of shares may be paid by electronic mode or 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. Every such cheque or warrant shall be made payable to the order of the person to whom it is sent.

DIVIDENDS NOT TO BEAR INTEREST

(xv) No dividends shall bear interest against the Company.

TRANSFER OF SHARES AND DIVIDENDS

(xvi) Subject to the provisions of the Act, any transfer of shares shall not pass the right to any dividend declared thereon before the registration of the transfer.

20. ACCOUNTS

WHERE BOOKS OF ACCOUNTS TO BE KEPT

(i) The Books of Account shall be kept at the Office or at such other place in India as the Directors think fit in accordance with the applicable provisions of the Act.

INSPECTION BY DIRECTORS

(ii) The books of account and books and papers of the Company, or any of them, shall be open to the inspection of directors in accordance with the applicable provisions of the Act.

INSPECTION BY MEMBERS

(iii) No Member (not being a Director) shall have any right of inspecting any account or books or documents of the Company except as conferred by law or authorised by the Board.

21. WINDING UP

(i) Subject to the applicable provisions of the Act –

(a) 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.

(b) 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.

(c) 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.

(d) Any person who is or has been a Director or manager, whose liability is unlimited under the Act, shall, in addition to his liability, if any, to contribute as an ordinary member, be liable to make a further contribution as if he were at the commencement of winding up, a member of an unlimited company, in accordance with the provisions of the Act.

APPLICATION OF ASSETS

(ii) Subject to the provisions of the Act as to preferential payment the assets of the Company shall, on its winding up, be applied in satisfaction of its liabilities *pari passu* and, subject to such application shall be distributed among the Members according to their rights and interests in the Company.

22. INDEMNITY

DIRECTOR'S AND OTHERS' RIGHT TO INDEMNITY

(i) Subject to the provisions of the Act, every Director and Officer of the Company shall be indemnified by 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. Provided, however, that such indemnification shall not apply in respect of any cost or loss or expenses to the extent it is finally judicially determined to have resulted from the negligence, willful misconduct or bad faith acts or omissions of such Director and/or Officer of the Company.

INSURANCE

(ii) The Company may take and maintain any insurance as the Board may think fit on behalf of its present and/or former directors and key managerial personnel for indemnifying all or any of them against any liability for any acts in relation to the Company for which they may be liable but have acted honestly and reasonably.

AUDIT

(iii) The appointment, removal, remuneration, rights, obligations and duties of the Auditor or Auditors shall be regulated by the provisions of the Act.

MEMBERS TO NOTIFY ADDRESS IN INDIA

(iv) Each registered holder of shares from time to time notify in writing to the Company such place in India to be registered as his address and such registered place of address shall for all purposes be deemed to be his place of residence.

SERVICE ON MEMBERS HAVING NO REGISTERED ADDRESS

(v) If a Member has no registered address in India, and has not supplied to the Company any address within India, for the giving of the notices to him, a document advertised in a newspaper circulating in the neighborhood of Office of the Company shall be deemed to be duly served to him on the day on which the advertisement appears.

SERVICE ON PERSONS ACQUIRING SHARES ON DEATH OR INSOLVENCY OF MEMBERS

(vi) A document may be served by the Company on the persons entitled to a share in consequence of the death or insolvency of a Member by sending it through the post in a prepaid letter addressed to them by name or by the title or representatives of the deceased, assignees of the insolvent by any like description at the address (if any) in India supplied for the purpose by the persons claiming to be so entitled, or (until such an address has been so supplied) by serving the document in any manner in which the same might have been served as if the death or insolvency had not occurred.

NOTICE BY ADVERTISEMENT

(vii) Subject to the provisions of the Act any document required to be served or sent by the Company on or to the Members, or any of them and not expressly provided for by these Articles, shall be deemed to be duly served or sent if advertised in a newspaper circulating in the district in which the Office is situated.

MEMBERS BOUND BY DOCUMENT GIVEN TO PREVIOUS HOLDERS

(viii) Every person, who by the operation of law, transfer or other means whatsoever, shall become entitled to any shares, shall be bound by every document in respect of such share which, previously to his name and address being entered in the Register of Members, shall have been duly served on or sent to the person from whom he derived his title to such share.

(ix) Any notice to be given by the Company shall be signed by the managing Director or by such Director or Secretary (if any) or Officer as the Directors may appoint. The signature to any notice to be given by the Company may be written or printed or lithographed.

SECRECY

(x) No Member shall be entitled to inspect the Company's works without the permission of the managing director/Directors or to require discovery of any information respectively and detail of the Company's trading or any matter which is or may be in the nature of a trade secret, history of trade or secret process which may be related to the conduct of the business of the Company and which in the opinion of the managing director/Directors will be inexpedient in the interest of the Members of the Company to communicate to the public.

GENERAL POWER

(xi) Wherever in the Act, it has been provided that the Company shall have any right, privilege or authority or that the Company could carry out any transaction only if the Company is so authorized by its articles, then and in that case this Article authorizes and empowers the Company to have such rights, privileges or authorities and to carry such transactions as have been permitted by the Act, without there being any specific Article in that behalf herein provided.

(xii) At any point of time from the date of adoption of these Articles, if the Articles are or become contrary to the provisions of the Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015, as amended (the "**Listing Regulations**"), the provisions of the Listing Regulations shall prevail over the Articles to such extent and the Company shall discharge all of its obligations as prescribed under the Listing Regulations, from time to time.

SECTION IX- OTHER INFORMATION

MATERIAL CONTRACTS AND DOCUMENTS FOR INSPECTION

The copies of the following documents and subsisting contracts, which have been entered or are to be entered into by our Company (not being contracts entered into in the ordinary course of business carried on by our Company) which are, or may be deemed material will be attached to the copy of the Red Herring Prospectus and filed with the RoC. Copies of the aforementioned contracts and documents and also the documents for inspection referred to hereunder, may be inspected at our Registered and Corporate Office, between 10.00 am and 5.00 pm on all Working Days and will also be available on the website of our Company at https://patelrpl.in/ from the date of the Red Herring Prospectus until the Bid/Offer Closing Date, except for such contracts and documents that will be entered into or executed subsequent to the completion of the Bid/Offer Closing Date.

1. Material Contracts for the Offer

(a) Offer Agreement dated March 26, 2024 entered into between our Company, the Promoter Selling Shareholders and the BRLM.

(b) Registrar Agreement dated March 18, 2024 entered into between our Company, the Promoter Selling Shareholders and the Registrar to the Offer.

(c) Cash Escrow and Sponsor Bank Agreement dated [●] entered into amongst our Company, the Promoter Selling Shareholders, the BRLM, the Syndicate Members, the Escrow Collection Bank(s), Sponsor Bank(s), Public Offer Bank, the Refund Bank(s) and the Registrar to the Offer.

(d) Share Escrow Agreement dated [●] entered into amongst our Company, the Promoter Selling Shareholders and the Share Escrow Agent.

(e) Syndicate Agreement dated [●] entered into amongst our Company, the Promoter Selling Shareholders, the BRLM, the Syndicate Members and the Registrar to the Offer.

(f) Monitoring Agency Agreement dated [●] entered into between our Company and the Monitoring Agency;

(g) Underwriting Agreement dated [●] entered into amongst our Company, the Promoter Selling Shareholders and the Underwriters.

2. Material Documents

(a) Certified copies of the updated Memorandum of Association and Articles of Association of our Company;

(b) Certificate of incorporation dated June 13, 2007 issued by the Registrar of Companies, Maharashtra, Mumbai;

(c) Certificate of incorporation consequent upon conversion to public limited company dated August 28, 2023 issued by the Registrar of Companies, Maharashtra, Mumbai;

(d) Resolution of our Board and Shareholders dated March 1, 2024 and March 7, 2024 respectively, approving the Offer and other related matters;

(e) Resolution of our Board dated March 29, 2024 and the IPO Committee dated March 29, 2024 taking on record and approving this Draft Red Herring Prospectus;

(f) Consent letter from Dhanji Raghavji Patel dated March 01, 2024 consenting to participate in the Offer for Sale and approving the inclusion of his name as a Promoter Selling Shareholder;

(g) Consent letter from Bechar Raghavji Patel dated March 01, 2024 consenting to participate in the Offer for Sale and approving the inclusion of his name as a Promoter Selling Shareholder;

(h) Copies of the annual reports of our Company for the financial years ended March 31, 2023, 2022 and 2021;

(i) The examination report of the Statutory Auditors dated March 20, 2024, on our Restated Financial Information, included in this Draft Red Herring Prospectus along with the Restated Financial Information;

(j) The Statement of Special Tax Benefits dated March 20, 2024issued by the Statutory Auditors included in this Draft Red Herring Prospectus;

(k) Certificate dated March 29, 2024 issued by Kanu Doshi Associates LLP, Chartered Accountants, the statutory auditors of our Company certifying the Key Performance Indicators ("**KPI**") set out in this Draft Red Herring Prospectus;

(l) Resolution dated March 29, 2024 passed by the Audit Committee approving the KPIs for disclosure;

(m) Written Consent of the Promoter Selling Shareholders, Directors, the BRLM, Registrar to the Offer, Underwriters, Bankers to our Company, Syndicate Members, Escrow Collection Bank(s), Public Offer Bank(s), Refund Bank(s), Sponsor Bank(s), Legal Advisors to the Company as to Indian Law, Company Secretary and Compliance Officer and Chief Financial Officer as referred to in their specific capacities;

(n) Contract of Service dated September 27, 2023 entered into between our Company and Dhanji Raghavji Patel, Managing Director of our Company;

(o) Service letter dated August 01, 2023 entered into between ourCompany and Bechar Raghavji Patel, Whole time Director of our Company

(p) Unsecured loan agreement dated June 30, 2023 between Dhanji Raghavji Patel ("**Lende**r") and our Company ("**Borrower**")

(q) Unsecured loan agreement dated June 30, 2023 between Bechar Raghavji Patel ("**Lender**") and our Company ("**Borrower**")

(r) Unsecured loan agreement dated June 30, 2023 between Hiren Bechar Patel ("**Lender**") and our Company ("**Borrower**")

(s) Written consent dated March 20, 2024 from Kanu Doshi Associates LLP, Chartered Accountants, to include their name as required under section 26 of the Companies Act, 2013 read with SEBI ICDR Regulations, in this Draft Red Herring Prospectus, and as an "expert" as defined under section 2(38) of the Companies Act, 2013 to the extent and in their capacity as our Statutory Auditors, and in respect of their (i) examination report dated March 20, 2024 relating to the Restated Financial Statements; (ii) their report dated March 20, 2024 on the statement of possible special tax benefits, in this Draft Red Herring Prospectus; and such consent has not been withdrawn as on the date of this Draft Red Herring Prospectus. However, the term "expert" shall not be construed to mean an "expert" as defined under the U.S. Securities Act;

(t) Consent from D&B dated March 27, 2024 issued for inclusion of their name and to reproduce the industry report titled "Food & Grocery Retailing in India and Food Processing " dated March 27, 2024 in this Draft Red Herring Prospectus;

(u) Industry Report titled Food & Grocery Retailing in India and Food Processing dated March 27, 2024 prepared by D&B;

(v) Consent dated March 21, 2024 from V N Talithaya, as chartered engineer to include their name as required under Section 26(5) of the Companies Act, 2013, read with SEBI ICDR Regulations, in this Draft Red Herring Prospectus and as an "expert" as defined under Section 2(38) of the Companies Act, 2013, to the extent andin their capacity as independent chartered engineer,in respect of their certificate dated March 21, 2024 on our Company's manufacturing capacity and its utilization at manufacturing facilities.

(w) Tripartite Agreement dated September 14, 2023, entered into between our Company, CDSL and the Registrar to the Company;

(x) Tripartite Agreement dated September 14, 2023, entered into between our Company, NSDL and the Registrar to the Company;

(y) Due Diligence Certificate dated March 29, 2024 addressed to SEBI from the BRLM;

(z) In principle listing approvals dated [●] and [●] issued by BSE and NSE respectively;

(aa) SEBI Final observation letter bearing reference number [●] dated [●].

Any of the contracts or documents mentioned in this Draft Red Herring Prospectus may be amended or modified at any time if so required in the interest of our Company or if required by the other parties, without reference to the Shareholders', subject to compliance with the provisions contained in the Companies Act, 2013 and other applicable law.

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DECLARATION

I hereby certify and declare that all relevant provisions of the Companies Act and the guidelines/ regulations issued by the Government of India or the guidelines/regulations issued by SEBI, established under section 3 of the SEBI Act, as the case may be, have been complied with and no statement made in this Draft Red Herring Prospectus is contrary to the provisions of the Companies Act, the SEBI Act or the rules made or guidelines or regulations issued thereunder, as the case may be. I further certify that all statements made in this Draft Red Herring Prospectus are true and correct.

SIGNED BY THE DIRECTOR OF OUR COMPANY

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DHANJI RAGHAVJI PATEL
CHAIRMAN AND MANAGING DIRECTOR
DIN: 01376164

Date: March 29, 2024
Place: Ambernath, Thane

DECLARATION

I hereby certify and declare that all relevant provisions of the Companies Act and the guidelines/ regulations issued by the Government of India or the guidelines/regulations issued by SEBI, established under section 3 of the SEBI Act, as the case may be, have been complied with and no statement made in this Draft Red Herring Prospectus is contrary to the provisions of the Companies Act, the SEBI Act or the rules made or guidelines or regulations issued thereunder, as the case may be. I further certify that all statements made in this Draft Red Herring Prospectus are true and correct.

SIGNED BY THE DIRECTOR OF OUR COMPANY

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BECHAR RAGHAVJI PATEL
EXECUTIVE DIRECTOR
DIN: 02169626

Date: March 29, 2024
Place: Ambernath, Thane

DECLARATION

I hereby certify and declare that all relevant provisions of the Companies Act and the guidelines/ regulations issued by the Government of India or the guidelines/regulations issued by SEBI, established under section 3 of the SEBI Act, as the case may be, have been complied with and no statement made in this Draft Red Herring Prospectus is contrary to the provisions of the Companies Act, the SEBI Act or the rules made or guidelines or regulations issued thereunder, as the case may be. I further certify that all statements made in this Draft Red Herring Prospectus are true and correct.

SIGNED BY THE DIRECTOR OF OUR COMPANY

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HIREN BECHAR PATEL
NON-EXECUTIVE DIRECTOR
DIN: 01375968

Date: March 29, 2024
Place: Ambernath, Thane

DECLARATION

I hereby certify and declare that all relevant provisions of the Companies Act and the guidelines/ regulations issued by the Government of India or the guidelines/regulations issued by SEBI, established under section 3 of the SEBI Act, as the case may be, have been complied with and no statement made in this Draft Red Herring Prospectus is contrary to the provisions of the Companies Act, the SEBI Act or the rules made or guidelines or regulations issued thereunder, as the case may be. I further certify that all statements made in this Draft Red Herring Prospectus are true and correct.

SIGNED BY THE DIRECTOR OF OUR COMPANY

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YASHWANT SURESH BHOJWANI
NON-EXECUTIVE, INDEPENDENT DIRECTOR
DIN: 03562756

Date: March 29, 2024
Place: Nagpur

DECLARATION

I hereby certify and declare that all relevant provisions of the Companies Act and the guidelines/ regulations issued by the Government of India or the guidelines/regulations issued by SEBI, established under section 3 of the SEBI Act, as the case may be, have been complied with and no statement made in this Draft Red Herring Prospectus is contrary to the provisions of the Companies Act, the SEBI Act or the rules made or guidelines or regulations issued thereunder, as the case may be. I further certify that all statements made in this Draft Red Herring Prospectus are true and correct.

SIGNED BY THE DIRECTOR OF OUR COMPANY

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NITIN PANDURANG PATIL
NON-EXECUTIVE, INDEPENDENT DIRECTOR
DIN: 08431287

Date: March 29, 2024
Place: Singapore

DECLARATION

I hereby certify and declare that all relevant provisions of the Companies Act and the guidelines/ regulations issued by the Government of India or the guidelines/regulations issued by SEBI, established under section 3 of the SEBI Act, as the case may be, have been complied with and no statement made in this Draft Red Herring Prospectus is contrary to the provisions of the Companies Act, the SEBI Act or the rules made or guidelines or regulations issued thereunder, as the case may be. I further certify that all statements made in this Draft Red Herring Prospectus are true and correct.

SIGNED BY THE DIRECTOR OF OUR COMPANY

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HARSHINI VIKAS JADHAV
NON-EXECUTIVE, INDEPENDENT DIRECTOR
DIN: 10350490

Date: March 29, 2024
Place: Ambernath, Thane

DECLARATION

I hereby certify and declare that all relevant provisions of the Companies Act and the guidelines/ regulations issued by the Government of India or the guidelines/regulations issued by SEBI, established under section 3 of the SEBI Act, as the case may be, have been complied with and no statement made in this Draft Red Herring Prospectus is contrary to the provisions of the Companies Act, the SEBI Act or the rules made or guidelines or regulations issued thereunder, as the case may be. I further certify that all statements made in this Draft Red Herring Prospectus are true and correct.

SIGNED BY THE KEY MANAGERIAL PERSONNEL OF OUR COMPANY

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MANISH RAMBABU AGARWAL
CHIEF FINANCIAL OFFICER

Date: March 29, 2024
Place: Ambernath, Thane